**MAY -** 2020

# Fund Managers' Report


# Performance Tracker

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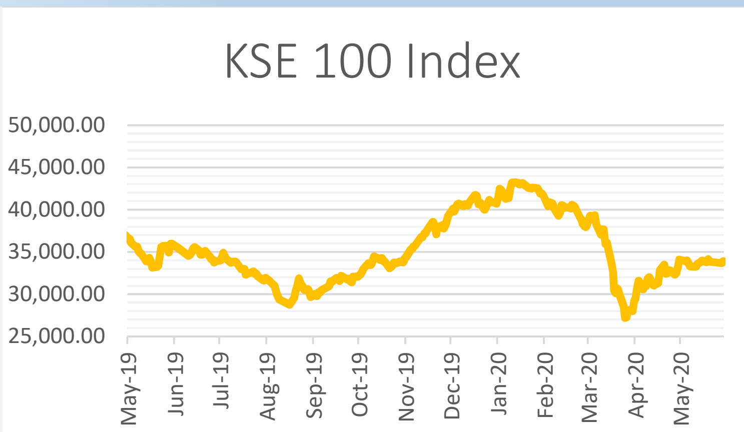
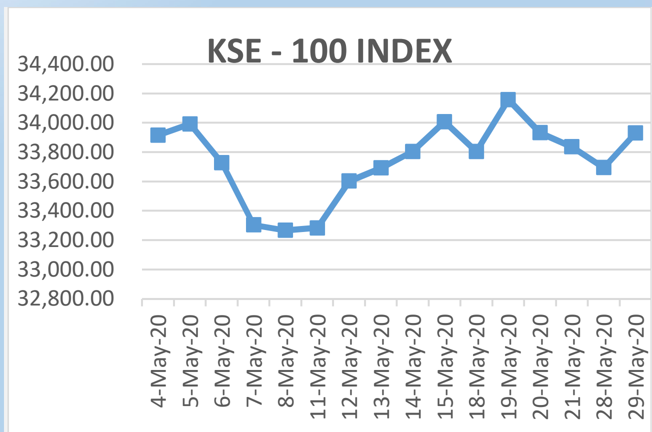
# Equity Market Analysis

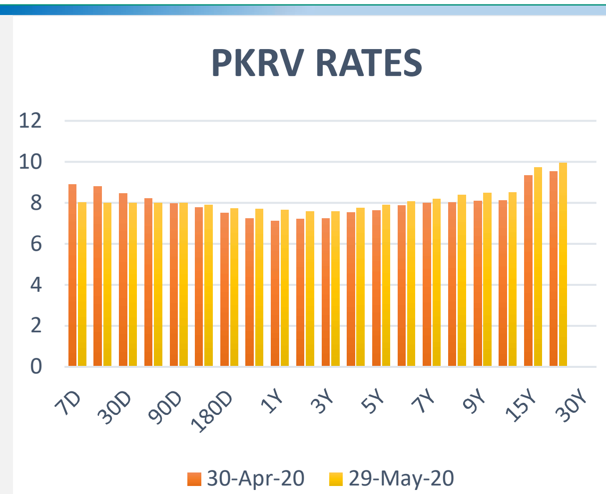
The benchmark KSE-100 remained under pressure in May post a decent recovery in April 2020 falling by ~0.53% MoM. Coronavirus cases continued to grow exponentially in Pakistan while the global scenario remained gloomy too. Once again, Foreigners offloaded equities aggressively reducing their exposure by ~USD 40 million during the month most of which was absorbed by Individuals on the local front. Average volumes/value traded during the month amounted to ~206 mn shares/ PKR 7.3 bn. From the capital markets perspective, the outlook remains uncertain as the corona outbreak is emerging as a greater risk to the economy. While the current state of affairs relative to other countries offers a positive aspect with mortality rates under control although on a rising trend, yet we remain cautious over short term. Barring the corona episode, the equity markets offer great potential to long-term investors as valuations remain close to those during the financial crisis of 2008. KSE 100 offers an earning yield of ~14% while the long-term bonds now trade below a yield of 9%. The gap between both the asset class remains unprecedented and offers extraordinary returns to risk investors, assuming the scenario normalizes in couple of months. Amongst the major sectors, Fertilizers, Cements and Banks dragged the index down. On the other hand, the energy chain outperformed the index as oil prices continued on the recovery path after oil price debacle in March. E&Ps, Power and OMCs gained ~5%/4.5%/2% during the month.




