July 2026

MaVen

MOUNTAIN VENTURES
Scaling New Heights, Together

PAKISTAN DOWNSTREAM INTELLIGENCE

The Second Substitution

It happened to the grid.
The question is when it happens to the pump.

The Litre, Priced at Midnight

Depoliticised and moving towards deregulation

Six Billion Dollars: Welcome, But Who Pays?

The Refineries Upgrade Policy

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Scaling New Heights, Together

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July 2026

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Executive Summary

July is the month the tide turned back. The mid-month **shift to daily pricing** arrived alongside firmer benchmarks, lifting petrol to Rs 336 and diesel to Rs 393 and reversing June's fall in a single step. Pakistan climbed the world table by ten places on petrol and thirty-nine on diesel, the latter carrying it out of the cheapest quarter to the median at the 47th percentile. On a dollar sticker the country now prices both fuels above China, India, Bangladesh and Japan. One month of increases has undone half a year of looking cheap.

Rs336/L	#46	Rs1.7Trillion
PETROL PRICE	PRICE OF PETROL OUT OF 170 COUNTRIES	ANNUAL PETROLEUM LEVY

Volumes ran hot. Combined sales of **1,430k MT** rose about **20 per cent** on both the month and the year, pulling the year to date from three per cent behind 2025 back to flat. The top ten took 91 per cent of July and PSO widened to 45 per cent as the month surged. But the lift drew tanks down hard: petrol cover tightened to 19 days, the diesel overhang that stood at 41 days in June collapsed to 23, and hi-octane finally cleared from 135 days to 41. The final days of the month and non-member volumes are estimated; the drawdown is not.

The Second Substitution sets out this edition's central claim. We hold that Pakistan's motor-fuel pool is entering structural decline as two- and three-wheelers, and in time cars, electrify, in line with a global fossil-fuel demand peak around 2035. It is a house position we are comfortable stating in print, even where subscribers' balance sheets depend on the opposite being true.

Rs1.7 Trillion Question turns to the fiscal engine beneath the pump. The petroleum levy now raises on the order of Rs 1.7 trillion a year, and by the government's own account it cannot come down without either an agreement with the Fund or a replacement source of revenue. The fuel is a world price; the fiscal weight placed on it is a domestic choice, and a heavy one to unwind.

The Litre, Priced at Midnight examines the move to daily pricing that began on 20 July. The seven-day rolling average survives unchanged; only the revision frequency has moved. After almost two decades, the Government is finally taking the steps in the right direction.

Six Billion Dollars: Welcome, But Who Pays? weighs the newly approved brownfield refining policy. Upgrading to Euro V is overdue and welcome, but the capacity half of a six-billion-dollar programme runs into a demand curve we believe turns down, and into a financeability gap: the ask is a high-single-digit multiple of the combined market value of the four listed refineries. **Announcements are cheap. Financed projects are not.**

World Rankings

The Tide Comes Back In

June's fall has reversed. Both fuels climbed the global table on July's price increases: petrol rose +12% to sit +10 places dearer at #46 of 170, and diesel jumped +26% and +39 places to #79, pushing it to the 47th percentile. Pakistan now prices both fuels above China, India, Bangladesh and Japan, a regional reordering that a single month of increases has delivered.

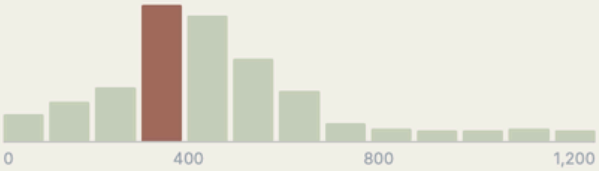
GASOLINE · PETROL

#46 of 170

PKR 336/L · 27th percentile

▲ 10 places dearer on the month · +12% (#36 → #46)

GLOBAL PRICE DISTRIBUTION · PKR/L



▲ Pakistan Rs336

KEY COUNTRIES · PKR/L

Hong Kong	1,158
Germany	671
Singapore	645
Sri Lanka	410
Turkey	393
Pakistan	**336**
China	327
Bangladesh	326
India	316
Japan	288
Vietnam	236
Saudi Arabia	172

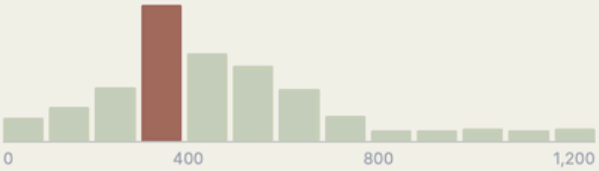
GASOIL · DIESEL

#79 of 169

PKR 393/L · 47th percentile

▲ 39 places dearer on the month · +26% (#40 → #79)

GLOBAL PRICE DISTRIBUTION · PKR/L



▲ Pakistan Rs393

KEY COUNTRIES · PKR/L

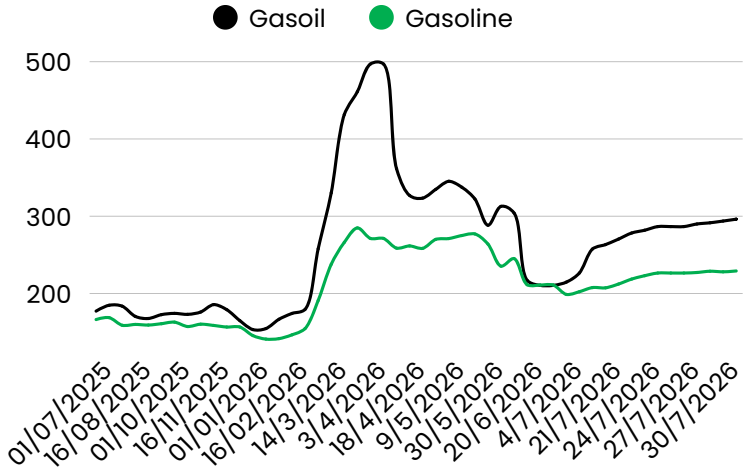
Hong Kong	1,280
Singapore	756
Germany	687
Turkey	453
Sri Lanka	396
Pakistan	**393**
China	290
India	285
Vietnam	274
Japan	270
Bangladesh	259
Saudi Arabia	132

Prices as at end-July 2026, converted to Pakistani rupees per litre. Rank is cheapest-first across 170 economies for petrol and 169 for diesel. Percentile and month-on-month movement compare against the June 2026 edition. Source: GlobalPetrolPrices.com, and Mountain Ventures analysis.

