adamjeefamily takaful

Window Takaful Operations

FUND MANAGERS' REPORT

Performance Tracker

NOVEMBER - 2021

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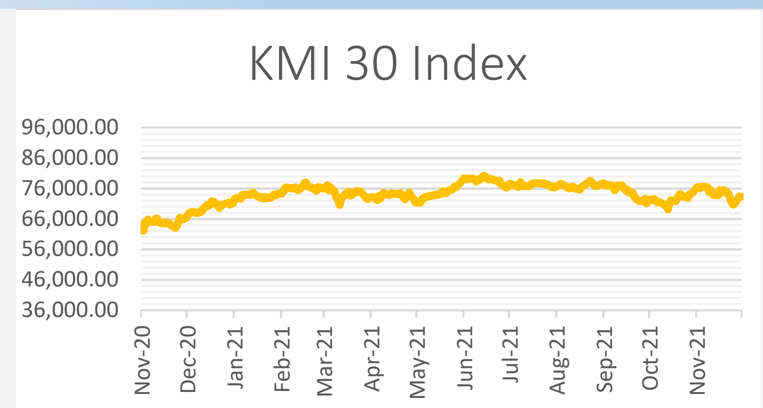
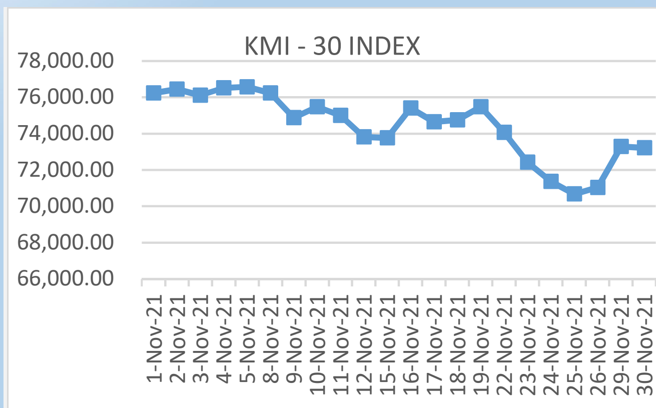
Equity Market Analysis

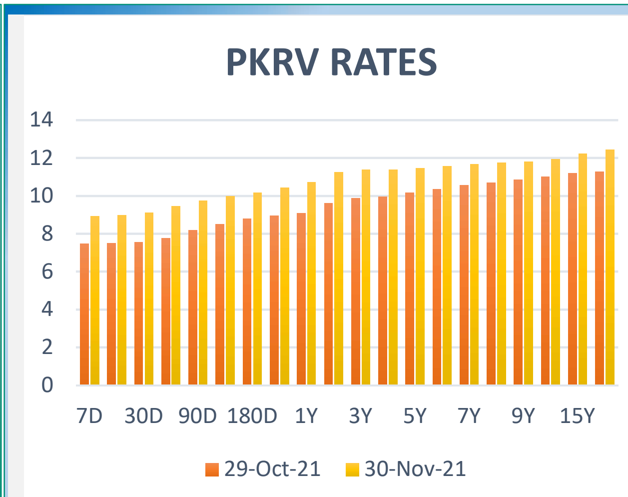
The KSE-100 index experienced another round of battering in Nov-21, as it decreased by 1,146 points (-2.4%) to close the month at 45,072 points. The lackluster performance of the index can be attributed to higher than expected increase in policy rate by SBP and passive outflows on the back of Pakistan's formal downgrade from MSCI Emerging Market Index to Frontier Market. Pakistan reaching staff level agreement with the IMF failed to improve investors' sentiment amid concern over deteriorating macros. Foreign selling continued in this month where Foreign investors offloaded shares worth USD 141mn compared to USD 31mn in the previous month. Majority of the selling was absorbed by corporates and Insurance companies with a net inflow of USD 49mn and USD 30mn respectively. The market activity increased as average daily trade value inclined by 23.7% MoM to USD 72mn. Sectors which declined the most were Engineering sector (-14.1%), Cable and Electric sector (-13.6%), and Auto Parts (-7.9%). On the contrary, Leather, Real Estate and Glass sector witnessed increase by 9.3%, 3.0%, and 2.8% respectively during the month. The market is expected to remain volatile in short run as concerns over external account position and higher inflation trajectory cast risks in investors' mind. However, we highlight that market is trading at a forward P/E of 6.0x (last 10 year average: 8.1x) and offers an attractive dividend yield of 8.3% indicating deep valuation discount.





Money Market Analysis

State Bank of Pakistan in its latest MPS increased the policy rate by 150 bps to 8.75%. SBP attributes this policy shift to an abrupt increase in inflation and balance of payment expectations. The other major driving factor behind the MPS decision is the large current account deficit of USD 5.0bn in July-Oct 2021 (USD 1.66bn in October) due to significantly higher imports of goods and services – led majorly by higher commodity prices (of energy and food imports). During the month, SBP also increased the CRR (Cash Reserve Requirement) from 5% to 6% to limit the liquidity in the market and align its decisions to tighten monetary policy. Auction for Semi-annual Floating Rate Bond was held on Nov 17th, 2021 with a total target of PKR 50bn. Bids worth PKR 17.25bn and 10.25bn were received in 5 years and 10 years in this auction, SBP rejected all the bids. Auction for Quarterly reset floating Rate Bond was held on Nov 17th, 2021 with a total target of PKR 25bn. Bids worth PKR 14.25bn were received in this auction, SBP rejected all the bids. Auction for Fortnightly Reset - Quarterly Payment Coupon floating Rate Bond was held on Nov 17th, 2021 with a total target of PKR 25bn. Bids worth PKR 64bn were received in this auction out of which SBP accepted bids worth PKR 29bn at a cutoff price of 99.3322. Going forward negotiations with IMF, international oil prices, adjustments in power tariffs and fiscal deficit will set the tone for market direction.



