Day Break

Wednesday, December 17, 2025

Analyst

Abdullah Farhan
abdullah.farhan@igi.com.pk

Economy

Nov-25: C/a Reports Surplus of US$ 100mn as Trade Deficit Shrinks

- For the month of Nov-25, C/a balance registered a surplus of US$ 100mn compared to a deficit of US$ 291mn recorded during the month of Oct-25. C/a deficit was revised from US$ 112mn to US$ 291mn in Oct-25. On a monthly basis, C/a turned in to surplus in Nov-25 mainly due to lower trade and services deficit despite lower remittances. This brings total C/a deficit for 5MFY26 to US$ 812mn compared to surplus of US$ 503mn in the same period last year.
- Pakistan's export receipts were recorded at US$ 2.27bn compared to last month's US$ 2.63bn, declining by 14%m/m and on a yearly basis down by 18%y/y. Country's import bill was recorded at US$ 4.73bn compared to US$ 5.38bn, down by 12%m/m and up by +15%y/y.
- Going forward, C/a is likely to report a moderate deficit in FY26 on the back of higher trade deficit as improved economic activity is likely to fuel import growth while exports are expected to remain subdued. Nevertheless, higher remittances are likely to contain overall deficit.

We review current account balance numbers published for the month of Nov-25 by the State Bank of Pakistan (SBP).

Monthly current account printed US$ 100mn surplus

For the month of Nov-25, C/a balance registered a surplus of US$ 100mn compared to a deficit of US$ 291mn recorded during the month of Oct-25. C/a deficit was revised from US$ 112mn to US$ 291mn in Oct-25. C/a recorded a surplus of US$ 100mn in Nov-25 compared to a surplus of US$ 709mn in Nov-24. On a monthly basis, C/a turned in to surplus in Nov-25 mainly due to lower trade and services deficit despite lower remittances. This brings total C/a deficit for 5MFY26 to US$ 812mn compared to surplus of US$ 503mn in the same period last year.

Exhibit: Export and Remittances coverage
Export and Remittance coverage of total import comes positively as imports dropped

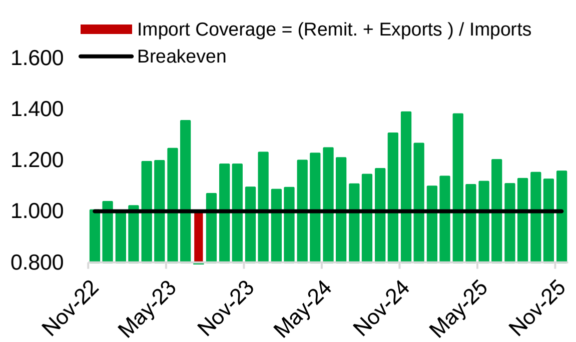
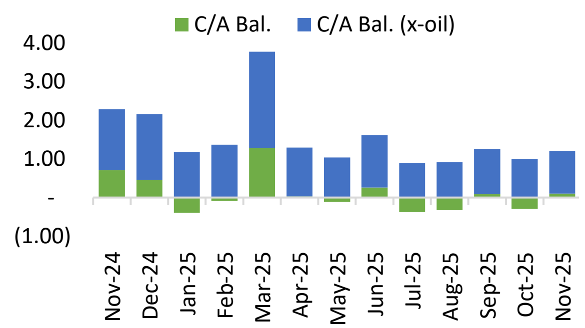


Exhibit: C/a trend (in US$ bn)
Current account trend with and without oil imports since Nov-24



Source: SBP, IGI Research

Exhibit: Monthly Current Account Balance								
US$ mn	Nov-25	Oct-25	m/m	Nov-24	y/y	5MFY26	5MFY25	y/y
Exports (G)	2,273	2,632	-14%	2,788	-18%	12,790	13,212	-3%
Imports (G)	4,727	5,383	-12%	4,110	15%	25,559	23,011	11%
Trade Bal.	(2,454)	(2,751)	-11%	(1,322)	86%	(12,769)	(9,799)	30%
Services Bal.	(140)	(238)	-41%	(150)	-7%	(1,316)	(1,280)	3%
Remittances	3,189	3,420	-7%	2,915	9%	16,145	14,767	9%
Income Bal.	2,694	2,698	0%	2,181	24%	13,273	11,582	15%
C/a Bal.	**100**	**(291)**	**n/m**	**709**	**-86%**	**(812)**	**503**	**n/m**
C/a Bal. (x-oil)	**1,108**	**1,002**	**11%**	**1,579**	**-30%**	**5,096**	**6,534**	**-22%**

