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Fund Managers' Report

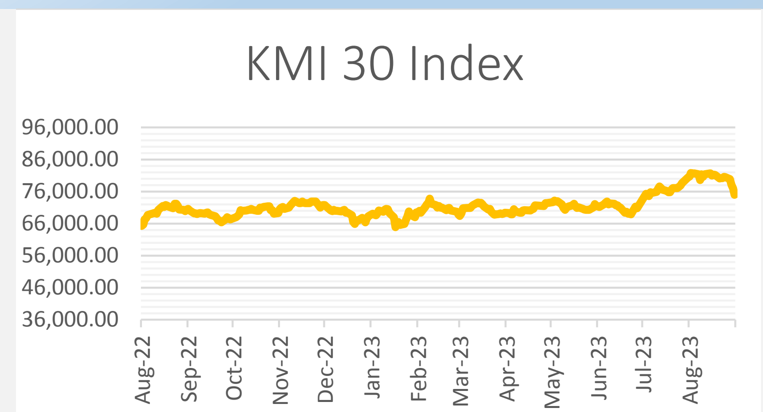
Performance Tracker

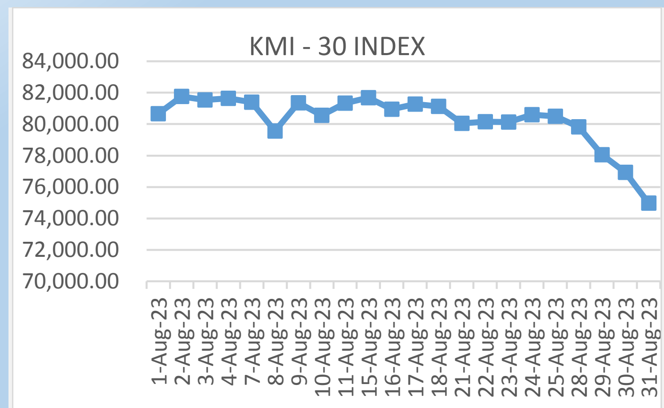
August 2023

Adamjee Life Assurance
Window Takaful Operations
3rd and 4th Floor, Adamjee House,
I.I.Chundrigar Road, Karachi - 74000

Equity Market Analysis

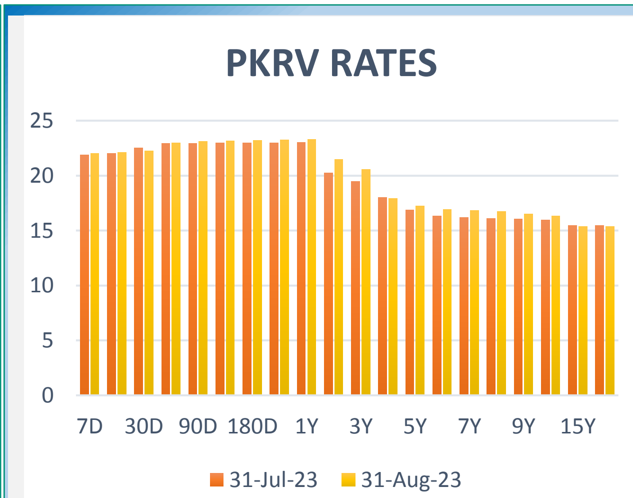
The benchmark KSE-100 Index witnessed battering in Aug-23, declining by 3,032 points (-6.7% MoM) to close the month at 45,002 points, the highest monthly decline since Mar-20 (Covid-19). The initial optimism quickly dissipated as the macro economic challenges resurfaced with inflation expectations increasing, Current Account Deficit clocking-in at 809mn, and PKR tanking to all time low of 305.5 against USD. Moreover, discussions for extended caretaker setup and potential delays in elections further unnerved investors' sentiments. These developments overshadowed the positive news of an increase in Pakistan's weight in the MSCI FM index from ~0.6% to ~2.7% and the approval of refinery policy during the month. On the sectoral front, major negative contributions came from the Banking, Cement, and E&P sectors, with contributions of -541, -411, and -358 points, respectively. The Banking sector declined due to profit-taking after experiencing a significant rally last month following the signing of the SLA with the IMF. Cement stocks performed poorly due to the perceived risk of further interest rate hike amid leveraged balance sheets. Meanwhile, the E&P sector faced challenges due to the potential risk of an increase in circular debt, exacerbated by low recovery of electricity bills nationwide in response to escalated power bills. This uncertainty also spilled over into the market activity where the average traded volume declined by 23% MoM, and the average value traded decreased by 5% MoM. On the flows front, Mutual Funds, Banks and Individuals were major sellers with a cumulative net outflow of USD 52.1mn, which was mainly absorbed by Insurance, Companies and Foreigners with cumulative net buying worth USD 67.2mn.





