

Pakistan Cement Sector

Local sales are expected to increase by 5% YoY and 12% MoM

- Pakistan's local cement dispatches are likely to increase by 5% YoY and 12% MoM, reaching 3.69mn tons in September 2026.
- Local cement dispatches are expected to register YoY growth, driven by rising demand in the South, supported by provincial government infrastructure projects and ongoing housing construction activity.
- Considering above sales figures, the average daily domestic sales for the sector is expected to clock in at 123.0k tons/day in September 2026 which is higher than the last five-year average September sales of 119.3k tons/day.
- Cement exports are expected to increase by 8% YoY and 19% MoM to 0.90mn tons in September 2026, primarily driven by higher exports from the South. Additionally, exports by POWER and DGKC are projected to rise by 223% YoY and 86% YoY, respectively, during the month.
- This brings Pakistan's total cement sales to around 4.59mn tons in September 2026, up 5% YoY and 14% MoM.
- Total cement capacity utilization in September 2026 is estimated to clock in at 65.1% vs 61.9% in September 2025 and 57.3% in August 2026.
- According to the Pakistan Bureau of Statistics (PBS), the average retail price of cement increased by PKR 1 per bag MoM to PKR 1,545 in the South, while it declined by PKR 12 per bag MoM to PKR 1,552 in the North.
- **Outlook:** We expect local cement demand to remain at 8% in FY27, supported by improved fiscal space, moderating inflation, and a lower interest rate environment. In addition, the resumption of cement exports to Afghanistan is likely to provide further support to overall cement dispatches.
- We expect coal prices to hover around USD 100/ton, citing reduced global demand for the commodity due to environmental concerns.
- We maintain our over-weight stance on cement sector where **DGKC**, **FCCL**, **LUCK** and **MLCF** are our top picks.

Tuesday, September 29, 2026

Cement Sales: Sep-2026E

Mn tons	Sep-26E	Sep-25A	YoY	MoM
Local	3.69	3.53	5%	12%
North	3.03	3.02	0%	13%
South	0.66	0.51	30%	12%
Export	0.90	0.83	8%	19%
Total	4.59	4.36	5%	14%

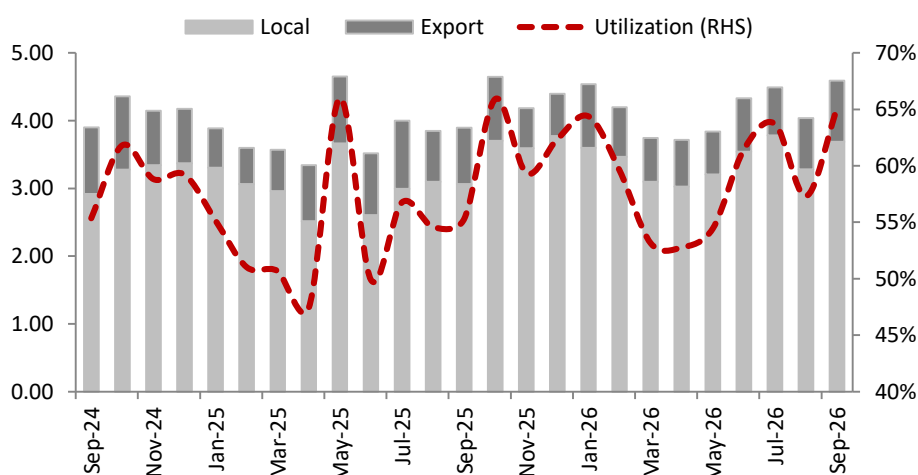
Source: APCMA, BMA Research

Cement Sales: 1QFY27E

Mn tons	1QFY27E	1QFY26A	YoY
Local	10.75	10.07	7%
North	8.81	8.38	5%
South	1.93	1.69	14%
Export	2.36	2.59	-9%
Total	13.11	12.66	4%

Source: APCMA, BMA Research

Cement Dispatches (Mn tons)



Source: APCMA, BMA Research

BMA Research

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Company wise cement dispatches

Company Wise	Sep-26E	Sep-25A	YoY	Aug-26A	MoM	1QFY27E	1QFY26A	YoY
LUCK	868,742	843,096	3%	759,326	14%	2,496,278	2,419,837	3%
Local	593,256	564,288	5%	527,748	12%	1,736,069	1,610,673	8%
Exports	275,487	278,808	-1%	231,578	19%	760,210	809,164	-6%
DGKC	652,077	475,300	37%	564,127	16%	1,719,005	1,349,270	27%
Local	326,381	300,652	9%	290,342	12%	947,514	863,055	10%
Exports	325,696	174,648	86%	273,785	19%	771,491	486,215	59%
MLCF	343,501	370,377	-7%	305,571	12%	996,478	1,000,682	0%
Local	343,501	348,975	-2%	305,571	12%	996,478	946,620	5%
Exports	0	21,402	NM	0	NM	0	54,062	NM
BWCL	631,730	631,805	0%	561,974	12%	1,832,422	1,703,899	8%
Local	631,730	616,540	2%	561,974	12%	1,832,422	1,661,455	10%
Exports	0	15,265	NM	0	NM	0	42,444	NM
PIOC	199,160	205,096	-3%	177,169	12%	574,880	548,397	5%
Local	199,160	205,096	-3%	177,169	12%	574,880	548,397	5%
Exports	0	0	NM	0	NM	0	0	NM
CHCC	203,902	234,157	-13%	181,387	12%	577,393	699,691	-17%
Local	203,902	194,209	5%	181,387	12%	577,393	543,171	6%
Exports	0	39,948	NM	0	NM	0	156,520	NM
ACPL	301,985	255,784	18%	260,791	16%	817,576	829,515	-1%
Local	141,687	103,153	37%	126,042	12%	417,467	336,786	24%
Exports	160,298	152,631	5%	134,749	19%	400,109	492,729	-19%
KOHC	227,056	270,967	-16%	201,984	12%	660,722	699,777	-6%
Local	227,056	239,796	-5%	201,984	12%	660,722	650,351	2%
Exports	0	31,171	NM	0	NM	0	49,426	NM
FCCL	488,916	515,357	-5%	434,930	12%	1,421,549	1,502,755	-5%
Local	488,916	442,382	11%	434,930	12%	1,421,549	1,237,742	15%
Exports	0	72,975	NM	0	NM	0	265,013	NM
POWER	128,239	97,018	32%	114,079	12%	806,733	589,007	37%
Local	128,239	97,018	32%	114,079	12%	375,023	359,582	4%
Exports	138,519	42,951	223%	116,441	19%	431,710	229,425	88%
GWCL	68,944	115,037	-40%	61,331	12%	235,996	317,379	-26%
Local	68,944	115,037	-40%	61,331	12%	235,996	317,379	-26%
Exports	0	0	NM	0	NM	0	0	NM
THCCL	21,290	31,612	-33%	18,939	12%	62,729	94,835	-34%
Local	21,290	31,612	-33%	18,939	12%	62,729	94,835	-34%
Exports	0	0	NM	0	NM	0	0	NM

Source: APCMA, BMA Research

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Old rating system

Valuation Methodology

To arrive at our period end target prices, BMA Capital uses different valuation methodologies including

- Discounted cash flow (DCF, DDM)
- Relative Valuation (P/E, P/B, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)