adamjeefamily takaful

JUNE - 2022

Fund Managers' Report

Performance Tracker

Adamjee Life Assurance
Window Takaful Operations

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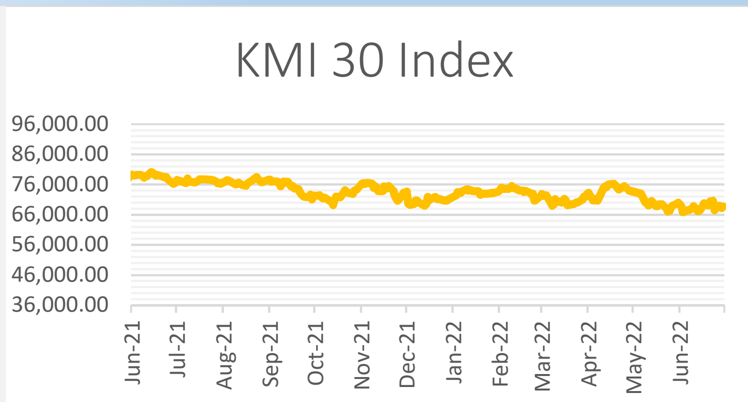
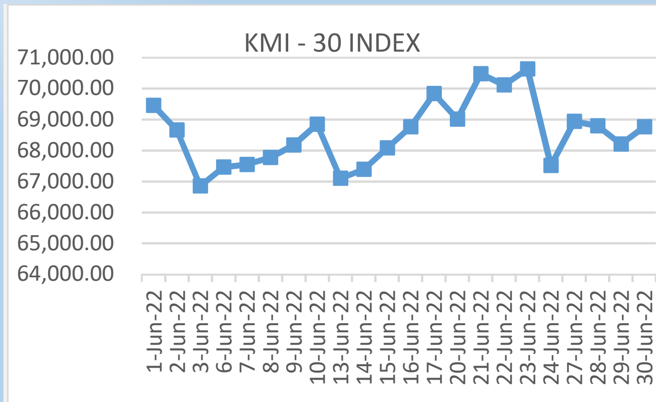
Equity Market Analysis

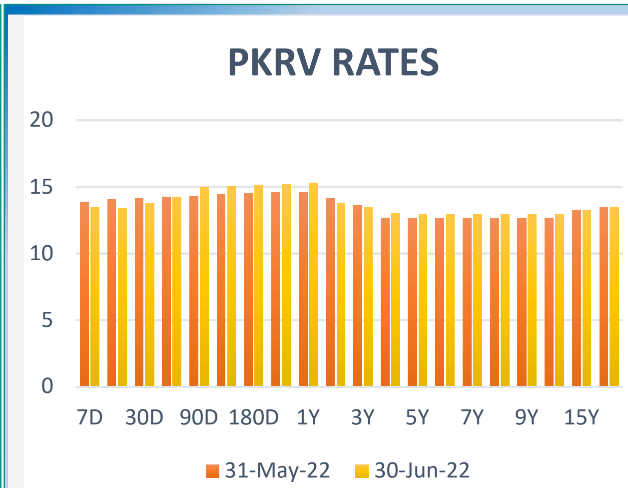
During the year, MSCI reclassified Pakistan from the Emerging Markets Index to Frontier Markets Index. As a result, foreign investors offloaded USD 298mn worth of equities during FY22. Individuals were the major buyers followed by Banks/DFIs. They bought shares worth USD 157mn and USD 115mn, respectively. Average traded volume and value during FY22 went down by 45% (291mn shares) and value by 54% (USD 55mn), respectively. The benchmark KSE-100 plunged by 1,537 points (-3.6%) during the month of June, taking the cumulative FY22 decline to 5,815 points (-12.3%). This marks the worst performing year since FY19 where the index posted a drop of -19.1%). Amongst the major sectors, only Fertilizer and Chemical were the outperformers during the year, posting a return of 13.9% and 6.1%, respectively. Fertilizer performed well due to bullish earning expectations and high payouts; while higher international margins supported the Chemical sector. On the contrary, major laggards during the year were Cements, Technology, and Banking sector, which posted a negative return of -43.8%, -21.5%, and -6.8%. Underperformance in cement was on the account of rising international coal prices (+189% YoY to USD 332.3/ton), while decline in technology was mainly contributed by TRG (due to controversy involving its CEO) whereas local tech shares also mirrored a worldwide de-rating in Tech stocks. In the case of Banks, higher tax incidence on investment in government securities and super tax were the major dampeners. In the short-term, policy actions by the government to cope-up with external & internal woes and bringing on the IMF program on track will dictate the market direction. Nonetheless, we reiterate our stance on the deep discount the stock market is offering at the current level evident from Price to Earnings of 4.7x while offering an attractive dividend yield of 9.5%. These multiples stand lower than the global financial crisis of 2008 and Covid lockdowns month of March 2020.