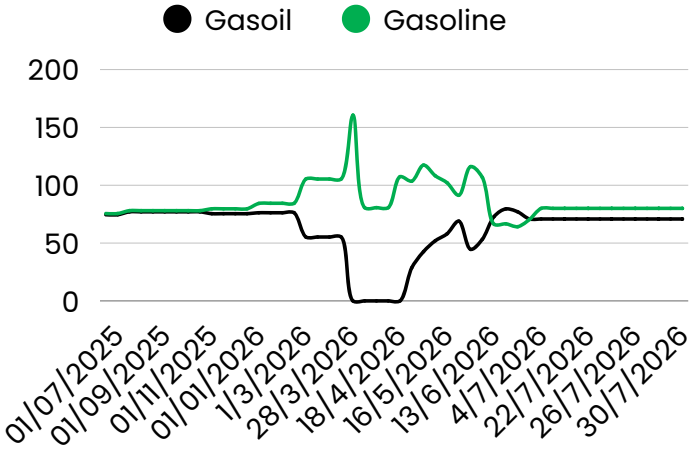
Price Trends

The month saw the introduction of daily pricing based on a rolling seven-day average of Platts Arab Gulf prices, intended to bring transparency to how petroleum products are priced. The move includes daily publication of the international benchmark on OGRA's website.

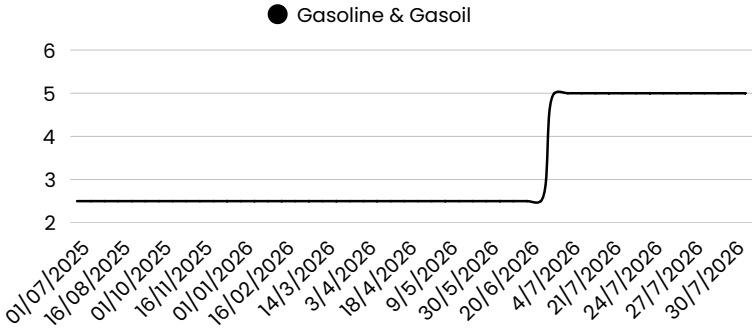
Ex-Refinery Prices (Rs/L)



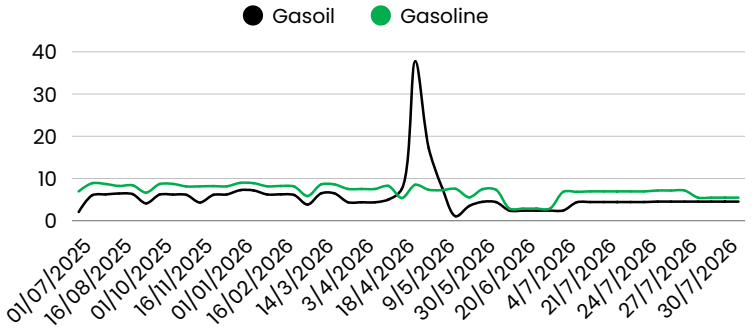
Petroleum. Dev. Levy (Rs/L)



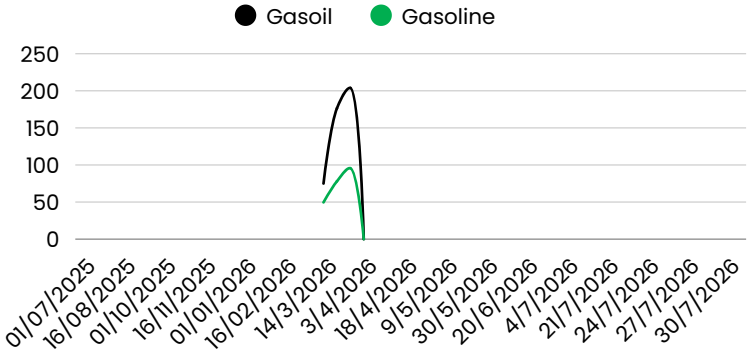
Climate Support Levy (Rs/L)



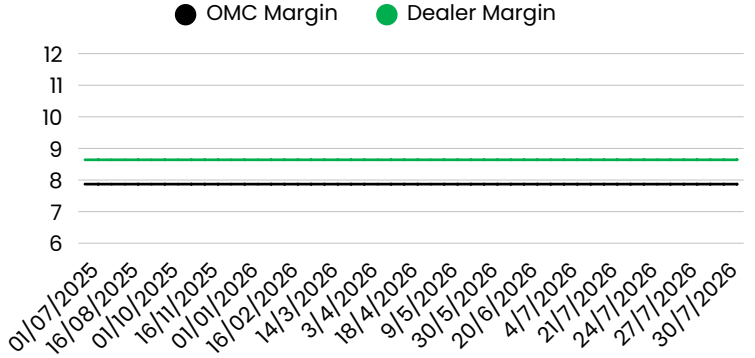
IFEM (Rs/L)



Price Differential Claim (PDC) (Deduction)



OMC & Dealer Margins



Source: OGRA Notifications · Mountain Ventures Analysis

Industry

The July Rebound

July prints well above both June and last July. Petrol and diesel each climbed by double digits on the month, and the year-to-date shortfall, which stood at minus three per cent through June, has closed to broadly flat. Hi-octane remains structurally lower. The final days of the month and the volumes of non-OCAC members are estimated.

According to industry sources, reasons for increase in Gasoline and Gasoil volumes also include disruption in supply of solvents used in adulteration, and lack of smuggled fuel availability, both resulting from the Hormuz conflict.

HEADLINE VOLUMES · '000 MT · JULY 2026

750k	15k	665k	1,430k
GASOLINE	HI-OCTANE	GASOIL	COMBINED
+12% MoM +19% YoY	+99% MoM -50% YoY	+28% MoM +24% YoY	+20% MoM +20% YoY

MONTH-ON-MONTH AND YEAR-ON-YEAR · '000 MT

PRODUCT	JUL 2025	JUN 2026	JUL 2026	MOM	YOY
Gasoline	629	668	**750**	+12%	+19%
Hi-Octane	30	8	**15**	+99%	-50%
Gasoil	536	519	**665**	+28%	+24%
Combined	**1,196**	**1,194**	**1,430**	**+20%**	**+20%**

YEAR TO DATE · JAN–JUL · '000 MT

PRODUCT	JAN–JUL 2025	JAN–JUL 2026	DELTA	YOY
Gasoline	4,568	**4,647**	+78	+1.7%
Hi-Octane	219	**133**	-86	-39.2%
Gasoil	4,039	**4,050**	+11	+0.3%
Combined	**8,827**	**8,830**	**+3**	**+0.0%**

Components may not sum to totals due to rounding. Sales for the final days of July and the full-month figures for OMCs that are not members of OCAC have been estimated. Source: OCAC & OGRA data, and Mountain Ventures analysis and estimates.

