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OCTOBER - 2020

Fund Managers' Report

Performance Tracker

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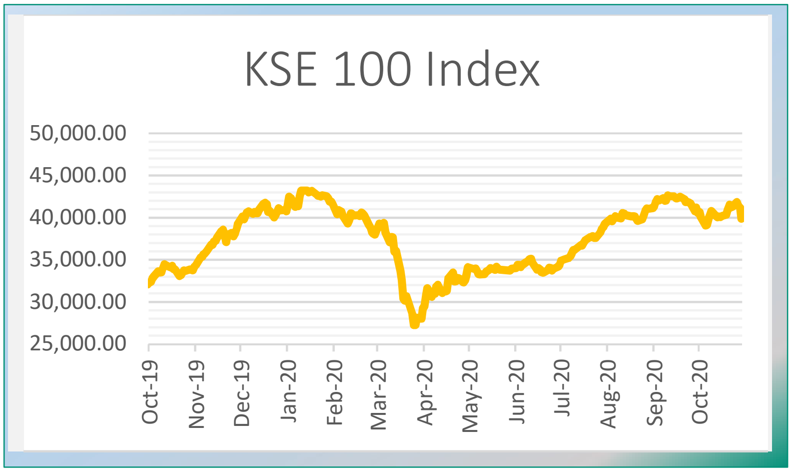
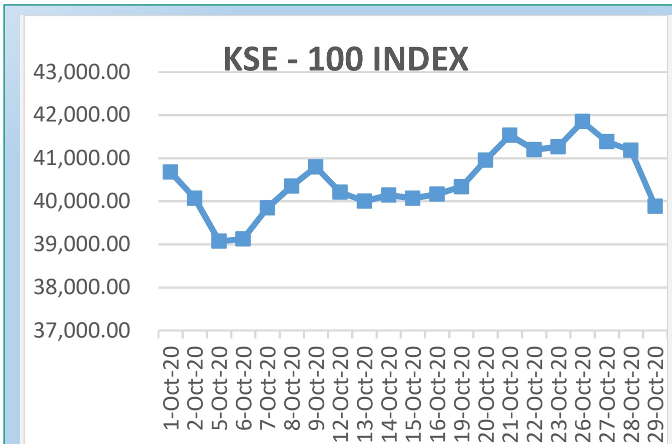
Equity Market Analysis

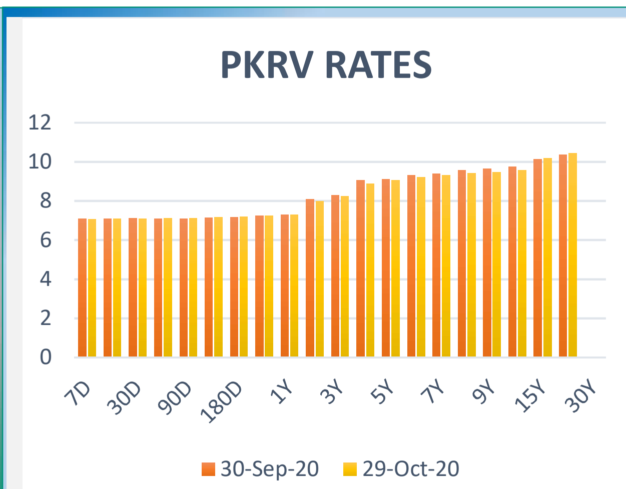
The benchmark KSE-100 Index continued correcting as it retraced by ~1.7% during the month of October 2020. Heightened political noise along with a rising trend in local COVID-19 cases were the major mood dampeners. On the global level, there were news of lockdowns especially in the Eurozone on rising COVID-19 cases, adding fuel to the fire. Foreigners continued on their selling course as they sold ~USD 39 million worth of equities over the period. On the local front, Insurance Companies and Banks/DFI proved to be the major participants buying around USD 27 Mn and USD 16 Mn worth of equities respectively. Consequently, trading activity at the bourse declined compared to the previous month as the average volumes and value traded amounted to ~404 Mn shares/ ~PKR 14 Bn. From capital market perspective, recovery path seems most likely. Covid curve remains flattened as the percentage of cases emerging remains range bound. Though the threat of second wave of cases looms, the country's situation is far better when compared to the global peers. The valuations are still on the course to catch up with historical norms. Barring a second wave of the virus, we still think equities have a lot to offer to the investors. Market cap to GDP ratio is at ~17.8%, still at a discount of ~30% from its historical average. Similarly, risk premiums are close to 3.4%, 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.





