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takaful

JANUARY - **2022**

Fund Managers' Report

Performance Tracker

Adamjee Life Assurance
Window Takaful Operations

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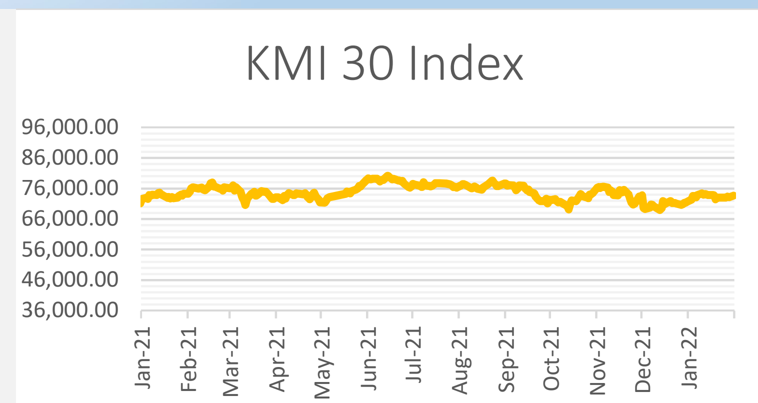
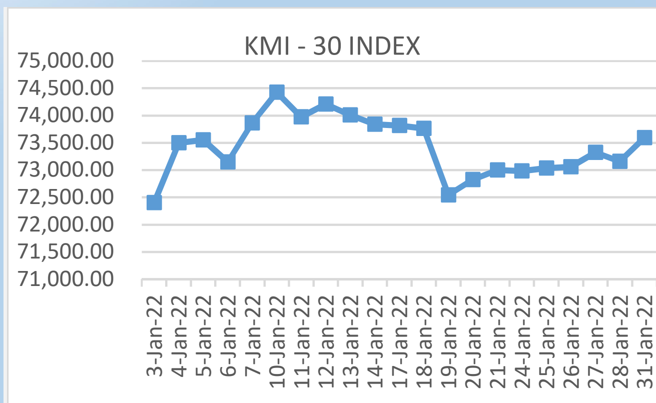
Equity Market Analysis

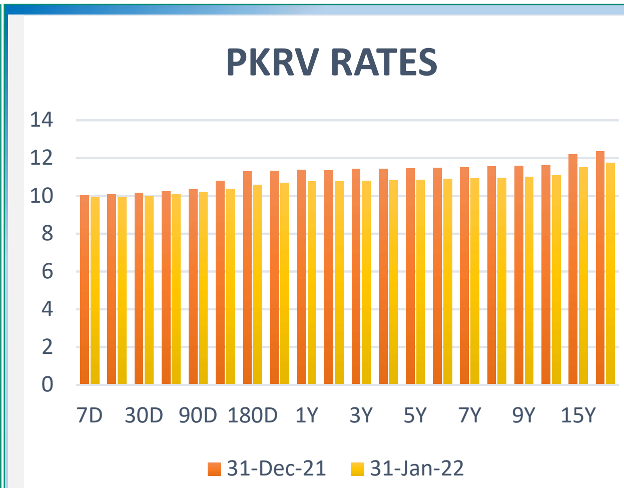
The benchmark KSE-100 index started the year on a positive note, gaining 779 points (1.7%) to close the month at 45,375 points. Positive performance of the index was fueled by smooth sailing of the Finance Supplementary Act in National Assembly & SBP Bill in Senate paving the way for resumption of the IMF Program. Moreover, status quo in the monetary policy, against expectation of potential rate hike, along with pacific forward guidance by SBP further uplifted the market sentiment. Market activity remained healthy with average traded volume and value rising by 12% MoM and 1% MoM, respectively. After witnessing a hefty outflow of USD 141.3mn during the month of November 2021, foreign investors turned net buyers for the past couple of months where January 2022 saw a net inflow of USD 17.8mn. On sectoral front, major increase in KSE-100 Index came from the Banking sector which added 466 points, followed by Power and Fertilizer sector which contributed 267 and 184 points, respectively. On the flipside, Tech and Cement sector remained major underperformers during the month, slicing off 333 and 78 points, from the index respectively. We reiterate our stance of deep discount the stock market is offering at current level evident from Price to Earnings of 5.7x while offering an attractive dividend yield of 8%. We do not rule out volatility in the short run emerging from upwards sticky commodity prices (particularly crude oil), which may pose challenges on external account fronts. However, such historic low multiples appear to have incorporated these short-term challenges and we expect stock market to yield strong returns going forward.