Money Market Analysis

The short-term secondary market yields increased by an average of 19 basis points (bps) while longer tenor yields inched up by 17bps during the month. The elevated yields reflected market participants' apprehension regarding the external position and inflationary outlook. The market participants also remained jittery as deal between IMF and Pakistan remain elusive, which put further pressure on the yields. SBP conducted the Treasury bill auction on June 30th, 2022. The auction had a total maturity of PKR 791bn against a target of PKR 800bn. SBP accepted total bids worth PKR 1,674bn in 3 months' tenor, PKR 3.5bn in 6 months' tenors & PKR 4.9bn in 12 months' tenor at a cut-off yield of 15.2%, 14.8% & 14.9% respectively. Auction for Fixed coupon PIB bonds was held on June 22nd, 2022 with a total target of PKR 150bn. The SBP accepted bids worth PKR 10.36bn in 3 years, PKR 112.9bn in 05 years & PKR 49.36bn in 10 years at a cutoff rate of 13.97%, 13.18% & 13.15% respectively. The secondary market yields are trading significantly above the SBP policy rate, which reflects market participants 'expectations of a further rate hike in the upcoming monetary policy. Going forward direction of international commodity prices and resumption of IMF program will set the tone for market direction.



MAZ'AF FUND (TAKAFUL)

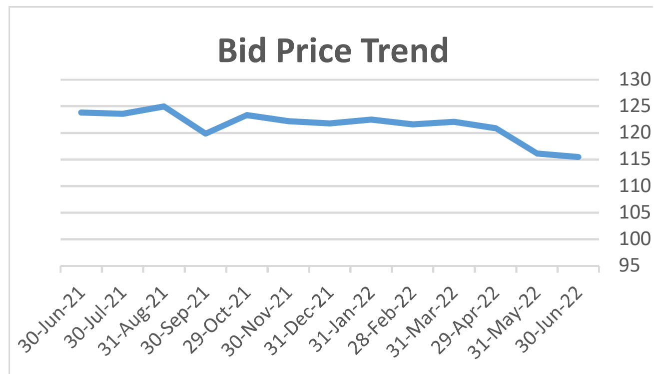
June 30, 2022

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.

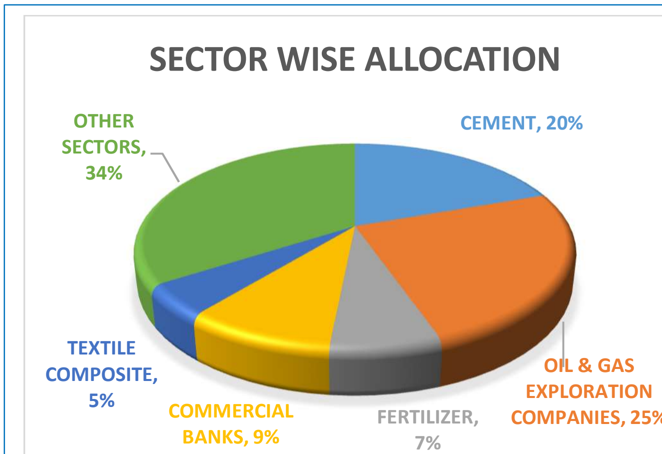
Fund Information:

Fund Name	Maza'af Fund
Fund Size	PKR 2.5 Billion
Launch Date	July 26, 2016
Bid Price (Inception)	PKR 100
Bid Price (30 June 2022)	PKR 115.4644
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	June 2022	May 2022
Bank Balances	5.89%	2.28%
Term Deposits	9.80%	9.77%
Equities	36.28%	31.02%
Mutual Funds	19.71%	27.30%
Fixed Income Securities	6.24%	6.22%
GOP IJARA	17.67%	18.79%
Other Assets	4.41%	4.62%



Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	-0.57%	-6.65%
180 Days Return	-5.20%	-10.13%
CYTD	-5.20%	-10.13%
Since Inception	15.46%	2.46%
5 Years	12.46%	2.38%
10 Years	N/A	N/A

Managers' Comments:

During the month of June 2022, the NAV per unit has been decreased by PKR 0.6640 (0.57%) from May 2022.

