

Pakistan Refinery Sector

1QFY27: Refinery Upliftment surge 37.3% YoY

02-Oct-2026

REP-300

Zayan Babar Khan

D: +92 21 38280264

zayan.babar@arifhabibltd.com



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

Refinery Upliftment

Sep'26: Refinery Upliftment surge 32.0% YoY

Industry Volumes

- Refinery upliftment surged 32.0% YoY in Sep'26, supported by strong growth in MS, HSD and FO.
- The increase was driven by higher crude production and imports, leading to improved refinery utilization, boosting local product availability and sales to OMCs. Meanwhile, minimal HSD imports led to an 11.2% YoY decline in HSD OMC sales during Sep'26.
- In 1QFY27 the refinery upliftment increased by 37.3% YoY to 3,192k tons, where ATRL and CENERGY outperformed the sector in terms of higher margins products (MS and HSD).

Company wise volumes and market share

- ATRL recorded strong 79.9% YoY growth, led by a 22.7x surge in FO sales, driven by lower curtailment (only two RLNG cargoes arrived during the month) and higher crude flows from newer oil discoveries, supporting higher refinery utilization. Moreover, MS sales increased 49.9% YoY to 52k tons, while HSD offtake rose 21.5% YoY to 61k tons, lifting ATRL's market share to 16.0%, above its historical average of 13.9%.
- On a YoY basis, PRL's total sales increased 45.5% to 151k tons in Sep'26, driven by stronger MS (+101.6% YoY to 26k tons), FO (+41.0% YoY to 39k tons), and HSD (+36.4% YoY to 82k tons) dispatches.
- On a YoY basis, NRL's total sales increased 42.3% to 154k tons in Sep'26, driven by growth across MS and FO dispatches. MS sales rose 18.7% YoY to 27k tons, FO surged 237x YoY to 37k tons, while HSD volumes declined to 82k tons.
- CENERGY's total sales increased 135.6% YoY to 147k tons in Sep'26, as HSD sales grew 110.3% YoY to 72k tons, while FO sales increased 15.5x YoY to 51k tons.

Exhibit: Refinery Upliftment

('000' tons)	Products	Sep-26	Sep-25	YoY	Aug-26	MoM	1QFY27	1QFY26	YoY
Industry	MS	244	205	19.0%	257	-5.1%	763	580	31.6%
	HSD	547	477	14.8%	418	31.0%	1,565	1,252	25.0%
	FO	239	99	140.8%	236	1.3%	700	385	81.9%
	Total	1,084	822	32.0%	964	12.5%	3,192	2,325	37.3%
ATRL	MS	52	35	49.9%	61	-13.3%	186	102	81.7%
	HSD	61	50	21.5%	47	29.0%	176	116	52.7%
	FO	51	2	22.7x	29	76.3%	125	7	1728.8%
	Total	175	97	79.9%	147	18.9%	518	249	108.5%
PRL	MS	26	13	101.6%	28	-8.9%	82	57	44.0%
	HSD	82	60	36.4%	58	41.1%	229	169	35.0%
	FO	39	28	41.0%	39	0.9%	118	79	49.1%
	Total	151	104	45.5%	131	15.2%	446	316	41.3%
NRL	MS	27	23	18.7%	29	-6.3%	89	67	31.9%
	HSD	82	83	-1.3%	75	9.5%	240	210	14.6%
	FO	37	0	n.m	23	57.8%	88	29	201.6%
	Total	154	108	42.3%	131	17.6%	432	314	37.6%
CENERGY	MS	24	25	-2.2%	34	-27.7%	82	45	84.0%
	HSD	72	34	110.3%	55	29.3%	201	117	71.8%
	FO	51	3	15.5x	78	-34.5%	171	82	108.8%
	Total	147	62	135.6%	167	-11.9%	454	243	86.5%
PARCO	MS	114	109	4.4%	105	8.2%	324	308	5.0%
	HSD	251	250	0.5%	183	37.6%	719	640	12.2%
	FO	61	66	-7.4%	67	-9.3%	198	188	5.2%
	Total	457	450	1.7%	388	17.8%	1,340	1,203	11.5%

