adamjeefamily takaful

DECEMBER - 2022

Fund Managers' Report

Performance Tracker

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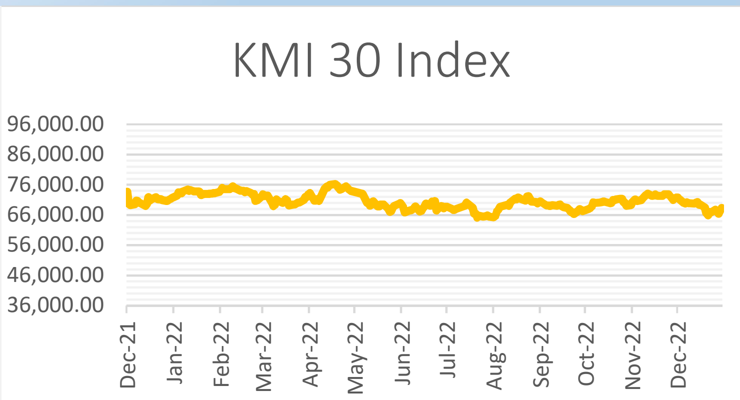
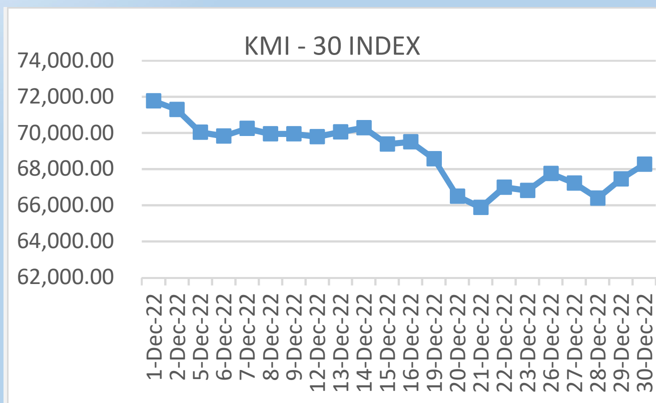
Equity Market Analysis

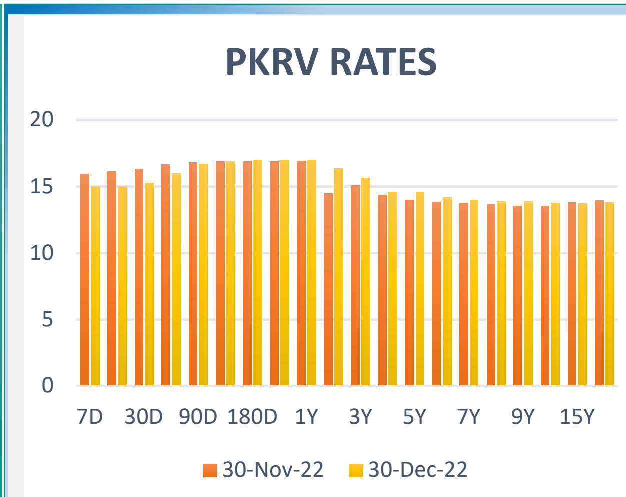
The benchmark KSE-100 Index witnessed battering in the month of Dec-22, declining by 1,973 points (-4.6% MoM) to close the month at 40,420 points. This brought the KSE-100 index to close the year on a dismal note with a negative return of 9.4% for CY22. The poor performance during the month was due to investors' concern over worsening macros with continuous delay in the completion of 9th review under IMF Program as well as SBP FX reserves declining to lowest levels since April 2014. The decline in the index was broad based whereby Technology, Banks, and Cement sectors remained laggard with negative contributions of -466, -405, and -248 points, respectively. On the flip side, E&P sector remained in the limelight (adding 147 points to the index) over the potential clearance of circular debt and the possibility of a one-time bumper dividend. Market activity also depicted a similar picture, where average traded volume and value decreased by 11% and 19% MoM, respectively. Foreigners turned net sellers with outflows worth USD 34mn, while on the local front Mutual Funds remained net seller with an outflow of USD 14mn. This selling was primarily absorbed by the Banking sector with a net inflow of USD 44mn. In the near-term, negotiations with bilateral partners regarding debt rollover and additional financing will set the tone for market direction. In addition, the market participants will be following ongoing discussions with IMF to gauge future policy actions. We reiterate our stance on the deep discount the stock market is offering at the current level, evident from Price to Earnings of 4.8x while offering an attractive dividend yield of 11.2%.





Money Market Analysis

The short term secondary market yields decreased by an average of 39 basis points (bps) while longer tenor yields increased by 50bps during the month. The decline in yields was due to additional liquidity in the short dated instruments as market participants remained wary of a potential increase in interest rate in the next monetary policy. The market was also concerned regarding the external and fiscal position due to the delay in conclusion of the 9th review of IMF which was reflected in the rising bond yields. SBP conducted the Treasury bill auction on Dec 28, 2022. The auction had a total maturity of PKR 684bn against a target of PKR 650bn. The SBP accepted total bids worth PKR 345bn in 3 months' tenor, PKR 5bn in 6 months' tenor & PKR 9bn in 12 months' tenor at a cut-off yield of 17.00%, 16.83% & 16.85% respectively. The auction cutoff remained in the same range compared to last month's auction. Auction for Fixed coupon PIB bonds was held on Dec 21, 2022 having a total target of PKR 175bn. The government rejected all bids due to higher rates demanded by the investors. Going forward progress on negotiation with IMF and developments on the external front will influence SBP's next course of action. Given the significant economic challenges, we do not rule out a scenario where SBP further increase interest rates in the upcoming monetary policy.



