Pakistan Cement Sector



05-Nov-2026

Cement dispatches up 3% in 4MFY27

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

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

FinanceAsia

Best Broker:'26
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Best Gender Equality Bond: '24
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CDC Central Depository Company

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Pakistan Cement Sector

Oct'26: Cement sales increased by 1% YoY to 4.84mn tons

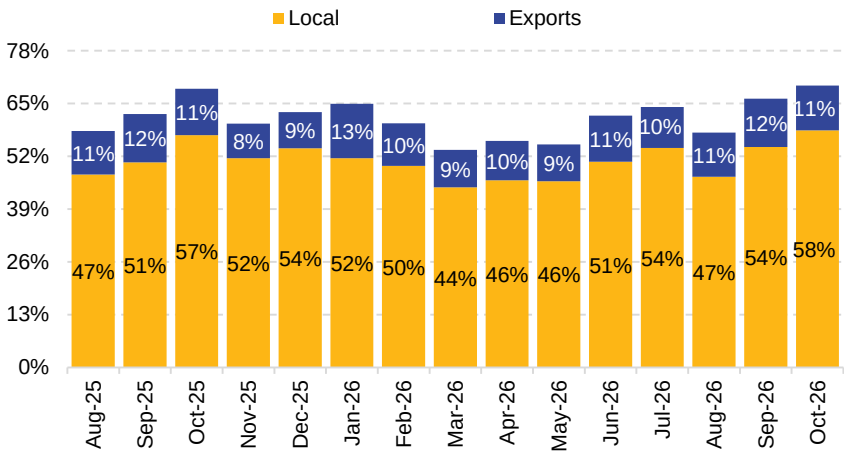
- Total cement dispatches increased marginally by 1% YoY to 4.84mn tons in Oct'26, compared to 4.79mn tons in Oct'25. The modest growth was primarily driven by an uptick in domestic demand.
- Local cement dispatches rose 2% YoY to 4.08mn tons in Oct'26, while exports declined to 0.77mn tons. On a MoM basis, total dispatches increased 5%, driven by an 8% rise in domestic sales, despite an 8% decline in exports. During 4MFY27, local dispatches grew 6% YoY to 14.92mn tons, offsetting a 10% decline in exports to 3.06mn tons, resulting in 3% growth in total dispatches to 17.99mn tons.
- Northern region dispatches declined 2% YoY to 3.43mn tons in Oct'26, as the absence of exports (vs. 0.11mn tons in SPLY) offset a 1% increase in local sales. Similarly, 4MFY27 dispatches fell 1% YoY to 12.38mn tons, as 5% growth in domestic sales was offset by zero exports during the period.
- Dispatches from the southern region increased by 10% YoY to 1.41mn tons in Oct'26, supported by a 12% YoY rise in exports to 0.77mn tons and a 7% YoY increase in domestic sales to 0.64mn tons. Similarly, during 4MFY27, total dispatches grew by 14% YoY to 5.61mn tons, driven by a 17% YoY increase in exports and an 11% YoY rise in domestic sales.
- Industry-wide capacity utilization stood at 69% in Oct'26, with regional utilization levels at 58% in the North and 97% in the South.
- In Oct'26 average cement price rose 14% YoY to PKR 1,592/bag. Prices in the North increased 17% to PKR 1,607/bag, while the South saw a 9% rise to PKR 1,565/bag. In 4MFY27, average prices rose 11% YoY to PKR 1,556/bag.

Exhibit: Cement Dispatches

(000) tons	Oct-26	Sep-26	MoM	Oct-25	YoY	4MFY27	4MFY26	YoY
North	**3,435**	**3,164**	**8.6%**	**3,508**	**-2.1%**	**12,382**	**12,547**	**-1.3%**
Local	3,435	3,164	8.6%	3,393	1.2%	12,382	11,770	5.2%
Exports	-	-	nm	115	nm	0	777	nm
South	**1,413**	**1,459**	**-3.2%**	**1,286**	**9.8%**	**5,609**	**4,902**	**14.4%**
Local	644	627	2.6%	602	6.9%	2,545	2,291	11.1%
Exports	769	832	-7.6%	684	12.4%	3,064	2,611	17.3%
Total	**4,847**	**4,623**	**4.9%**	**4,794**	**1.1%**	**17,991**	**17,449**	**3.1%**
Local	**4,079**	**3,791**	**7.6%**	**3,995**	**2.1%**	**14,927**	**14,061**	**6.2%**
Exports	**769**	**832**	**-7.6%**	**799**	**-3.8%**	**3,064**	**3,388**	**-9.6%**

Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization



Source (s): APCMA, AHL Research

Pakistan Cement Sector

Oct'26: Cement sales increased by 1% YoY to 4.84mn tons

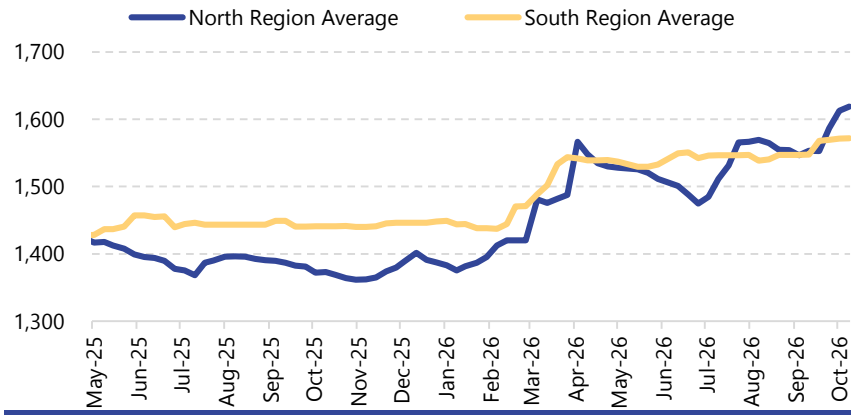
- In Oct'26, **DGKC's** total dispatches increased by 14% YoY to 0.61mn tons, driven by a 66% surge in exports, which offset a 6% decline in domestic sales. Similarly, 4MFY27 dispatches grew by 18% YoY to 2.22mn tons, supported by a 42% increase in exports and a 6% rise in domestic dispatches.
- **FCCL's** dispatches increased by 10% YoY to 0.56mn tons in Oct'26, driven by a 20% rise in domestic sales, which offset the absence of exports. During 4MFY27, dispatches remained flat YoY at 2.01mn tons, as an 18% increase in domestic sales was offset by zero exports.
- **KOHC's** dispatches remained largely flat YoY at 0.27mn tons in Oct'26, as the absence of exports offset an 8% increase in domestic sales. During 4MFY27, total dispatches declined by 2% YoY to 0.95mn tons due to zero exports, despite a 5% rise in domestic sales.
- **LUCK's** total dispatches remained flat YoY at 0.91mn tons in Oct'26, as a 3% increase in domestic sales to 0.65mn tons offset a decline in exports to 0.25mn tons. During 4MFY27, total dispatches grew by 3% YoY to 3.42mn tons, supported by a 6% increase in domestic sales, which offset a 5% decline in exports.
- **MLCF's** total dispatches declined by 6% YoY to 0.40mn tons in Oct'26, primarily due to the absence of exports, while domestic dispatches fell by 2% YoY. During 4MFY27, total dispatches edged down by 1% YoY to 1.42mn tons, as the absence of exports offset a 5% increase in domestic sales.
- **POWER's** total dispatches surged by 28% YoY to 0.22mn tons in Oct'26, driven by a 77% increase in exports and a 5% rise in domestic sales. Similarly, 4MFY27 dispatches grew by 36% YoY to 1.03mn tons, supported by a 91% surge in exports and a 3% increase in domestic dispatches.
- **Outlook:** Cement demand is expected to strengthen in FY27 amid an anticipated economic recovery, supported by budgetary incentives, and improving construction activity. A rebound in international demand is also likely to support exports, with overall cement dispatches projected to grow by 7–8% YoY.

Exhibit: Cement Dispatches - Company Wise

(000) tons	Oct-26	Sep-26	MoM	Oct-25	YoY	4MFY27	4MFY26	YoY
POWER	218	272	-20%	170	28%	1,030	759	36%
DGKC	612	543	13%	535	14%	2,222	1,884	18%
FECTC	96	87	10%	84	14%	334	327	2%
FCCL	563	519	8%	513	10%	2,015	2,015	0%
BWCL	692	667	4%	651	6%	2,560	2,355	9%
LUCK	908	891	2%	908	0%	3,426	3,327	3%
KOHC	268	245	9%	269	0%	947	968	-2%
ACPL	319	320	0%	331	-4%	1,154	1,160	-1%
PIOC	231	210	10%	240	-4%	817	789	4%
MLCF	403	365	10%	429	-6%	1,421	1,429	-1%
CHCC	205	209	-2%	232	-12%	788	932	-16%
GWLC	60	53	13%	141	-58%	280	459	-39%