Money Market Analysis

The short-term secondary market yields declined by an average of 35bps while longer tenor yields decreased by around 60bps during the month. This was on account on pacific forward guidance provided by the SBP. In addition, regular OMOs injections by the SBP kept the market liquid, in turn putting downward pressure on short-term yields. This was evident in Treasury bill auction held on Jan 26, 2022. The auction had a total maturity of PKR 794bn against a target of PKR 650bn. The SBP accepted an amount of PKR 791bn in the auction with the cut-offs declining on average by 55 basis points across all tenure. Auction for Fixed coupon PIB bonds was held on Jan 27, 2022 with a total target of PKR 100bn. The SBP accepted total bids worth PKR 83bn in 3 years, PKR 40bn in 05 years & PKR 10bn in 10 years at cut off rates of 10.79%, 10.86% and 10.97% respectively. The cutoff declined by an average 74 basis point when compared to last cut off of 11.50%, 11.57% and 11.76% respectively. Going forward targets set by IMF, international oil prices, and adjustments in tariffs will set the tone for market direction and provide further clarity on the ongoing economic situation.



MAZ'AF FUND (TAKAFUL)

January 31, 2022

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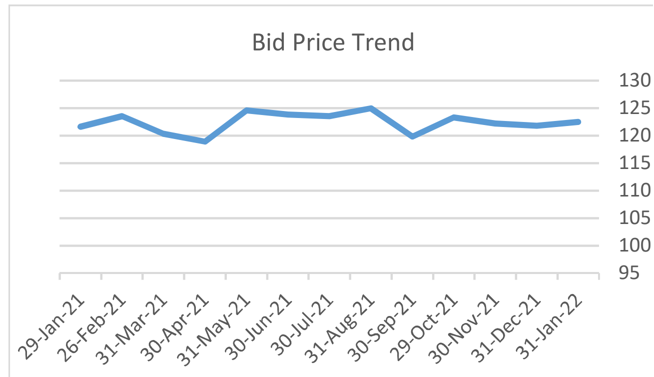
Fund Objective:

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 2.7 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Jan 2022)**	PKR 122.4833
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)

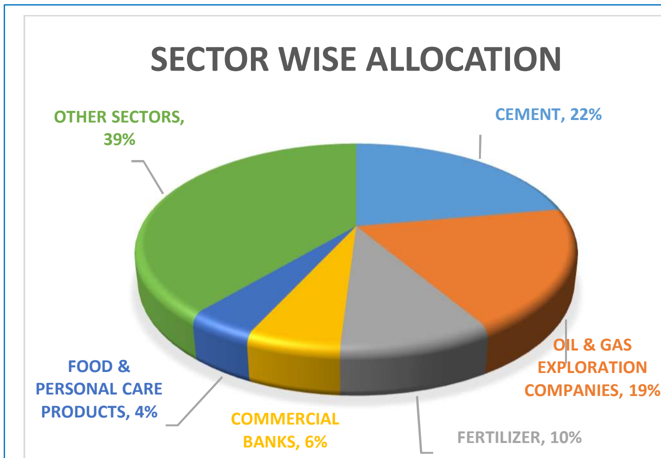


Asset Mix

Assets	January 2022	December 2021
Bank Balances	7.33%	4.76%
Term Deposits	10.49%	13.57%
Equities	31.54%	30.95%
Mutual Funds	31.12%	31.61%
Fixed Income Securities	4.20%	4.33%
GOP IJARA	12.25%	10.04%
Other Assets	3.07%	4.74%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	0.56%	6.93%
180 Days Return	-0.87%	-1.73%
CYTD	0.56%	6.93%
Since Inception	22.48%	3.74%
5 Years	16.64%	3.13%
10 Years	N/A	N/A



Managers' Comments:

During the month of Jan 2022, the NAV per unit has been Increased by PKR 0.6818 (0.56%) from Dec 2021.

TAMEEN FUND (TAKAFUL)

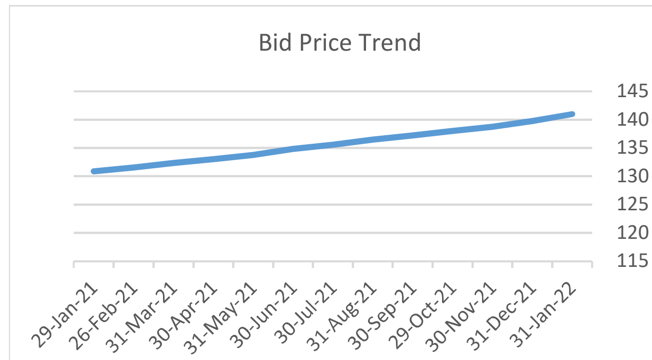
January 31, 2022

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 3.9 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Jan 2022)**	PKR 140.9902
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

