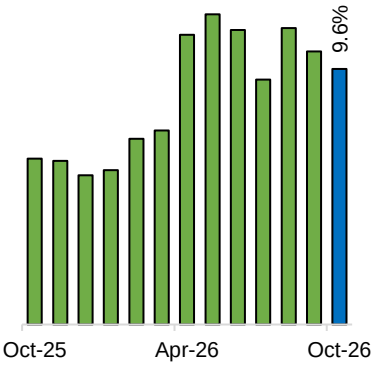
Day Break

Monday, November 2, 2026

Exhibit: Monthly CPI trend



Source: IGI Research, PBS

Inflation

Oct-26: CPI Prints +9.61%y/y Growth

- Recent inflation data released by Pakistan Bureau of Statistics (PBS), shows for the month of Oct-26, headline CPI registered a +9.61%y (up by +1.08%m) growth compared to previous month, +10.26%y (up by +1.27%m).
- Increase in monthly CPI reading was mainly led by hike in Food and Fuel Prices. Core inflation dropped slightly to 7.5%y/y against 8.4%y/y in Sep-26 as both Urban and Rural inflation eased. This brings average inflation for 4MFY27 to 10.1% compared to 4.8% in the same period last year.
- Inflation eased slightly in Oct-26 mainly due to high base effect and decline in electricity prices despite increase in fuel prices. Going forward, inflation is likely to pick up from Nov-26 and remain elevated amid higher oil prices and second round impact on inflation before declining from Mar-27 onwards. However, this inflation outlook remains susceptible to oil price shocks, PKR depreciation and gas/electricity price adjustments.

Oct-26: Inflation prints +9.61%y/y, up by +1.08%m/m

Recent inflation data released by Pakistan Bureau of Statistics (PBS), shows for the month of Oct-26, headline CPI registered a +9.61%y (up by +1.08%m) growth compared to previous month, +10.26%y (up by +1.27%m). Increase in monthly CPI reading was mainly led by hike in Food and Fuel Prices. Core inflation dropped slightly to 7.5%y/y against 8.4%y/y in Sep-26 as both Urban and Rural inflation eased. This brings average inflation for 4MFY27 to 10.1% compared to 4.8% in the same period last year.

Exhibit: Monthly National Consumer Price Index (CPI) growth estimates

Estimated For the month of: Oct, 2026

	Wt.	y/y	m/m	4MFY27	4MFY26	4MFY25
National	**100.0%**	**9.6%**	**1.1%**	10.1%	4.8%	8.7%
Food	35%	7.7%	2.3%	10.1%	2.4%	1.1%
Transport	6%	28.6%	1.8%	22.8%	4.0%	0.5%
Utility/Rent	24%	11.0%	0.3%	9.9%	4.0%	21.9%
Essentials	17%	9.0%	0.5%	9.0%	8.4%	15.3%
Disc.	18%	5.7%	0.0%	6.8%	7.5%	9.8%

Source: PBS, IGI Research

Food prices and Housing Index increased during Oct-26

Food index increased by +2.26%m/m during Oct-26 owing to increase in prices of Wheat Flour, Meat, Chicken, Cooking Oil, Vegetable Ghee, Milk, Eggs, Pulses (Gram, Mash, Masoor), Condiments & Spices and Fresh

Analyst

Abdullah Farhan
Abdullah.farhan@igi.com.pk

Vegetables over the previous month whereas prices of Pulse Moong, Rice, Sugar, Potatoes, Tomatoes and Onions have declined. Housing index increased by +0.25%m/m mainly due to quarterly house rent adjustment, higher liquid hydrocarbons and solid fuel prices despite lower electricity charges.

Transport index up by +1.79%m/m

Transport index increased by +1.79%m/m mainly due to higher motor fuel prices (MS and HSD primarily) and transport services cost over the previous month owing to hike in international oil prices as Middle East tensions again escalated.

Rural inflation outpaced growth in Urban

Urban inflation increased by +0.8%m/m or up +9.5%y/y during the month of Oct-26, whereas rural inflation increased by +1.5%m/m or up by +9.8%y/y against +10.5%y/y last month.

SPI increases marginally in Oct-26

Other indices, Wholesale Price Index (WPI) registered a +13.8%y/y increase and up by +0.9%m/m during Oct-26. Sensitive Price Index (SPI) recorded a +8.7%y/y growth and up by +1.3%m/m during the month of Oct-26 compared to +8.4%y/y increase in the preceding month.