Money Market Analysis

SBP conducted the Treasury bill auction on August 23, 2023. The auction had a total maturity of PKR 2,469 billion against a target of PKR 2,250 billion. SBP accepted total bids worth PKR 1,959 billion in 3 months' tenor, PKR 9 billion in 12 months' at a cut-off yield of 22.88% and 22.94% respectively, while bids in 6 months' tenor were rejected. The auction for Fixed coupon PIB bonds was held on Aug 02, 2023 having a maturity of 523 billion against a total target of PKR 160 billion. SBP accepted bids worth 79 billion in 3 Years and 105mn in 5 Years at a cut off rate of 19.35% and 15.95%, respectively. The short term secondary market yields increased by an average of 22 basis points (bps) while longer tenor yields rose by 61bps during the month. The increase in yields was due to market expectation that interest rate will remain elevated in the near term under the IMF umbrella as inflationary pressures are likely to remain entrenched in the near term.



MAZ'AF FUND (TAKAFUL)

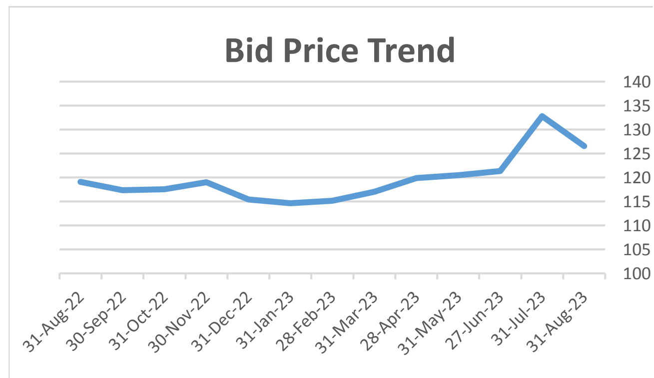
August 31, 2023

Fund Objective:

To earn higher returns in medium to long term by investing in diversified mix of shariah compliant equity, debt instruments and real estate.

Fund Information:

Fund Name	Maza'af Fund
Fund Size	PKR 2.4 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Aug 2023)**	PKR 126.5446
Fund Type	Aggressive Fund
Management Fees	1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	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)