Top 10

The Month and the Year, Together

The top ten took 91 per cent of July. PSO widened its lead as the month surged; GO-Aramco and, within Others, Flow carried supply-chain disruptions that held their volumes down. Each lane shows the month and the year side by side, so a strong July and a softer year read at a glance.

OMC · YTD SHARE	JUL 2026	MOM	JUL VOL	YTD VOL	YTD	YOY
PSO YTD SHARE · 41.1%	646k	+36%			3,629	+1%
GO-Aramco YTD SHARE · 10.8%	89k	-26%			950	-14%
ParcoGunvor-Total YTD SHARE · 10.5%	148k	+19%			925	-3%
Wafi-Shell YTD SHARE · 8.9%	133k	+13%			787	+11%
Attock YTD SHARE · 8.1%	112k	+14%			716	-3%
Hascol YTD SHARE · 3.3%	42k	-4%			294	-11%
Cnergyico YTD SHARE · 2.4%	50k	+57%			215	+30%
Taj YTD SHARE · 2.3%	32k	+16%			207	+6%
Be-Caltex YTD SHARE · 2.3%	29k	-12%			201	-0%
Puma YTD SHARE · 1.6%	28k	+63%			140	+30%
Others YTD SHARE · 8.7%	123k				767	+4%
INDUSTRY	1,430k				8,830	

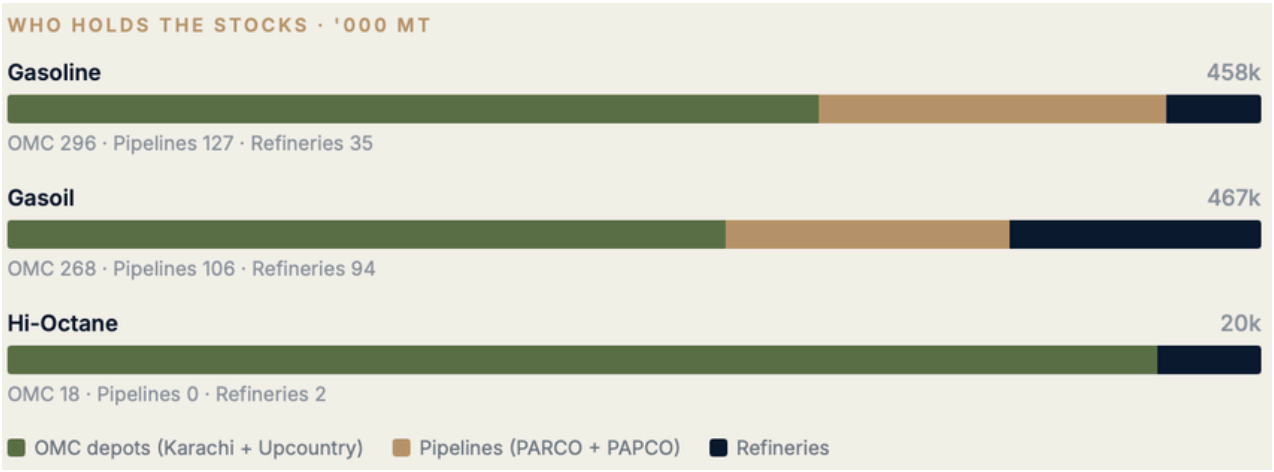
Volumes in '000 MT. July reflects official OCAC data through 29 July with the final days and non-member OMCs estimated; January to June are official. YTD year-on-year compares January–July 2026 with the same period of 2025. Source: OCAC & OGRA data, and Mountain Ventures analysis and estimates.

Inventories

Days of Cover, by Product

Industry stocks at end-July stand at 458k MT of motor spirit, 467k MT of gasoil and 20k MT of hi-octane. The month's surge in offtake drew tanks down across the board: petrol cover tightened to 19 days, the diesel overhang that ran at 41 days in June collapsed to 23, and hi-octane, which sat at 135 days a month ago, has finally cleared to 41. Cover is measured against the month's own elevated throughput.

GASOLINE · MS	HI-OCTANE · HOBC	GASOIL · HSD
19	**41**	**23**
DAYS OF COVER	DAYS OF COVER	DAYS OF COVER
458k MT · tightening	20k MT · overhang clearing	467k MT · drawn down
-6 days vs June (25)	-94 days vs June (135)	-18 days vs June (41)