# Money Market Analysis

State Bank of Pakistan conducted Treasury bill auction on May 20th, 2020. The auction had a total maturity of PKR 205.2 billion against a target of PKR 325 billion. Auction witnessed a total participation of PKR 1,049 billion. Out of total participation bids worth PKR 317 billion were received in 3 months' tenor, PKR 259 billion in 6 months, and PKR 471 billion in 12 months' tenor. SBP accepted total bids worth PKR 215 billion in a breakup of PKR 77 billion, PKR 52 billion, and PKR 85 billion at a cut-off yield of 8.1496%, 7.8050% and 7.7499% in 3months, 6 months and 12 months' tenor respectively. The Monetary Policy Committee in the month of May decided to slash the policy rate by another 100 bps to 8.00% during the month. This summed up to a total cut of 525 bps in Policy Rate since March 2020. The decision was mainly influenced by improvement in inflation outlook as SBP now expects CPI to average on the lower side of its 7%-9% forecast for FY21. The MPC was of the view that this action would provide liquidity support to households and businesses to combat the temporary disruption in economic activity. Yields in the market remained volatile during the month as a declining trend was seen in the first half as market participants anticipated larger cut in MPS, which in the latter half of the month were seen on increasing trend as a result of MPS and recovery in global oil prices.



# INVESTMENT MULTIPLIER FUND (IMF)

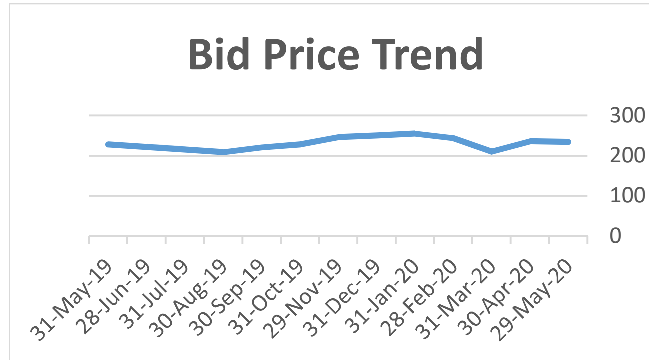
adamjeelife

## 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.

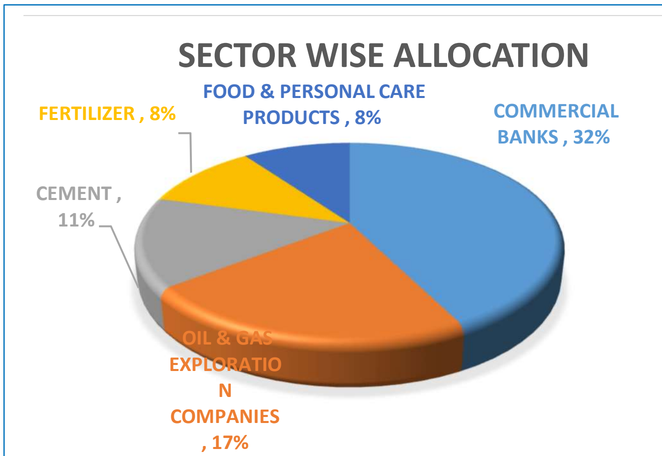
## Fund Information:

