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FUND MANAGERS' REPORT

Performance Tracker

JUNE - 2021

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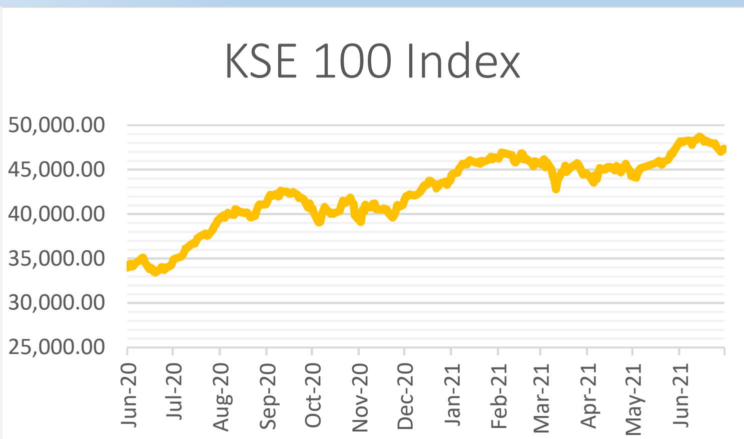
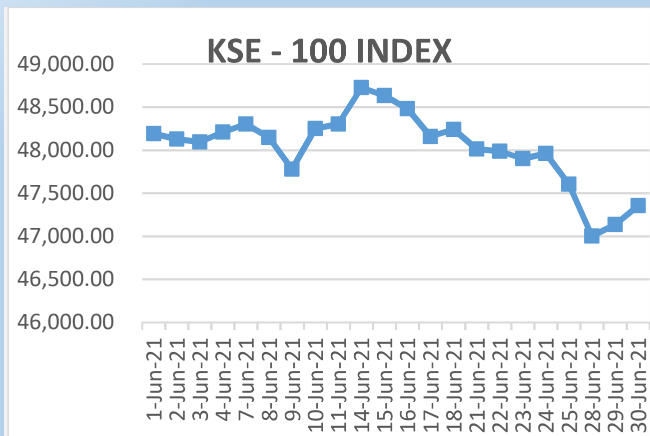
Equity Market Analysis

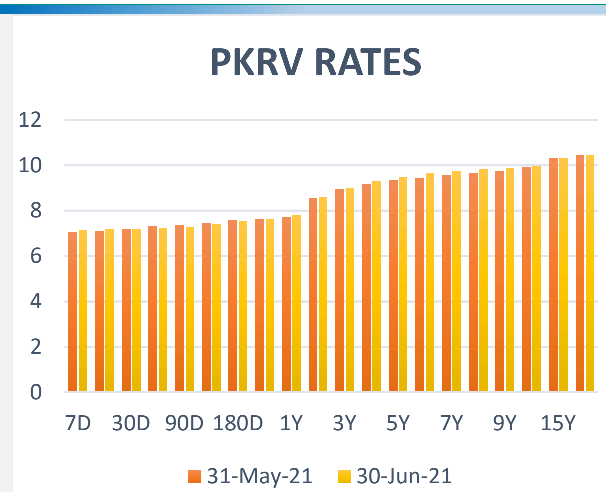
The benchmark KSE-100 closed FY21 on a positive note, posting a striking return of 37.6% to close the index at 47,356 points, marking the highest ever June-end closing level. While the market return (+38%) is highest after FY14. Market sentiment was tested several times during the year in the form of political unrest and reemergence of COVID, however economic revival remained the key theme throughout FY21. Initial exuberance at the bourse was aided by significant cut in the benchmark policy rate (by 625bps to 7%), and lower yields on fixed income instruments which rendered equities as the preferred asset class this year. This was further supplemented by noticeable improvement in macros; support from global lenders, launch of the Roshan Digital Account (RDA) and robust remittances growth aided the influx of FX reserves, whereas global lockdowns and the ensuing reduction in trade deficit (current account surplus of USD 153mn in 11MFY21), further supported an appreciation in the Pak Rupee against the Greenback. Meanwhile strong corporate profitability and the resumption of USD 6bn EFF with the IMF also boosted investor confidence. Foreigners shed away from equities selling USD 375mn worth of equities. Individuals were the major buyers followed by corporates. They bought shares worth of USD 332mn and USD 138mn respectively. On the selling side, Banks/DFIs were the biggest sellers, selling shares worth USD 95mn. Average traded volume and value during FY21 went up by 268% (527mn shares) and value by 266% (19.2 billion) respectively. IT, Refineries, & Steel were the major outperformers during the year, posting returns of ~390%, ~153% and ~109% respectively. Steel sector gained on the back of bullish earning expectations and continuing increase in prices. Tech companies continue to see a massive re-rating in their valuations as investor cherished the changing landscape of tech companies post Covid, while refineries continue to outperform over expectations of a favorable refinery policy to be announced soon. Sugar and E&P's were major laggards during the year as slump in crude oil prices during the year brought E&P companies on their knees. From capital market perspective, particularly equities, the change in sentiments as of late has been visible owing to better than expected GDP growth numbers. Alongside, a growth-oriented budget for FY22 will continue to improve the risk appetite of investors. Robust Corporate Earnings growth is an additional impetus for equity markets. Barring any external shock, we think equities have potential to provide decent returns to investors. Given that low interest rate environment is likely to continue for the short to medium term, we believe equities will continue to attract flows. Risk premiums vis a vis 10-year bonds is right now at 4%, compared to historical average of 1.0% suggesting upside due to re-rating would be possible. Furthermore, 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

