AUGUST - 2020

Fund Managers' Report

Performance Tracker

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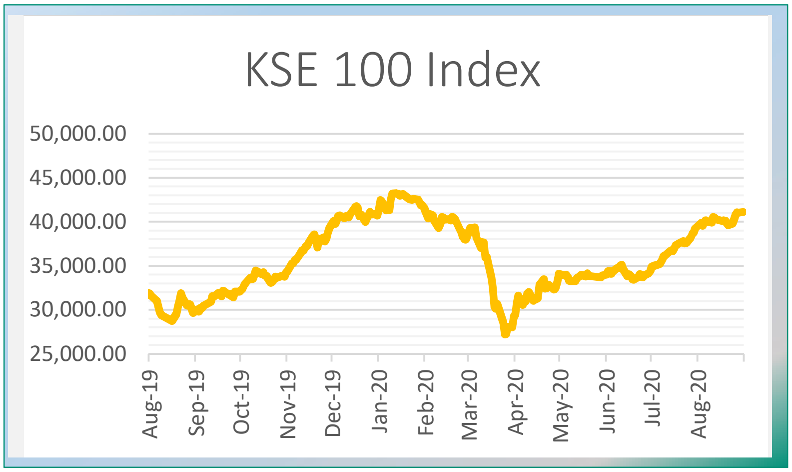
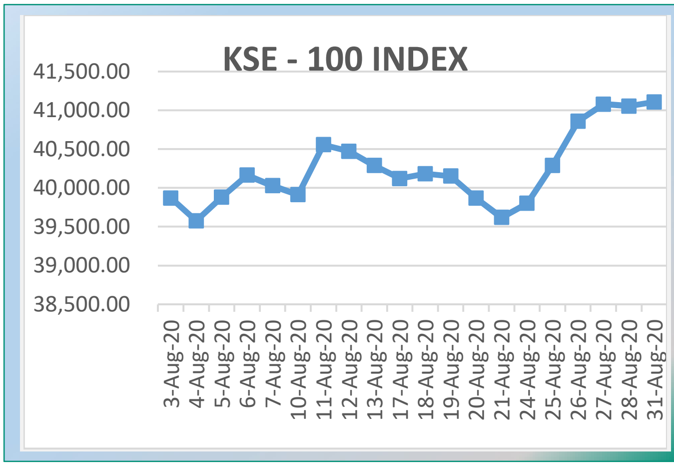
Equity Market Analysis

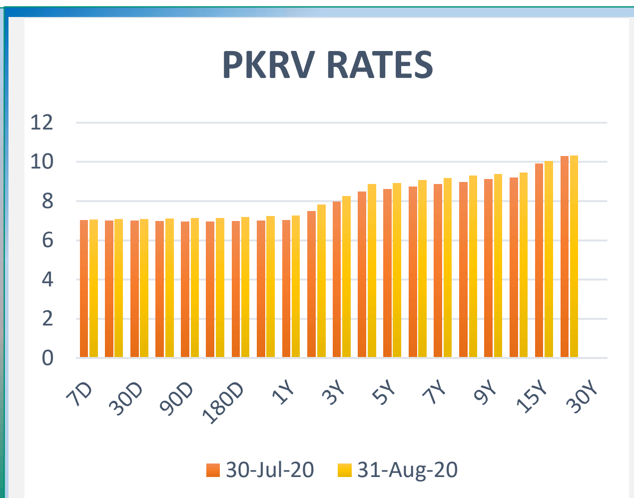
From capital market perspective, particularly equities, we are getting a much clearer picture now. As Covid curve continues to flatten out, the valuations are catching up with historical norms. Barring a second wave of the virus, we think equities have a lot to offer to the investors. Market cap to GDP ratio is at 18.0%, still at a discount of ~30% from its historical average. Similarly, risk premiums are close to 3.2%, compared to historical average of 0.9% signifying decent upside for long-term investors. We believe a micro view of sectors, stock will remain more important this year, and investment selection should focus on companies, which trade at a deep discount to their intrinsic value. Similarly, focus should also revert to companies that are expected to exhibit stellar earnings growth over the medium term. Refineries, OMCs and Chemicals were the major outperformers during the month, posting returns of ~28%, ~25% and 15% respectively. OMCs rebounded on the back of encouraging volumetric numbers increasing by ~15-20% YoY. Chemicals soared on expectations of resurgence in economic activity and its multiplier effects on the various industrial enterprises related to the sector. The benchmark KSE-100 Index gained ~5% during the month of August 2020. The positive market sentiments continued for the second month since the onset of this fiscal year. The month of August saw even more stellar recovery in Covid infection rate in Pakistan, which declined to ~ 2%, based on the recent testing. Foreigners turned buyers for the first time in a while as they bought USD 6.8 million of equities during the month. On the local front, Banks and Insurance Companies were the main sellers selling around USD 37 Mn and USD 28 Mn worth of equities. Average volumes and value traded amounted to ~518 Mn shares/ ~PKR 20 Bn, record levels of the last 10 years.