| | |
|---|---|
| Fund Name | Investment Multiplier Fund |
| Fund Size | PKR 17 Billion |
| Launch Date | June 9, 2011 |
| Bid Price **(Inception)** | PKR 100 |
| Bid Price **(29May 2020)** | PKR 234.4550 |
| 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 | This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. 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 | May 2020 | April 2020 |
|---|---|---|
| Bank Balance | 1.71% | 2.23% |
| Term Deposits | 3.28% | 3.25% |
| Equities | 31.78% | 32.09% |
| Mutual Funds | 22.70% | 23.31% |
| Fixed Income Securities | 4.43% | 4.39% |
| Government Securities | 26.79% | 27.83% |
| Real Estate | 5.13% | 5.08% |
| Other Asset | 4.18% | 1.82% |




## Fund Returns:

| | Absolute |
|---|---|
| Month to Date (MTD) | -0.77% |
| 180 Days Return | -4.67% |
| CYTD | -6.23% |
| Since Inception | 134.46% |

## Managers' Comments:

During the month of May 2020, the NAV per unit has been Decreased by PKR 1.8261 (0.77%) from April.

# INVESTMENT SECURE FUND (ISF)

adamjeelife

## 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:

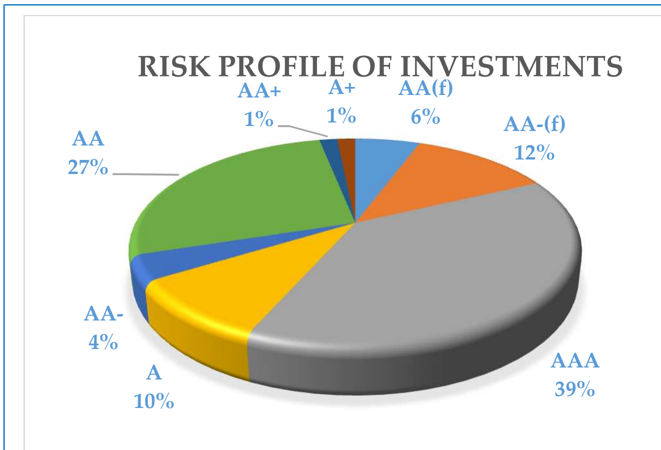
| | |
|---|---|
| Fund Name | Investment Secure Fund |
| Fund Size | PKR 10.8 Billion |
| Launch Date | June 9, 2011 |
| Bid Price **(Inception)** | PKR 100 |
| Bid Price **(29 May 2020)** | PKR 223.1031 |
| Fund Type | Predominantly Fixed Income Fund |
| Management Fees | 1.6% p.a. |
| Pricing Mechanism | Forward |
| Risk Profile | Low to Medium |
| Regulator | Securities and Exchange Commission of Pakistan |
| Investment Advisor | This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. 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 | May 2020 | April 2020 |
|---|---|---|
| Bank Balances | 3.30% | 3.68% |
| Term Deposits | 10.48% | 10.58% |
| Equities | 0.00% | 0.00% |
| Mutual Funds | 5.22% | 5.24% |
| Fixed Income Securities | 10.02% | 10.95% |
| Government Securities | 69.42% | 67.97% |
| Other Asset | 1.56% | 1.58% |

## Fund Returns:

| | Absolute | Annualized |
|---|---|---|
| Month to Date (MTD) | 0.34% | 4.34% |
| 180 Days Return | 8.01% | 16.07% |
| CYTD | 6.74% | 16.39% |
| Since Inception | 123.10% | 13.71% |




## Managers' Comments:

During the month of May 2020, the NAV per unit has been Increased by PKR 0.7667 (0.34%) from April.

