AUGUST -2019

Fund Managers' Report

Performance Tracker

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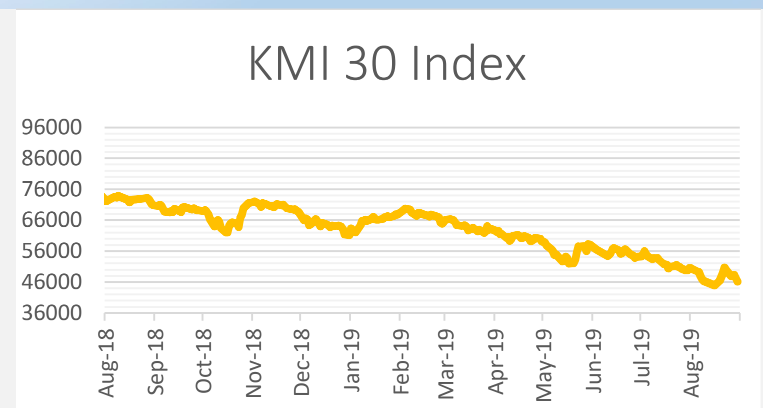
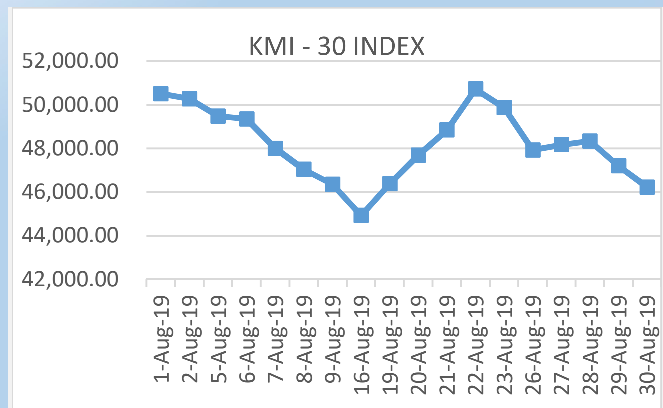
Equity Market Analysis

All major sectors closed the month in red. The largest declines were witnessed by Exploration & Petroleum Companies, Oil & Marketing Companies, Chemicals, Autos & Power of which showed double digit declines i.e. -17.3%/-16.5%/-10.1%/- 9.6%/-8.4% respectively. E&Ps plummeted on the back of privatization news flows. Large volumetric decline in sales of POL products caused the OMC sector to remain negative.

We believe equity markets generally preempt the economic conditions and as such it is important to consider whether all the economic developments are priced in or not. Therefore, overall valuations and fundamentals of universe companies do play an important role. Overall valuations have reached historic lows, therefore, we believe the ground to economic recovery will provide magnificent returns to those who eye for the long term horizon. Our overall strategy still tilts towards defensive sectors (E&P's, Power, Fertilizers) while sector which will benefit from changing dynamics on macro front such as rising interest rates (Commercial Banks) are also overweight. In addition to that, government's strong focus on reviving exports should provide a boost to the outlook of export oriented sectors such as Textiles & IT. Despite being negative on cyclical stocks, we believe there will be distressed assets and quality companies which should be looked into as they have a tendency to provide abnormal returns.

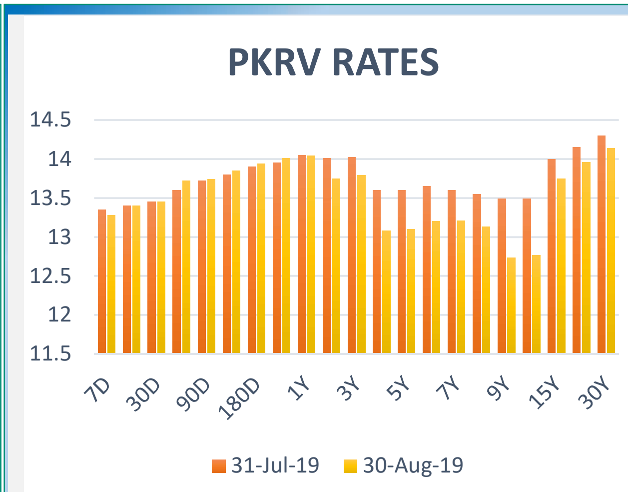




Money Market Analysis

CPI for the month of August'19 is expected to clock in at 11.5%. Food inflation has started to inch up and it is expected to ride in double digits after a surge in transportation cost. However, core inflation is expected to remain below 9% as the inflation was primarily fueled by increase in utility tariffs and transportation costs.

IMF forecasts Pakistan GDP growth to slow down to 2.5% in FY20, in the wake of tightening policies pursued by the government. Industrial growth will remain muted particularly for the import-driven consumption based sectors. However, export driven industrial companies can provide some respite as the government has incentivized the above, while increased power supply also eliminates bottleneck for them. After signing up for an IMF program, Pakistan will be able to finance its gross finance requirements by tapping into international avenues. Saudi deferred oil facility will also provide a short-term buffer to foreign exchange reserves. We expect foreign exchange reserves to increase to USD ~13 billion by the end of the current fiscal year. With PKR aligned to its equilibrium levels (Jun'19 REER at 91) and current account deficit in a sustainable range, PKR should now depreciate nominally based on its historical average.



