

Earnings Preview 3QFY24

EPS Estimate for 3QFY24

PKR	3Q24e	y/y	9M'24e	y/y
PSO	14.25	-51%	30.76	40%
APL	25.02	-28%	87.71	11%

DPS Estimate for 2QFY24

PKR	3QFY24e	9MFY24e
PSO	-	-
APL	-	10.0

Exhibit: OMC Sector Historical Earnings (PKRbn)

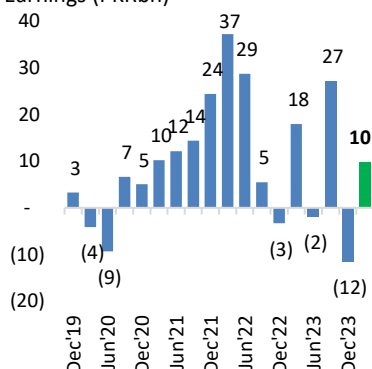
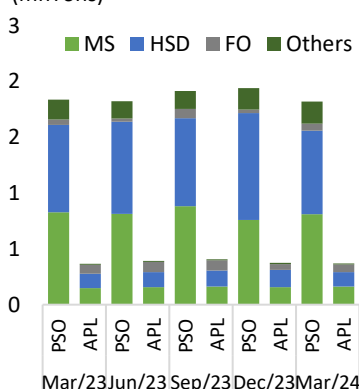


Exhibit: Quarterly sales volumes - (mnTons)



Source: OCAC, Company Financials

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Oil & Gas Marketing Companies

Sector Profitability to Decline by 45%y/y Amid Lower Inventory Gains

- IGI OMC universe is expected to post a profit of PKR 9.8bn in 3QFY24 compared to PKR 17.9bn in the same period last year. Earnings decline is expected on the back of lower inventory gains and volumes. Drop in earnings is likely to be limited by higher OMC margins on MS and HSD.
- Pakistan State Oil Company Limited's (PSO) board meeting is scheduled on 26th-Apr-2024 to announce financial result for 3QFY24 where we expect the Company to register earnings of PKR 6.70bn (EPS: PKR 14.3) during 3QFY24 compared to PKR 13.6bn (EPS: PKR 29.07) in the same period last year. On a quarterly basis, profit is expected to improve owing to inventory gains despite decline in total volumes.
- Attock Petroleum Limited's (APL) board meeting is scheduled on 25th-Apr-2024 to announce financial result for 3QFY24 where we expect the Company to report earnings of PKR 3.11bn (EPS: PKR 25.02) down by 28%y/y during 3QFY24 compared to PKR 4.3bn (EPS: PKR 34.5) in the same period last year. On a quarterly basis earnings are expected to improve by +23%q/q on the back of inventory gains despite drop in total volumes.

OMC Sector to report a earnings of PKR 9.8bn during 3QFY24

IGI OMC universe is expected to post a profit of PKR 9.8bn in 3QFY24 compared to PKR 17.9bn in the same period last year. Earnings decline is expected on the back of lower inventory gains and volumes. Drop in earnings is likely to be limited by higher OMC margins on MS and HSD. On sequential basis, earnings are expected to improve owing to inventory gains as against losses in 2QFY24.

Exhibit: OMC sector profit after tax preview for 3QFY24 PKR per share

	3q'24e	2q'24	q/q	3q'23	y/y	9M'24e	9M'23	y/y
PSO	14.3	-30.1	n/m	29.1	-51%	30.8	21.9	40%
APL	25.0	20.4	23%	34.5	-28%	87.7	79.1	11%
Total (PKRbn)	9.8	-11.6	n/m	17.9	-45%	25.4	20.1	26%

Source: Company accounts, IGI Research

PSO: Earnings to clock in at PKR 14.3/share during 3QFY24

Pakistan State Oil Company Limited's (PSO) board meeting is scheduled on 26th-Apr-2024 to announce financial result for 3QFY24 where we expect the Company to register earnings of PKR 6.70bn (EPS: PKR 14.3)

during 3QFY24 compared to PKR 13.6bn (EPS: PKR 29.07) in the same period last year. On a quarterly basis, profit is expected to improve owing to inventory gains despite decline in total volumes. We attribute the decline in earnings during 3QFY24 on yearly basis to a) lower inventory gains and, b) higher finance cost. However, higher OMC margin for MS and HSD are likely to keep the profitability decline limited during 3QFY24. This brings total profitability for 9MFY24 to PKR 14.44bn (EPS PKR 30.8) compared to PKR 10.3bn (EPS PKR 21.9) in the similar period last year.

APL: Earnings to decline by 28%/y during 3QFY24 to PKR 25.02/share

Attock Petroleum Limited's (APL) board meeting is scheduled on 25th-Apr-2024 to announce financial result for 3QFY24 where we expect the Company to report earnings of PKR 3.11bn (EPS: PKR 25.02) down by 28%/y during 3QFY24 compared to PKR 4.3bn (EPS: PKR 34.5) in the same period last year. On a quarterly basis earnings are expected to improve by +23%q/q on the back of inventory gains despite drop in total volumes. We attribute drop in earnings on yearly basis during 3QFY24 to a) lower inventory gains and, b) 14%/y decline in FO sales despite higher OMC margins. This brings total profitability for 9MFY24 to PKR 10.91bn (EPS PKR 87.7), up by +11%/y.

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