# INVESTMENT SECURE FUND II (ISF II)

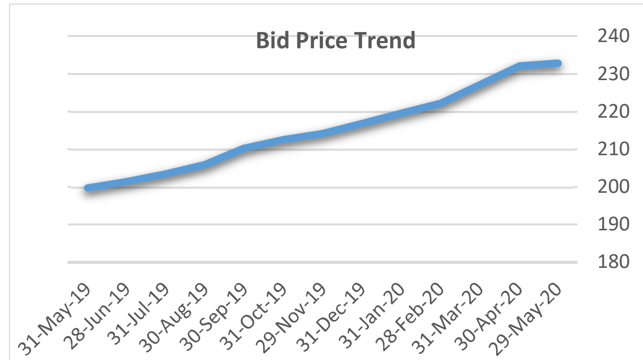
adamjeelife

## 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 Billion |
| Launch Date | December 1, 2011 |
| Bid Price **(Inception)** | PKR 100 |
| Bid Price **(29 May 2020)** | PKR 232.8845 |
| Fund Type | Predominantly Fixed Income Fund |
| Ma-nagement 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 | This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. 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] |
| | |

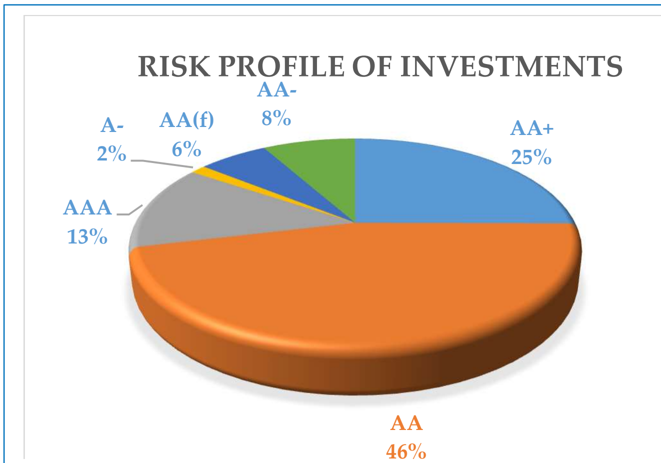



## Asset Mix

| Assets | May 2020 | April 2020 |
|---|---|---|
| Bank Balances | 3.17% | 0.18% |
| Term Deposits | 0.00% | 0.00% |
| Equities | 0.00% | 0.00% |
| Mutual Funds | 1.46% | 5.55% |
| Fixed Income Securities | 19.41% | 21.24% |
| Government Securities | 73.58% | 70.81% |
| Other Asset | 2.38% | 2.22% |

## Fund Returns:

| | Absolute | Annualized |
|---|---|---|
| Month to Date (MTD) | 0.35% | 4.37% |
| 180 Days Return | 8.70% | 17.45% |
| CYTD | 7.41% | 18.02% |
| Since Inception | 132.88% | 15.64% |




## Managers' Comments:

During the month of May 2020, the NAV per unit has been Increased by PKR 0.8053 (0.35%) from April.

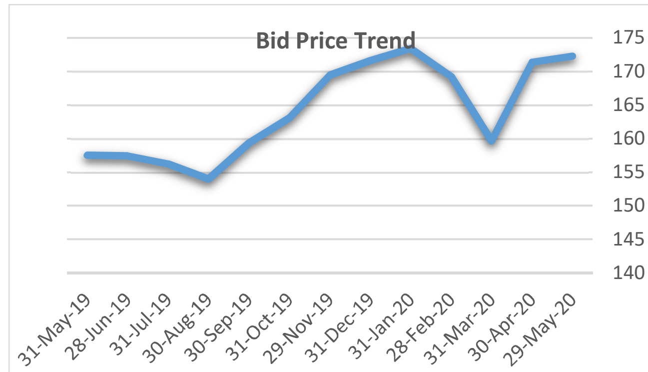
# AMAANAT FUND (AF)

## 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 674 Million |
| Launch Date | November 15, 2012 |
| Bid Price (Inception) | PKR 100 |
| Bid Price (29 May 2020) | PKR 172.3078 |
| 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 | This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. 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] |

