

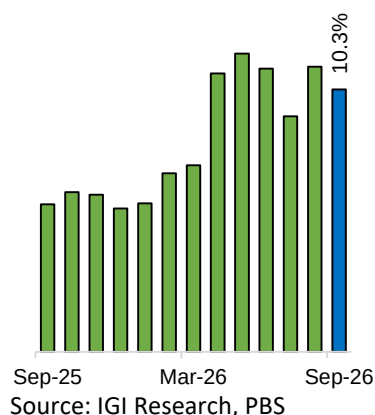
Day Break

Thursday, October 1, 2026

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Securities

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Exhibit: Monthly CPI trend



Inflation

Sep-26: CPI Prints +10.26%y/y Growth

- Recent inflation data released by Pakistan Bureau of Statistics (PBS), shows for the month of Sep-26, headline CPI registered a +10.26%y (up by +1.27%m) growth compared to previous month, +11.15%y (up by +1.19%m).
- Increase in monthly CPI reading was mainly led by hike in Electricity and Fuel Prices. Core inflation dropped slightly to 8.4%y/y against 8.7%y/y in Aug-26 as both Urban and Rural inflation eased. This brings average inflation for 3MFY27 to 10.2% compared to 4.3% in the same period last year.
- Inflation eased slightly in Sep-26 mainly due to high base effect while on monthly basis inflation picked up as electricity and fuel prices increased. Going forward, inflation is likely to decline further in Oct-26 owing to high base but is likely to remain higher than previous estimates. However, this inflation outlook remains susceptible to oil price shocks, PKR depreciation and gas/electricity price adjustments.

Sep-26: Inflation prints +10.26%y/y, up by +1.27%m/m

Recent inflation data released by Pakistan Bureau of Statistics (PBS), shows for the month of Sep-26, headline CPI registered a +10.26%y (up by +1.27%m) growth compared to previous month, +11.15%y (up by +1.19%m). Increase in monthly CPI reading was mainly led by hike in Electricity and Fuel Prices. Core inflation dropped slightly to 8.4%y/y against 8.7%y/y in Aug-26 as both Urban and Rural inflation eased. This brings average inflation for 3MFY27 to 10.2% compared to 4.3% in the same period last year.

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

Estimated For the month of: Sep, 2026

	Wt.	y/y	m/m	3MFY27	3MFY26	3MFY25
National	100.0%	10.3%	1.3%	10.2%	4.3%	9.2%
Food	35%	8.2%	0.2%	10.9%	1.4%	1.1%
Transport	6%	27.4%	5.7%	20.9%	3.1%	2.7%
Utility/Rent	24%	12.4%	3.0%	9.5%	4.0%	22.8%
Essentials	17%	8.9%	0.3%	9.0%	8.5%	16.0%
Disc.	18%	7.1%	0.5%	7.1%	7.4%	10.1%

Source: PBS, IGI Research

Analyst

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Food prices and Housing Index increased during Sep-26

Food index increased by +0.2%m/m during Sep-26 owing to increase in prices of Wheat Flour, Rice, Meat, Cooking Oil, Vegetable Ghee, Milk, Pulses (Gram, Mash, Masoor) and Onions over the previous month

whereas prices of Pulse Moong, Fresh Vegetables, Chicken, Fresh Fruits, Potatoes, Tomatoes, Eggs, Pulse Moong and Sugar have declined. Housing index increased by +3.05%/m/m mainly due to higher electricity charges, contruction input cost and liquid hydrocarbon prices.

Transport index up by +5.7%/m/m

Transport index increased by +5.7%/m/m mainly due to higher motor fuel prices (MS and HSD primarily) over the previous month owing to hike in international oil prices as Middle East tensions again escalated while transport service cost declined.

Rural inflation outpaced growth in Urban

Urban inflation increased by +1.3%/m/m or up +10.1%/y/y during the month of Sep-26, whereas rural inflation increased by +1.2%/m/m or up by +10.5%/y/y against +12.2%/y/y last month.

SPI drops further in Sep-26

Other indices, Wholesale Price Index (WPI) registered a +13.3%/y/y increase and up by +1.9%/m/m during Sep-26. Sensitive Price Index (SPI) recorded a +8.4%/y/y growth and up by +1.0%/m/m during the month of Sep-26 compared to +9.5%/y/y increase in the preceding month.