Source (s): OCAC, AHL research

Industry Production, utilization and throughput

- On a YoY basis, the industry's total refinery production increased by 17.4% to 1,017k tons in Sep'26, supported by improved refinery utilization, supported by higher crude imports and production. MS production rose by 23.1% YoY to 243k tons, while FO production increased by 14.3% YoY to 229k tons, driven by higher power demand. HSD production increased by 20.4% YoY to 533k tons.
- Industry production rose 23.8% YoY to 3.09mn tons in 1QFY27, led by strong growth across MS (+26.6% YoY), HSD (+14.0%) and FO (+40.5%).
- Industry MS, HSD and FO throughput remained broadly stable at 23.9%, 48.5% and 22.5% in Sep'26.
- The industry operated at a utilization rate of 59.5% in Sep'26, compared to 65.1% in Aug'26 and 50.7% in Sep'25.

Company wise Utilization and Throughput

- In Sep'26, ATRL operated at a utilization rate of 71%. MS and FO throughput declined to 35.3% and 16.6% versus historical averages. While HSD throughput improved to 41.7%.
- In Sep'26, PRL operated at a utilization rate of 68%. MS and HSD throughput improved to 19.8% and 49.7%, respectively versus historical averages. While FO throughput remained declined to 26.1%.
- In Sep'26, NRL operated at a 63% utilization rate, with MS and FO throughput improving to 19.4% and 26.2%, respectively, versus historical averages, while HSD throughput declined to 50.6%.
- In Sep'26, CENERGY operated at utilization rate of 26%. MS and HSD throughput rose to 18.1% and 43.6%, respectively, while FO throughput declined to 38.2% versus historical averages.

Exhibit: Total Capacity Utilization

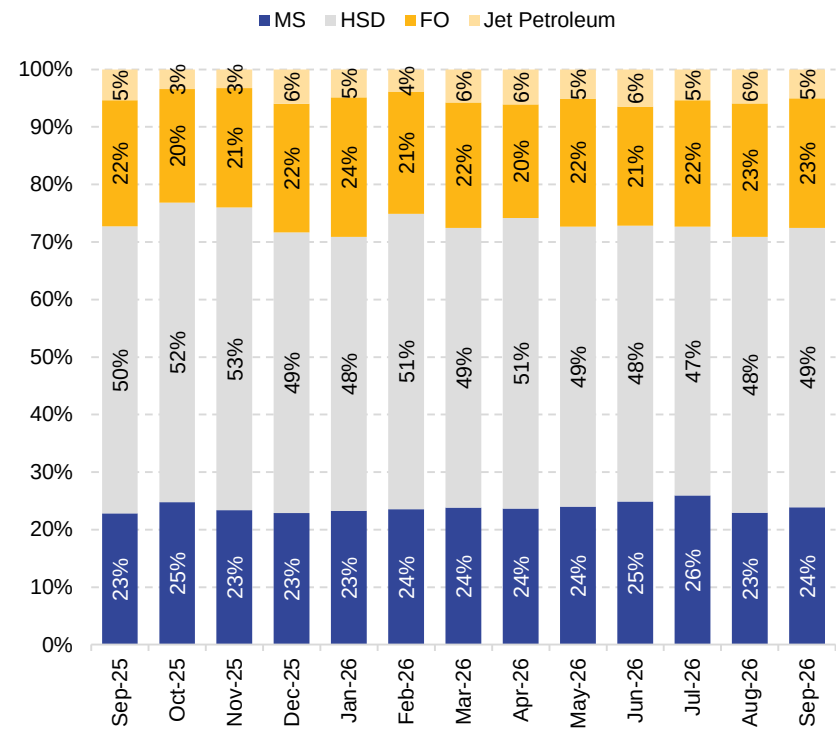
	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
ATRL	59%	69%	56%	86%	74%	71%
PRL	76%	73%	72%	68%	80%	68%
NRL	62%	57%	34%	56%	62%	63%
CENERGY	24%	22%	29%	21%	36%	26%
PARCO	91%	97%	91%	85%	95%	93%