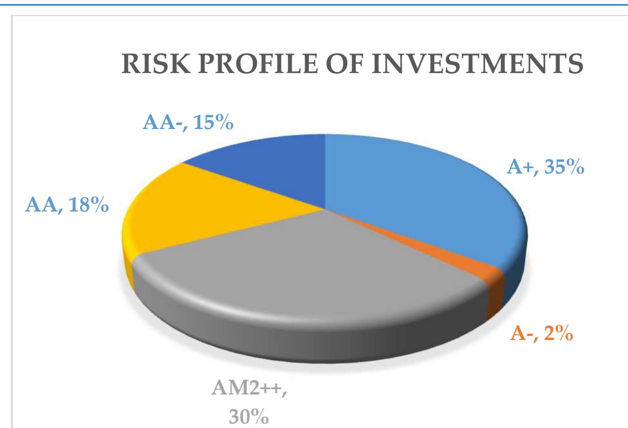



## Asset Mix

| Assets | May 2020 | April 2020 |
|---|---|---|
| Bank Balances | 33.21% | 17.72% |
| Term Deposits | 19.29% | 19.43% |
| Equity | 0% | 0% |
| Mutual Funds | 29.21% | 29.36% |
| Fixed Income Securities | 16.70% | 17.01% |
| Government Securities | 0% | 14.93% |
| Other Asset | 1.59% | 1.55% |

## Fund Returns:

| | Absolute |
|---|---|
| Month to Date (MTD) | 0.53% |
| 180 Days Return | 1.68% |
| CYTD | 0.39% |
| Since Inception | 72.31% |




## Managers' Comments:

During the month of May 2020, the NAV per unit has been Increased by PKR 0.9036 (0.53%) from April.

# DYNAMIC SECURE FUND (DSF)

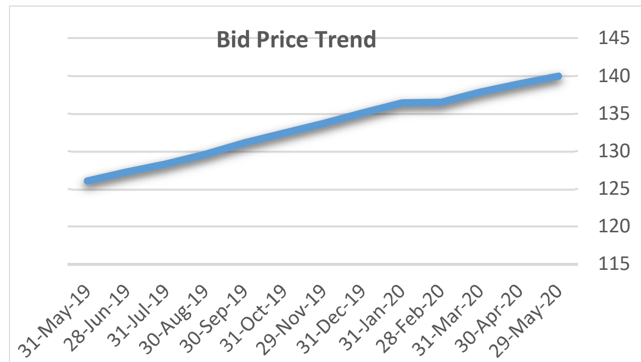
adamjeelife

## 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 36.7 Million |
| Launch Date | July 19, 2016 |
| Bid Price **(Inception)** | PKR 100 |
| Bid Price **(29 May 2020)** | PKR 139.9778 |
| 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 | This Fund is being managed by Faysal Asset Management Co. Ltd. through a discretionary portfolio management agreement |
| Benchmark | 90% [six (6) months T-Bills ] + [10% Bank saving account return] |

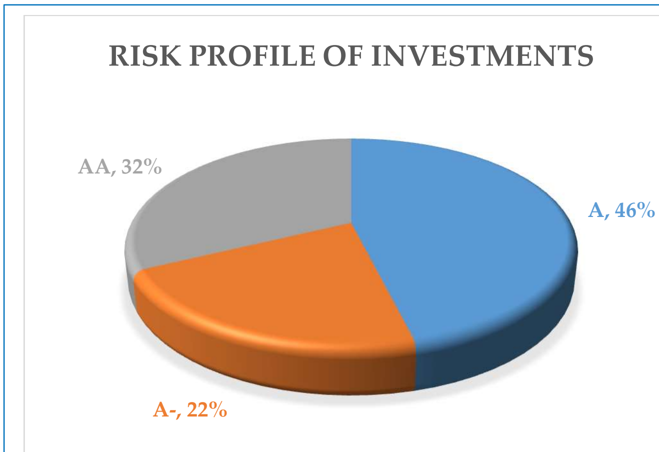



## Asset Mix

| Assets | May 2020 | April 2020 |
|---|---|---|
| Bank Balances | 53.87% | 53.35% |
| Term Deposits | 0% | 0% |
| Mutual Funds | 18.26% | 18.29% |
| Fixed Income Securities | 19.93% | 20.17% |
| Government Securities | 0% | 0% |
| Real Estate | 0% | 0% |
| Other Assets | 7.94% | 8.19% |

