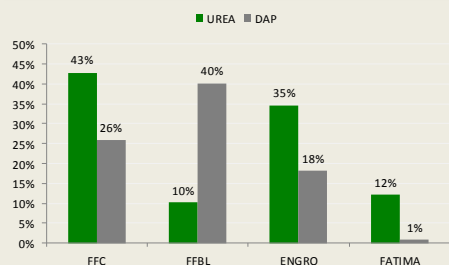


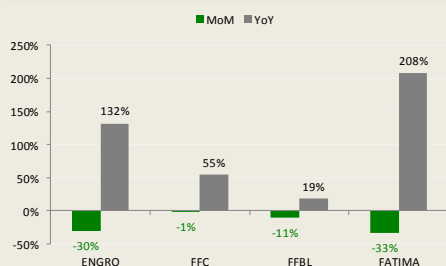
Fertilizer Off-takes (Jul'18)

Monthly Review

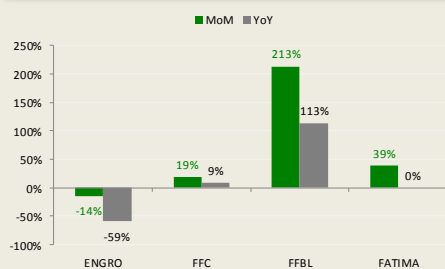
MARKET SHARE (%) – JUL'18



COMPANYWISE UREA OFF-TAKE



COMPANYWISE DAP OFF-TAKE



Total Urea Sales showed an incline of +46%YoY in the month of July

Fertilizer off-take was released today by NFDC for the month of July'18. The data depicted a surge in overall urea sales by +46%YoY, whereas on monthly basis -18% decline was witnessed. Moreover, a meager growth of 6%YoY was witnessed in 7MCY18 which clocked in at 3,255Kt against 3,039Kt in same period last year.

Moving towards the DAP which exhibited an increase of +59%MoM/+7%YoY, whereas, in 7MCY18 DAP sales posted a growth of +13%YoY to 983Kt.

Company-wise, in the month of July'18, EFERT off-take declined by -30%MoM, nevertheless, an astounding increase of +132%YoY witnessed as company managed to sell 172kt of urea in July'18 against 74Kt in July'17, followed by FATIMA, FFC and FFBL which showed an incline of +55%YoY, +19%YoY, +208%YoY after managing to sell 213kt, 50kt and 61kt. As far as urea market share is concerned FFC still managed to have the largest share of 43%, while EFERT, FATIMA and FFBL had a share of 35%, 12% and 10% respectively.

Similarly, in July'18, EFERT showed a notable decline in DAP sales, -59%YoY, followed by FFC +9%YoY and FFBL +113%YoY.

NP & NPK off-take depicted a significant development amidst the month by +121%MoM/+16%YoY and +317%MoM/-24%YoY. EFERT's NP & NPK off-take decline by -26%YoY and -24%YoY respectively.

PAKISTAN FERTILIZER OFF-TAKE (JULY 2018)								
INDUSTRY								
'000 Tons	Jul-18	Jun-18	MoM%	Jul-17	YoY %	7M-CY'18	7M-CY'17	YoY %
UREA	496.63	608.11	-18%	339.00	46%	3225.33	3039.63	6%
DAP	301.79	189.90	59%	283.12	7%	983.92	872.70	13%
NP	56.17	25.40	121%	48.56	16%	305.04	413.59	-26%
CAN	99.26	42.64	133%	54.24	83%	429.23	445.08	-4%
NPK	5.81	1.39	317%	7.60	-24%	34.81	39.19	-11%
TOTAL	572.03	618.85	-8%	457.19	25%	2,534.60	1,982.36	28%

ENGRO FERTILIZER								
UREA	172.01	245.23	-30%	74.13	132%	1166.35	892.96	31%
DAP	55.16	64.26	-14%	133.14	-59%	229.23	228.57	0%
NP	7.14	3.92	82%	9.62	-26%	34.62	41.30	-16%
NPK	5.81	1.39	317%	7.60	-24%	34.81	36.24	-4%

FAUJI FERTILIZER								
UREA	212.87	215.05	-1%	137.23	55%	1439.16	1222.50	18%
DAP	78.44	65.99	19%	71.86	9%	264.02	159.91	65%

FAUJI FERTILIZER BIN QASIM								
UREA	50.39	56.45	-11%	42.44	19%	305.87	240.55	27%
DAP	121.16	38.68	213%	56.81	113%	329.29	320.41	3%

FATIMA FERTILIZER								
UREA	60.85	90.91	-33%	19.78	208%	304.54	248.52	23%
NP	49.02	21.18	131%	34.88	41%	257.38	224.03	15%
CAN	71.37	23.81	200%	47.62	50%	350.97	332.26	6%
DAP	2.76	1.99	39%	0.00	N/M	10.40	33.82	-69%

SOURCE: NFDC / Darson Research



Notified Research Entity

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Rating System:

- | | |
|---|---------------------|
| If; | |
| • Expected return >15% | - Buy Call |
| • Expected Return is in between 0% to 15% | - Neutral/Hold Call |
| • 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.)

SECP JamaPunji Portal link: www.JamaPunji.pk

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