CPI for the month of June 2021 clocked in at 9.70% as compared to 10.9% in the previous month. The decrease was mainly due to the reduction in food prices and the high base effect. Inflation for FY21 averaged 8.90% in line with the SBP target range of 7- 9%. Going forward international oil prices and adjustments in tariffs may play a significant role. The government securities yield in short tenor remained flattish during the month, however longer tenor yields slightly increased. State Bank of Pakistan conducted a Treasury bill auction on June 30, 2021. The auction had a total maturity of PKR 275 billion against a target of PKR 450 billion. Auction witnessed a total participation of PKR 1.288 trillion. Out of total participation bids worth, PKR 468 billion were received in 3 months' tenor, PKR 774 billion in 6 months, and PKR 46 billion in 12 months' tenor. SBP accepted total bids worth PKR 798 billion in a breakup of PKR 325 billion and 472 billion at a cut-off yield of 7.3091% and 7.5751% in 3 months and 6 months' tenor respectively. Bids for the 12-months tenor were rejected. Auction for fixed coupon PIB bonds wa s held on June 9, 2021 with a total target of PKR 125 billion. Total participation of PKR 376 billion was witnessed in this auction out of which 3, 5 & 10 tenors received bids worth PKR 294 billion, PKR 45 billion & PKR 37 billion respectively. State bank of Pakistan accepted PKR 157 billion in 3 years, PKR 8 billion in 5 years & PKR 315 million in 10 years at a Cut-off rate of 8.69%, 9.20%, and 9.8390% respectively. The SBP considers the present accommodative monetary policy to be appropriate and it will aim for positive real rates only gradually. The future path of Covid-19 in Pakistan, Inflation and global commodity price trends are key variables, which in our view will influence the tone of monetary policy in the next year.