Source: OCAC, AHL Research

Refinery Upliftment

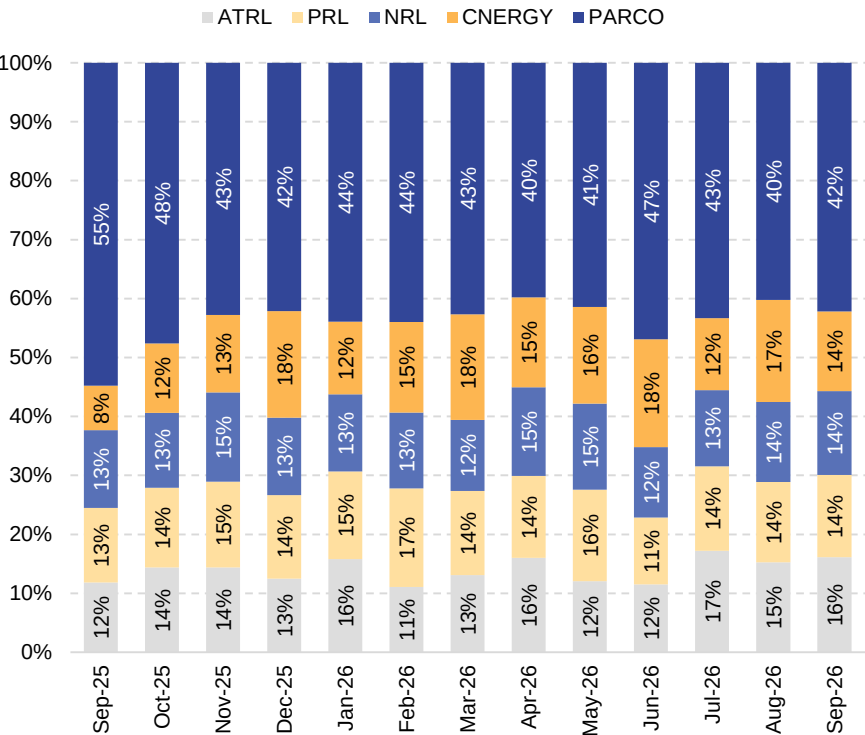
Sep'26: Refinery Upliftment surge 32.0% YoY