Outlook

Inflation eased slightly in Sep-26 mainly due to high base effect while on monthly basis inflation picked up as electricity and fuel prices increased. Going forward, inflation is likely to decline further in Oct-26 owing to high base but is likely to remain higher than previous estimates. However, this inflation outlook remains susceptible to oil price shocks, PKR depreciation and gas/electricity price adjustments.

Exhibit: National Core-inflation measures												
	Sep-26	Aug-26	Jul-26	Jun-26	May-26	Apr-26	Mar-26	Feb-26	Jan-26	Dec-25	Nov-25	Oct-25
CPI	10.3	11.1	9.2	11.1	11.7	10.9	7.3	7.0	5.8	5.6	6.1	6.2
SPI	8.4	9.5	12.0	12.8	12.0	10.1	5.6	4.8	3.3	2.6	4.2	4.8
WPI	13.3	11.8	9.4	10.7	12.7	13.6	6.7	1.1	0.2	0.6	1.1	1.1
NFNE	8.4	8.7	8.4	8.4	8.8	8.2	7.8	7.6	7.6	7.4	7.2	7.9
Trimmed	9.4	9.0	7.7	9.5	9.7	9.1	6.1	5.3	5.1	5.7	5.7	6.3

Source: PBS, IGI Research

Exhibit: Historical CPI Trend

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

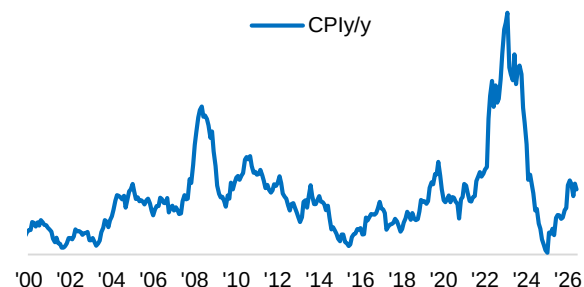
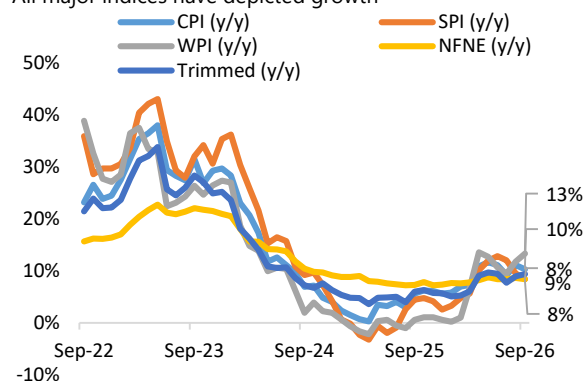


Exhibit: Major Price Indices

All major indices have depicted growth



Source: PBS, SBP, IGI Research

Exhibit: CPI rebased to June

CPI rebased to June shows rise in inflation

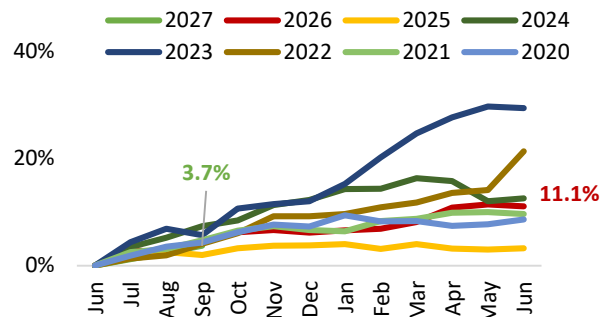
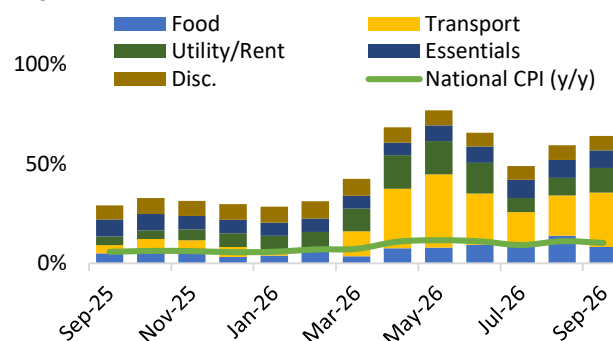


Exhibit: Percentage point impact of each group on headline figure

Higher electricity and fuel prices lift overall inflation despite high base effect



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