

Pakistan Economy

Sep'26: CPI clocked in at 10.3%YoY

01-Oct-2026

REP-300



Best Broker: '25
Best Bank for Research: '25
Best Investment Bank for M&A: '25
Best for Research: '24
Best for Diversity & Inclusion: '24
Best Investment Bank: '23



Best Securities House: '23
Best Investment Bank: '23



Best Corporate Finance House: '25, '23-'13
Best Brokerage House: '23 - '21
Best Brokerage House (Runner-up): '25-'24
Best Economic Research House: '23-'21
Best Economic Research House (Runner-up): '25-'24



Best Brokerage House:
2023



Best Broker: '26
Best Equity Capital Market House: '26
Best Investment Bank: '26



Top 25 Companies
(17-'19)



Best Gender Equality Bond: '24
Best Equity Advisor: '21



Excellence Award Leading
Brokerage House for RDA '21

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CPI Review

Sep'26: CPI clocked in at 10.3%YoY

- Headline inflation in Sep'26 arrived at 10.3% YoY. This marks an increase from 5.8% in Sep'25. On MoM basis CPI increased by 1.3% in Sep'26. As a result, average inflation for 1QFY27 has jumped to 10.21%, up from 4.30% recorded in the same period last year.
- CPI recorded a YoY increase of 10.3% in Sep'26, primarily driven by rises in categories such as food (+8.2%), housing (+12.4%), clothing and footwear (+9.0%), restaurants and hotels (+6.1%), transport (+27.4%), miscellaneous goods and services (+10.9%), households equipment's (+7.2%), education (+7.8%), health (+7.9%), communication (+13.5%), recreation and culture (+0.6%), and tobacco (+3.0%).
- On a MoM basis, inflation increased by 1.3%, primarily driven by an 3.0% jump in the housing index, reflecting an increase in the electricity charges mainly due to positive FCA of PKR 2.06/KWH. Additionally, transport index witnessed an increase of 5.7% MoM mainly due to increase in fuel prices.
- Core inflation rose to 8.52% YoY in Sep'26, up from 7.27% in Sep'25. As a result, the 1QFY27 average increased to 8.57%, compared with 7.31% in 1QFY26.
- Urban core inflation increased to 8.6% YoY in Sep'26, higher than 7.0% in Sep'25, while rural core inflation also increased to 8.1% YoY compared to 7.8% a year earlier. On a MoM basis, core inflation increased by 0.17% in urban areas, while in rural areas core inflation increased by 0.23% MoM.

Exhibit: Consumer Price Index Sep'26

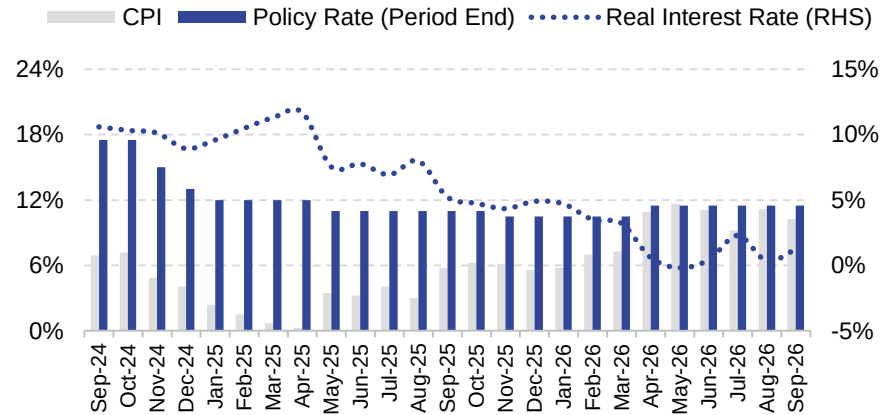
Item	Weight	Sep-26	Sep-25	YoY	Aug-26	MoM
CPI	100.0%	304.3	276.0	10.3%	300.5	1.3%
Food	34.5%	314.6	290.7	8.2%	314.0	0.2%
Housing	23.7%	276.3	245.8	12.4%	268.1	3.0%
Clothing and footwear	8.6%	289.7	265.8	9.0%	289.1	0.2%
Restaurants and hotels	6.9%	310.3	292.5	6.1%	308.2	0.7%
Transport	5.9%	404.0	317.1	27.4%	382.1	5.7%
Miscellaneous	4.9%	376.0	339.0	10.9%	374.1	0.5%
Household equipment	4.1%	300.8	280.5	7.2%	299.5	0.4%
Education	3.8%	240.8	223.4	7.8%	240.4	0.2%
Health	2.8%	301.5	279.5	7.9%	299.4	0.7%
Communication	2.2%	153.7	135.4	13.5%	153.7	0.0%
Recreation and culture	1.6%	268.1	266.5	0.6%	268.6	-0.2%
Tobacco	1.0%	410.2	398.3	3.0%	410.5	-0.1%

