adamjeelife

DECEMBER - 2020

Fund Managers' Report

Performance Tracker

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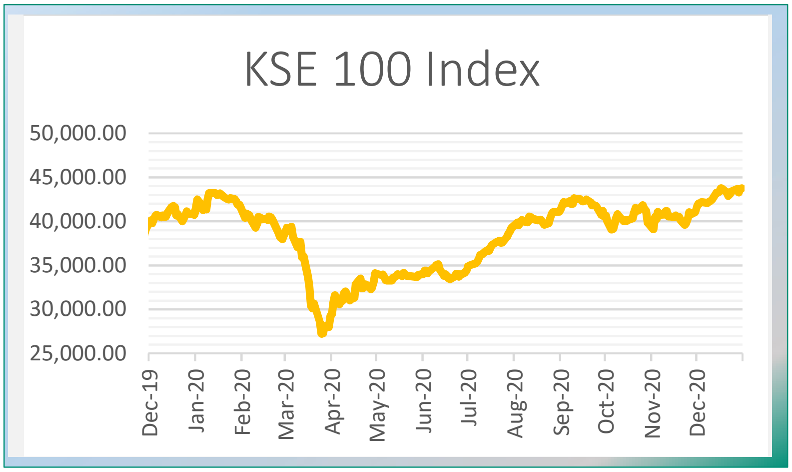
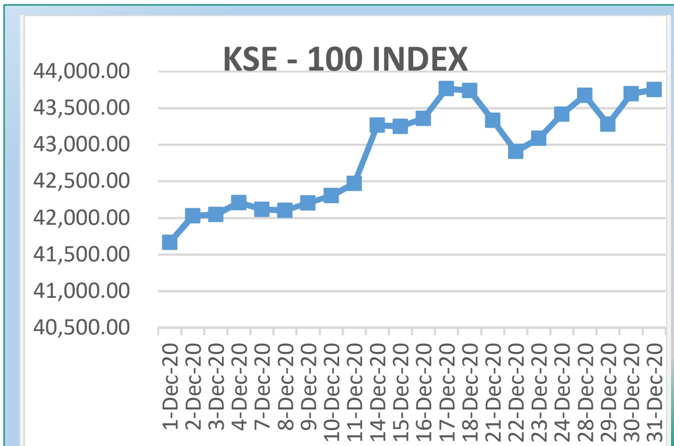
Equity Market Analysis

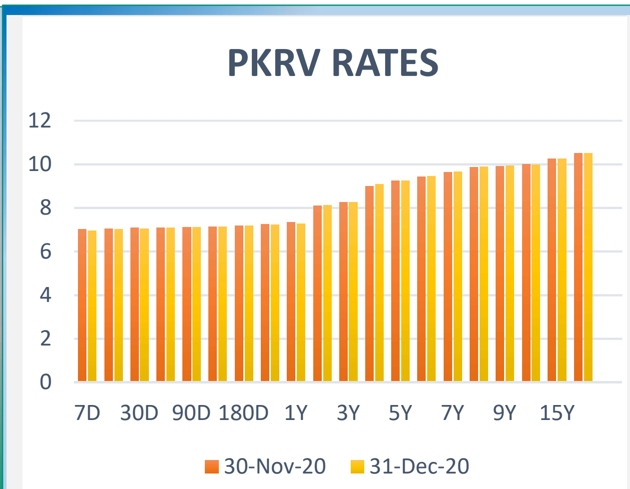
The benchmark KSE-100 Index posted a 6.5% return during Dec'20 closing in at 43,755 points. Positive sentiments were fueled by the expected restoration of the IMF programme, coupled with improving economic indicators. News flows pertaining to debt suspension amounting to USD 1.7 billion and second installment of USD 1 billion paid to Saudi Arabia further uplifted investor confidence. While a new strain of coronavirus found in UK threatened to unsettle global sentiment; the concern was short lived, as market went into a positive momentum on the back of continued economic recovery. Steel, Tech and Packaging Companies remained major outperformers during the month. Steel sector gained 25.4% during the month after a sharp increase in prices. Tech companies saw a massive re-rating in their valuations up by (19.9% MoM) as investor cherished the changing landscape of tech companies post Covid. On the flip side Sugar Companies remained major laggards during the month, witnessing a decline of 4.0% after a record decline in the prices of sugar was witnessed. Foreigners continued on their selling course as they sold ~USD 96 million worth of equities over the period. On the local front, Individuals and Corporate Companies remained on the driving seat as they added USD 33 Million and USD 57 Million worth of equities respectively. Trading activity at the bourse increased compared to the previous month as the average volumes and value traded amounted to ~493 Million shares (+74% MoM) / ~PKR 21 Billion (108% MoM). From capital market perspective, the economic recovery seems evident which has been orchestrated by record monetary easing along with construction package announced by the government. Covid curve remains flattened as the percentage of cases emerging remains range bound. Successful development of vaccines has also paved the path for a robust medium term outlook. The valuations are still on the course to catch up with historical norms. Barring a disastrous second wave of the virus, we still think equities have a lot to offer to the investors. Market cap to GDP ratio is at ~18.2%, still at a discount of ~30% from its historical average. Similarly, risk premiums are close to 2.5%, compared to historical average of 0.9% signifying decent upside for long term investors. We believe a micro view of sectors and 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 back to companies that are expected to exhibit stellar earnings growth over the medium term.





