Fund Managers' Report

Performance Tracker

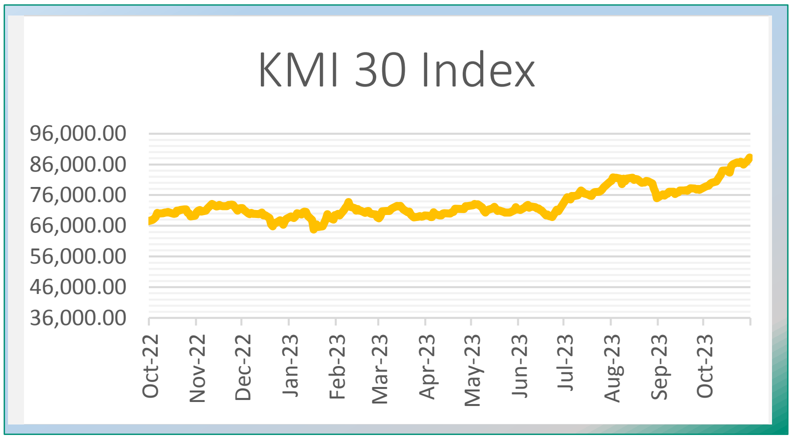
October 2023

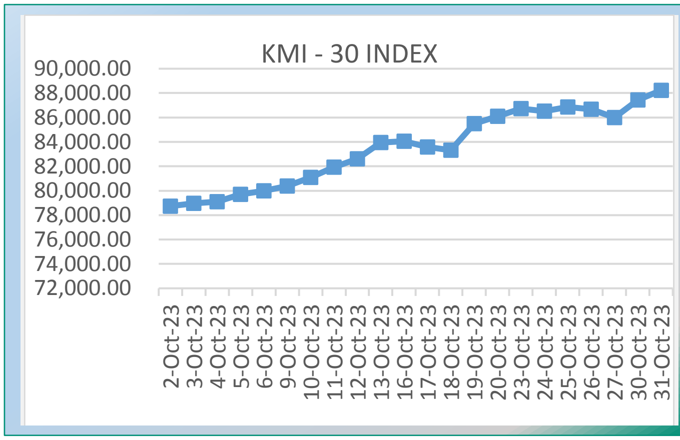
Adamjee Life Assurance
Window Takaful Operations

3rd and 4th Floor, Adamjee House,
I.I.Chundrigar Road, Karachi - 74000

Equity Market Analysis

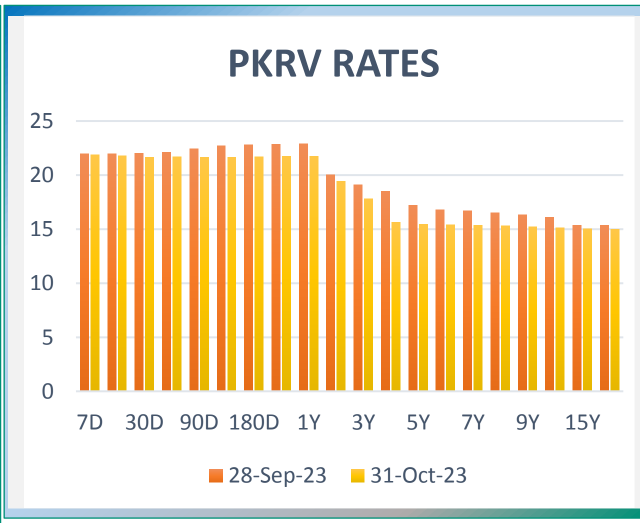
In October 2023, the benchmark KSE-100 index reached a six-year high, surpassing the 50,000-point milestone, gaining 5,688 points (12.3% MoM) to close at 51,920 points. Optimism was present from the beginning of the month, as expectations of peaking inflation and interest rates, combined with significant measures to deter currency speculation, strengthened investor confidence. Moreover, positive development on pre-requisites targets prior to IMF’s 1st review of SLA in Nov-23 and strong corporate profitability added to the sustainability of the rally. This optimism also transpired into market activity where both the average traded volume and the average value traded increased by ~125% MoM and ~116% MoM, respectively. On the flows front, Foreigners, Mutual Funds & Insurance were net seller with an outflow of USD 12.2mn, USD 6.7mn & USD 3.9mn, which was mainly absorbed by Companies and Individuals with cumulative inflow of USD 20.4mn. On the sectoral front, major positive contributions came from the Banks, Fertilizer, and Power sector which added 1,793, 970, 680 points, respectively. Banking sector rallied mainly on the back of strong quarterly profitability & dividends. Cement sector remained in limelight as buyback of LUCK and expectation of monetary easing in the medium term garnered interest in leveraged cement companies leading to contribution of 557 points. In the short-term, the market participant will keep close track of the next IMF review pending in Nov23. In addition, development on the political front close to the general elections will set the tone for the market. We reiterate our stance on the deep discount the stock market is offering at the current level evident from forward Price to Earnings of 4.6x with an attractive dividend yield of 12.1%. These deep valuations are attractive enough for investors having medium to long-term horizon.





