Cement Dispatches – Jul'26

Domestic strength carries into FY27 as exports pull back sharply

- Total cement dispatches for Jul'26 stood at 4.48 million tons, up 6.01% YoY from 4.22 million tons in Jul'25, driven entirely by domestic strength. Local dispatches rose 17.28% YoY to 3.77 million tons (Jul'25: 3.21 million tons), while exports fell sharply by 29.95% YoY to 0.71 million tons (Jul'25: 1.01 million tons). On a MoM basis, total dispatches rose 3.34% over Jun'26, with local volumes up 6.47% MoM even as exports slipped 10.70% MoM.

Zone-wise breakdown

- North zone dispatched 3.09 million tons in Jul'26 (entirely local), up 9.45% YoY, recording zero exports due to complete exit from export market amid the ongoing Pak-Afghan border closure (Jul'25 North exports: 0.23 million tons). South zone dispatched 1.38 million tons, roughly flat YoY (-0.95%), as a 9.07% YoY rise in local volumes was largely offset by an 8.98% YoY decline in exports to 0.71 million tons.

Bags pricing

- Cement bag prices continued to firm in Jul'26. North zone prices rose to Rs 1,517/bag (Jun'26: Rs 1,500), up 1.13% MoM, while South zone prices edged up to Rs 1,540/bag (Jun'26: Rs 1,530), up 0.65% MoM.

Future Outlook

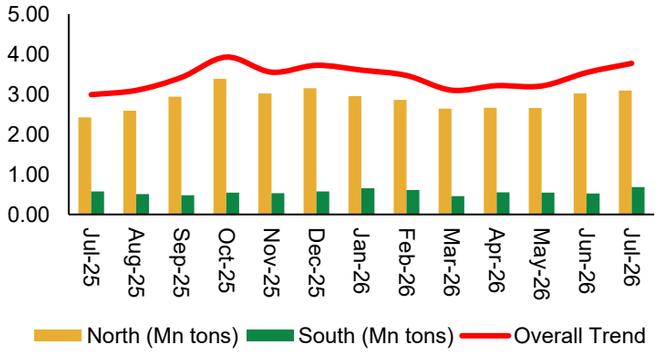
- Domestic demand should remain the key growth driver of FY27. Export performance stays bifurcated and, notably, is now softening on both fronts, with the north zone remaining structurally locked out pending a resolution to the border closure, while the south's exports also turned negative YoY in July'26.

Dispatches for the month of July – 2026

(Mn Ton)	26-Jul	Jun-26	MoM	Jul-25	YoY
Local Dispatches	**3.77**	**3.54**	**6.47%**	**3.21**	**17.28%**
North Region	3.09	3.02	2.42%	2.59	19.24%
South Region	0.68	0.52	29.91%	0.62	9.07%
Exports	**0.71**	**0.79**	**-10.70%**	**1.01**	**-29.95%**
North Region	0.00	0.00	NA	0.23	-100.00%
South Region	0.71	0.79	-10.70%	0.77	-8.98%
Total North	3.09	3.02	2.42%	2.82	9.45%
Total South	1.38	1.31	5.46%	1.40	-0.95%
Industry Total	**4.48**	**4.33**	**3.34%**	**4.22**	**6.01%**

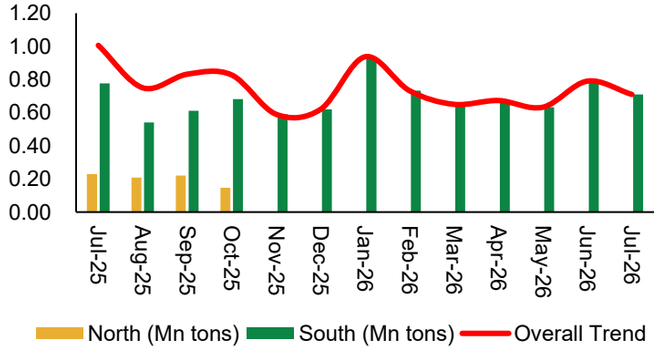
Source: APCMA, Darson Research

Monthly trend of local dispatches (Mn tons)



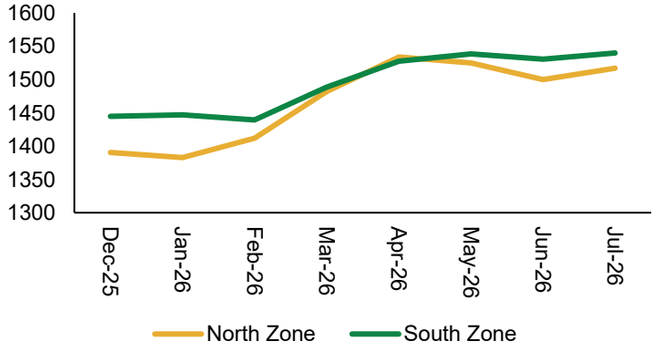
Source: APCMA, Darson Research

Monthly trend of exports (Mn tons)



Source: APCMA, Darson Research

Cement bags price trend (region–wise)



Source: PBS, Darson Research

Abdullah Babar
muhammad.abdullah@darson.com.pk

Disclaimer

This report has been prepared by Darson Securities Ltd. and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy. This information has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. All opinions and estimates expressed in this report constitute our present judgment only and are subject to change without notice. This report is intended for persons having professional experience in matters relating to investments.

Research Dissemination Policy: Darson Securities Ltd. endeavors to make all rightful efforts to disseminate research to all eligible clients in a timely manner through either electronic or physical distribution such as email, mail and/or fax. However, it is worth mentioning that not all clients may receive the material at the same time.

Analyst Certification: The research analyst(s), if any, denoted by AC on the cover of this report, who exclusively reports to the research department head and is primarily involved in the preparation, writing and publication of this report, certifies that the expressed views in this report are unbiased and independent opinions of the analyst(s). The observations presented also accurately reflect the personal views of the analyst(s) based on the research about the subject companies/securities and, in any case, no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research report. It is also important to note that the research analyst(s) or any of their close relatives do not have a financial interest in the securities of the subject company aggregating more than 1% of the value of the company. Additionally, the research analyst or their close relative has neither served as a director/officer in the past 3 years nor received any compensation from the subject company in the past 12 months. The research analyst or their close relatives have not traded in the subject security in the past 7 days and will not trade in the next 5 days.

Financial Interest Disclosure: Darson Securities Ltd. or any of its officers and directors do not have a significant financial interest (above 1% of the value of the securities of the subject company). Darson Securities Ltd., its respective directors, officers, representatives, employees and/or related persons may have a long or short position in any of the securities or other financial instruments mentioned or issuers described herein at any time and may make a purchase and/or sale, or offer to make a purchase and/or sale of any such securities or other financial instruments from time to time in the open market or otherwise.

Risk Associated with Target Price: Any inability to compete successfully in its markets may harm the business. This could be a result of many factors which may include geographic mix and introduction of improved products or service offerings by competitors. The results of operations may be materially affected by global economic conditions generally, including conditions in financial markets. The company is exposed to market risks, such as changes in interest rates, foreign exchange rates and input prices.

Rating System:

If Expected Return > 15% — Buy Call
If Expected Return is between 0% and 15% — Neutral/Hold Call
If Expected Return < 0% — Sell Call

Valuation Methodology: To arrive at our period-end target prices, DSL uses different valuation methodologies including:

- Discounted cash flow (DCF, DDM)
- Justified price to book (JPB)
- Relative Valuation (P/E, P/B, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.).