TOP OMC STOCK HOLDERS · '000 MT

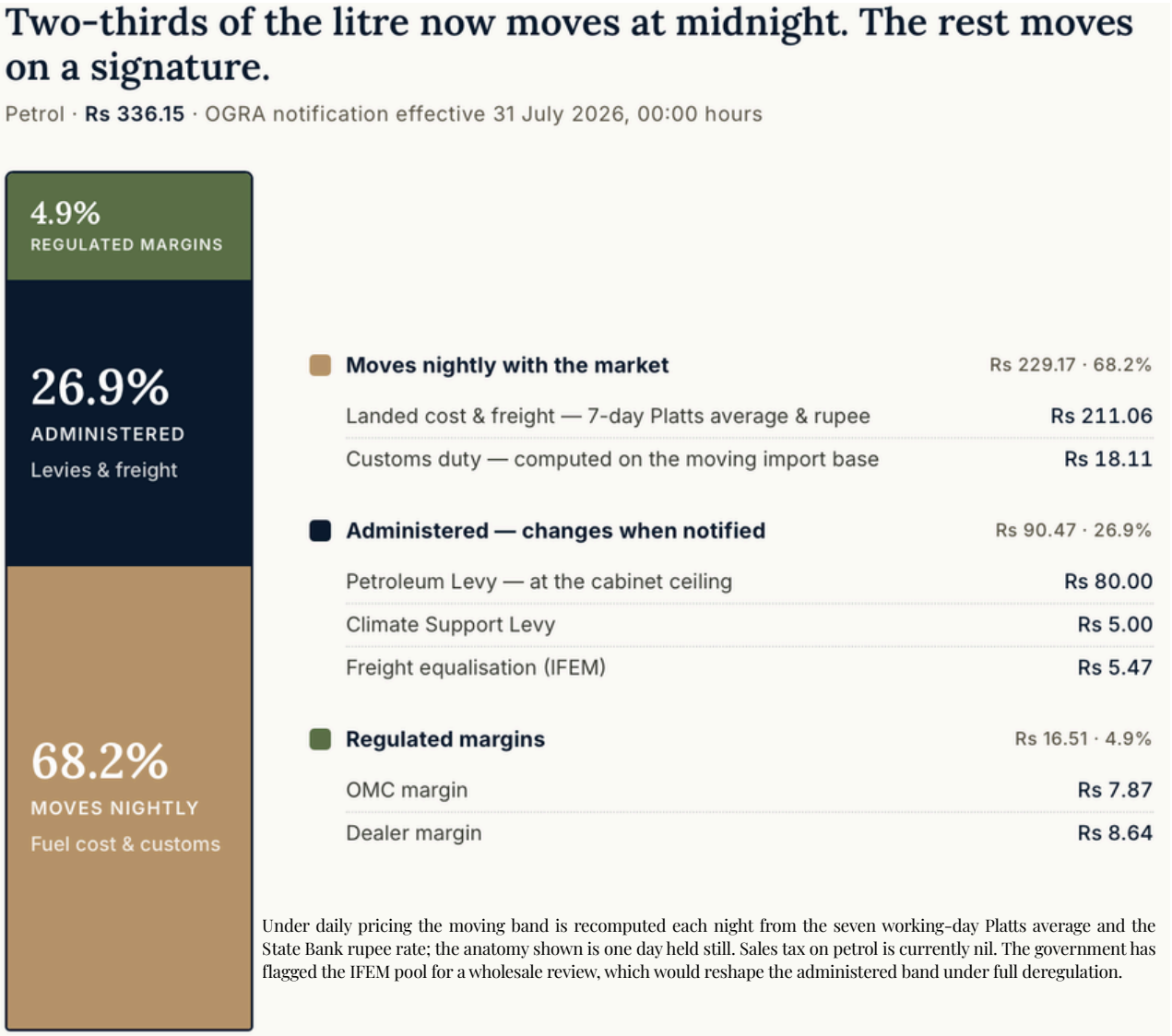
OMC	GASOLINE	HI-OCTANE	GASOIL	TOTAL
PSO	113.3	5.9	148.0	**267.2**
ParcoGunvor-Total	43.4	1.2	18.1	**62.7**
Wafi-Shell	33.2	4.6	23.6	**61.4**
Attock	22.9	3.1	24.8	**50.8**
GO-Aramco	29.0	3.2	14.2	**46.4**
Flow	15.2	0.0	0.5	**15.7**
Hascol	5.4	0.2	7.1	**12.6**
Puma	4.0	0.0	8.5	**12.5**
Be-Caltex	8.5	0.1	3.8	**12.4**
Cnergyico	4.3	0.0	7.6	**11.9**
Others	*17.1*	*0.0*	*11.3*	*28.4*
OMC Total	**296**	**18**	**268**	**582**

Source: OCAC & OGRA Data · Mountain Ventures Analysis · Only Gasoline, Hi Octane, and Gasoil shown. Stock Position at 30 July 2026.

The Litre, Priced at Midnight

Pakistan has taken a step the sector has pressed for across two decades, introducing **daily pricing from 20 July**. The change looks modest and is consequential, and **the government deserves credit for choosing a market-linked path at a genuinely awkward moment**, with renewed US-Iran tension carrying the benchmark higher through the month. The minister's description, that pricing has been depoliticised by handing the daily call to an independent regulator, fairly captures the mechanism's intent.

The clearest gain is one the reform's own architects named. A price that resets nightly against a rolling average leaves almost no room for the inventory gain-and-loss cycle that has long shadowed downstream earnings. The old fortnightly reference held a fixed target between revisions, and with it the standing temptation to hold stock ahead of an expected rise. A daily average closes that window. The round trip MaVen tracked through the first half of the year, which touched roughly Rs266 billion in paper terms in early April before settling as a net loss by June, becomes a feature of the regime now ending rather than the one beginning. Hoarding loses its arithmetic, and the market gains a cleaner read of what a litre truly costs on any given morning.



Under daily pricing the moving band is recomputed each night from the seven working-day Platts average and the State Bank rupee rate; the anatomy shown is one day held still. Sales tax on petrol is currently nil. The government has flagged the IFEM pool for a wholesale review, which would reshape the administered band under full deregulation.

Six Billion Dollars: Welcome, But Who Pays?

The government's newly announced **refining upgrade policy**, targeting some six billion dollars of investment to lift petrol output by roughly seventy per cent and diesel by around forty, is a welcome signal. Pakistan's refineries genuinely need to modernise, above all to close the quality gap and move the domestic slate towards Euro V. On that narrow point, we have long argued the case.

But quality upgrading does not cost six billion dollars. Capacity expansion does. And it is the capacity half of this programme, more petrol and more diesel, that gives us pause, for two reasons.

The first is demand. As set out elsewhere in this edition, we believe Pakistan's motor-fuel pool is entering structural decline as two- and three-wheelers, and in time cars, electrify, and as the global consensus turns fossil demand lower from the middle of the next decade. A twenty-year recovery on diesel, and a seven-year deemed-duty window on petrol, assume volumes we do not expect to be there. This is a project whose payback risks outliving its own market.

The second, and more immediate, is financeability. Six billion dollars is an extraordinary sum set against the refineries expected to spend it.

The listed-refinery share of the programme alone is several times their entire market value.

The billions of dollars attributed to the refineries, runs to several times their combined market capitalisation of well under a billion dollars (four listed refineries). Set against balance sheets already strained by unrecovered sales tax, PDL recoveries and thin margins (excluding the Hormuz windfalls on crack spreads), the question is not whether the upgrade is desirable. It is who, on a commercial basis, would fund it, and on what security.

