Sector Update | Pakistan Research

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REN # REP - 004

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Total cement dispatches remained broadly flat at 4.04mn tons

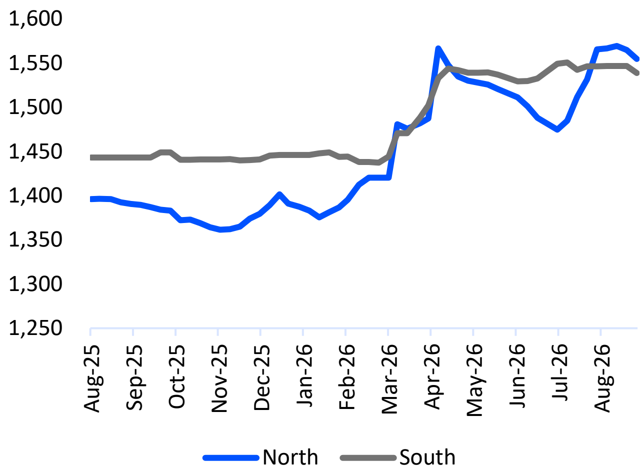
Monthly Dispatches Review

- Cement dispatches for August-26 remained broadly flat, clocking in at 4.04mn tons, down 0.72% YoY. Domestic dispatches declined 1.1% YoY to 3.28mn tons, meanwhile exports marginally edged up 0.9% YoY to 0.76mn tons.
- The decline in domestic dispatches was primarily driven by Northern region, declining 2.5% YoY to 2.69mn tons (from 2.76mns ton SPLY). Domestic demand in the North faced pressure due to 12% YoY increase in average cement price to PKR 1564/bag in August-26 (from PKR 1395/bag SPLY). The increased High-Speed Diesel prices by 34% YoY and elevated coal prices prompted the increase in cement prices. Additionally, the monsoon season affected the construction demand, leading to a sluggish month for the North.
- South provided cushion to the domestic demand, rising 5.4% YoY to 0.59mn tons (from 0.56mn tons SPLY).
- Exports remained broadly flat, marginally edging up 0.9% YoY to 0.76mn tons. Despite heightened geo-political situations and inflating freight surcharges, the South recorded a 41% YoY increase in exports to 0.76mn tons (from 0.54mn tons SPLY). However, the halt in exports to Afghanistan following Afghan border closure dragged the overall export performance, with North recording nil exports in August-26.
- On a sequential basis, northern dispatches fell sharply to 2.69mn tons, down 12.9% MoM, dragging total dispatches down by 9.9% MoM to 4.04mn tons, with south providing little to no cushion.
- Outlook: We expect domestic cement demand to remain strong due to: 1) Increased fiscal allocation towards subsidized housing finance such as Prime Minister- Apna Ghar Scheme, 2) Post-monsoon recovery in the northern region of the country, and 3) Release of pent-up demand accumulated during prior years.

Dispatches (Mn Tons)	Aug-25	Aug-26	YoY	Jul-26	MoM	2MFY26	2MFY27	YoY
North	**2.97**	**2.69**	**-9%**	**3.09**	**-13.0%**	**5.80**	**5.78**	**-0.2%**
Local	2.76	2.69	-3%	3.09	-13.0%	5.36	5.78	8.0%
Export	0.21	0.00	-100%	0.00	n.m.	0.44	0.00	-100.0%
South	**1.10**	**1.35**	**23%**	**1.39**	**-3.0%**	**2.50**	**2.74**	**9.6%**
Local	0.56	0.59	6.4%	0.68	-13.4%	1.18	1.27	7.9%
Export	0.54	0.76	39.8%	0.71	7.2%	1.32	1.46	11.1%
Total	**4.07**	**4.04**	**-0.7%**	**4.48**	**-9.9%**	**8.29**	**8.52**	**2.7%**
Local	3.32	3.28	-1.1%	3.78	-13.1%	6.54	7.06	8.0%
Export	0.75	0.76	0.9%	0.71	7.2%	1.76	1.46	-16.7%

