

Pakistan Cement Sector

05-Oct-2026



Cement dispatches up 4% in 1QFY27

REP-300

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EUROMONEY

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

ASIAMONEY

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

**CFA Society
Pakistan**

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

**INTERNATIONAL
FINANCE**

Best Brokerage House:
2023

FinanceAsia

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

PSX
PAKISTAN
STOCK EXCHANGE
LIMITED

Top 25 Companies
(17-'19)

ASSET ASIAN AWARDS
TRIPLE A

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

CC
CENTRAL
DEPOSITORY
COMPANY

Excellence Award Leading
Brokerage House for RDA '21

Pakistan Cement Sector

Sep'26: Cement sales increased by 6% YoY to 4.62mn tons

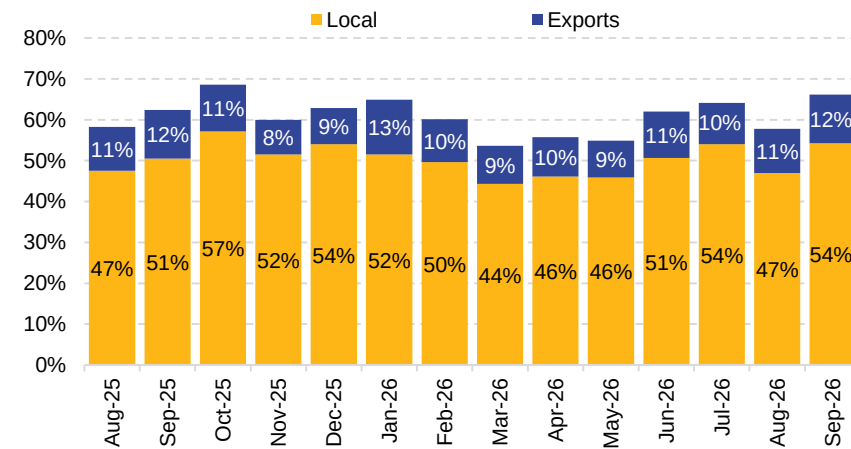
- Total cement dispatches grew 6% YoY to 4.62 million tons in Sep'26, up from 4.36 mn tons in Sep'25. This growth was driven by stronger domestic demand, supported by a full month uninterrupted by monsoons or public holidays. Moreover, in 1QFY27 total cement dispatches increased by 4% YoY to 13.14mn tons.
- Local cement dispatches grew 7% YoY to 3.79mn tons in September (up from 3.53mn tons in SPLY), while exports remained flat at 0.83mn tons. On a MoM basis, total dispatches expanded 15%, driven by a 16% surge in local sales and a 10% increase in exports. For 1QFY27, local dispatches increased 8% YoY to 10.85mn tons, whereas exports dropped 11% YoY to 2.30mn tons.
- Total dispatches from the northern region fell 2.4% YoY to 3.16mn tons during the month, weighed down by zero exports vs 0.22mn tons in SPLY, despite a 5% YoY gain in local sales. Similarly, 1QFY27 total dispatches dropped slightly by 1% YoY to 8.94mn tons, as a strong 7% YoY rise in local dispatches was tempered by no exports throughout the quarter.
- Southern region dispatches grew 30% YoY to 1.46mn tons, driven by a 36% YoY rise in exports to 0.83mn tons and a 24% YoY increase in domestic sales to 0.63mn tons. Similarly, 1QFY27 total dispatches expanded 16% YoY to 4.19mn tons, supported by a 19% YoY gain in exports and a 13% YoY lift in domestic sales.
- Industry-wide capacity utilization clocked in at 66% in Sep'26, with utilization in the North and South regions standing at 57% and 100%, respectively.
- In Sep'26 average cement price rose 10% YoY to PKR 1,549/bag. Prices in the North increased 12% to PKR 1,552/bag, while the South saw a 7% rise to PKR 1,545/bag. In 1QFY27, average prices rose 9% YoY to PKR 1,545/bag.

Exhibit: Cement Dispatches

(000) tons	Sep-26	Aug-26	MoM	Sep-25	YoY	1QFY27	1QFY26	YoY
North	3,164	2,691	17.5%	3,242	-2.4%	8,947	9,039	-1.0%
Local	3,164	2,691	17.5%	3,021	4.7%	8,947	8,377	6.8%
Exports	-	0	nm	221	nm	0	662	nm
South	1,459	1,348	8.3%	1,119	30.4%	4,196	3,616	16.0%
Local	627	591	6.1%	508	23.5%	1,901	1,689	12.6%
Exports	832	757	10.0%	611	36.3%	2,295	1,927	19.1%
Total	4,623	4,039	14.5%	4,361	6.0%	13,144	12,655	3.9%
Local	3,791	3,283	15.5%	3,529	7.4%	10,849	10,067	7.8%
Exports	832	757	10.0%	832	0.0%	2,295	2,589	-11.4%

Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization



Source (s): APCMA, AHL Research

Pakistan Cement Sector

Sep'26: Cement sales increased by 6% YoY to 4.04mn tons

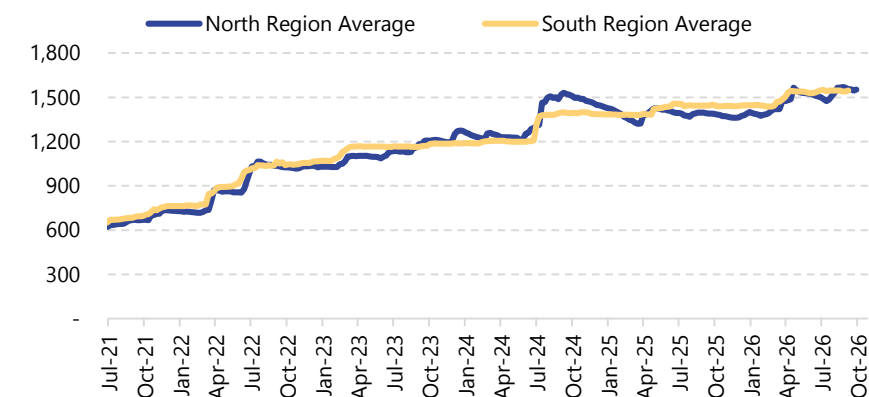
- In Sep'26, **DGKC's** dispatches grew 14% YoY to 0.54mn tons, driven by a 17% rise in exports and a 12% increase in domestic sales. Furthermore, total dispatches rose 19% 1QFY27 to 1.61mn tons, supported by a 33% YoY surge in exports and an 11% YoY gain in domestic dispatches.
- FCCL's** dispatches rose 1% YoY to 0.52mn tons in Sep'26, driven by a 17% gain in domestic sales that offset a complete absence of exports. In 1QFY27, total dispatches fell 3% YoY to 1.45mn tons due to no exports, despite a 17% YoY increase in domestic dispatches.
- KOHC's** total dispatches fell 10% YoY to 0.25mn tons in Sep'26, weighed down by zero exports vs last year, despite a 2% YoY gain in domestic dispatches. In 1QFY27, total dispatches declined 3% YoY to 0.68mn tons due to lower exports, while domestic sales rose 4% YoY.
- LUCK's** total dispatches grew 6% YoY to 0.89mn tons in Sep'26, supported by 6% YoY gains in both domestic sales to 0.59mn tons and exports to 0.29mn tons. In 1QFY27, total dispatches rose 4% YoY to 2.52mn tons as an 8% YoY increase in domestic sales offset a 4% YoY decline in exports.
- MLCF's** total dispatches edged down 2% YoY to 0.36mn tons in Sep'26, weighed down by zero exports vs last year, while local dispatches rose 4% YoY to 0.36mn tons. In 1QFY27, total dispatches grew 2% YoY to 1.02mn tons, driven by a 7% YoY increase in local sales.
- POWER's** total dispatches surged 95% YoY to 0.27mn tons in Sep'26, driven by a 4x jump in exports alongside a 24% YoY rise in domestic sales. Total dispatches grew 38% YoY in 1QFY27 to 0.81mn tons, supported by a 94% YoY increase in exports and a 2% YoY gain in domestic dispatches.
- Outlook:** Driven by an anticipated economic recovery, cement demand is expected to strengthen in FY27, supported by budgetary incentives, lower interest rates, and improving construction activity. A rebound in international demand is also expected to support exports, with total cement dispatches projected to grow 7–8% YoY.

Exhibit: Cement Dispatches - Company Wise

(000) tons	Sep-26	Aug-26	MoM	Sep-25	YoY	1QFY27	1QFY26	YoY
POWER	272	231	18%	140	95%	812	589	38%
ACPL	320	261	23%	256	25%	835	830	1%
DGKC	543	564	-4%	475	14%	1,609	1,349	19%
LUCK	891	759	17%	843	6%	2,518	2,420	4%
BWCL	667	562	19%	632	6%	1,868	1,704	10%
PIOC	210	177	19%	205	3%	586	548	7%
FCCL	519	435	19%	515	1%	1,452	1,503	-3%
FECTC	87	72	21%	87	1%	238	243	-2%
MLCF	365	306	19%	370	-2%	1,018	1,001	2%
KOHC	245	202	21%	271	-10%	679	700	-3%
CHCC	209	181	15%	235	-11%	582	700	-17%
GWLC	53	61	-14%	115	-54%	220	317	-31%

Source (s): APCMA, AHL Research

Exhibit: Historical Trend of Cement Prices (PKR/bag)

