

Pakistan Power Sector

Power Generation up by 9.0% YoY during 5MFY22

20-Dec-2021

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ASIAMONEY

Outstanding Company in the
Financial Sector 2021



Best Brokerage House of
the Year 2021



Best Broker in Pakistan



Corporate Finance House
of the Year: 2021



Best Corporate & Investment
Bank: 2020



Best Economic Research
House of the Year: 2021



Top 25 Companies



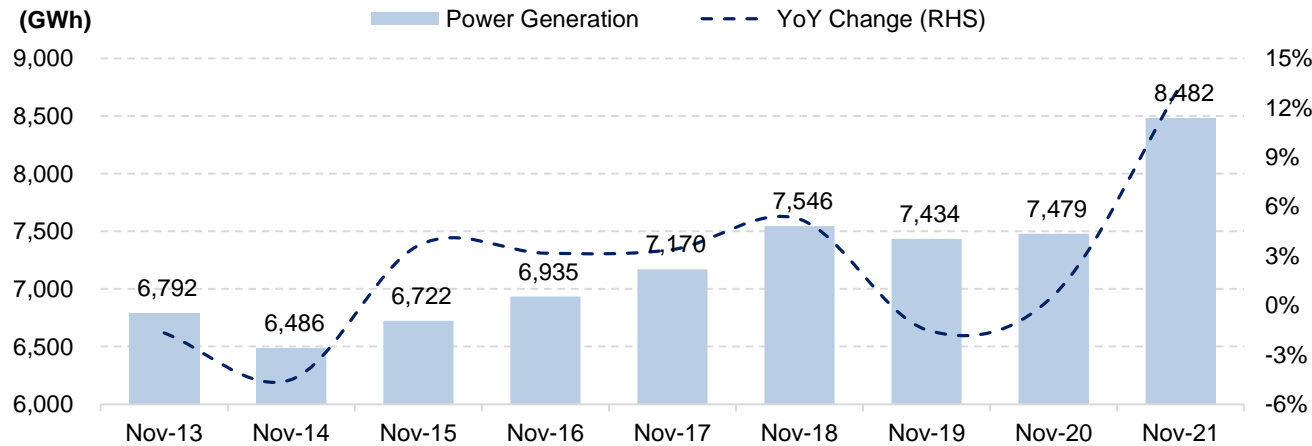
Best Equity Research
Analyst: 2021

Pakistan Power Sector

Power Generation up by 13.4% YoY during Nov'21

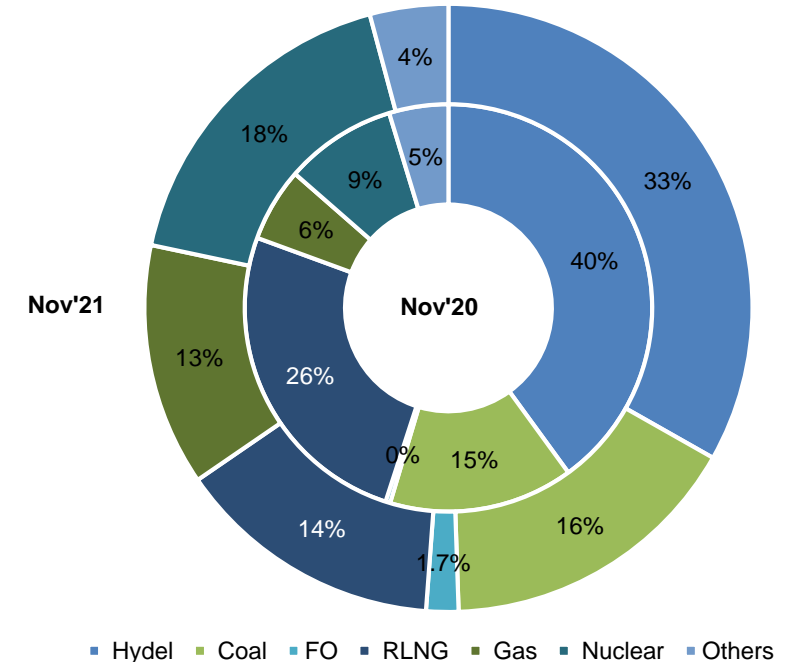
- Power generation went up by 13.4% YoY to 8,482 GWh (11,780 MW) during Nov'21, compared to 7,479 GWh (10,388 MW) during Nov'20. The rise in generation was owed to higher generation from Nuclear, Coal, Gas, FO and Solar.
- Major contributors during Nov'21 were Hydel (share: 33%), Nuclear (share: 18%), Coal (share: 16%), RLNG (share: 14%), Gas (share: 13%), Wind (share: 2%), FO (share: 2%), and Bagasse (share: 1%).
- During the month, FO, Gas, Nuclear and Coal based power generation went up by 424%, 150%, 124% and 26%, respectively. However, RLNG, Hydel and Wind based generation decline by 37%, 6% and 5% YoY, respectively.
- During Nov'21, fuel cost for power generation increased by 85% YoY to PKR 6.32/KWh mainly due to rise in FO, coal and RLNG based cost of generation. In addition to this hydel and wind based generation decreased by 6% YoY and 5% YoY, respectively.