Money Market Analysis

State Bank of Pakistan conducted Treasury bill auction on August 26h, 2020. The auction had a total maturity of PKR 653.2 billion against a target of PKR 450 billion. Auction witnessed a total participation of PKR 964 billion. Out of total participation bids worth, PKR 357 billion were received in 3 months' tenor, PKR 346 billion in 6 months, and PKR 261 billion in 12 months' tenor. SBP accepted total bids worth PKR 531 billion in a breakup of PKR 269 billion, PKR 201 billion, and PKR 60 billion at a cut-off yield of 7.1498%, 7.18 %, and 7.30 % in 3months, 6 months, and 12 months' tenor respectively. The provision of cheap loans by the SBP through enhanced refinancing facilities have helped maintain credit flows, bolster the cash flow of borrowers, and support asset prices. Inflation has also remained broadly in line with expectations, however during the second half as the impact of low base kicks in, it will start to rise. BoP position at that time along with outlook of inflation will determine the quantum of increase at that time, which will further affect our yields trajectory. Auction for fixed coupon PIB bonds was held on Aug 19th, 2020 with a total target of PKR 140 billion. Total participation of PKR 111 billion was witnessed in this auction out of which 3, 5, 10, 15 & 20-year tenor received bids worth PKR 39 billion, PKR 35 billion, PKR 11 billion, PKR 12 billion & PKR 10 billion respectively. State bank of Pakistan accepted PKR 22 billion in 3 years, PKR 334 million in 5 years, PKR 55 million in 10 years, PKR 12 billion in 15 years, and 10 billion in 20 years at a Cut off rate of 8.20%, 8.45%, 8.99%, 9.98%, and 10.55% respectively.



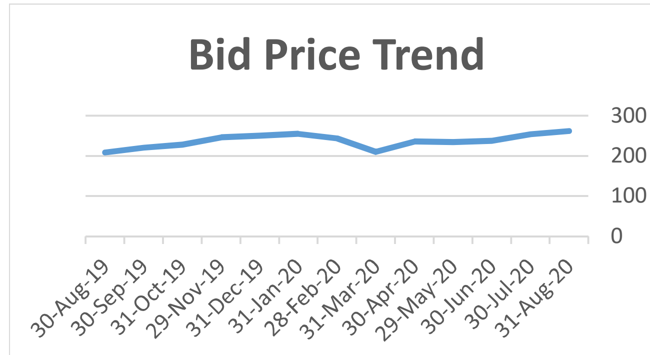
INVESTMENT MULTIPLIER FUND (IMF)

Fund Objective:

A well-diversified portfolio with the aim to maximize the returns by taking exposure in equities while balancing out the risk profile by investing in Government and fixed income securities and real estate.

Fund Information:

Fund Name	Investment Multiplier Fund
Fund Size	PKR 19.3 Billion
Launch Date	June 9, 2011
Bid Price (Inception)	PKR 100
Bid Price (31 Aug 2020)	PKR 262.3441
Fund Type	Asset Allocation Fund
Management Fees	1.6% p.a. , 1.75% p.a. , 2% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	MCB ARIF Habib Saving & Investment Ltd. is managing this Fund through a discretionary portfolio management agreement.
Benchmark	40% [six (6) months PKRV rate (T-Bills rate)] + 50% [KSE-100 Index Return] + 10% minimum Bank Deposit rate on saving accounts].