Money Market Analysis

State Bank of Pakistan conducted Treasury bill auction on October 21, 2020. The auction had a total maturity of PKR 484.7 billion against a target of PKR 350 billion. Auction witnessed a total participation of PKR 560 billion. Out of total participation bids worth PKR 545 billion were received in 3 months' tenor, PKR 14.5 billion in 6 months, and PKR 13.9 million in 12 months' tenor. SBP accepted total bids worth PKR 387 billion in a breakup of PKR 368 billion and PKR 19 billion at a cut-off yield of 7.175% and 7.20% in 3 months and 6 months' tenor respectively. However, bids for 12months tenor were rejected. Auction for fixed coupon PIB bonds was held on Oct 14th, 2020 with a total target of PKR 140 billion. Total participation of PKR 57.8 billion was witnessed in this auction out of which 3, 5, 10, 15 & 20-year tenor received bids worth PKR 6.7 billion, PKR 12.5 billion, PKR 17.6 billion, PKR 12 billion & PKR 9 billion respectively. State bank of Pakistan accepted PKR 50 million in 3 years, PKR 8 billion in 15 years, and 5 billion in 20 years at a Cut-off rate of 8.24%, 10%, and 10.5498% respectively. Bids for 5 and 10-year tenor were rejected. Build-up in inflationary pressures coupled with positive external sector outlook and subdued growth environment has support SBP to keep rates on hold. However, the gradual build-up of inflation should widen the negative real rate environment later in FY21, which possibly could also trigger rate hikes. However, this expectation will remain largely conditional on the pace of economic recovery from the COVID shock.



INVESTMENT MULTIPLIER FUND (IMF)

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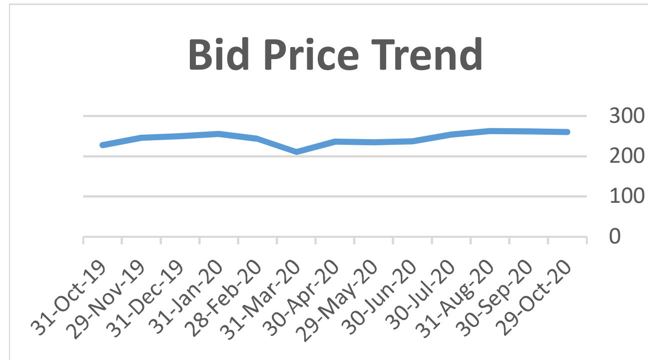
Fund Objective:

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 18.7 Billion
Launch Date	June 9, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(29 Oct 2020)**	PKR 259.8314
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].

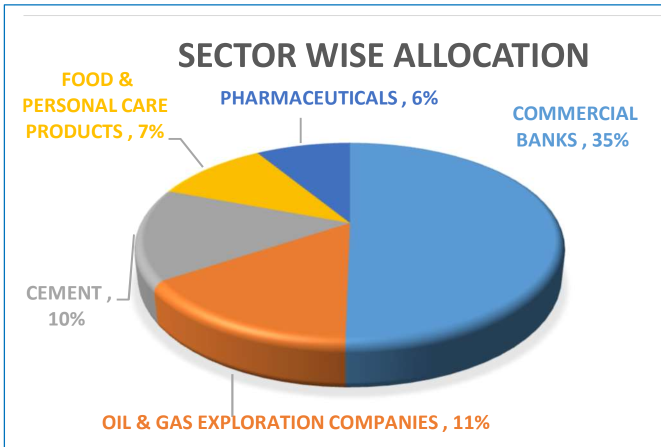


Asset Mix

Asset	October 2020	September 2020
Bank Balance	1.08%	15.07%
Term Deposits	0.00%	2.95%
Equities	28.54%	31.27%
Mutual Funds	27.47%	26.12%
Fixed Income Securities	6.88%	6.78%
Government Securities	30.09%	12.45%
Real Estate	4.57%	4.50%
Other Asset	1.37%	0.86%

Fund Returns:

	Absolute
Month to Date (MTD)	-0.82%
180 Days Return	9.97%
CYTD	3.92%
Since Inception	159.83%



Managers' Comments:

During the month of October 2020, the NAV per unit has been Decreased by PKR 2.1462 (0.82%) from September.