## Fund Returns:

| | Absolute | Annualized |
|---|---|---|
| Month to Date (MTD) | 0.73% | 9.21% |
| 180 Days Return | 4.71% | 9.45% |
| CYTD | 3.63% | 8.84% |
| Since Inception | 39.98% | 10.35% |




## Managers' Comments:

During the month of May 2020, the NAV per unit has been Increased by PKR 1.0171 (0.73%) from April.

# DYNAMIC GROWTH FUND (DGF)

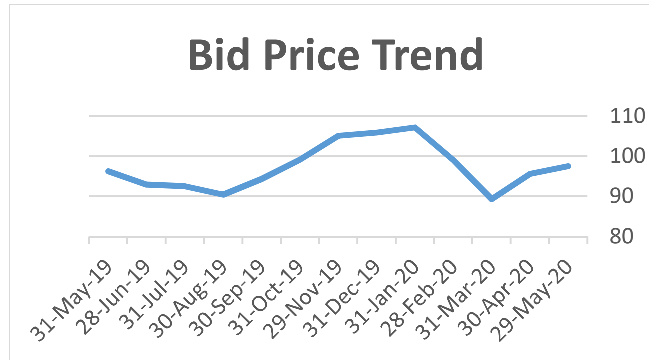
adamjeelife

## Fund Objective:

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

## Fund Information:

| | |
|---|---|
| Fund Name | Dynamic Growth Fund |
| Fund Size | PKR 229 Million |
| Launch Date | July 19, 2016 |
| Bid Price (Inception) | PKR 100 |
| Bid Price (29 May 2020) | PKR 97.5563 |
| 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 | This Fund is being managed by Faysal Asset Management Co. Ltd. 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] |

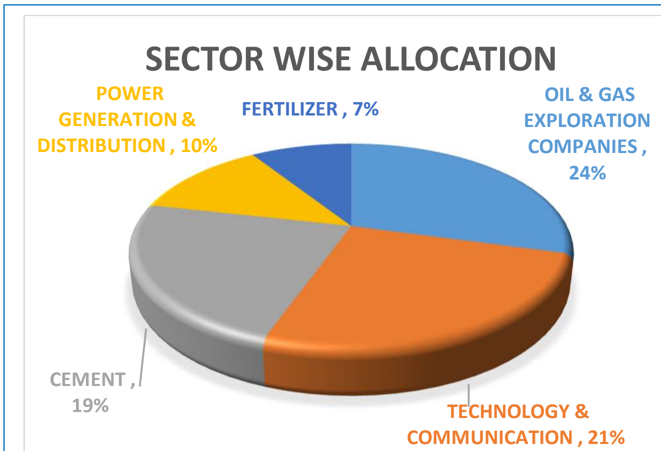



## Asset Mix

| Assets | May 2020 | April 2020 |
|---|---|---|
| Bank Balances | 36.03% | 42.01% |
| Term Deposits | 0.00% | 0.00% |
| Equities | 59% | 30.01% |
| Mutual Funds | 0% | 12.17% |
| Fixed Income Securities | 6.40% | 6.54% |
| Government Securities | 0% | 3.99% |
| Other Asset | -1.43% | 5.28% |

## Fund Returns:

| | Absolute |
|---|---|
| Month to Date (MTD) | 2.00% |
| 180 Days Return | -7.19% |
| CYTD | -7.85% |
| Since Inception | -2.44% |




## Managers' Comments:

During the month of May 2020, the NAV per unit has been Increased by PKR 1.9117 (2.00%) from April.

**DISCLAIMER**

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