Source (s): APCMA, AHL Research

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

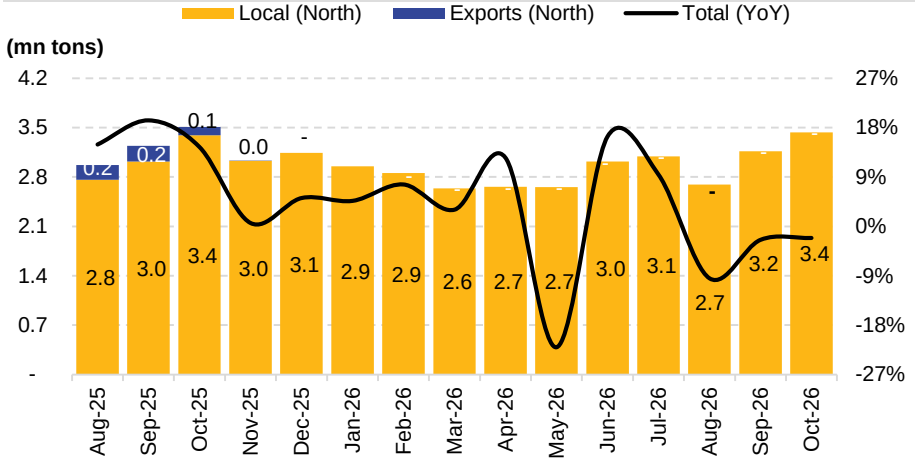


Source (s): PBS, AHL Research

Pakistan Cement Sector

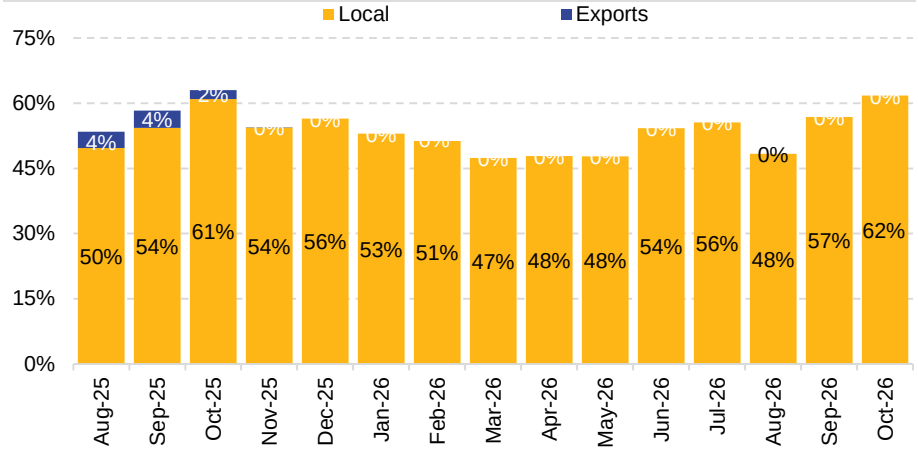
Region-wise dispatches trend & capacity utilization

Exhibit: North region dispatches



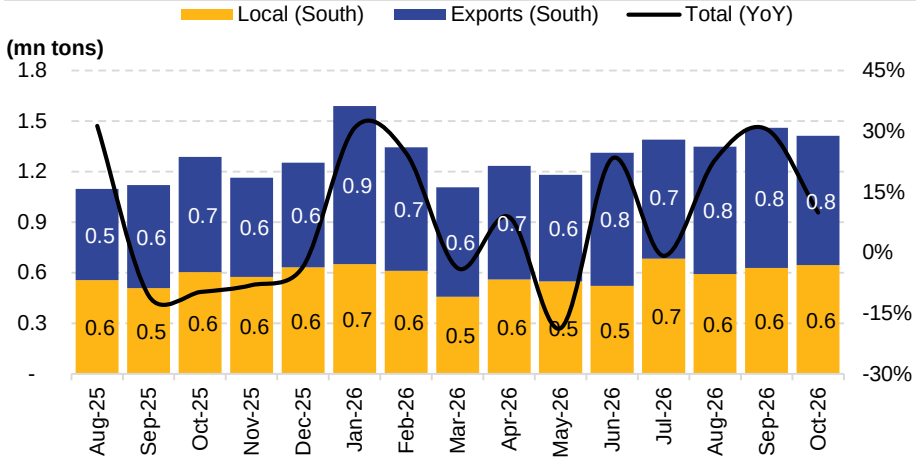
Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization (North)



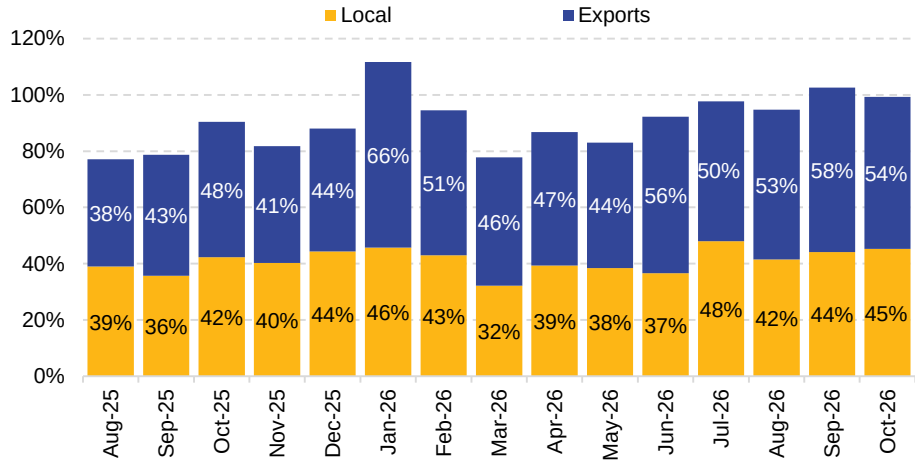
Source (s): APCMA, AHL Research

Exhibit: South region dispatches



Source (s): APCMA, AHL Research

Exhibit: Trend of Utilization (South)



Source (s): APCMA, AHL Research

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- 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);

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- Interest Rate Risk
- Exchange Rate (Currency) Risk

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