INVESTMENT SECURE FUND (ISF)

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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:

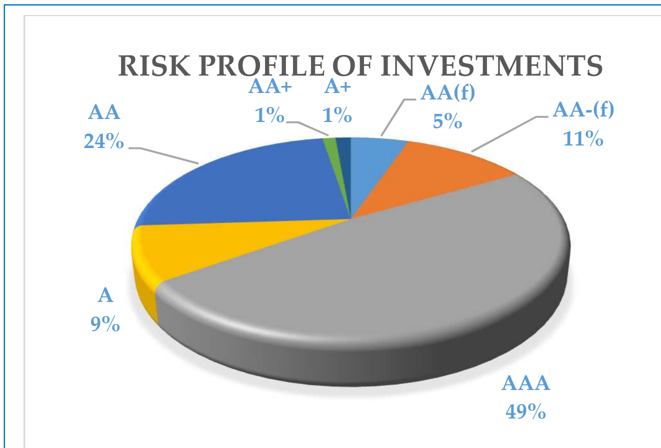
Fund Name	Investment Secure Fund
Fund Size	PKR 11.7 Billion
Launch Date	June 9, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(29 Oct 2020)**	PKR 230.4994
Fund Type	Predominantly Fixed Income Fund
Management Fees	1.6% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities 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	October 2020	September 2020
Bank Balances	3.34%	18.31%
Term Deposits	13.66%	13.88%
Equities	0.00%	0.00%
Mutual Funds	4.98%	5.04%
Fixed Income Securities	8.05%	8.18%
Government Securities	68.60%	53.37%
Other Asset	1.37%	1.22%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.59%	7.37%
180 Days Return	3.67%	7.36%
CYTD	10.27%	12.38%
Since Inception	130.50%	13.89%



Managers' Comments:

During the month of October 2020, the NAV per unit has been Increased by PKR 1.3414 (0.59%) from September.

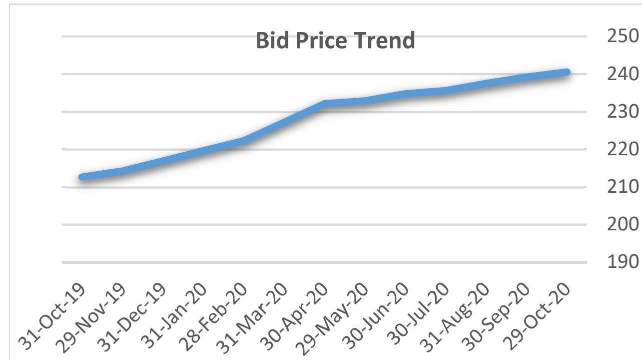
INVESTMENT SECURE FUND II (ISF II)

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 4.3 Billion
Launch Date	December 1, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(29 Oct 2020)**	PKR 240.5348
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]

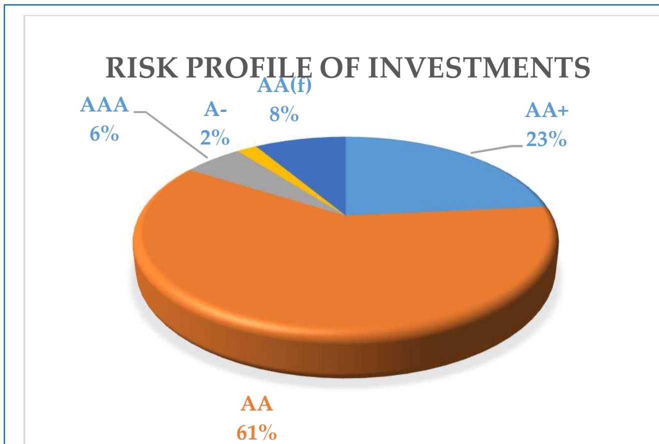


Asset Mix

Assets	October 2020	September 2020
Bank Balances	0.69%	16.86%
Term Deposits	0.00%	0.00%
Equities	0.00%	0.00%
Mutual Funds	1.06%	1.15%
Fixed Income Securities	12.02%	13.18%
Government Securities	84.32%	66.93%
Other Asset	1.91%	1.88%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.58%	7.33%
180 Days Return	3.64%	7.31%
CYTD	10.93%	13.17%
Since Inception	140.53%	15.76%



Managers' Comments:

During the month of October 2020, the NAV per unit has been Increased by PKR 1.3920 (0.58%) from September.