Exhibit: Historical Power Generation during the month of November



Source (s): NEPRA, AHL Research

Exhibit: Power Mix During Nov'21 and Nov'20



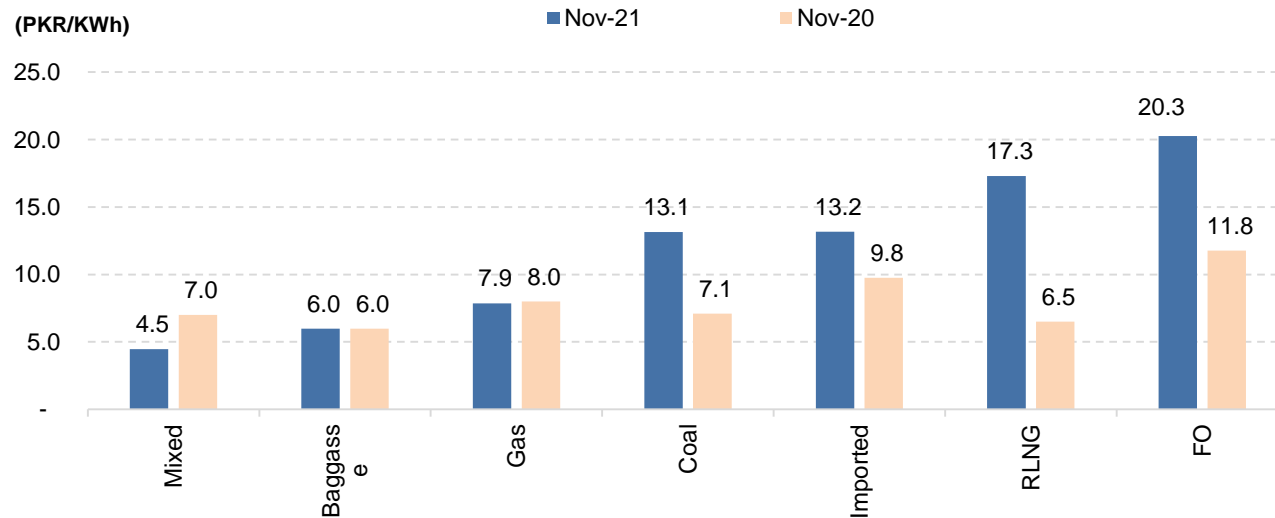
Source (s): NEPRA, AHL Research

Pakistan Power Sector

Fuel Cost up by 85% YoY during Nov'21

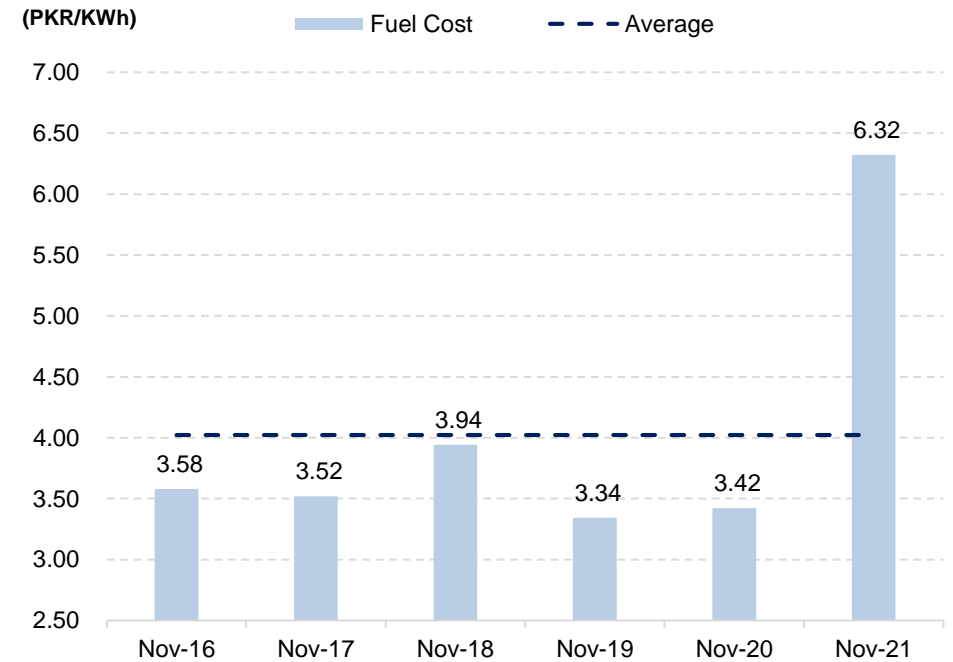
- The rise in fuel cost by 85% YoY to PKR 6.32/KWh during Nov'21 was led by the following reasons:
 - RLNG-based cost of generation increased by 166% YoY to PKR 17.29/KWh due to 123% YoY rise in RLNG prices to PKR 2,720/mmbtu (USD 15.68/mmbtu).
 - Coal-based cost of generation went up by 85% YoY to PKR 13.14/KWh during Nov'21 due to 121% YoY rise in coal prices.
 - FO-based cost of generation increased by 72% YoY to PKR 20.27/KWh.
 - Hydel based generation decreased by 6% YoY.
 - Wind based generation decreased by 5% YoY.