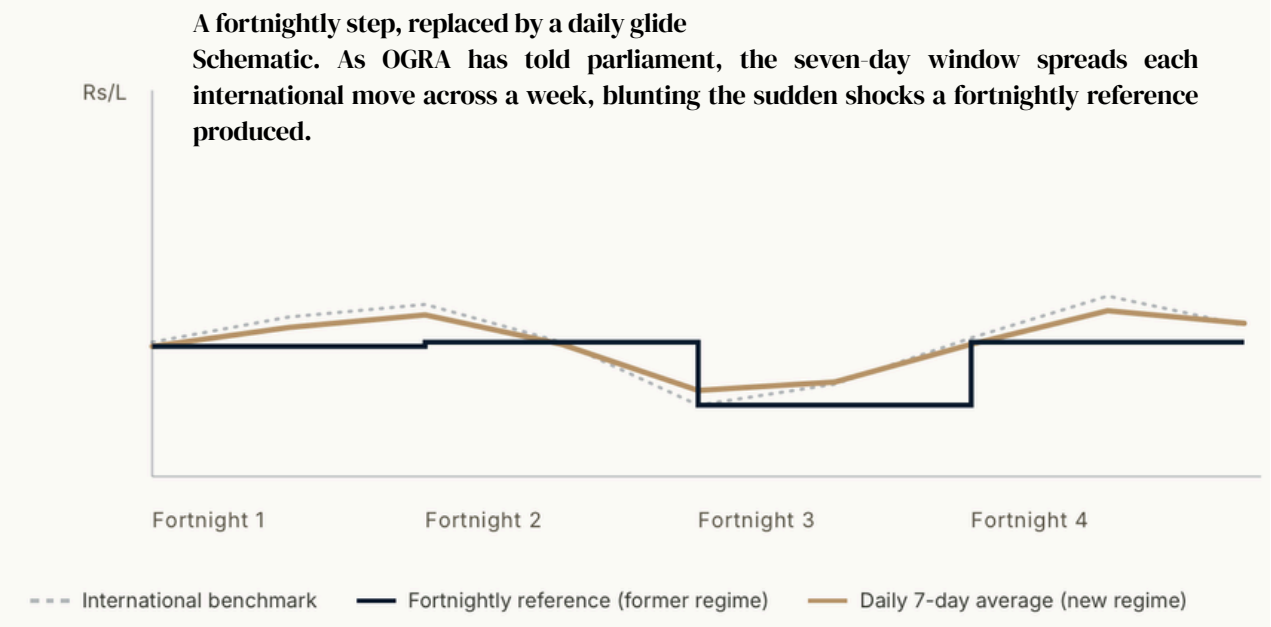
Until we see the funding structure, we treat this policy as an aspiration, not an event.

Announcements are cheap. Sanctioned, financed projects are not.

The Shape of the Change

Two bands move with the market at midnight: the landed fuel cost, now driven by the seven-day Platts average and the rupee, and the customs duty computed on that same moving import base. Together they are close to 68 per cent of a litre of petrol, and on diesel, where the import cost lands dearer and the levy sits lighter, nearer three-quarters. The remaining quarter to a third, the petroleum and climate levies, the IFEM and the OMC and Dealer margins, is set administratively and changes only when notified. This is not a shortcoming of the design. It is where the reform's promise will be realised, and the government has already said as much: the Prime Minister's review committee has flagged the IFEM pool for a wholesale review. The administered third is the stated next frontier, not merely this publication's inference.

A fortnightly step, replaced by a daily glide
Schematic. As OGRA has told parliament, the seven-day window spreads each international move across a week, blunting the sudden shocks a fortnightly reference produced.



The mechanism passes international movement through in both directions, automatically, unless the state chooses to intervene. That cushion is explicit and named. It is the targeted subsidy the government deployed earlier in the year, and which the petroleum minister has said can be reinstated within days should the conflict deepen. Pass-through is therefore the default and the subsidy the safety valve. The state steps back from the nightly call while keeping the levers that matter for revenue and for shielding consumers from a genuine spike.

What remains is execution, and here the direction is encouraging. A rate that changes at midnight and stock that travels for days must still meet at the forecourt. Sustained, and carried into the administered third of the litre where the IFEM review now sits, the daily benchmark turns a change of cadence into a change of culture. **On the evidence of a fortnight, the first has been delivered cleanly. The second is the prize now within reach.**

Sources: OGRA daily pricing notification and pricing mechanism document; Platts Arab Gulf assessments (MS-92 RON, HSD 10 ppm); Senate Standing Committee on Petroleum and Prime Minister's petroleum pricing review committee, as reported in Dawn, 31 July 2026; Petroleum Division briefings; Mountain Ventures analysis.

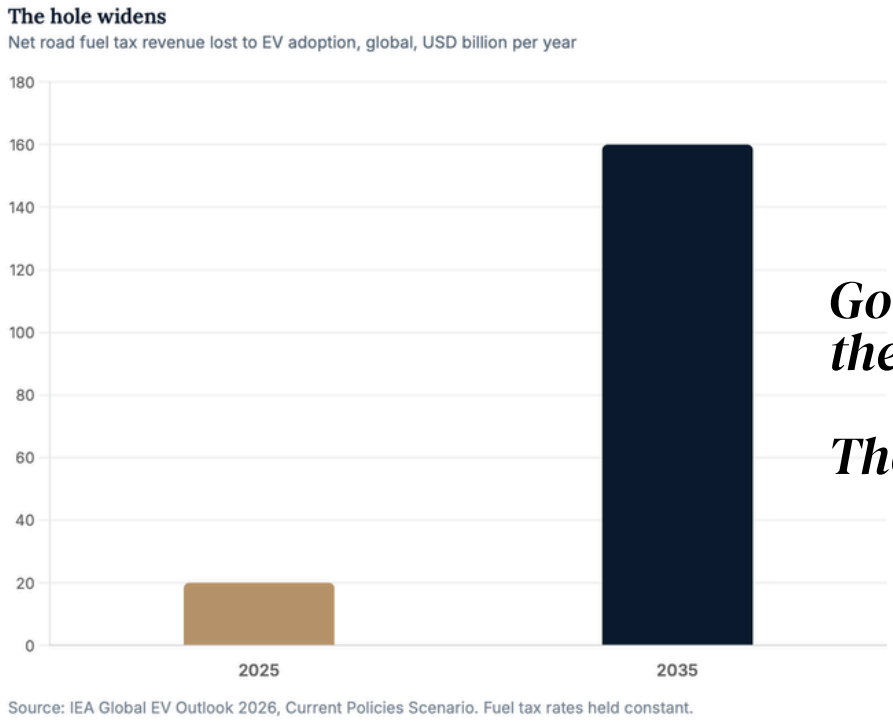
Rs1.7 Trillion Question

PDL is the state's easiest money. The clock on it has already started.

In 2025, road fuel taxes handed governments worldwide an estimated USD 590 billion, more than Germany's entire federal budget. Pakistan's slice of that habit is the petroleum development levy, targeted at roughly Rs1.7 trillion this fiscal year, collected invisibly at the pump, litre by litre. Every litre displaced is a levy nobody pays.

The fuel tax is the perfect tax. Which is exactly why losing it will hurt.