Source: SBP, IGI Research

Exports declined by 14%m/m during Nov-25

For the month, the country's export receipts were recorded at US$ 2.27bn compared to last month's US$ 2.63bn (revised down from US$ 2.75bn), declining by 14%m/m and on a yearly basis down by 18%y/y. Nov-25 monthly export number was below its FY25 monthly average export number of US$ 2.69bn. During the month lower numbers were largely due to drop in Other Manufacturing Exports, Textile and Food exports during the month while Petroleum exports increased marginally. Decrease in textile was mainly led by knitwear, readymade garments and bed wear while lower other manufacturing exports was mainly driven by decline in cement exports.

Exhibit: Monthly Trade Break-up Commodity wise								
US$ mn	Nov-25	Oct-25	m/m	Nov-24	y/y	5MFY26	5MFY25	y/y
Exports (G)	**2,273**	**2,632**	**-14%**	**2,745**	**-17%**	**12,790**	**13,253**	**-3%**
Food Exports	365	375	-3%	717	-49%	1,874	2,874	-35%
Textile Exports	1,315	1,622	-19%	1,389	-5%	7,502	7,198	4%
Other Exports	594	635	-7%	640	-7%	3,413	3,182	7%
Imports (G)	**4,727**	**5,383**	**-12%**	**4,110**	**15%**	**25,559**	**23,011**	**11%**
Food Imports	724	729	-1%	567	28%	3,307	2,718	22%
Machinery Imports	611	747	-18%	590	4%	3,819	3,362	14%
Transport Imports	234	272	-14%	116	102%	1,415	685	106%
Petroleum Imports	1,008	1,293	-22%	870	16%	5,908	6,031	-2%
Other Imports	2,149	2,342	-8%	1,967	9%	11,110	10,215	9%

Source: SBP, IGI Research

Imports decreased by 12%m/m during Nov-25

During the month of Nov-25, the country's import bill was recorded at US$ 4.73bn compared to US$ 5.38bn (revised upward from US$ 5.27bn), down by 12%m/m and up by +15%y/y. During the month, Petroleum, Metal, Machinery, Agriculture, Transport, Textile and Food imports declined while all other imports increased.

Remittances down by 7%m/m

During the month of Nov-25, remittances were recorded at US$ 3.19bn compared to the previous month of US$ 3.42bn; down by 7%m/m and up by +9%y/y. Inflows from all countries declined with major contribution from Saudi Arabia, Other GCC, UAE and USA during the month.

Exhibit: Monthly Remittances Break-up Country wise

US$ mn	Nov-25	Oct-25	m/m	Nov-24	y/y	5MFY26	5MFY25	y/y
USA	277	301	-8%	288	-4%	1,384	1,490	-7%
U.K.	481	499	-4%	410	17%	2,348	2,182	8%
Saudi Arabia	753	838	-10%	729	3%	3,902	3,653	7%
UAE	675	703	-4%	619	9%	3,364	2,953	14%
Other GCC	299	346	-14%	303	-1%	1,544	1,485	4%
EU	417	422	-1%	323	29%	2,119	1,775	19%
Other	287	310	-7%	242	19%	1,484	1,229	21%
Total	**3,189**	**3,420**	**-7%**	**2,915**	**9%**	**16,145**	**14,766**	**9%**

Source: SBP, IGI Research

Outlook

C/a surplus for Nov-25 was mainly led by lower trade and services deficit as decline in imports outpaced exports on a monthly basis despite drop in remittances. Going forward, C/a is likely to report a moderate deficit in FY26 on the back of higher trade deficit as improved economic activity is likely to fuel import growth while exports are expected to remain subdued. Nevertheless, higher remittances are likely to contain overall deficit.

Important Disclaimer and Disclosures

Research Analyst(s) Certification: The Research Analyst(s) hereby certify that the views about the company/companies and the security/ securities discussed in this report accurately reflect his or her or their personal views and that he/she has not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report. The analyst(s) is principally responsible for the preparation of this research report and that he/she or his/her close family/relative does not own 1% or more of a class of common equity securities of the following company/companies covered in this report.