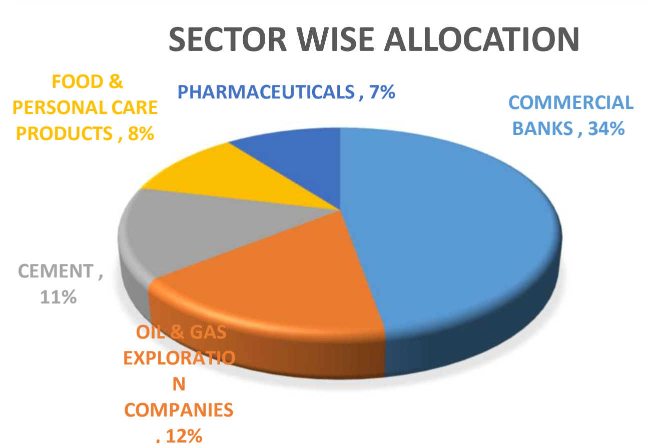


Asset Mix

Asset	August 2020	July 2020
Bank Balance	2.23%	1.39%
Term Deposits	2.89%	3.00%
Equities	32.06%	32.66%
Mutual Funds	25.11%	23.46%
Fixed Income Securities	6.75%	6.93%
Government Securities	25.85%	27.18%
Real Estate	4.42%	4.58%
Other Asset	0.69%	0.80%

Fund Returns:

	Absolute
Month to Date (MTD)	3.29%
180 Days Return	7.63%
CYTD	4.92%
Since Inception	162.34%



Managers' Comments:

During the month of August 2020, the NAV per unit has been Increased by PKR 8.3448 (3.29%) from July.

INVESTMENT SECURE FUND (ISF)

Fund Objective:

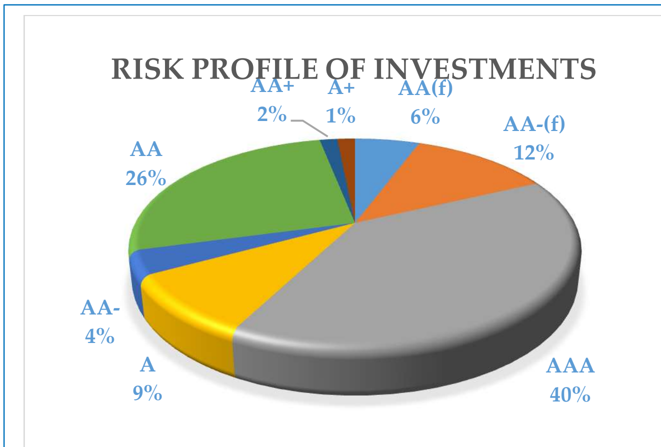
To offer regular and steady returns from investment in wide variety of fixed income securities and Government Securities with minimum exposure to equities.

Fund Information:

Fund Name	Investment Secure Fund
Fund Size	PKR 11.5 Billion
Launch Date	June 9, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Aug 2020)**	PKR 227.5535
Fund Type	Predominantly Fixed Income Fund
Management Fees	1.6% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	MCB ARIF Habib Saving & Investment Ltd. is managing this Fund through a discretionary portfolio management agreement.
Benchmark	70% [six (6) months PKRV rate (T-Bills rate)]+[20% [KSE-100 Index Return] +[10% minimum bank rate on saving account]

Asset Mix

Assets	August 2020	July 2020
Bank Balances	3.55%	3.60%
Term Deposits	9.87%	10.10%
Equities	0.00%	0.00%
Mutual Funds	5.01%	5.08%
Fixed Income Securities	9.34%	9.42%
Government Securities	70.74%	70.48%
Other Asset	1.49%	1.32%



Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.79%	9.00%
180 Days Return	6.48%	12.78%
CYTD	8.86%	13.26%
Since Inception	127.55%	13.81%

Managers' Comments:

During the month of August 2020, the NAV per unit has been Increased by PKR 1.7814 (0.79%) from July.