Money Market Analysis

SBP conducted the Treasury bill auction on October 18, 2023. The auction had a total maturity of PKR 900bn against a target of PKR 783bn. SBP accepted total bids worth PKR 105bn in 3 months, PKR45.6bn in 6 months and PKR 763bn in 12 months’ tenors at a cut-off yield of 22.20%, 22.40% and 22.40% respectively. The cut off yields were down by around 50bps compared to last month auction. The auction for Fixed coupon PIB bonds was held on October 02, 2023 having a total target of PKR 160bn. SBP accepted bids worth 110bn in 3 Years, 2.9bn in 5 Years and 1.5bn in 10 years at a cut off rates of 19.19%, 16.95% and 15.25%, respectively. The short-term secondary market yields decreased by an average of 102 basis points (bps) while longer tenor yields declined by 134bps during the month. The yields eased off as market is expecting monetary easing cycle to start in the near term as macroeconomic numbers have improved considerably in recent months. SBP maintained status quo in the monetary policy held on October 30, 2023. The monetary policy committee reiterated that inflation is projected to remain on the downwards trajectory and real interest rates is significantly positive on a 12 month forward-looking basis.



MAZ'AF FUND (TAKAFUL)

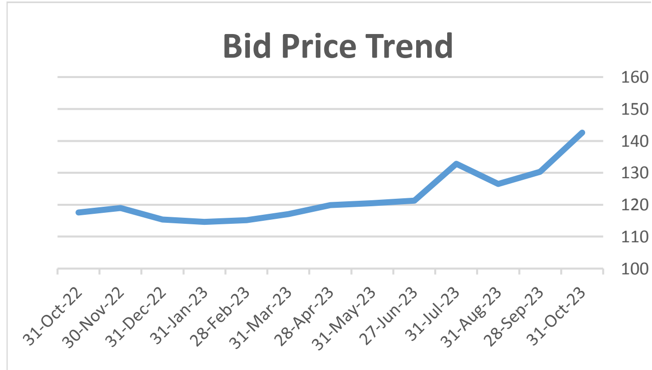
October 31, 2023

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 2.6 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Oct 2023)**	PKR 142.5884
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)