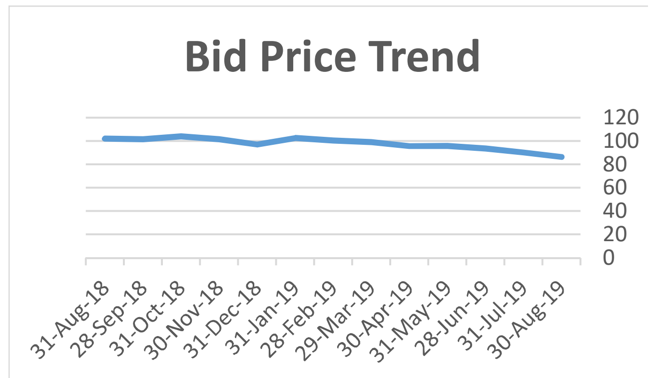
MAZ'AF FUND (TAKAFUL)

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 1.5 Billion
Launch Date	July 26, 2016
Bid Price (Inception)	PKR 100
Bid Price (30 Aug 2019)	PKR 86.4679
Fund Type	Balanced Fund
Auditors	Deloitte Yousuf Adil Chartered Accountants
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% [six (6) month PKRV rate (T-Bill rate)] + 50% [KMI-30 Index Return] + 10% [minimum deposit rates on banks]

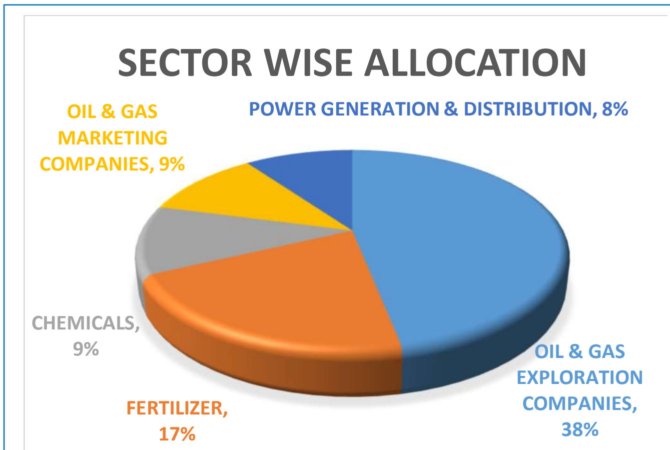


Asset Mix

Assets	August 2019	July 2019
Bank Balances	4.99%	8.28%
Term Deposits	26.18%	22.73%
Equities	35.94%	36.16%
Mutual Funds	21.03%	20.48%
Fixed Income Securities	11.05%	10.74%
Government Securities	0%	0%
Other Assets	0.81%	1.61%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-4.30%	-52.28%
180 Days Return	-13.86%	-27.65%
CYTD	-10.90%	-16.43%
Since Inception	-13.53%	-4.34%



Managers' Comments:

During the month of August 2019, the NAV per unit has been Decreased by PKR 3.8824 (-4.30%) from July.

TAMEEN FUND (TAKAFUL)

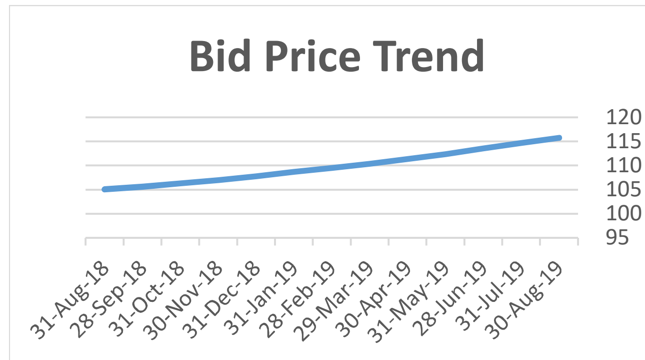
adamjeefamily Takaful

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 277 Million
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(30 Aug 2019)**	PKR 115.7966
Fund Type	Fixed Income Fund
Auditors	Deloitte Yousuf Adil Chartered Accountants
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	90% [six (6) month PKRV rate (T-Bill rate)] + 10% [minimum deposit rates on banks]

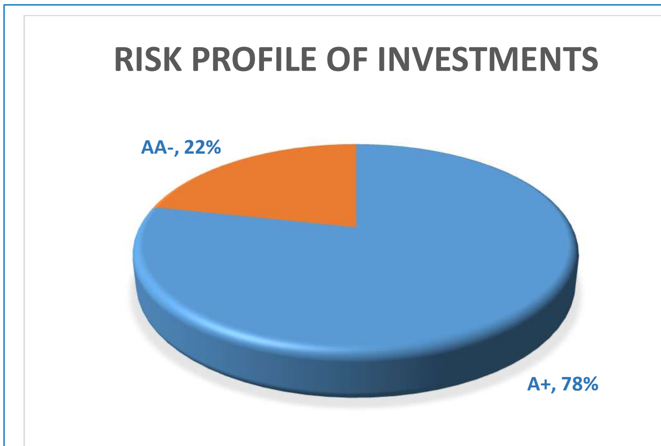


Asset Mix

Assets	August 2019	July 2019
Bank Balances	19.40%	6.96%
Term Deposits	66.79%	68.45%
Mutual Funds	0.00%	6.63%
Fixed Income Securities	6.15%	7.52%
Government Securities	0%	0%
Real Estate	0%	0%
Other Assets	7.66%	10.44%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.95%	11.52%
180 Days Return	5.70%	11.37%
CYTD	7.43%	11.21%
Since Inception	15.80%	5.07%



Managers' Comments:

During the month of August 2019, the NAV per unit has been Increased by PKR 1.0859 (0.95%) from July.

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.