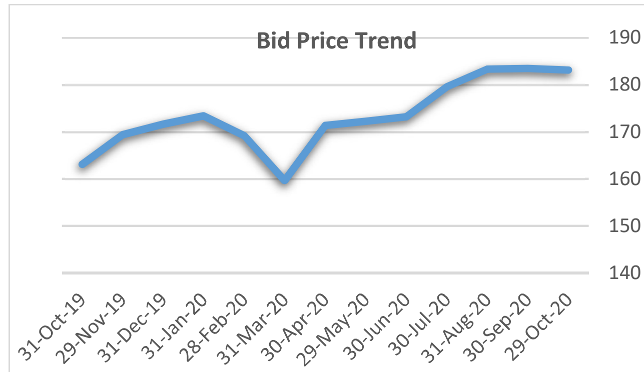
AMAANAT FUND (AF)

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 734 Million
Launch Date	November 15, 2012
Bid Price **(Inception)**	PKR 100
Bid Price **(29 Oct 2020)**	PKR 183.1520
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]

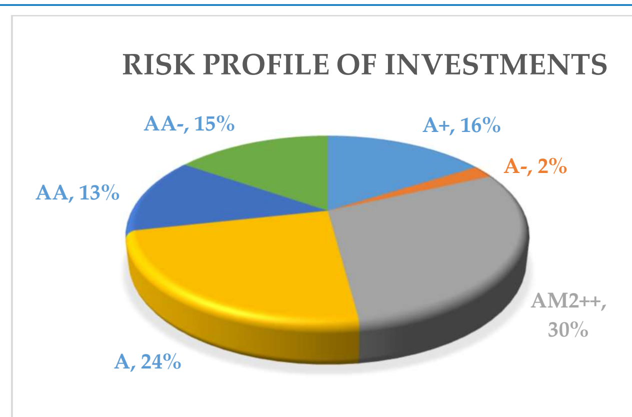


Asset Mix

Assets	October 2020	September 2020
Bank Balances	13.42%	18.95%
Term Deposits	34.18%	27.44%
Equity	1.11%	1.19%
Mutual Funds	26.52%	27.55%
Fixed Income Securities	15.36%	15.53%
GOP IJARA	7.80%	7.84%
Other Asset	1.61%	1.50%

Fund Returns:

	Absolute
Month to Date (MTD)	-0.18%
180 Days Return	6.85%
CYTD	6.71%
Since Inception	83.15%



Managers' Comments:

During the month of October 2020, the NAV per unit has been Decreased by PKR 0.3379 (0.18%) from September.

DYNAMIC SECURE FUND (DSF)

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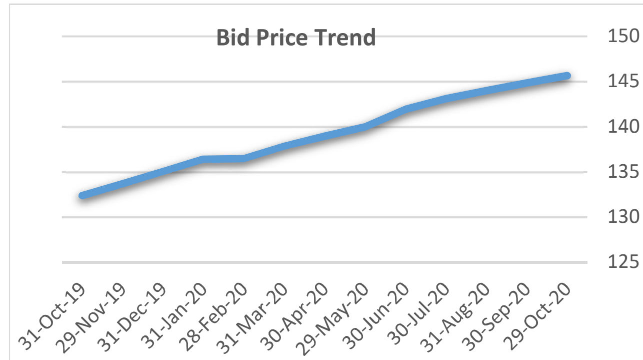
Fund Objective:

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 46 Million
Launch Date	July 19, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(29 Oct 2020)**	PKR 145.6557
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]