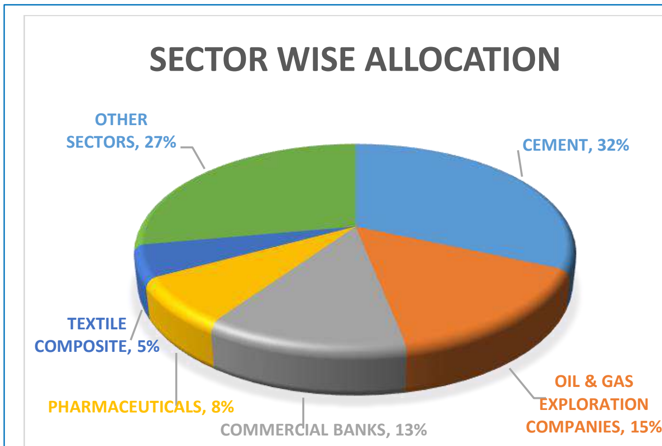


Asset Mix

Assets	October 2023	September 2023
Bank Balances	7.44%	4.71%
Term Deposits	0.00%	0.00%
Equities	39.97%	39.94%
Mutual Funds	19.89%	20.34%
Fixed Income Securities	6.98%	7.52%
GOP IJARA	20.93%	22.84%
Other Assets	4.79%	4.65%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	9.45%	195.56%
180 Days Return	18.97%	41.53%
CYTD	23.56%	28.90%
Since Inception	42.59%	5.01%
5 Years	37.37%	6.56%
10 Years	N/A	N/A



Managers' Comments:

During the month of Oct 2023, the NAV per unit has been increased by PKR 12.3125 (9.45%) from Sep 2023.

TAMEEN FUND (TAKAFUL)

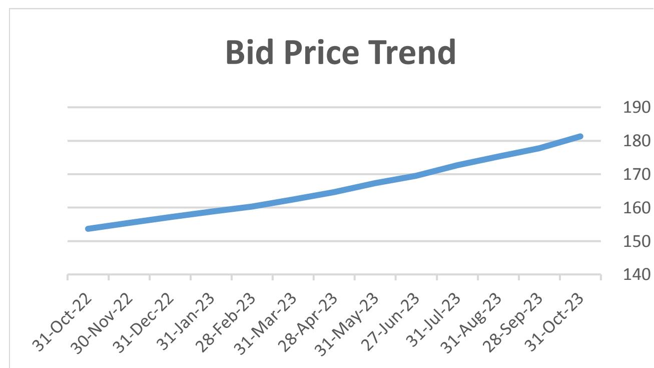
October 31, 2023

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 7.6 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Oct 2023)**	PKR 181.2991
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

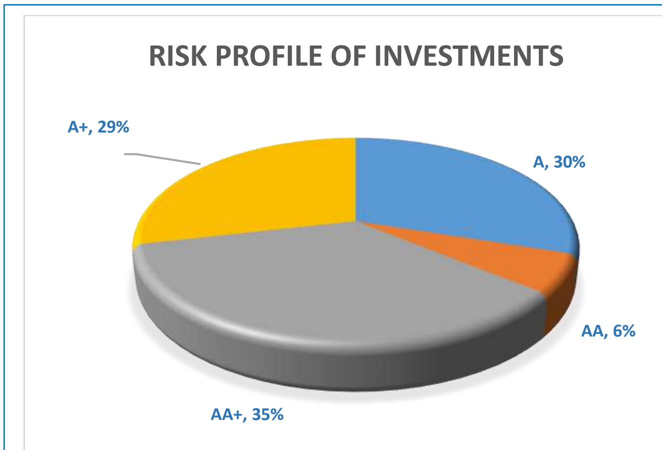


Asset Mix

Assets	October 2023	September 2023
Bank Balances	27.58%	32.43%
Term Deposits	15.60%	16.12%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	0.98%	1.01%
GOP IJARA	50.78%	45.62%
Real Estate	0.00%	0.00%
Other Assets	5.06%	4.82%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	1.97%	26.32%
180 Days Return	10.13%	21.30%
CYTD	15.38%	18.72%
Since Inception	81.30%	8.54%
5 Years	70.51%	11.26%
10 Years	N/A	N/A



Managers' Comments:

During the month of Oct 2023, the NAV per unit has been increased by PKR 3.4964 (1.97%) from Sep 2023.

TOP EQUITY HOLDING

October 31, 2023

MAZAAF

TOP TEN HOLDINGS

FCCL
MEBL
MLCF
MARI
LUCK
DGKC
HUBC
OGDC
ILP
MUGHAL