Disclaimer: The information and opinions contained herein are prepared by IGI Finex Securities Limited and is for information purposes only. Whilst every effort has been made to ensure that all the information (including any recommendations or opinions expressed) contained in this document (the information) is not misleading or unreliable, IGI Finex Securities Limited makes no representation as to the accuracy or completeness of the information. Neither, IGI Finex Securities Limited nor any director, officer or employee of IGI Finex Securities Limited shall in any manner be liable or responsible for any loss that may be occasioned as consequence of a party relying on the information. This document takes no account of the investment objectives, financial situation and particular needs of investors, who shall seek further professional advice before making any investment decision. The subject Company (ies) is a client of the IGI Finex Securities Limited and IGI Finex Securities offers brokerage services to Subject Company (ies) on a regular basis, in line with industry practice. This document and the information may not be reproduced, distributed or published by any recipient for any purpose. This report is not directed or intended for distribution to, or use by any person or entity not a client of IGI Finex Securities Limited, else directed for distribution. All Research Analysts are receiving fixed pay and reporting directly to Head of Research who reports to CEO.

Rating system: IGI Finex Securities employs three tier ratings system, depending upon expected total return (return is defined as capital gain exclusive of tax) of the security in stated time period, as follows:

Recommendation Rating System
Buy if target price on aforementioned security (ies) is more than 10%, from its last closing price(s)
Hold if target price on aforementioned security (ies) is in between -10% and 10%, from its last closing price(s)
Sell if target price on aforementioned security (ies) is less than -10%, from its last closing price(s)

Valuation Methodology: To arrive at Target Prices, IGI Finex Securities uses different valuation methodologies including

- Discounted Cash Flow (DCF)
- Reserve Based DCF
- Dividend Discount Model (DDM)
- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

Risk: Investment in securities are subject to economic risk, market risk, interest rate risks, currency risks, and credit risks, political and geopolitical risks. The performance of company (ies) covered herein might unfavorably be affected by multiple factors including, business, economic, and political conditions. Hence, there is no assurance or guarantee that estimates, recommendation, opinion, etc. given about the security (ies)/company (ies) in the report will be achieved.

Basic Definitions and Terminologies used: Target Price: A price target is the projected price level of a financial security stated by an investment analyst or advisor. It represents a security's price that, if achieved, results in a trader recognizing the best possible outcome for his investment, **Last Closing:** Latest closing price, **Market Cap.:** Market capitalization is calculated by multiplying a company's shares outstanding by current trading price. **EPS:** Earnings per Share. **DPS:** Dividend per Share. **ROE:** Return on equity is the amount of net income returned as a percentage of shareholders' equity. **P/E:** Price to Earnings ratio of a company's share price to its per-share earnings. **P/B:** Price to Book ratio used to compare a stock's market value to its book value. **DY:** The dividend yield is dividend per share, divided by the price per share.

IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009

Contact Details

Equity Sales

Zaeem Haider Khan	Head of Equities	Tel: (+92-42) 35301405	zaeem.haider@igi.com.pk
Syeda Mahrukh Hameed	Regional Head (North)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Faraz Naqvi	Branch Manager (Karachi)	Tel: (+92-21) 111 234 234 Ext: 826	faraz.naqvi@igi.com.pk
Shakeel Ahmad	Branch Manager (Faisalabad)	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Asif Saleem	Equity Sales (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Equity Sales (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

Research Team

Abdullah Farhan	Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Sakina Makati	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 810	sakina.makati@igi.com.pk
Syed Muzammil Hasan Rizvi	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 569	muzammil.rizvi@igi.com.pk
Sufyan Siddiqui	Database Officer	Tel: (+92-21) 111-234-234 Ext: 888	sufyan.siddiqui@igi.com.pk

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited |
Corporate member of Pakistan Mercantile Exchange Limited
Website: www.igisecurities.com.pk

Head Office
Suite No 701-713, 7th Floor, The Forum, G-20,
Khayaban-e-Jami Block-09, Clifton, Karachi-75600
UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234
Fax: (+92-21) 35309169, 35301780

Lahore Office
Shop # G-009, Ground Floor,
Packages Mall
Tel: (+92-42) 38303560-69
Fax: (+92-42) 38303559

Islamabad Office
3rd Floor, Kamran Centre,
Block- B, Jinnah Avenue, Blue Area
Tel: (+92-51) 2604861-2, 2604864, 2273439
Fax: (+92-51) 2273861

Faisalabad Office
Office No. 2, 5 & 8, Ground Floor, The
Regency International 949, The Mall
Faisalabad
Tel: (+92-41) 2540843-45

Rahim Yar Khan Office
Plot # 12, Basement of Khalid Market,
Model Town, Town Hall Road
Tel: (+92-68) 5871652-3
Fax: (+92-68) 5871651

Multan Office
Mezzanine Floor, Abdali Tower,
Abdali Road
Tel: (92-61) 4512003, 4571183

IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009