MAZ'AF FUND (TAKAFUL)

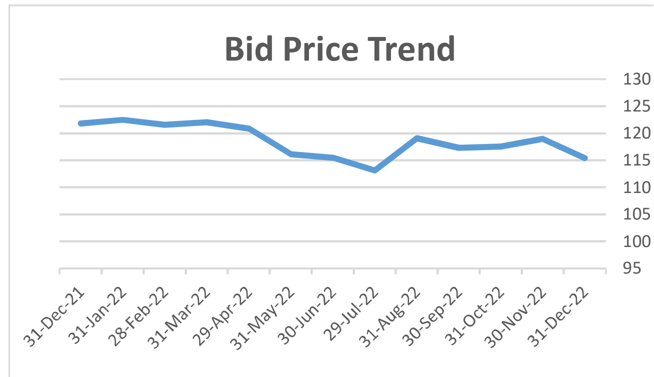
December 31, 2022

Fund Objective:

A moderate to high-risk profile fund that generates higher returns over the long run in shariah compliant equities and Islamic mutual fund.

Fund Information:

Fund Name	Maza'af Fund
Fund Size	PKR 2.5 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Dec 2022)**	PKR 115.3989
Fund Type	Balanced Fund
Management Fees	1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium to High
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% of (average deposit rate of 3 A rated Islamic Banks or Islamic Windows of Conv. Banks as selected by MUFAP) + 60% of (KMI - 30 Index Return)

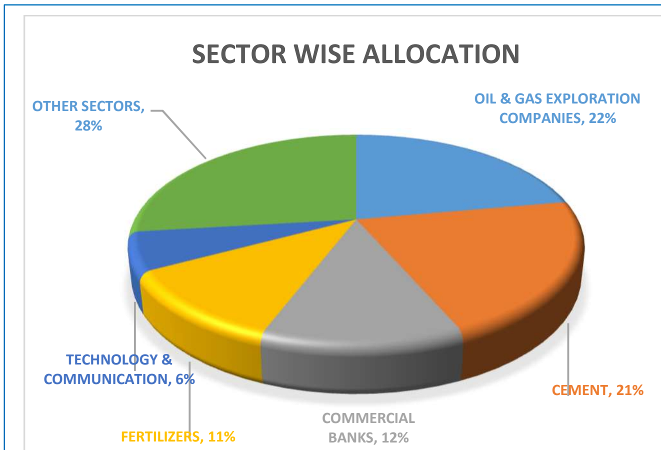


Asset Mix

Assets	December 2022	November 2022
Bank Balances	6.40%	3.30%
Term Deposits	9.90%	11.55%
Equities	39.61%	38.02%
Mutual Funds	19.24%	19.87%
Fixed Income Securities	4.01%	5.96%
GOP IJARA	15.78%	15.42%
Other Assets	5.06%	5.88%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	-3.02%	-30.76%
180 Days Return	-0.06%	-0.11%
CYTD	-5.26%	-5.26%
Since Inception	15.40%	2.25%
5 Years	15.94%	3.00%
10 Years	N/A	N/A



Managers' Comments:

During the month of Dec 2022, the NAV per unit has been Decreased by PKR 3.5902 (3.02%) from Nov 2022.

TAMEEN FUND (TAKAFUL)

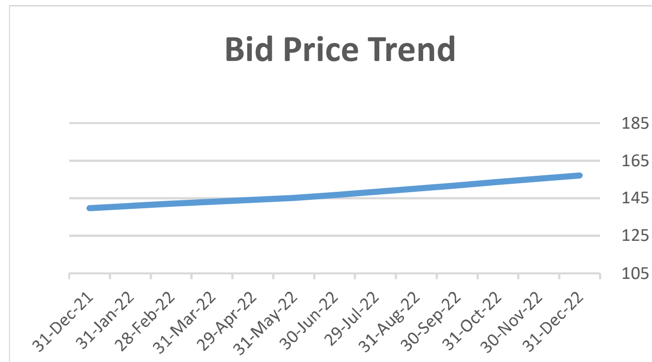
December 31, 2022

Fund Objective:

A low to moderate risk profile fund that generates stable and secure returns by balancing the investment in long-term money market investments including term deposit in Islamic Banks and Sukuk Bonds.