The global EV fleet erased around 1.7 million bopd in 2025, equivalent to Indonesia's entire oil demand. By 2030 that triples to 5 mb/d; by 2035 it reaches 9 to 10 mb/d. The fiscal shadow follows: net fuel tax losses climb from USD 20 billion today to nearly USD 160 billion a year by 2035, with electricity taxes clawing back barely a sixth of it.



Governments taxed the litre for 50 years.

The litre is leaving.

Here is the local twist. Over half of Pakistan's petrol pool is burned by two- and three-wheelers, the one segment where electrification is not a forecast but a price war already underway. The displacement that took China a decade of car sales arrives here on two wheels, faster and cheaper. Cars will follow; bikes lead.

The IEA's warning lands hardest on emerging markets, where fuel taxes exceed 9% of government revenue and fiscal room to replace them is thinnest. Within five to seven years, the Rs1.7 trillion line item stops being an escalator and starts being a question.

Pakistan's exposure is not the car. It is the motorcycle.

86%
OF IMPORTED SOLAR NEVER REACHED NET METERING

~67%
OF THE MS POOL: TWO- & THREE-WHEELERS

4–13%
OF THE POOL DISPLACED BY 2030, CURVE-DEPENDENT

~14 mo
E-BIKE PAYBACK AT A RS300 PLANNING PRICE

The Second Substitution

It happened to the grid.
The question is when it happens to the pump.

The Dress Rehearsal

Pakistan has already run the experiment this report describes. It ran it on the electricity grid, between 2021 and 2025, and the results are now a matter of record.

The solar market has now entered a second phase: panel imports decelerating as battery imports began to compound. That handoff, one dataset maturing as another ignites, is the pattern this feature tracks into a different fuel. But first, the scale of what solar did.

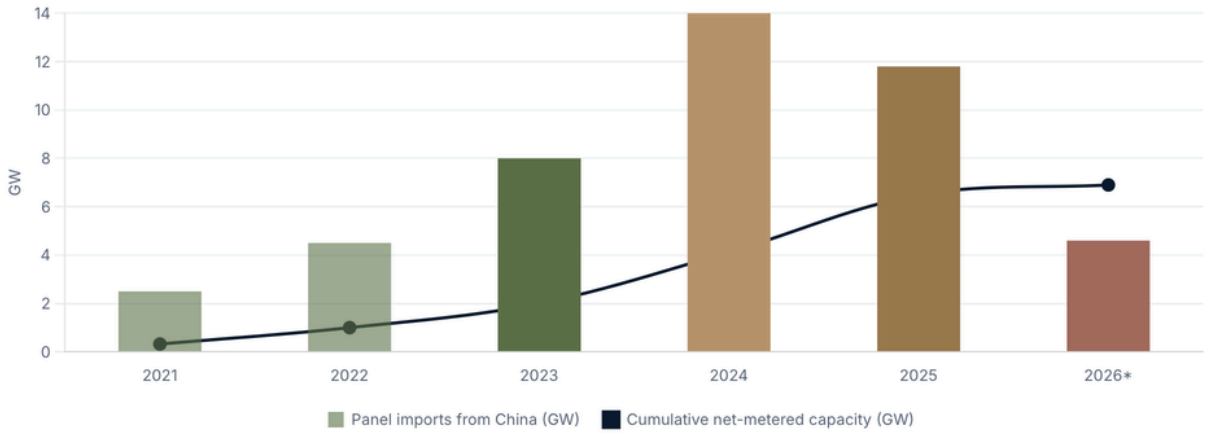
In 2021, Pakistan imported 2.5 GW of solar panels from China. By 2023 the figure was 8 GW, and cumulative imports crossed 55,700 MW by the end of May 2026, still adding volume every month even as the monthly rate has fallen sharply. For scale, the country's entire conventional generation base, coal, gas, hydro and nuclear combined, is about 46 GW. Pakistan imported, in five years, a parallel power system.

The official record caught only a fraction of it. Net-metered capacity grew from 321 MW in 2021 to 6,485 MW by the close of FY25. Yet cumulative panel imports by that same point stood near 47,200 MW, which means at least 86% of everything imported never appeared as a formal, grid-tied net-metering connection. Some is inventory and installation lag; a meaningful and growing share is systems that were never meant to touch the grid at all, commercial self-consumption, hybrid battery setups, and off-grid installations.

The substitution nobody forecast

CHART 01

Annual solar panel imports from China (bars, GW) against cumulative net-metered capacity (line, GW). The widening gap is the invisible fleet.



Sources: Ember China Solar PV Export Explorer (GACC customs data); BR Research (9 July 2026); NEPRA. Import figures are derived from customs export values and are indicative; imports do not equal installations. 2026 shown as the January–May run rate, down 61% year on year.

The regulatory response arrived after the substitution, not before it, repealing one-to-one net metering in favour of net billing. Despite the price shock, a collapsing hardware cost, and a payback that fell below three years, adoption was household by household, and by the time it appeared in the national data it was irreversible.

The lesson is not about electricity. It is about how energy substitution happens in Pakistan: price-driven, bottom-up, and unrecorded until it is structural. The trigger is a payback number.

The Main Event

The IEA's Global EV Outlook 2026 contains a finding that has attracted little attention in Pakistan and deserves a great deal: two- and three-wheelers are the most electrified segment of road transport, and they are moving fastest in countries that look like Pakistan.

In the first quarter of 2026, sales of electric two- and three-wheelers more than doubled year on year in Southeast Asia and grew by more than 30% in India. The IEA is explicit about where the pressure concentrates: emerging economies with low rates of motorisation and high sensitivity to fuel prices. It goes further, noting that the current oil-price rise from the conflict in the Middle East, the same Hormuz-driven escalation whose anatomy we traced in June and July, is drawing consumers toward electric options where supply concerns or steep fuel-price increases are sharpest.

Pakistan's exposure to this finding is unmatched in our coverage. At the end of December 2025 the registered fleet stood at 31.4 million two- and three-wheelers, of which 30.5 million were two-wheelers, with 1.7 million added during 2025 alone. Two vehicle classes sit on the petrol pool, and we treat them separately throughout, because they electrify at different speeds and displace fuel at very different rates.

52%

OF THE MS POOL: TWO-WHEELERS

~15%

OF THE MS POOL: PETROL THREE-WHEELERS (DERIVED)

~67%

COMBINED SMALL-VEHICLE SHARE OF THE POOL

>25%

GLOBAL ELECTRIC 3-WHEELER SALES SHARE (IEA), NEARLY DOUBLE 2-WHEELERS

No other petroleum product in Pakistan depends this heavily on a class of machine this cheap to replace. Roughly two-thirds of the motor spirit pool moves on two and three wheels.