INVESTMENT SECURE FUND II (ISF II)

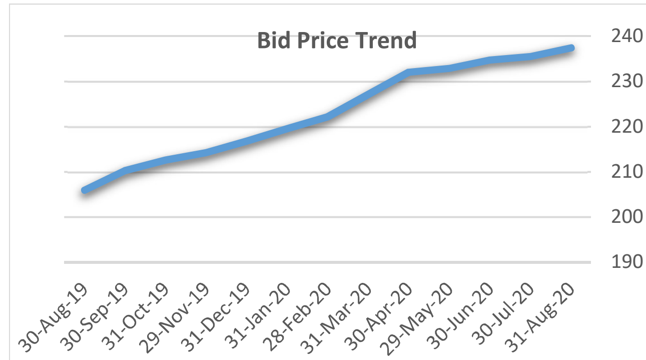
adamjeelife

Fund Objective:

To offer regular and steady returns from investment in wide variety of fixed income securities and Government Securities without taking excessive risks.

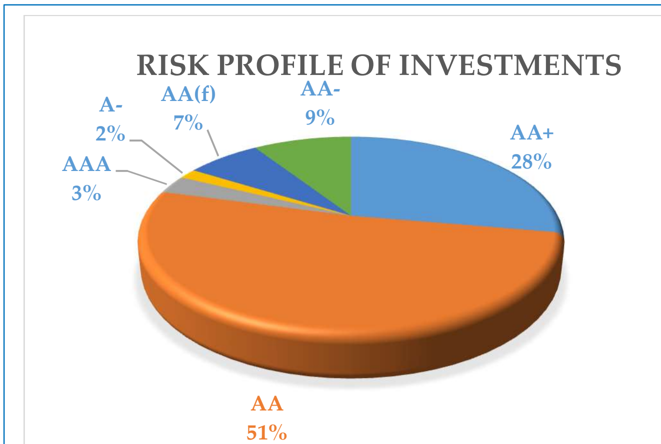
Fund Information:

Fund Name	Investment Secure Fund II
Fund Size	PKR 3.7 Billion
Launch Date	December 1, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Aug 2020)**	PKR 237.4267
Fund Type	Predominantly Fixed Income Fund
Management Fees	1.6% p.a. - 1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	MCB ARIF Habib Saving & Investment Ltd. is managing this Fund through a discretionary portfolio management agreement.
Benchmark	80% [six (6) months PKRV rate (T-Bills rate)] + 10% [KSE-100 Index Return] + [10% minimum bank deposit rate on saving account]



Asset Mix

Assets	August 2020	July 2020
Bank Balances	0.53%	8.06%
Term Deposits	0.00%	0.00%
Equities	0.00%	0.00%
Mutual Funds	1.21%	1.29%
Fixed Income Securities	15.70%	16.60%
Government Securities	80.21%	71.96%
Other Asset	2.35%	2.09%



Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.80%	9.11%
180 Days Return	6.86%	13.53%
CYTD	9.50%	14.21%
Since Inception	137.43%	15.69%

Managers' Comments:

During the month of August 2020, the NAV per unit has been Increased by PKR 1.8808 (0.80%) from July.

AMAANAT FUND (AF)

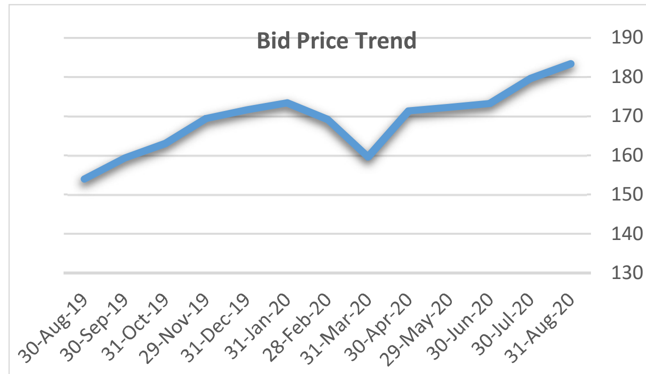
adamjeelife

Fund Objective:

To offer an opportunity to invest in a diversified Shariah compliant equity and fixed income securities.