Exhibit: Source wise fuel cost during Nov'21 and Nov'20



Source (s): NEPRA, AHL Research

Exhibit: Historical Trend of Fuel Cost during November



Source (s): NEPRA, AHL Research

Pakistan Power Sector

Power Generation up by 9.0% during 5MFY22

Exhibit: Source wise Power Generation

GWh	Nov-21	Nov-20	YoY	Oct-21	MoM	5MFY22	5MFY21	YoY
Hydel	2,816	2,990	-5.8%	2,627	7.2%	20,818	21,913	-5.0%
Nuclear	1,485	663	123.9%	1,393	6.6%	7,450	3,588	107.6%
Coal	1,379	1,095	25.9%	1,886	-26.9%	10,335	10,405	-0.7%
RLNG	1,209	1,914	-36.8%	2,703	-55.3%	12,598	13,660	-7.8%
Gas	1,093	437	150.1%	1,093	0.0%	6,109	5,788	5.5%
Wind	175	185	-5.3%	185	-5.2%	1,691	1,149	47.2%
FO	145	28	423.6%	1,229	-88.2%	5,611	2,597	116.1%
Bagasse	54	60	-9.4%	7	661.3%	147	150	-2.0%
Solar	51	47	7.7%	63	-19.9%	303	293	3.7%
Imported	37	33	9.7%	41	-11.4%	212	223	-5.0%
HSD	25	-	nm	57	-56.2%	228	289	-21.2%
Mixed	12	26.13	-54.7%	12	-0.3%	67	112	-40.5%
Total	8,482	7,479	13.4%	11,296	-24.9%	65,568	60,167	9.0%
<i>Fuel Cost*</i>	6.32	3.42	84.8%	9.30	-32.0%	6.99	4.07	72.0%

Source (s): NEPRA, AHL Research, * PKR/KWh

Exhibit: Source Wise Share

	Nov-21	Nov-20	Oct-21	5MFY22	5MFY21
Hydel	33.2%	40.0%	23.3%	31.8%	36.4%
Nuclear	17.5%	8.9%	12.3%	11.4%	6.0%
Coal	16.3%	14.6%	16.7%	15.8%	17.3%
RLNG	14.3%	25.6%	23.9%	19.2%	22.7%
Gas	12.9%	5.8%	9.7%	9.3%	9.6%
Wind	2.1%	2.5%	1.6%	2.6%	1.9%
FO	1.7%	0.4%	10.9%	8.6%	4.3%
Bagasse	0.6%	0.8%	0.1%	0.2%	0.2%
Solar	0.6%	0.6%	0.6%	0.5%	0.5%
Imported	0.4%	0.4%	0.4%	0.3%	0.4%
HSD	0.3%	0.0%	0.5%	0.3%	0.5%
Mixed	0.1%	0.3%	0.1%	0.1%	0.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source (s): NEPRA, AHL Research

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BUY	Upside* of subject security(ies) is more than +10% from last closing of market price(s)
HOLD	Upside* of subject security(ies) is between -10% and +10% from last closing of market price(s)
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- Dividend Discounted Model (DDM)
- Sum of the Parts (SoTP)
- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

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- Interest Rate Risk
- Exchange Rate (Currency) Risk

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