Source (s): PBS, AHL Research

CPI Review

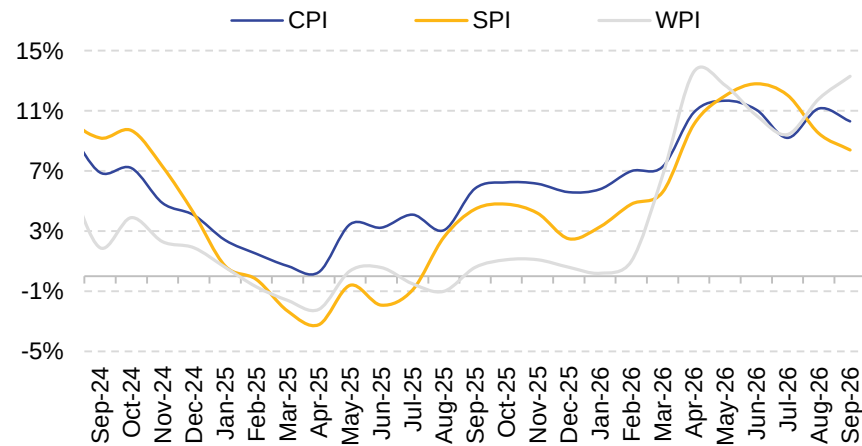
Sep'26: CPI clocked in at 10.3%YoY

Exhibit: CPI, DR & Real Interest Rate



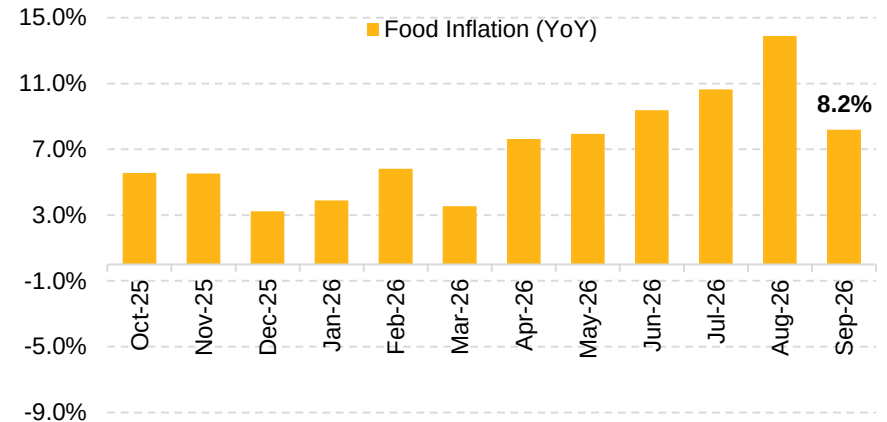
Source (s): PBS, AHL Research

Exhibit: CPI, SPI & WPI (YoY)



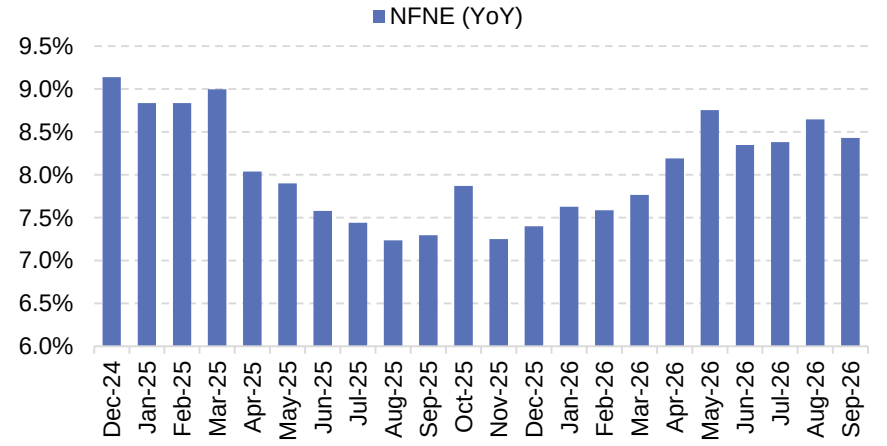
Source (s): PBS, AHL Research

Exhibit: Food Inflation



Source (s): PBS, AHL Research

Exhibit: Non-Food Non-Energy



Source (s): PBS, AHL Research

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HOLD	Upside* of subject security(ies) is between -5% and +10% from last closing of market price(s)
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- Sum of the Parts (SoTP)
- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

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- Exchange Rate (Currency) Risk

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