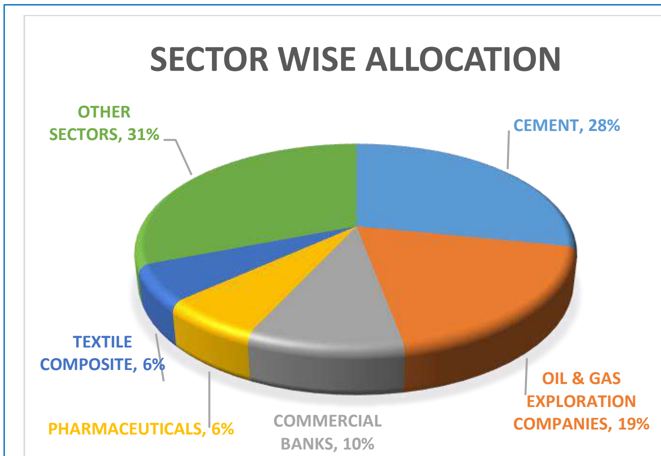


Asset Mix

Assets	August 2023	July 2023
Bank Balances	4.55%	4.79%
Term Deposits	2.07%	1.96%
Equities	37.04%	41.24%
Mutual Funds	20.50%	20.87%
Fixed Income Securities	7.73%	7.29%
GOP IJARA	23.40%	20.14%
Other Assets	4.71%	3.71%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	-4.71%	-43.92%
180 Days Return	9.90%	20.78%
CYTD	9.66%	14.83%
Since Inception	26.54%	3.37%
5 Years	24.24%	4.44%
10 Years	N/A	N/A



Managers' Comments:

During the month of Aug 2023, the NAV per unit has been decreased by PKR 6.2483 (4.71%) from July 2023.

TAMEEN FUND (TAKAFUL)

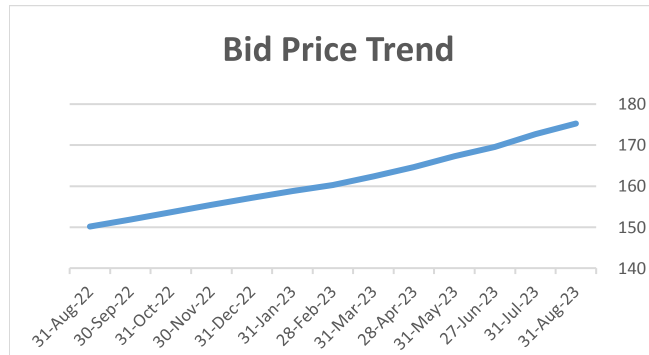
August 31, 2023

Fund Objective:

To offer regular and steady returns from investment in wide variety of shariah compliant debt securities including bank deposits, government Securities etc without any exposure to corporate bonds and equities.

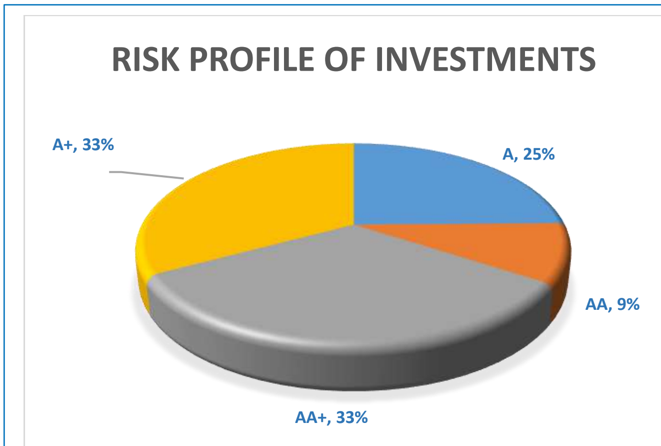
Fund Information:

Fund Name	Tameen Fund
Fund Size	PKR 7.2 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Aug 2023)**	PKR 175.2669
Fund Type	Income Fund
Management Fees	1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	Low
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	August 2023	July 2023
Bank Balances	20.34%	18.08%
Term Deposits	28.93%	43.96%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	1.03%	1.06%
GOP IJARA	43.98%	31.58%
Real Estate	0.00%	0.00%
Other Assets	5.72%	5.32%



Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	1.52%	19.78%
180 Days Return	9.33%	19.53%
CYTD	11.54%	17.80%
Since Inception	75.27%	8.23%
5 Years	66.83%	10.78%
10 Years	N/A	N/A

Managers' Comments:

During the month of Aug 2023, the NAV per unit has been increased by PKR 2.6167 (1.52%) from July 2023.

TOP EQUITY HOLDING

August 31, 2023

MAZAAF

TOP TEN HOLDINGS

MARI
FCCL
MLCF
MEBL
OGDC
LUCK
DGKC
ILP
BATA
PPL