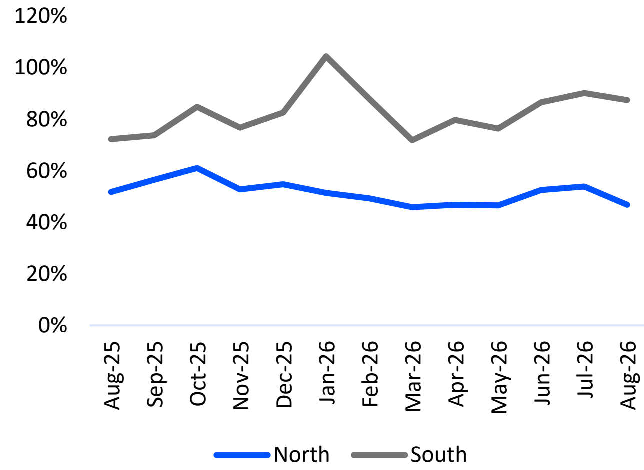
Source: APCMA, Akseer Research

Continuous increasing trend in Cement MRP (PKR/Bag)



Source: PBS, Akseer Research

Capacity utilization on a recovery phase



Source: APCMA, Akseer Research

Dispatches (000 Tons)	Aug-25	Aug-26	YoY	Jul-26	MoM	2MFY26	2MFY27	YoY
PIOC	**0.18**	**0.18**	**-1%**	**0.20**	**-11%**	**0.34**	**0.38**	**9%**
Local	0.18	0.18	-1%	0.20	-11%	0.34	0.38	9%
Export	0.00	0.00	n.m.	0.00	n.m.	0.00	0.00	n.m.
MLCF	**0.32**	**0.31**	**-4%**	**0.35**	**-12%**	**0.63**	**0.65**	**4%**
Local	0.31	0.31	-2%	0.35	-12%	0.60	0.65	9%
Export	0.01	0.00	-100%	0.00	n.m.	0.03	0.00	-100%
FCCL	**0.50**	**0.43**	**-13%**	**0.50**	**-13%**	**0.99**	**0.93**	**-6%**
Local	0.40	0.43	9%	0.50	-13%	0.80	0.93	17%
Export	0.10	0.00	-100%	0.00	n.m.	0.19	0.00	-100%
KOHC	**0.23**	**0.20**	**-13%**	**0.23**	**-13%**	**0.43**	**0.43**	**1%**
Local	0.21	0.20	-5%	0.23	-13%	0.41	0.43	6%
Export	0.02	0.00	-100%	0.00	n.m.	0.02	0.00	-100%
CHCC	**0.22**	**0.18**	**-18%**	**0.19**	**-6%**	**0.47**	**0.37**	**-20%**
Local	0.17	0.18	7%	0.19	-6%	0.35	0.37	7%
Export	0.05	0.00	-100%	0.00	n.m.	0.12	0.00	-100%
LUCK	**0.78**	**0.76**	**-3%**	**0.87**	**-12%**	**1.58**	**1.63**	**3%**
Local	0.54	0.53	-2%	0.62	-14%	1.05	1.14	9%
Export	0.24	0.23	-4%	0.25	-8%	0.53	0.48	-9%
DGKC	**0.38**	**0.56**	**49%**	**0.50**	**12%**	**0.87**	**1.07**	**22%**
Local	0.29	0.29	2%	0.33	-12%	0.56	0.62	10%
Export	0.09	0.27	195%	0.17	59%	0.31	0.45	43%
ACPL	**0.24**	**0.26**	**11%**	**0.25**	**2%**	**0.57**	**0.52**	**-10%**
Local	0.11	0.13	13%	0.15	-16%	0.23	0.28	18%
Export	0.12	0.13	9%	0.11	28%	0.34	0.24	-29%
POWER	**0.23**	**0.23**	**2%**	**0.31**	**-26%**	**0.45**	**0.54**	**20%**
Local	0.12	0.11	-8%	0.13	-14%	0.26	0.25	-6%
Export	0.10	0.12	13%	0.18	-34%	0.19	0.29	57%

Source: APCMA, Akseer Research

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