Fund Information:

Fund Name	Amaanat Fund
Fund Size	PKR 737 Million
Launch Date	November 15, 2012
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Aug 2020)**	PKR 183.3731
Fund Type	Islamic Asset Allocation Fund
Management Fees	1.6% p.a. - 1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	MCB ARIF Habib Saving & Investment Ltd. is managing this Fund through a discretionary portfolio management agreement.
Benchmark	70% [Three (3) months Islamic Bank TDR] + 25% [KMI - 30 Index Return] + 5% [Islamic Bank saving account return]

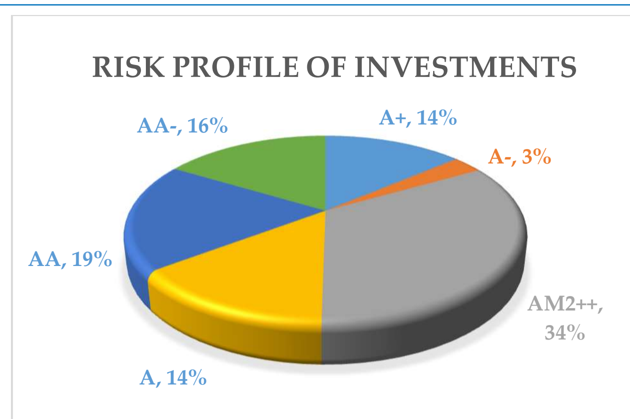


Asset Mix

Assets	August 2020	July 2020
Bank Balances	10.40%	12.41%
Term Deposits	29.15%	30.00%
Equity	1.19%	1.54%
Mutual Funds	27.78%	27.25%
Fixed Income Securities	15.34%	15.49%
Government Securities	14.18%	11.86%
Other Asset	1.96%	1.45%

Fund Returns:

	Absolute
Month to Date (MTD)	2.10%
180 Days Return	8.36%
CYTD	6.83%
Since Inception	83.37%



Managers' Comments:

During the month of August 2020, the NAV per unit has been Increased by PKR 3.7665 (2.10%) from July.

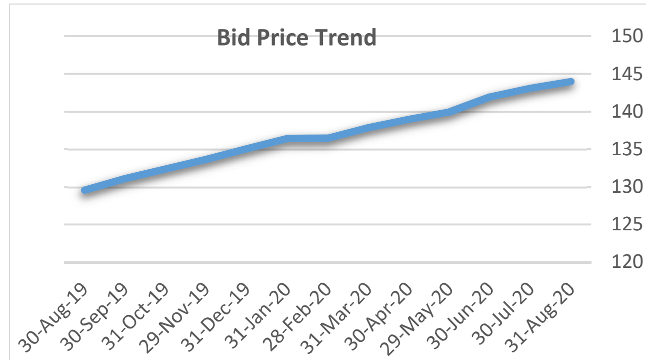
DYNAMIC SECURE FUND (DSF)

Fund Objective:

To deliver regular and steady return primarily by investing in Government and fixed income securities.

Fund Information:

Fund Name	Dynamic Secure Fund
Fund Size	PKR 42.5 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Aug 2020)	PKR 143.9799
Fund Type	Fixed Income Fund
Management Fees	1.6% p.a. , 1.75% p.a. , 2% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	MCB ARIF Habib Saving & Investment Ltd. is managing this Fund through a discretionary portfolio management agreement.
Benchmark	90% [six (6) months T-Bills] + [10% Bank saving account return]