Machine Assembling

Three things have converged in the past eighteen months: a **policy**, a **market**, and a **price**. The policy is the National EV Policy 2025–30, target is 30% of new vehicle sales to be electric by 2030, and its own projection is a saving of circa 2 billion litres of fuel annually, a figure aimed, in practice, squarely at the petrol pool.

The market response has outrun the machinery. The PAVE programme allocated Rs9 billion in FY2025–26 for 116,053 electric bikes and 3,171 rickshaws and loaders. In its first phase, applications broadly matched the pilot allocation, but bank financing became the bottleneck, with the overwhelming majority of loan applications declined.

In May 2026 the Economic Coordination Committee restructured the scheme, moving the 76,000-unit second phase to a direct self-financing and vendor-subsidised model to bypass the banking gridlock. Demand was not the constraint; the plumbing was. Oversight is fragmented across licensing, standards, charging and provincial roadworthiness; no dedicated authority, and a battery policy still in draft.

The price is the trigger. On a like-for-like comparison, a mid-range lithium commuter e-bike against a 70cc petrol machine, the purchase premium is around Rs75,000. Against annual petrol spend of roughly Rs66,300 for an active rider, at a through-cycle planning price of Rs300 per litre (a deliberate stable figure between pre- and post-war expectations, not a spot notification), that is a payback of about fourteen months at grid-tariff charging, shorter for a solar household, and shorter again once a subsidy is applied. Every upward move in the pump price shortens it.

That payback is a fuel-cost calculation. Whole-life economics depend on battery quality and longevity, which are not yet settled: a sub-committee of the National Assembly Standing Committee on Industries was told on 13 July that manufacturing licences do not require lithium-ion cells, that substandard packs can fail within two to three years, and that replacement can cost as much as Rs90,000. A shorter payback and a shorter battery life are the same market at a different stage.

The First Substitution ROOFTOP SOLAR, 2021–2025	SAME MECHANISM	The Second Substitution ELECTRIC TWO- & THREE-WHEELERS, 2025–
Trigger: tariffs up sharply since 2021; panel prices collapsing.		**Trigger:** Hormuz-era pump prices; entry price gap closed.
Threshold: payback fell below three years.		**Threshold:** bike payback ~14 months; rickshaw payback far shorter.
2021 base: 2.5 GW of imports, dismissed as marginal.		**2026 base:** ~150k bikes, ~15k rickshaws a year, dismissed as marginal.
Visibility: unrecorded until DISCO sales fell; regulation arrived in 2026, after the fact.		**Visibility:** no national sales series; adoption currently policy-metered, demand is not.
Outcome: 55,700 MW imported; 86% never reached net metering.		**Outcome:** the open question of this feature.

Rooftop solar crossed its payback threshold in 2021, at 2.5 GW of imports, and no one noticed for two years. The e-bike market is at its 2021.

The Model

We state our method before our results, because the results depend on assumptions that deserve daylight. We model two vehicle classes separately.

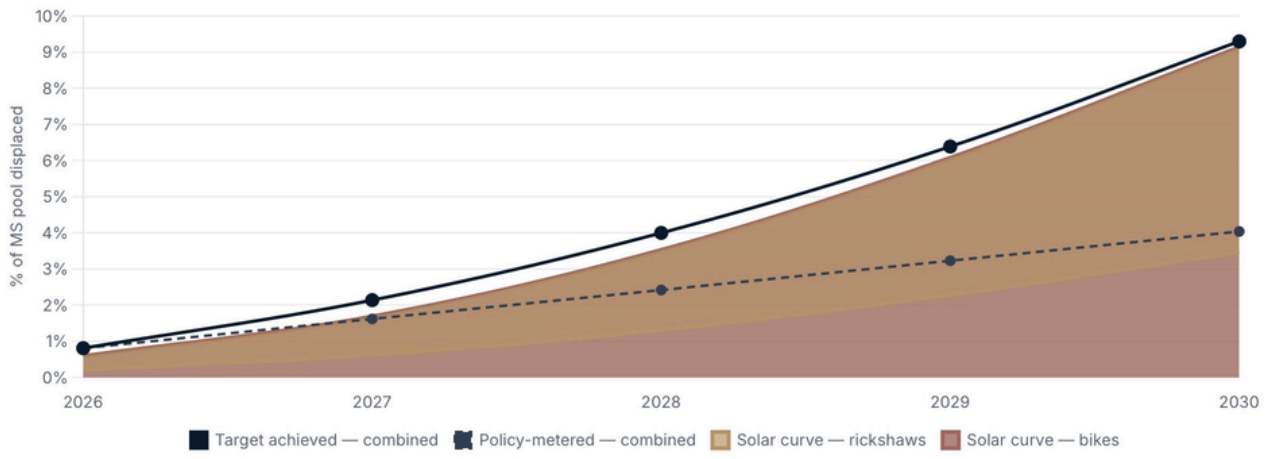
For **two-wheelers**, we begin with the machine, not the register. A 70cc bike at a real-world 50 km per litre, ridden 8,000 to 10,000 km a year, burns 160 to 200 litres, with commercial use above that. We take an active-rider base of 24 million machines in regular use, sized from fuel volumes rather than the 30.5 million registered stock, because registration overstates the running fleet. At 52% of a 10.2 billion litre pool, that active base implies 221 litres per bike per year, an output of the model, consistent with the bottom-up figure above.

For **three-wheelers**, we count one million active petrol rickshaws, holding to published stock rather than the higher registered-and-loader total of roughly 2.5 million; the balance is treated as CNG, idle, rural, or loaders outside the daily petrol-commuter profile. At 1,500 litres each, they consume 1.5 billion litres, roughly 15% of the pool. Together the two classes account for about 67% of motor spirit.

One distinction governs the whole model: the fuel a bike burns on average sizes the fleet; the fuel a replaced bike was burning sizes the substitution. Early adopters are delivery riders and heavy commuters, so we apply a displacement factor of 400 litres to each bike actually retired, well above the 221-litre fleet average. The two numbers do different jobs and are never divided into the same total.

Combined: the second substitution, both classes

Total displacement of the motor spirit pool, two- and three-wheelers stacked on the solar-curve path, against the policy-metered floor. The spread is the headline range.