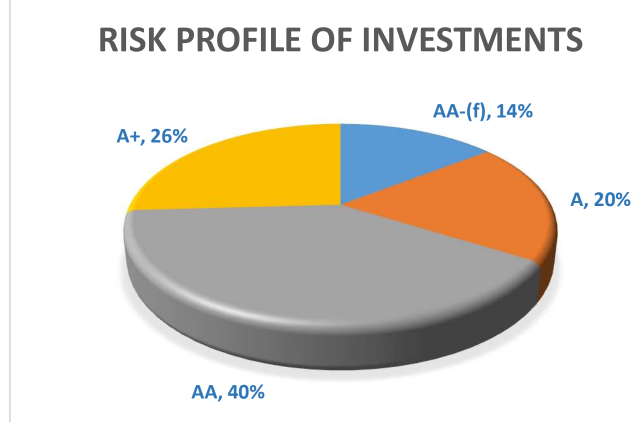


Asset Mix

Assets	January 2022	December 2021
Bank Balances	39.75%	8.45%
Term Deposits	33.60%	65.43%
Mutual Funds	12.51%	11.88%
Fixed Income Securities	0.85%	0.90%
GOP IJARA	8.28%	7.09%
Real Estate	0%	0%
Other Assets	5.01%	6.25%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	0.89%	11.22%
180 Days Return	4.00%	8.17%
CYTD	0.89%	11.22%
Since Inception	40.99%	6.42%
5 Years	39.14%	6.83%
10 Years	N/A	N/A



Managers' Comments:

During the month of Jan 2022, the NAV per unit has been Increased by PKR 1.2439 (0.89%) from Dec 2021.

SAMAN FUND (TAKAFUL)

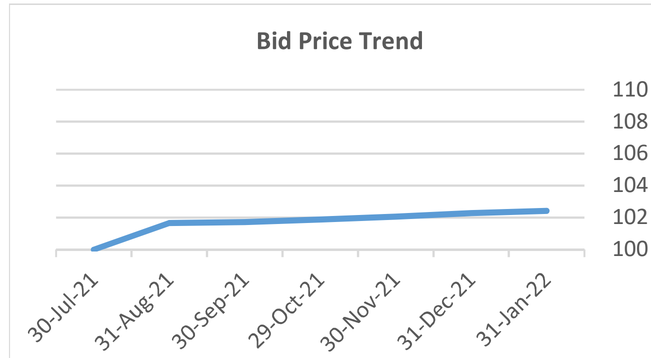
January 31, 2022

Fund Objective:

A moderate risk profile fund that aims to generate steady returns from investments in wide variety of Shariah compliant fixed income securities, Term deposits in Islamic Banks and Government Securities with limited exposure to Shariah Compliant equities.

Fund Information:

Fund Name	Saman Fund
Fund Size	PKR 1.4 Million
Launch Date	July 09, 2021
Bid Price **(Inception)**	PKR 100
Bid Price **(31 Jan 2022)**	PKR 102.4172
Fund Type	Balance Fund
Management Fees	1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	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	70% (Average deposit rate of three (3) A rated Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP) + 30% (KMI-30 Index Return)

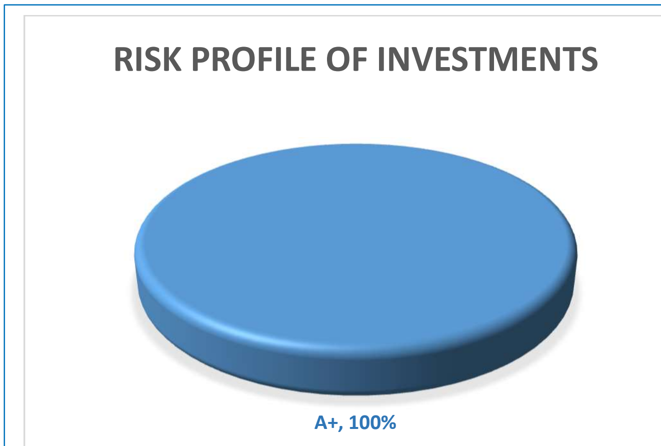


Asset Mix

Assets	January 2022
Bank Balances	99.79%
Term Deposits	0.00%
Mutual Funds	0.00%
Fixed Income Securities	0.00%
GOP IJARA	0.00%
Real Estate	0.00%
Other Assets	0.21%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	0.13%	1.62%
180 Days Return	2.42%	4.89%
CYTD	0.13%	1.62%
Since Inception	2.42%	4.33%
5 Years	N/A	N/A
10 Years	N/A	N/A



Managers' Comments:

During the month of Jan 2022, the NAV per unit has been Increased by PKR 0.1367 (0.13%) from Dec 2021.

TOP EQUITY HOLDING

January 31, 2022

MAZAAF

TOP TEN HOLDINGS

LUCK
ENGRO
MARI
MEBL
PKGS
BATA
PPL
HUBC
OGDC
POL

DISCLAIMER

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