Money Market Analysis

PIB Auction was held on Dec 09, 2020, having a total target of PKR 125 billion. Auction witnessed a total participation of PKR 66.2 billion out of which bids amounting to PKR 16.2 billion was received in 3 years PIB, PKR 22 billion in 05 years PIB, PKR 10.5 billion in 10 years PIB, PKR 9.5 billion in 15 years PIB and PKR 8 billion in 20 years PIB. State bank of Pakistan accepted PKR 2.27 billion in 3 years, PKR 3 billion in 15 years, and 8 billion in 20 years at a Cut-off rate of 8.24%, 10%, and 10.58% respectively. Bids for 5 and 10-year tenor were rejected. T Bill Auction was held on December 30, 2020. The auction had a maturity of PKR 640 billion against a target of PKR 550 billion. Auction witnessed a total participation of PKR 659 billion out of which bids amounting to PKR 623 billion were received in 3months, PKR 16 billion in 06 months, and PKR 19 billion in 12months. SBP accepted total bids worth PKR 638 billion in a breakup of PKR 609 billion, PKR 8 billion, and PKR 19 billion at a cut-off yield of 7.1498%, 7.2000%, and 7.2900% in 3 months, 6 months, and 12months tenor respectively. Taking into account higher than expected recent out-turns due to supply-side factors and the absence of demand-side pressures on inflation, risks to the inflation outlook looks balanced. However, we foresee slight adjustments in the last quarter of fiscal year as real interest rates on a forward basis lie in a negative zone currently.



INVESTMENT MULTIPLIER FUND (IMF)

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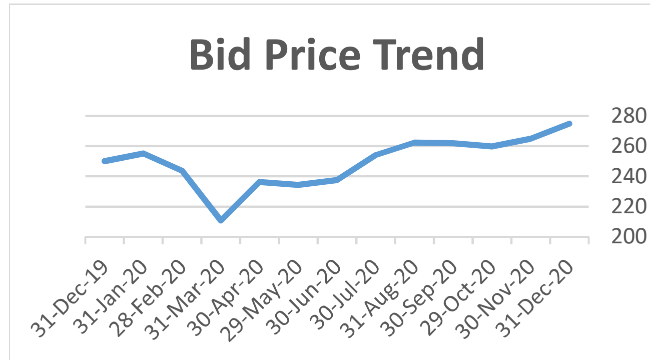
Fund Objective:

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 20 Billion
Launch Date	June 9, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Dec 2020)**	PKR 274.8802
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].

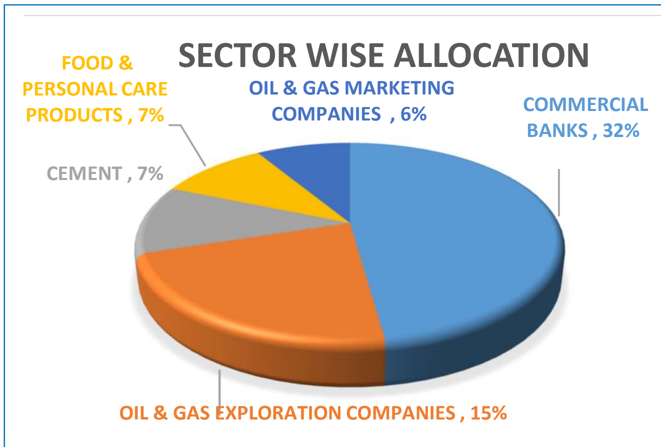


Asset Mix

Asset	December 2020	November 2020
Bank Balance	10.09%	1.39%
Term Deposits	6.46%	0.00%
Equities	29.24%	29.02%
Mutual Funds	29.84%	30.07%
Fixed Income Securities	6.39%	6.76%
Government Securities	12.81%	26.94%
Real Estate	4.25%	4.49%
Other Asset	0.92%	1.33%

Fund Returns:

	Absolute
Month to Date (MTD)	3.79%
180 Days Return	15.75%
CYTD	9.94%
Since Inception (Absolute)	174.88%
Since Inception (Annualized)	18.27%



Managers' Comments:

During the month of December 2020, the NAV per unit has been Increased by PKR 10.0391 (3.79%) from November.