MAZ'AF FUND (TAKAFUL)

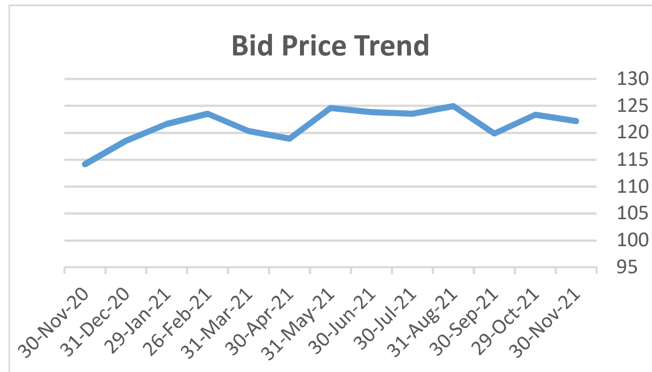
November 30, 2021

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 **(30 Nov 2021)**	PKR 122.1800
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)

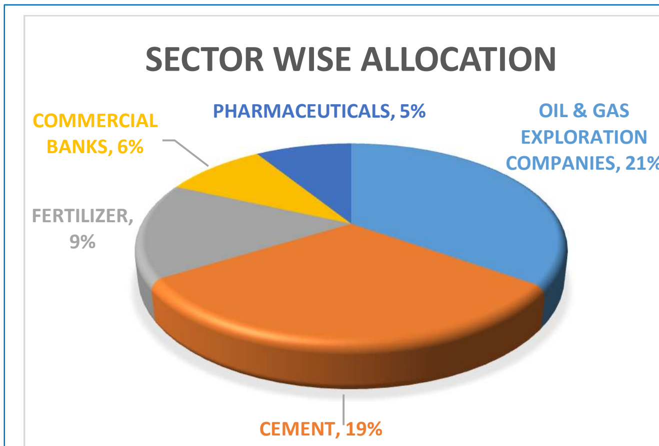


Asset Mix

Assets	November 2021	October 2021
Bank Balances	3.80%	6.83%
Term Deposits	12.78%	14.65%
Equities	31.10%	25.15%
Mutual Funds	34.48%	35.95%
Fixed Income Securities	5.96%	6.05%
GOP IJARA	10.16%	8.23%
Other Assets	1.72%	3.14%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-0.93%	-10.65%
180 Days Return	-1.94%	-3.86%
CYTD	3.12%	3.41%
Since Inception	22.18%	4.13%
5 Years	19.65%	3.93%
10 Years	N/A	N/A



Managers' Comments:

During the month of Nov 2021, the NAV per unit has been Decreased by PKR 1.1513 (0.93%) from Oct.

TAMEEN FUND (TAKAFUL)

November 30, 2021

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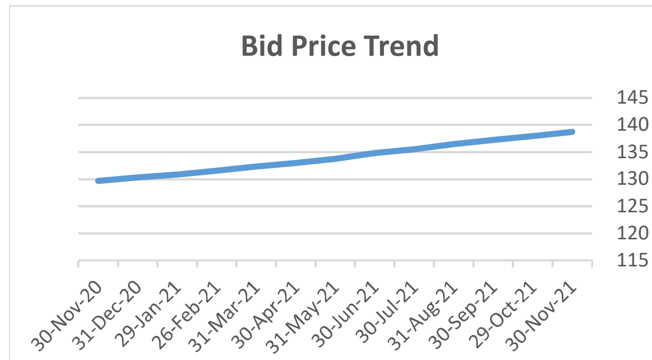
Fund Objective:

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 3.4 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(30 Nov 2021)**	PKR 138.7361
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

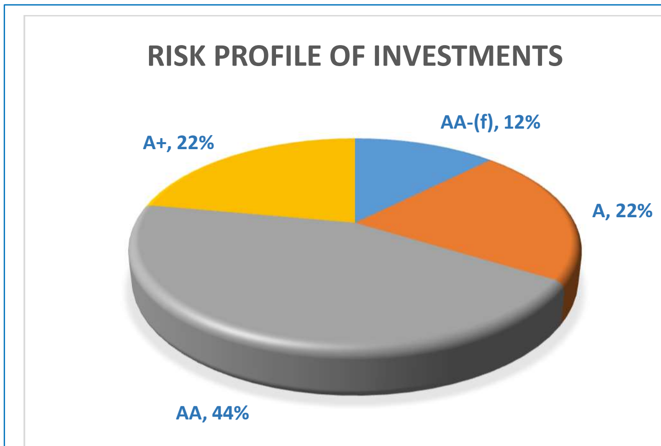


Asset Mix

Assets	November 2021	October 2021
Bank Balances	20.39%	18.30%
Term Deposits	56.84%	62.42%
Mutual Funds	11.13%	7.76%
Fixed Income Securities	0.97%	2.43%
GOP IJARA	7.67%	6.65%
Real Estate	0%	0%
Other Assets	3.00%	2.44%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.55%	6.24%
180 Days Return	3.72%	7.41%
CYTD	6.44%	7.04%
Since Inception	38.74%	7.21%
5 Years	36.14%	7.22%
10 Years	N/A	N/A



Managers' Comments:

During the month of Nov 2021, the NAV per unit has been Increased by PKR 0.7550 (0.55%) from Oct.

TOP EQUITY HOLDING

November 30, 2021

MAZAAF

TOP TEN HOLDINGS

ENGRO
MARI
LUCK
MEBL
PKGS
PPL
ILP
OGDC
POL
BATA