INVESTMENT MULTIPLIER FUND (IMF)

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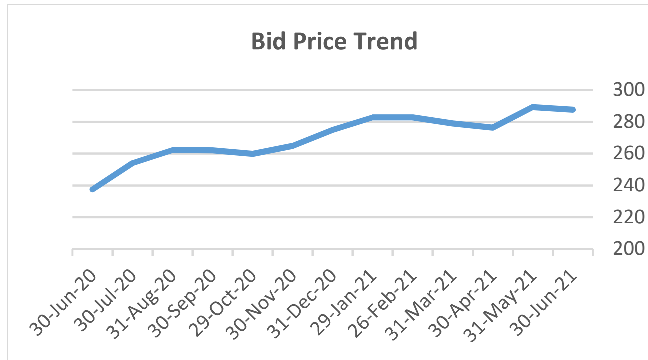
Fund Objective:

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 21.1 Billion
Launch Date	June 9, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(30 June 2021)**	PKR 287.6332
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	30% [six (6) month PKRV rate (T-Bills rate)] + 60% [KSE-100 Index Return] +10% minimum bank deposit rate on saving accounts

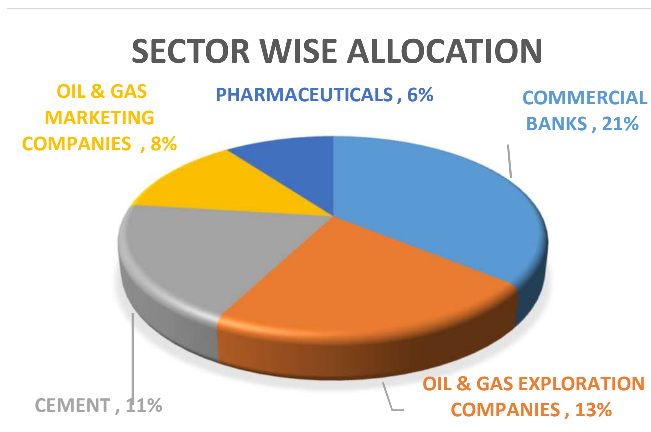


Asset Mix

Asset	June 2021	May 2021
Bank Balance	8.76%	1.31%
Term Deposits	13.03%	0.00%
Equities	32.85%	31.54%
Mutual Funds	26.61%	28.49%
Fixed Income Securities	5.47%	5.08%
Government Securities	7.25%	28.20%
Real Estate	4.25%	4.21%
Other Asset	1.78%	1.17%

Fund Returns:

	Absolute
Month to Date (MTD)	-0.58%
180 Days Return	4.64%
CYTD	4.64%
Since Inception (Absolute)	187.63%
Since Inception (Annualized)	18.64%



Managers' Comments:

During the month of June 2021, the NAV per unit has been Decreased by PKR 1.6699 (0.58%) from May.

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 without exposure to equities.

Fund Information:

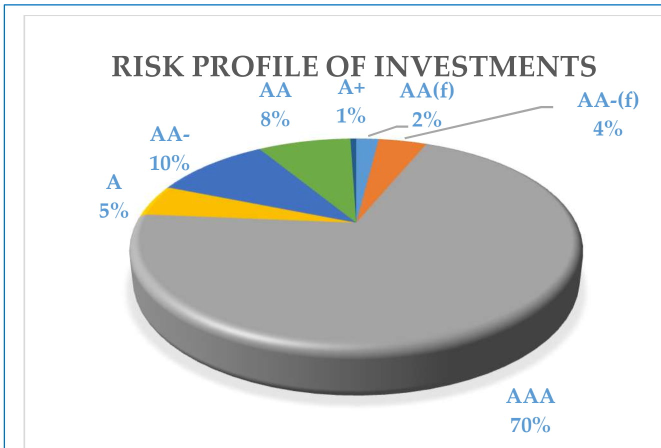
Fund Name	Investment Secure Fund
Fund Size	PKR 13.4 Billion
Launch Date	June 9, 2011
Bid Price (Inception)	PKR 100
Bid Price (30 June 2021)	PKR 242.4107
Fund Type	Predominantly Fixed Income Fund
Management Fees	1.6% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	MCB ARIF Habib Saving & Investment Ltd. is managing this Fund through a discretionary portfolio management agreement.
Benchmark	90% [six (6) months PKRV rate (T-Bills rate)] + [10% minimum bank rate on saving account

Asset Mix

Assets	June 2021	May 2021
Bank Balances	27.36%	3.75%
Term Deposits	34.53%	0.00%
Equities	0.00%	0.00%
Mutual Funds	4.50%	4.52%
Fixed Income Securities	6.63%	4.79%
Government Securities	24.21%	82.56%
Other Asset	2.77%	4.38%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.61%	7.37%
180 Days Return	3.71%	7.49%
CYTD	3.71%	7.49%
Since Inception	142.41%	14.15%



Managers' Comments:

During the month of June 2021, the NAV per unit has been Increased by PKR 1.4587 (0.61%) from May.