TAMEEN FUND (TAKAFUL)

June 30, 2022

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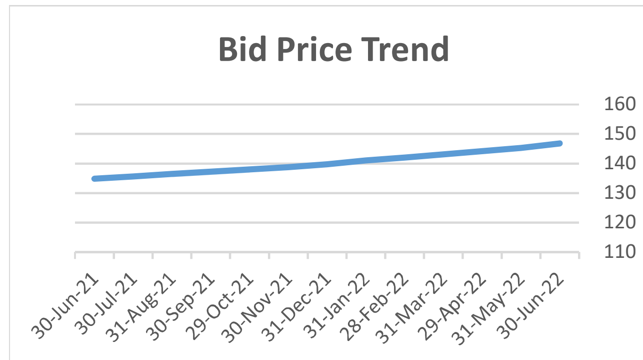
Fund Objective:

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 4.5 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(30 June 2022)**	PKR 146.7976
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

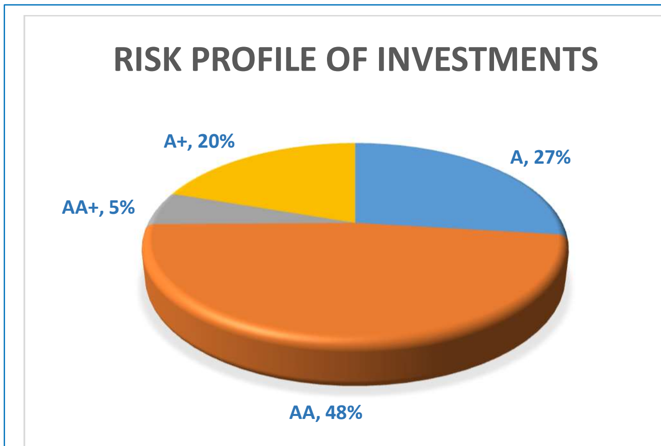


Asset Mix

Assets	June 2022	May 2022
Bank Balances	23.92%	35.78%
Term Deposits	53.94%	36.53%
Mutual Funds	0.00%	5.71%
Fixed Income Securities	2.64%	2.69%
GOP IJARA	14.10%	13.70%
Real Estate	0.00%	0.00%
Other Assets	5.40%	5.59%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	1.07%	13.60%
180 Days Return	5.05%	10.35%
CYTD	5.05%	10.35%
Since Inception	46.80%	6.69%
5 Years	43.43%	7.48%
10 Years	N/A	N/A



Managers' Comments:

During the month of June 2022, the NAV per unit has been increased by PKR 1.5521 (1.07%) from May 2022.

SAMAN FUND (TAKAFUL)

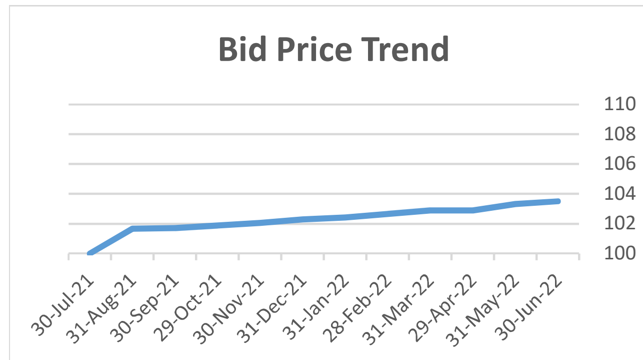
June 30, 2022

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 2.1 Million
Launch Date	July 09, 2021
Bid Price **(Inception)**	PKR 100
Bid Price **(30 June 2022)**	PKR 103.5023
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)

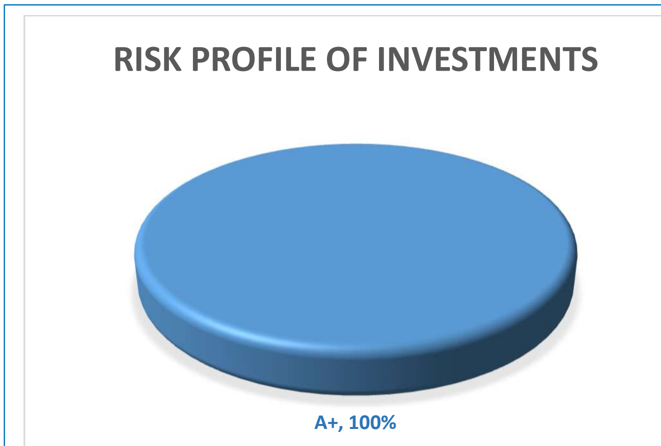


Asset Mix

Assets	June 2022	May 2022
Bank Balances	99.33%	99.46%
Term Deposits	0.00%	0.00%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	0.00%	0.00%
GOP IJARA	0.00%	0.00%
Real Estate	0.00%	0.00%
Other Assets	0.67%	0.54%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	0.16%	1.99%
180 Days Return	1.19%	2.40%
CYTD	1.19%	2.40%
Since Inception	3.50%	3.59%
5 Years	N/A	N/A
10 Years	N/A	N/A



Managers' Comments:

During the month of June 2022, the NAV per unit has been Increased by PKR 0.1702 (0.16%) from May 2022.

TOP EQUITY HOLDING

June 30, 2022

MAZAAF

TOP TEN HOLDINGS

MARI
MEBL
LUCK
ENGRO
OGDC
BATA
PPL
HUBC
DGKC
FCCL