Exhibit: Industry throughput



Source (s): OCAC, AHL Research

Exhibit: Company wise market share

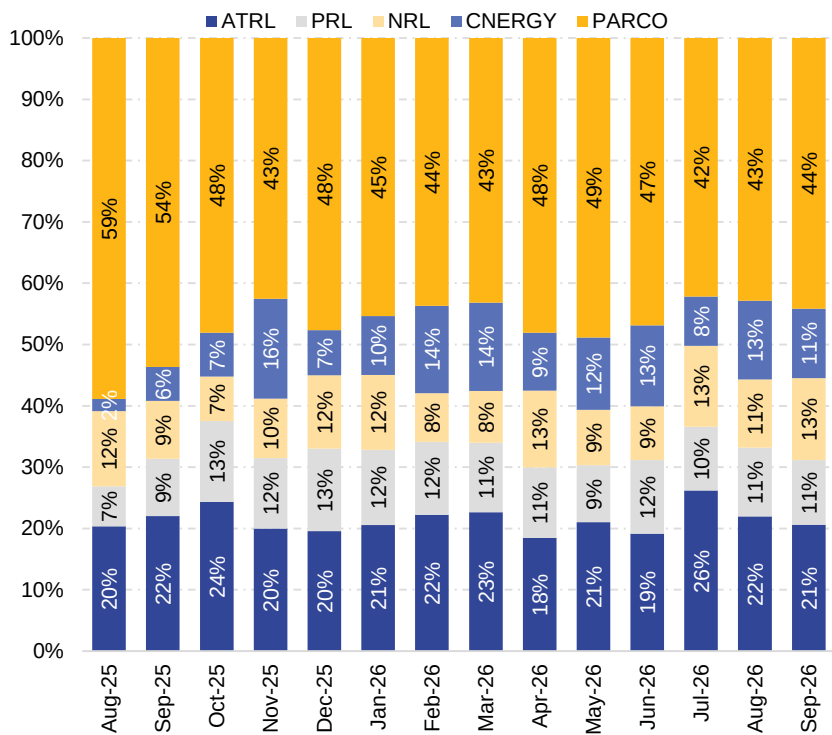


Source (s): OCAC, AHL Research

Refinery Upliftment

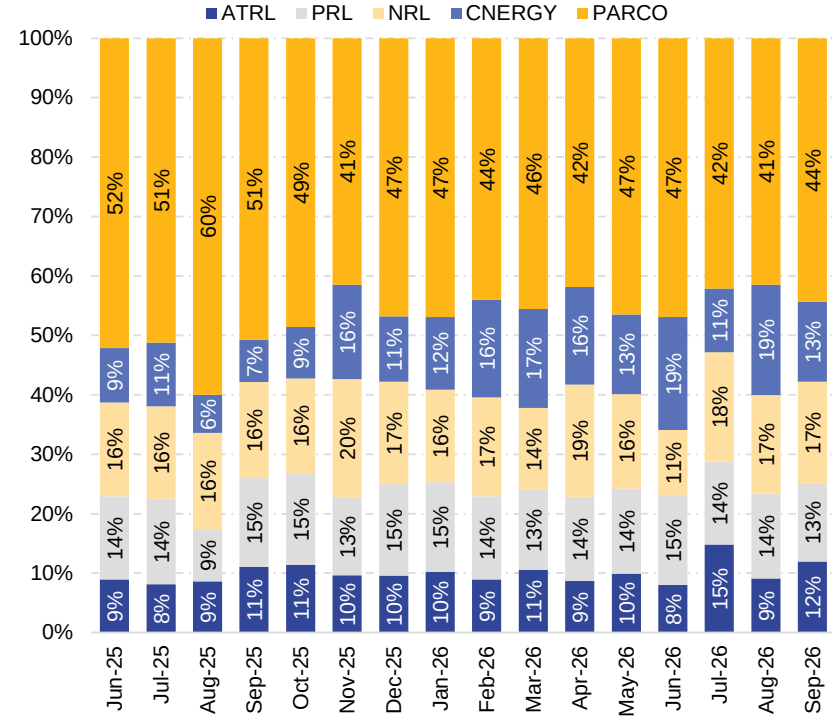
Sep'26: Refinery Upliftment surge 32.0% YoY

Exhibit: MS production share



Source (s): OCAC, AHL Research

Exhibit: HSD production share



Source (s): OCAC, AHL Research

Analyst Certification and Disclaimer

Analyst Certification: The research analyst(s) is (are) principally responsible for preparation of this report. The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject security (ies) or sector (or economy), and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report. In addition, we currently do not have any interest (financial or otherwise) in the subject security (ies). Furthermore, compensation of the Analyst(s) is not determined nor based on any other service(s) that AHL is offering. Analyst(s) are not subject to the supervision or control of any employee of AHL's non-research departments, and no personal engaged in providing non-research services have any influence or control over the compensatory evaluation of the Analyst(s).

Equity Research Ratings

Arif Habib Limited (AHL) uses three rating categories, depending upon return from current market price, with Target period as Dec 2026 for Target Price. In addition, return excludes all type of taxes. For more details, kindly refer the following table;

Rating	Description
BUY	Upside* of subject security(ies) is more than +10% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -5% and +10% from last closing of market price(s)
SELL	Upside* of subject security(ies) is less than -5% from last closing of market price(s)

Equity Valuation Methodology

AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- Discounted Cash Flow (DCF)
- Dividend Discount Model (DDM)
- Sum of the Parts (SoTP)
- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

Risks: The following risks may potentially impact our valuations of subject security (ies);

- Market risk
- Interest Rate Risk
- Exchange Rate (Currency) Risk

Disclaimer: This document has been prepared by Research analysts at Arif Habib Limited (AHL). This document does not constitute an offer or solicitation for the purchase or sale of any security. This publication is intended only for distribution to the clients of the Company who are assumed to be reasonably sophisticated investors that understand the risks involved in investing in equity securities. The information contained herein is based upon publicly available data and sources believed to be reliable. While every care was taken to ensure accuracy and objectivity, AHL does not represent that it is accurate or complete and it should not be relied on as such. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors. The information given in this document is as of the date of this report and there can be no assurance that future results or events will be consistent with this information. This information is subject to change without any prior notice. AHL reserves the right to make modifications and alterations to this statement as may be required from time to time. However, AHL is under no obligation to update or keep the information current. AHL is committed to providing independent and transparent recommendation to its client and would be happy to provide any information in response to specific client queries. Past performance is not necessarily a guide to future performance. This document is provided for assistance only and is not intended to be and must not alone be taken as the basis for any investment decision. The user assumes the entire risk of any use made of this information. Each recipient of this document should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult his or her own advisors to determine the merits and risks of such investment. AHL or any of its affiliates shall not be in any way responsible for any loss or damage that may be arise to any person from any inadvertent error in the information contained in this report.