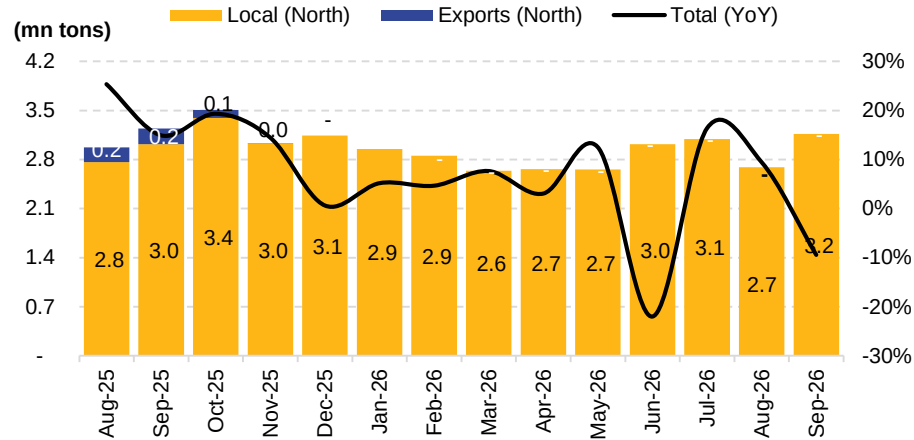


Source (s): PBS, AHL Research

Pakistan Cement Sector

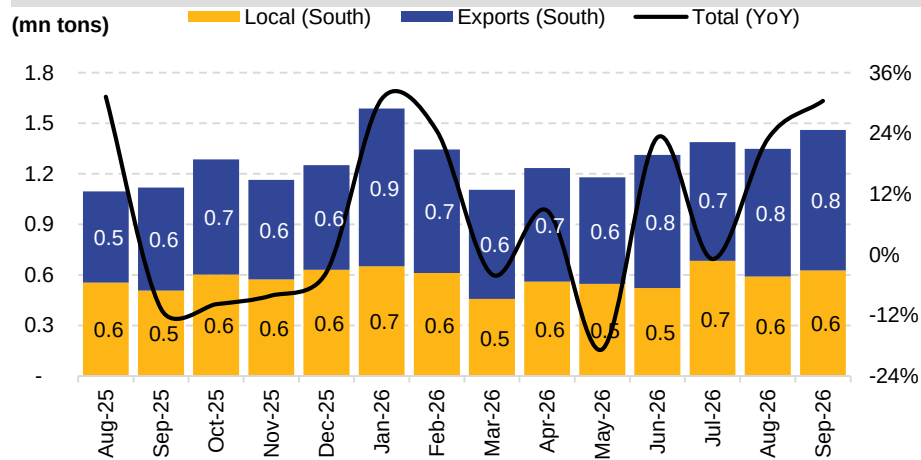
Region-wise dispatches trend & capacity utilization

Exhibit: North region dispatches



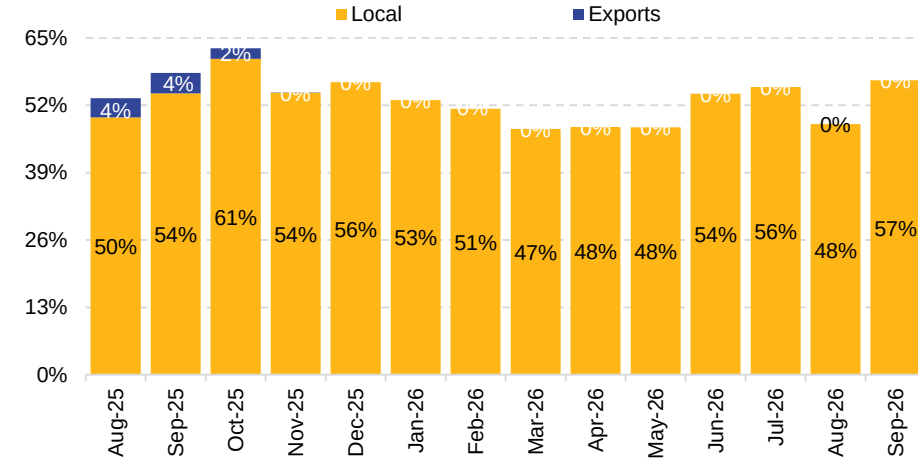
Source (s): APCMA, AHL Research

Exhibit: South region dispatches



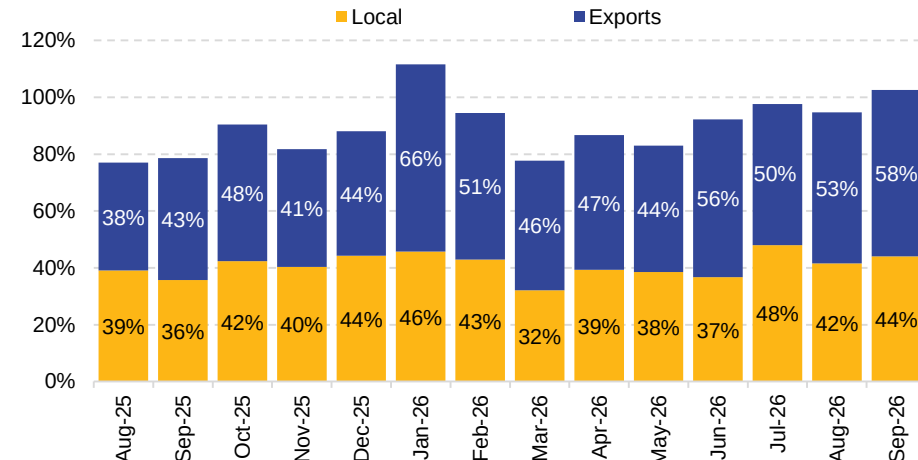
Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization (North)



Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization (South)



Source (s): APCMA, AHL Research

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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)

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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

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