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:

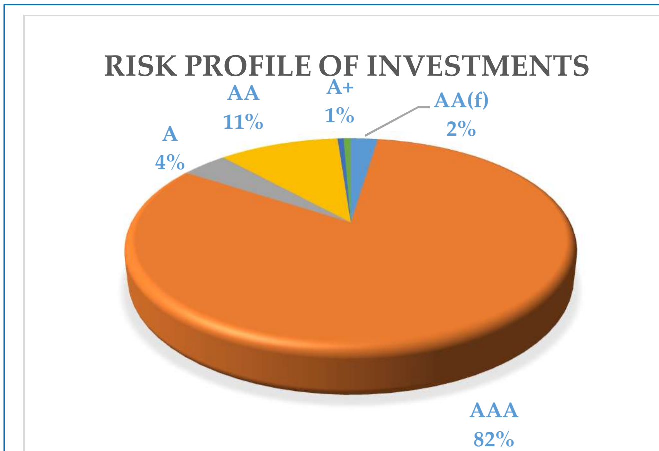
Fund Name	Investment Secure Fund
Fund Size	PKR 12.4 Billion
Launch Date	June 9, 2011
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2020)	PKR 233.7301
Fund Type	Predominantly Fixed Income Fund
Management Fees	1.6% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange 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	December 2020	November 2020
Bank Balances	21.98%	3.49%
Term Deposits	32.14%	0.00%
Equities	3.25%	0.00%
Mutual Funds	1.50%	4.89%
Fixed Income Securities	7.53%	7.67%
Government Securities	32.51%	82.54%
Other Asset	1.09%	1.41%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.74%	8.77%
180 Days Return	3.99%	7.91%
CYTD	11.82%	11.79%
Since Inception	133.73%	13.97%



Managers' Comments:

During the month of December 2020, the NAV per unit has been Increased by PKR 1.7284 (0.74%) from November.

INVESTMENT SECURE FUND II (ISF II)

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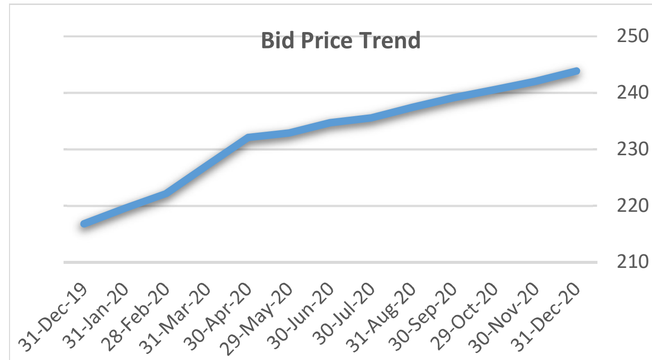
Fund Objective:

To offer regular and steady returns from investment in wide variety of fixed income securities and Government Securities without taking excessive risks.

Fund Information:

Fund Name	Investment Secure Fund II
Fund Size	PKR 5.3 Billion
Launch Date	December 1, 2011
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Dec 2020)**	PKR 243.8733
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]