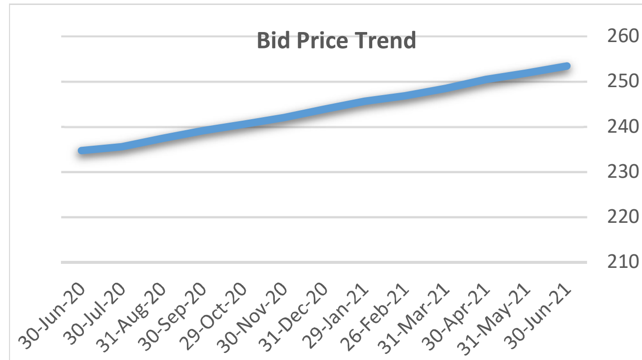
INVESTMENT SECURE FUND II (ISF II)

Fund Objective:

To offer steady returns mainly for single premium customers 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 8.3 Billion
Launch Date	December 1, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(30 June 2021)**	PKR 253.4544
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	90% [six (6) months PKRV rate (T-Bills rate)] + [10% minimum bank deposit rate on saving account

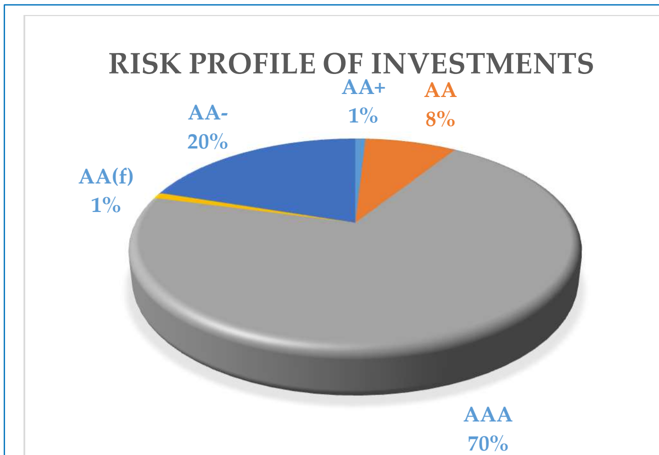


Asset Mix

Assets	June 2021	May 2021
Bank Balances	23.20%	1.03%
Term Deposits	33.44%	0.00%
Equities	0.00%	0.00%
Mutual Funds	0.57%	0.61%
Fixed Income Securities	6.51%	4.68%
Government Securities	34.80%	89.77%
Other Asset	1.48%	3.91%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.63%	7.61%
180 Days Return	3.93%	7.92%
CYTD	3.93%	7.92%
Since Inception	153.45%	16.01%



Managers' Comments:

During the month of June 2021, the NAV per unit has been Increased by PKR 1.5757 (0.63%) from May.

AMAANAT FUND (AF)

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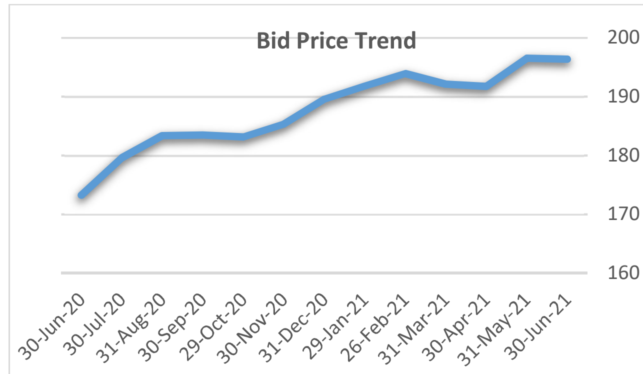
Fund Objective:

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 821 Million
Launch Date	November 15, 2012
Bid Price (Inception)	PKR 100
Bid Price (30 June 2021)	PKR 196.3861
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% {minimum bank deposit rate on saving account as selected by MUFAP} + 30% [KMI - 30 Index Return]

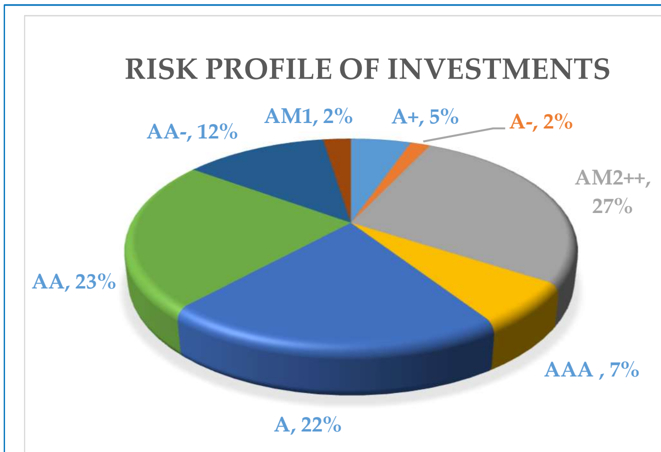


Asset Mix

Assets	June 2021	May 2021
Bank Balances	4.33%	15.71%
Term Deposits	50.51%	38.30%
Equity	0.42%	1.02%
Mutual Funds	28.89%	27.99%
Fixed Income Securities	13.74%	13.70%
GOP IJARA	0.00%	0.0%
Other Asset	2.11%	3.28%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-0.09%	-1.12%
180 Days Return	3.58%	7.22%
CYTD	3.58%	7.22%
Since Inception	96.39%	11.17%



Managers' Comments:

During the month of June 2021, the NAV per unit has been Decreased by PKR 0.1808 (0.09%) from May.

DYNAMIC SECURE FUND (DSF)

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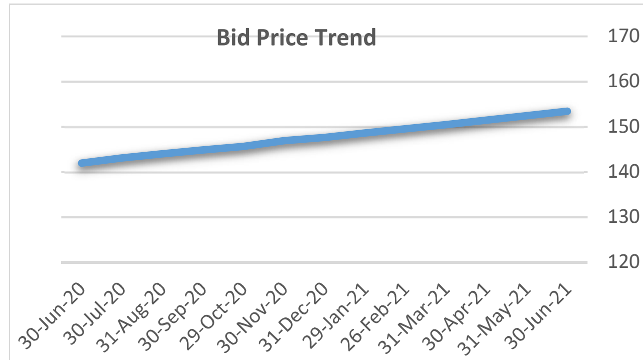
Fund Objective:

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 52.6 Million
Launch Date	July 19, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(30 June 2021)**	PKR 153.4223
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]