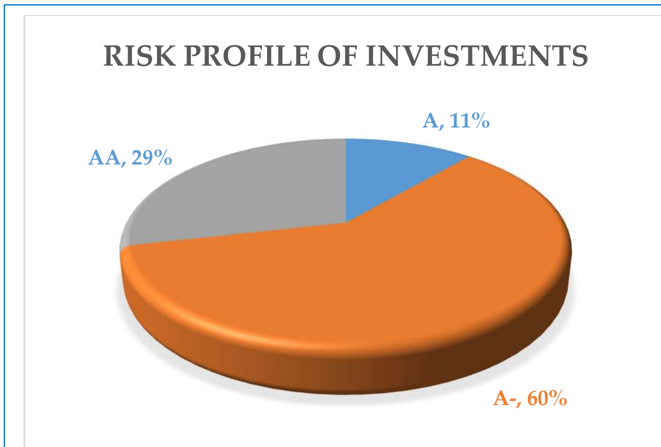


Asset Mix

Assets	October 2020	September 2020
Bank Balances	10.65%	6.56%
Term Deposits	0%	0%
Mutual Funds	0%	0%
Fixed Income Securities	16.25%	17.02%
Government Securities	67.13%	70.12%
Real Estate	0%	0%
Other Assets	5.97%	6.30%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.55%	6.93%
180 Days Return	4.82%	9.66%
CYTD	7.84%	9.44%
Since Inception	45.66%	10.66%



Managers' Comments:

During the month of October 2020, the NAV per unit has been Increased by PKR 0.7977 (0.55%) from September.

DYNAMIC GROWTH FUND (DGF)

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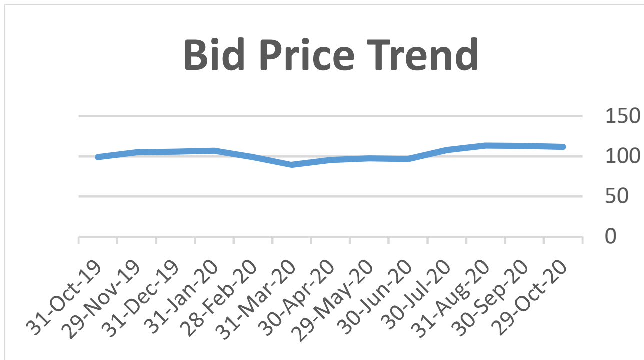
Fund Objective:

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

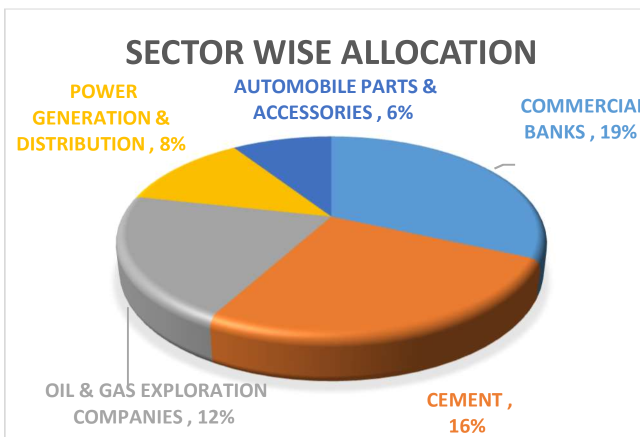
Fund Information:

Fund Name	Dynamic Growth Fund
Fund Size	PKR 260 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (29 Oct 2020)	PKR 111.7740
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	October 2020	September 2020
Bank Balances	3.04%	2.56%
Term Deposits	0.00%	0.00%
Equities	57.08%	59.14%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	5.77%	5.69%
Government Securities	28.87%	29.17%
Other Asset	5.24%	3.44%



Fund Returns:

	Absolute
Month to Date (MTD)	-1.03%
180 Days Return	16.86%
CYTD	5.58%
Since Inception	11.77%

Managers' Comments:

During the month of October 2020, the NAV per unit has been Decreased by PKR 1.1580 (1.03%) from September.

TOP EQUITY HOLDING

IMF

TOP TEN HOLDINGS
KEL
BOP
MCB
PAEL
MLCF
HBL
EPCL
HUBC
OGDC
FCCL

DGF

TOP TEN HOLDINGS
KEL
BOP
PAEL
MLCF
EPCL
HUBC
PREMA
HBL
OGDC
ILP