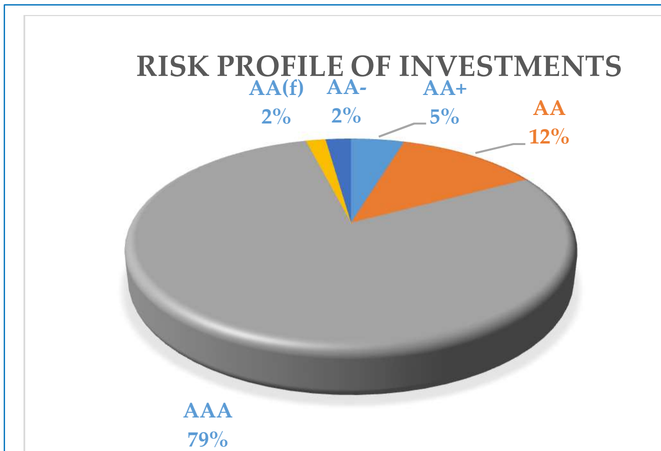


Asset Mix

Assets	December 2020	November 2020
Bank Balances	40.04%	5.42%
Term Deposits	0.00%	0.00%
Equities	0.00%	0.00%
Mutual Funds	0.88%	0.98%
Fixed Income Securities	10.04%	11.06%
Government Securities	47.90%	80.73%
Other Asset	1.14%	1.81%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.77%	9.10%
180 Days Return	3.89%	7.73%
CYTD	12.47%	12.44%
Since Inception	143.87%	15.83%



Managers' Comments:

During the month of December 2020, the NAV per unit has been Increased by PKR 1.8713 (0.77%) from November.

AMAANAT FUND (AF)

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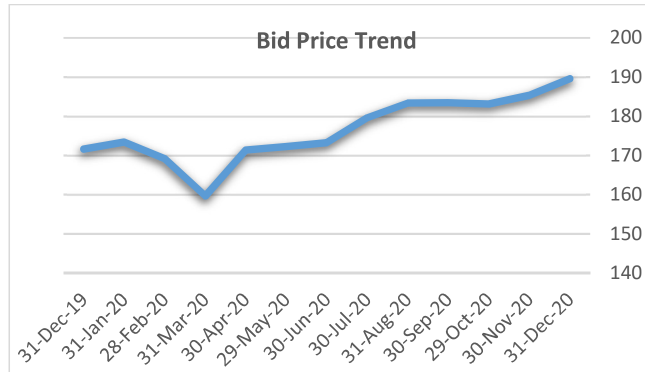
Fund Objective:

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 780 Million
Launch Date	November 15, 2012
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2020)	PKR 189.6018
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]

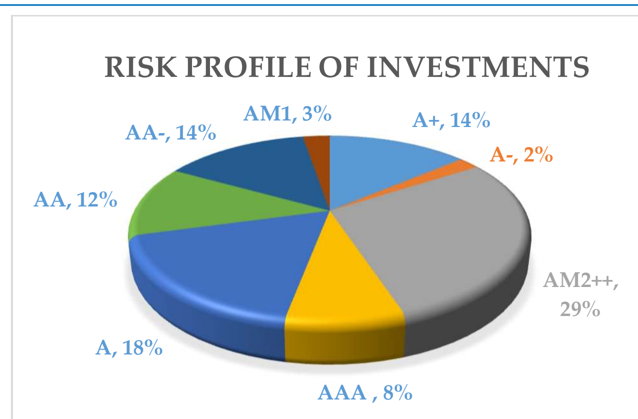


Asset Mix

Assets	December 2020	November 2020
Bank Balances	12.19%	12.24%
Term Deposits	34.75%	33.33%
Equity	1.10%	1.12%
Mutual Funds	28.50%	28.92%
Fixed Income Securities	14.57%	15.06%
GOP IJARA	7.32%	7.58%
Other Asset	1.57%	1.75%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	2.30%	27.03%
180 Days Return	9.43%	18.72%
CYTD	10.46%	10.44%
Since Inception	89.60%	11.02%



Managers' Comments:

During the month of December 2020, the NAV per unit has been Increased by PKR 4.2545 (2.30%) from November.

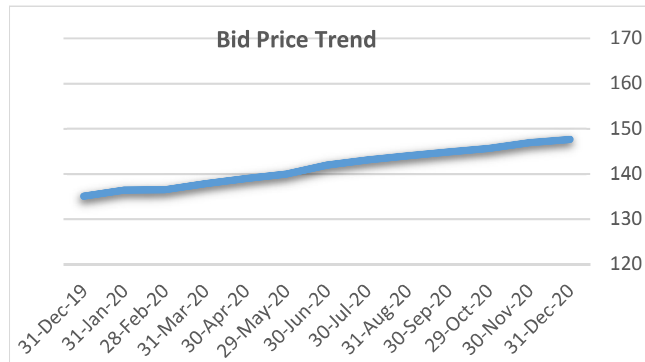
DYNAMIC SECURE FUND (DSF)

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 49 Million
Launch Date	July 19, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Dec 2020)**	PKR 147.6555
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]