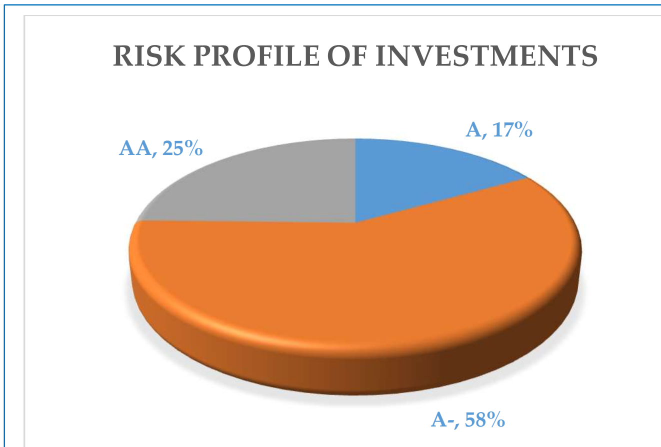


Asset Mix

Assets	June 2021	May 2021
Bank Balances	7.83%	6.30%
Term Deposits	0%	0%
Mutual Funds	0%	0%
Fixed Income Securities	11.09%	10.83%
Government Securities	76.42%	77.71%
Real Estate	0%	0%
Other Assets	4.66%	5.16%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.63%	7.65%
180 Days Return	3.91%	7.88%
CYTD	3.91%	7.88%
Since Inception	53.42%	10.79%



Managers' Comments:

During the month of June 2021, the NAV per unit has been Increased by PKR 0.9587(0.63%) from May.

DYNAMIC GROWTH FUND (DGF)

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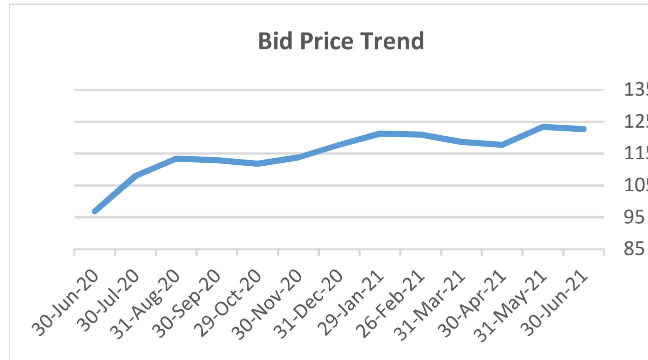
Fund Objective:

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

Fund Information:

Fund Name	Dynamic Growth Fund
Fund Size	PKR 244.5 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (30 June 2021)	PKR 122.7181
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	30% [six (6) month PKRV rate (T-Bills rate)] + 60% [KSE-100 Index Return] +10% minimum bank deposit rate on saving accounts

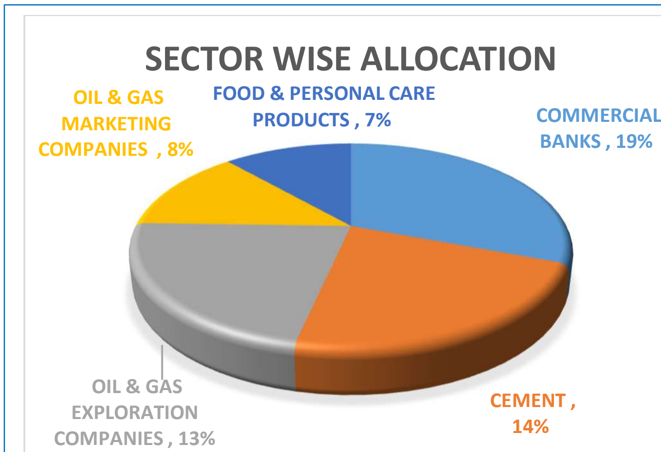


Asset Mix

Assets	June 2021	May 2021
Bank Balances	2.19%	3.96%
Term Deposits	0.00%	0.00%
Equities	60.08%	60.00%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	4.77%	4.52%
Government Securities	28.55%	27.69%
Other Asset	4.41%	3.83%

Fund Returns:

	Absolute
Month to Date (MTD)	-0.55%
180 Days Return	4.22%
CYTD	4.22%
Since Inception (Absolute)	22.72%
Since Inception (Annualized)	4.59%



Managers' Comments:

During the month of June 2021, the NAV per unit has been Decreased by PKR 0.6845(0.55%) from May.

TOP EQUITY HOLDING

IMF

TOP TEN HOLDINGS
MCB
LUCK
ABOT
MARI
PKGS
HBL
ENGRO
OGDC
PSO
EPCL

DGF

TOP TEN HOLDINGS
LUCK
UBL
HBL
MARI
ABOT
PKGS
ENGRO
PSO
EPCL
POL