Outlook

Inflation eased slightly in Oct-26 mainly due to high base effect and decline in electricity prices despite increase in fuel prices. Going forward, inflation is likely to pick up from Nov-26 and remain elevated amid higher oil prices and second round impact on inflation before declining from Mar-27 onwards. However, this inflation outlook remains susceptible to oil price shocks, PKR depreciation and gas/electricity price adjustments.

Exhibit: National Core-inflation measures

	Oct-26	Sep-26	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25
CPI	**9.6**	**10.3**	**11.1**	**9.2**	**11.1**	**11.7**	**10.9**	**7.3**	**7.0**	**5.8**	**5.6**	**6.1**
SPI	8.7	8.4	9.5	12.0	12.8	12.0	10.1	5.6	4.8	3.3	2.6	4.2
WPI	13.8	13.3	11.8	9.4	10.7	12.7	13.6	6.7	1.1	0.2	0.6	1.1
NFNE	7.5	8.4	8.7	8.4	8.4	8.8	8.2	7.8	7.6	7.6	7.4	7.2
Trimmed	8.7	9.4	9.0	7.7	9.5	9.7	9.1	6.1	5.3	5.1	5.7	5.7

Source: PBS, IGI Research

Exhibit: Historical CPI Trend

Headline inflation drops amid high base effect and lower electricity prices despite higher fuel and food prices

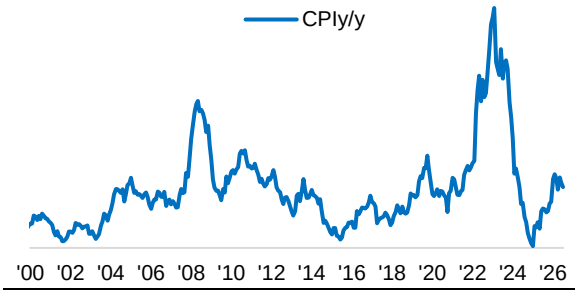


Exhibit: CPI rebased to June

CPI rebased to June shows slowdown in inflation

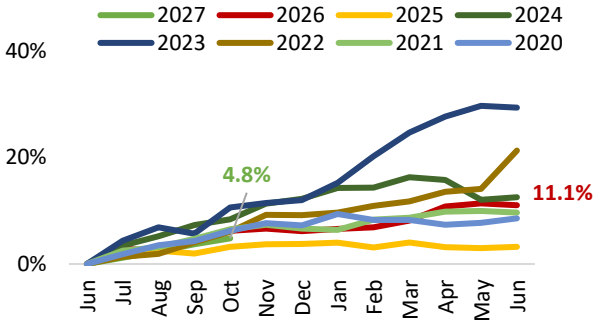


Exhibit: Major Price Indices

All major indices have depicted growth

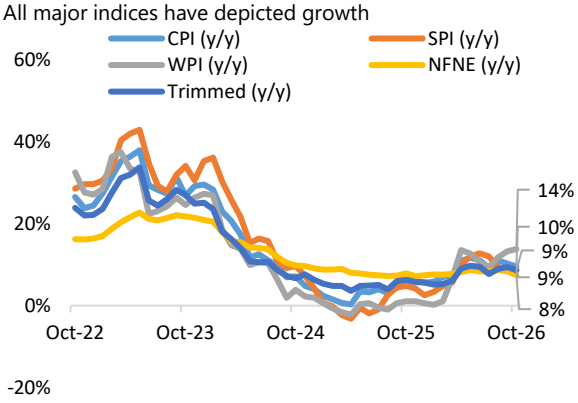
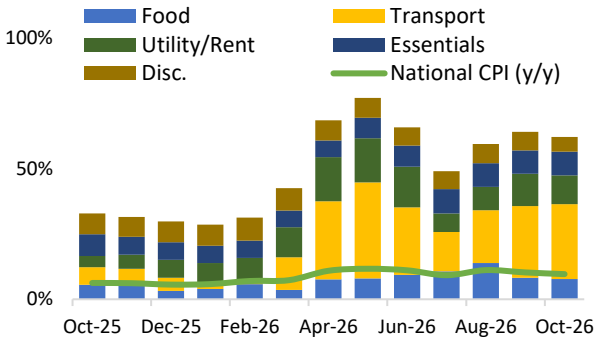


Exhibit: Percentage point impact of each group on headline figure

High base effect and lower electricity charges ease inflation despite higher food and fuel prices



Source: PBS, SBP, IGI Research

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IGI Finex Securities Limited
Research Analyst(s)
Research Identity Number: BRP009
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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
Saher Hussain	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 974	saher.hussain@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
Fax: (+92-21) 35309169, 35301780

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

LSE Plaza
Office No.1A at North Mezzanine Floor of the LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.
Tel: (+92-42) 38303565

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
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