Fund Information:

Fund Name	Tameen Fund
Fund Size	PKR 5.5 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Dec 2022)**	PKR 157.1378
Fund Type	Fixed Income Fund
Management Fees	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	Average deposit rate of three (3) A rated Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP

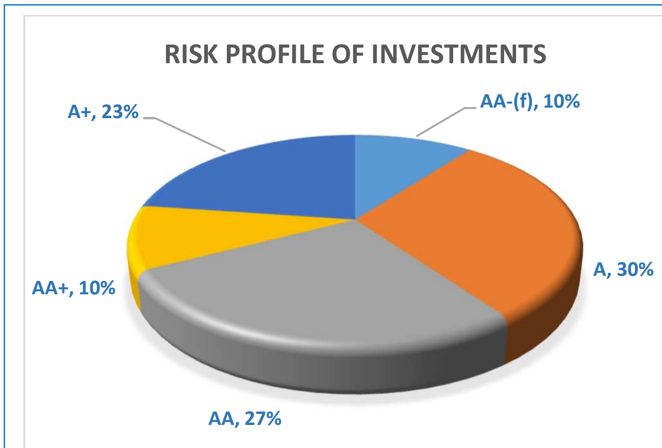


Asset Mix

Assets	December 2022	November 2022
Bank Balances	34.81%	40.11%
Term Deposits	34.79%	31.19%
Mutual Funds	8.27%	6.11%
Fixed Income Securities	1.82%	2.20%
GOP IJARA	13.73%	14.22%
Real Estate	0.00%	0.00%
Other Assets	6.58%	6.17%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	1.11%	14.19%
180 Days Return	7.04%	14.58%
CYTD	12.45%	12.45%
Since Inception	57.14%	7.28%
5 Years	51.85%	8.71%
10 Years	N/A	N/A



Managers' Comments:

During the month of Dec 2022, the NAV per unit has been Increased by PKR 1.7276 (1.11%) from Nov 2022.

SAMAN FUND (TAKAFUL)

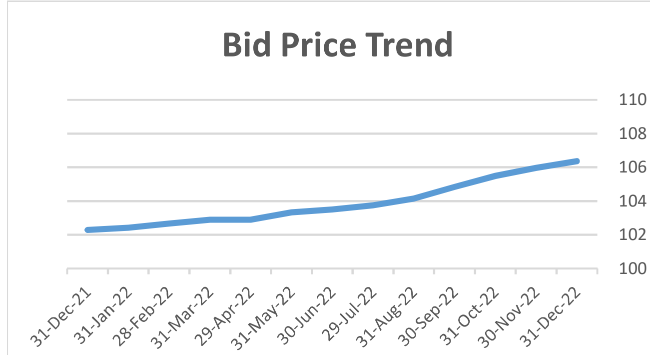
December 31, 2022

Fund Objective:

A moderate risk profile fund that aims to generate steady returns from investments in wide variety of Shariah compliant fixed income securities, Term deposits in Islamic Banks and Government Securities with limited exposure to Shariah Compliant equities.

Fund Information:

Fund Name	Saman Fund
Fund Size	PKR 3.4 Million
Launch Date	July 09, 2021
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Dec 2022)**	PKR 106.3606
Fund Type	Balance Fund
Management Fees	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% (Average deposit rate of three (3) A rated Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP) + 30% (KMI-30 Index Return)

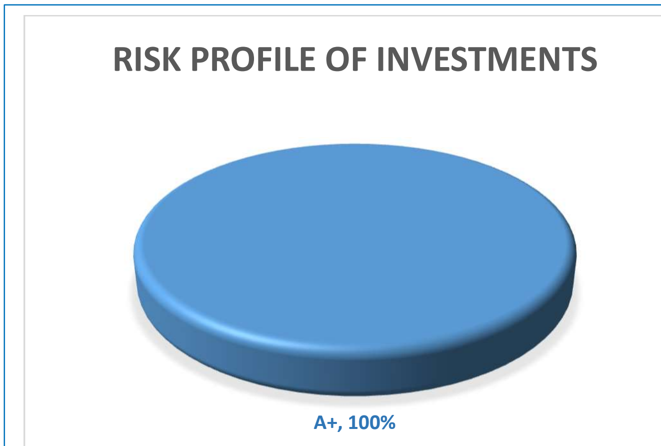


Asset Mix

Assets	December 2022	November 2022
Bank Balances	99.20%	58.63%
Term Deposits	0.00%	0.00%
Mutual Funds	0.00%	40.47%
Fixed Income Securities	0.00%	0.00%
GOP IJARA	0.00%	0.00%
Real Estate	0.00%	0.00%
Other Assets	0.80%	0.90%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	0.38%	4.66%
180 Days Return	2.76%	5.60%
CYTD	3.99%	3.99%
Since Inception	6.36%	4.26%
5 Years	N/A	N/A
10 Years	N/A	N/A



Managers' Comments:

During the month of Dec 2022, the NAV per unit has been Increased by PKR 0.4032 (0.38%) from Nov 2022.

TOP EQUITY HOLDING

December 31, 2022

MAZAAF

TOP TEN HOLDINGS

MARI
ENGRO
MEBL
LUCK
OGDC
FCCL
MLCF
PPL
BATA
SYS

DISCLAIMER

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in funds are subject to market risks. The NAV based prices of units and any returns thereon are dependent on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.