Central case, target achieved on both classes, lands near 9% of pool by 2030. The solar-curve upper path (~13%) assumes rapid adoption tapering as the market matures; the policy-metered floor (~4%) assumes today's run rate holds flat. All figures re-derived from the model inputs above.

THE DOUBLE VERDICT

The policy target, even met in full, bends the petrol curve; it does not break it this decade.

But the direction is one-way. On the central path, small vehicles shed close to a tenth of the motor spirit pool by 2030, and the crossover, the first year in which small-vehicle petrol demand turns negative, arrives inside the planning horizon of every terminal, network and margin decision being approved today.

The Compounding Household

The IEA identifies charging infrastructure as the binding constraint on electric vehicle adoption worldwide, and home charging as the preferred mode wherever it exists. Pakistan, alone among major two-wheeler markets, has already built the refuelling network. It built it by accident, on its roofs, during the first substitution.

The next phase is already stirring: battery imports rising from $42 million in FY23 to $280 million in FY26, half of that in the final quarter alone. Households are buying the storage that lets them keep what they generate, which is precisely what lets a solar home charge a bike after dark on the day's own sun.

For the millions of households that installed panels between 2022 and 2025, the e-bike is not a purchase decision with a payback period. It is the cancellation of a fuel contract. The two substitutions do not merely resemble each other; the first finances and fuels the second. Every roof solarised in the last four years shortened the payback on an electric motorcycle that had not yet been bought.

Pakistan ranks on cheaper side for petrol yet some of the least affordable of countries. In that context, a reduction of more than 90% in the running cost of the household's principal vehicle is not a preference waiting on persuasion. It is gravity.

We pose the questions; the reader owns the answers.

i. Every storage terminal, retail network and margin model approved in 2026 embeds, whether stated or not, a forecast of small-vehicle petrol demand in 2035. Which of the curves is it built on?

ii. What does a twenty-year asset assume about the two-thirds of the pool that moves on two and three wheels?

iii. And the solar question, restated for the pump: when the second substitution finally becomes visible in the daily sales data, will it, like the first, already be irreversible?

Source: Business Recorder Pakistan, IEA, Government of Pakistan notifications, Mountain Ventures research and Analysis.

Mountain Ventures

Mountain Ventures is an investment and advisory practice founded by partners with deep expertise in oil & gas, energy transition, and technology. The firm has executed landmark transactions in Pakistan's downstream sector, combining hands-on execution with global partnerships to bridge policy, capital, and technology, and to help clients and investors capture opportunities in high-growth markets.

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Following the barrel from the refinery gate to the capital market.

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For company-specific analysis, market data, or tailored strategic guidance beyond this overview, reach either partner directly.

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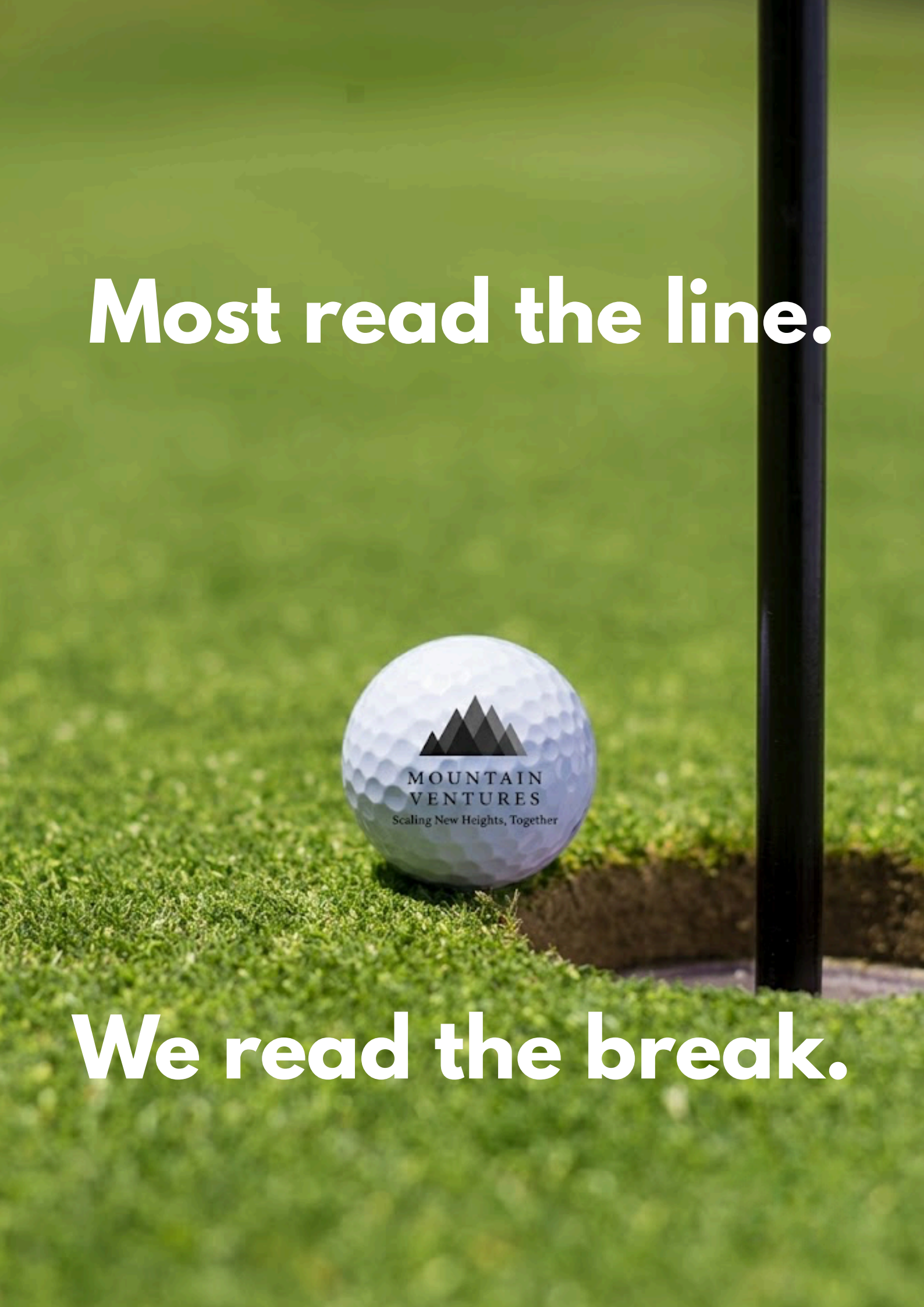
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