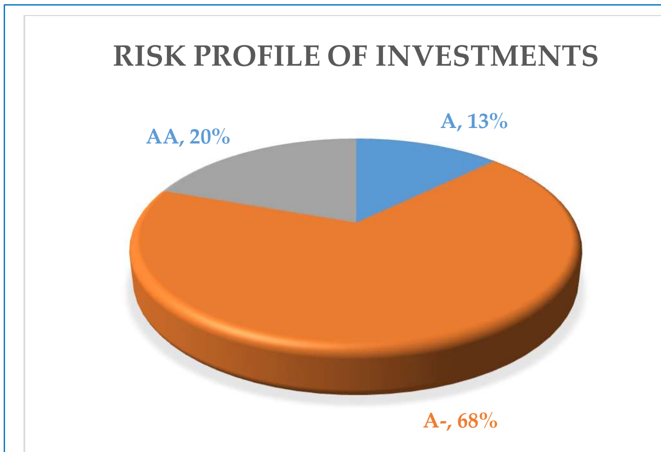


Asset Mix

Assets	December 2020	November 2020
Bank Balances	7.22%	11.73%
Term Deposits	0%	0%
Mutual Funds	0%	0%
Fixed Income Securities	15.17%	15.66%
Government Securities	72.50%	66.42%
Real Estate	0%	0%
Other Assets	5.11%	6.19%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.48%	5.70%
180 Days Return	4.02%	7.98%
CYTD	9.32%	9.29%
Since Inception	47.66%	10.70%



Managers' Comments:

During the month of December 2020, the NAV per unit has been Increased by PKR 0.7117 (0.48%) from November.

DYNAMIC GROWTH FUND (DGF)

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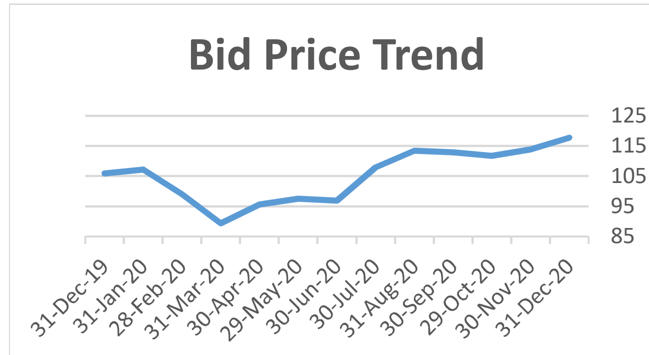
Fund Objective:

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

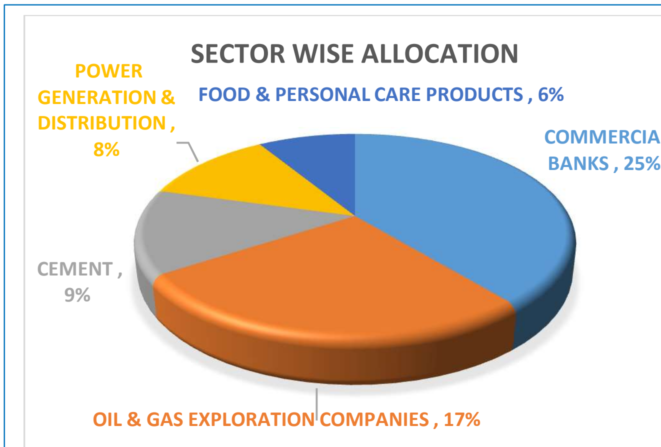
Fund Information:

Fund Name	Dynamic Growth Fund
Fund Size	PKR 280 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2020)	PKR 117.7520
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	December 2020	November 2020
Bank Balances	2.68%	3.01%
Term Deposits	0.00%	0.00%
Equities	58.86%	59.07%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	5.36%	5.61%
Government Securities	28.53%	26.89%
Other Asset	4.57%	5.42%



Fund Returns:

	Absolute
Month to Date (MTD)	3.42%
180 Days Return	21.60%
CYTD	11.22%
Since Inception (Absolute)	17.75%
Since Inception (Annualized)	3.98%

Managers' Comments:

During the month of December 2020, the NAV per unit has been Increased by PKR 3.8990 (3.42%) from November.

TOP EQUITY HOLDING

IMF

TOP TEN HOLDINGS

KEL
BOP
FCCL
MCB
BAFL
HASCOL
PAEL
HBL
HUBC
EPCL

DGF

TOP TEN HOLDINGS

KEL
BOP
FCCL
PAEL
HUBC
HBL
BAFL
EPCL
STPL
OGDC

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