Sector

COMMERCIAL BANKS

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Symbol: **ABL**
Current Price: **PKR 175.55**
Market Cap (PKR bn): **201.01**
Total Shares (bn): **1.14**
Free Float (mn): **114.50**
52 Week High: **PKR 215.00**
52 Week Low: **PKR 152.05**

Allied Bank Limited (ABL)

Allied Bank Limited (ABL) reported earnings per share of PKR 31.73 for CY25, compared to earnings per share of PKR 38.77 in CY24. Furthermore, in 2QCY26, the company reported earnings per share of PKR 6.69, compared to earnings per share of PKR 8.30 in the same period last year (SPLY).

As of June 30, 2026, Allied Bank operates a total network of 1,537 branches, comprising 1,126 conventional branches, 31 dedicated Islamic branches, and 389 Islamic banking windows.

Total customer accounts have surpassed 11mn, while total assets reached PKR 3,755bn, registering an 11% increase from PKR 3,370bn in Dec'25.

Net investments expanded by 16% to PKR 2,483bn, compared with PKR 2,127bn in Dec'25, reflecting the bank's strategy of deploying surplus liquidity into investment securities.

Advances declined slightly to PKR 757bn from PKR 780bn, reflecting a cautious lending approach and continued portfolio optimization. Meanwhile, deposits expanded by 12% to PKR 2,618bn from PKR 2,346bn in Dec'25.

The CASA ratio remained at 80%, with CASA deposits standing at PKR 2,091 bn. Notably, current accounts surpassed the PKR 1 trillion milestone for the first time in ABL's history.

The Capital Adequacy Ratio remained robust at 24.9%, among the highest in the banking industry, supported by an equity base of PKR 258 bn. ABL is targeting a cost to income ratio of 49–50%.

Non performing loans remained contained at PKR 11.7 bn, while the infection ratio stood at a low 1.5%, remaining among the lowest across peer banks. Gross ADR stood at 29.4%.

ABL recorded 12% deposit growth during the first six months of the year and expects full year deposit growth to remain around 12–13%. Current accounts are expected to settle at approximately 39–40% of the overall deposit mix.

Given prevailing global and regional geopolitical uncertainties, management acknowledged that forecasting remains challenging. Nevertheless, it expects the policy rate to remain unchanged at current levels through the end of 2026.

The average yield on the fixed rate portfolio stands at slightly above 11%, while the floating rate portfolio yields approximately 12%. Spreads on individual floating rate instruments range between 80–100bps, with some instruments carrying spreads of up to 180bps depending on their purchase dates, resulting in an overall average floating portfolio yield of around 12%.

ABL's PIB portfolio is broadly balanced between fixed and floating instruments, with 51% allocated to floating rate PIBs and 49% to fixed rate PIBs.

Management expects healthy fee income growth, supported by a strong increase in debit card transactions and new user acquisitions.

Banks are now required to bear the cost of rebates paid to overseas remittance partners. While this is expected to increase operating costs, ABL expects to fully offset the impact through higher trade volumes and improved exchange margins.

PKR 'Mn (Consolidated)	CY24	CY25	YoY	2QCY25	2QCY26	YoY
Mark-up/interest revenue	376,907	297,322	-21%	71,964	87,858	22%
Mark-up/interest expense	-261,543	-192,218	-27%	-45,641	-62,519	37%
Net mark-up/interest income	**115,364**	**105,104**	**-9%**	**26,322**	**25,340**	**-4%**
Fee and commission income	16,178	19,053	18%	4,639	4,636	0%
Dividend income	3,018	2,903	-4%	524	811	55%
Share of profit of associates and joint venture	826	671	-19%	156	252	62%
Foreign exchange income	6,690	5,193	-22%	1,216	2,152	77%
Gain/(loss) on securities - net	3,444	2,920	-15%	942	706	-25%
Other income	1,005	1,002	0%	290	820	183%
Total non-mark-up/interest income	31,160	31,743	2%	7,767	9,378	21%
Total income	**146,525**	**136,846**	**-7%**	**34,089**	**34,718**	**2%**
Operating expenses	-57,754	-66,823	16%	-16,649	-18,884	13%
Workers welfare fund	-1,447	-1,519	5%	-387	-320	-17%
Other charges	-319	-354	11%	-140	-111	-21%
Profit / (Loss) before credit loss allowance	87,004	68,151	-22%	16,912	15,402	-9%
Credit loss allowance and write offs - net	2,710	7,641	182%	3,178	122	-96%
Profit before tax	89,714	75,792	-16%	20,091	15,525	-23%
Taxation	-45,325	-39,463	-13%	-10,583	-7,859	-26%
Profit after taxation	**44,389**	**36,329**	**-18%**	**9,507**	**7,666**	**-19%**
EPS - Basic	38.77	31.73		8.30	6.69	
DPS	16	16		4	4	

Important Disclosures

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