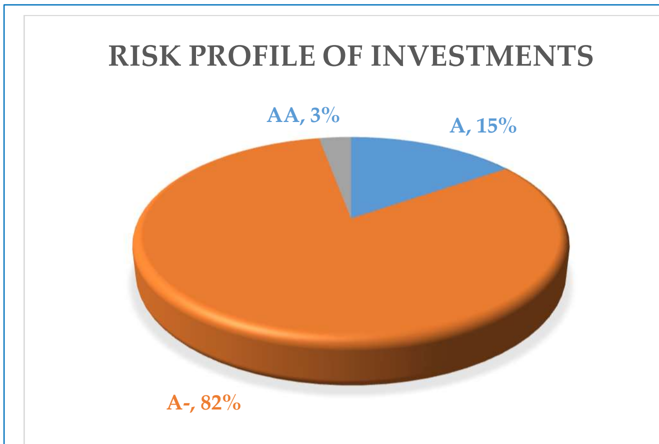


Asset Mix

Assets	August 2020	July 2020
Bank Balances	3.93%	6.13%
Term Deposits	0%	0%
Mutual Funds	0%	0%
Fixed Income Securities	17.61%	20.62%
Government Securities	72.34%	66.07%
Real Estate	0%	0%
Other Assets	6.12%	7.18%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.62%	7.09%
180 Days Return	5.50%	10.85%
CYTD	6.60%	9.87%
Since Inception	43.98%	10.67%



Managers' Comments:

During the month of August 2020, the NAV per unit has been Increased by PKR 0.8895 (0.62%) from July.

DYNAMIC GROWTH FUND (DGF)

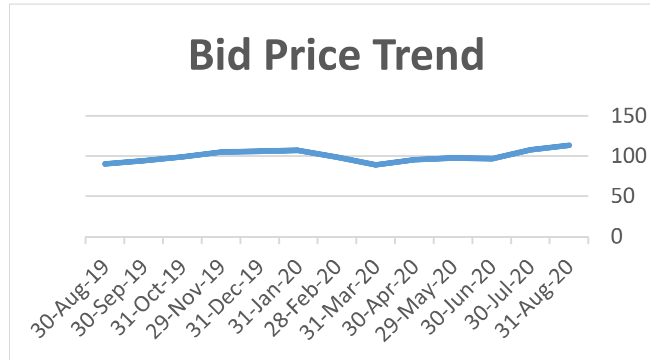
adamjeelife

Fund Objective:

To generate high returns through active allocation in fixed and equity securities.

Fund Information:

Fund Name	Dynamic Growth Fund
Fund Size	PKR 266 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Aug 2020)	PKR 113.4189
Fund Type	Asset Allocation Fund
Management Fees	1.6% p.a. , 1.75% p.a. , 2% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	MCB ARIF Habib Saving & Investment Ltd. is managing this Fund through a discretionary portfolio management agreement.
Benchmark	50% [six (6) months PKRV rate (T-Bills rate)]+[40% of KSE-100 Index Return]+10% minimum bank deposit rate on saving accounts]

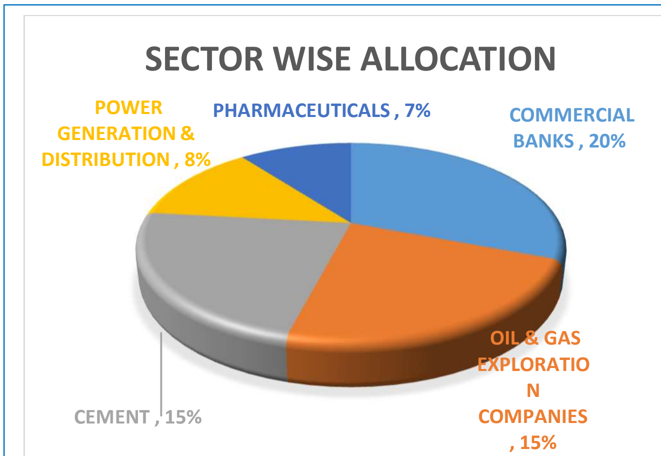


Asset Mix

Assets	August 2020	July 2020
Bank Balances	2.81%	3.22%
Term Deposits	0.00%	0.00%
Equities	56.11%	48.71%
Mutual Funds	0.00%	5.11%
Fixed Income Securities	5.64%	6.01%
Government Securities	31.83%	36.51%
Other Asset	3.61%	0.44%

Fund Returns:

	Absolute
Month to Date (MTD)	5.07%
180 Days Return	14.52%
CYTD	7.13%
Since Inception	13.42%



Managers' Comments:

During the month of August 2020, the NAV per unit has been Increased by PKR 5.4752 (5.07%) from July.

DISCLAIMER

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