adamjeefamily
takaful

MAY - 2022

Fund Managers' Report

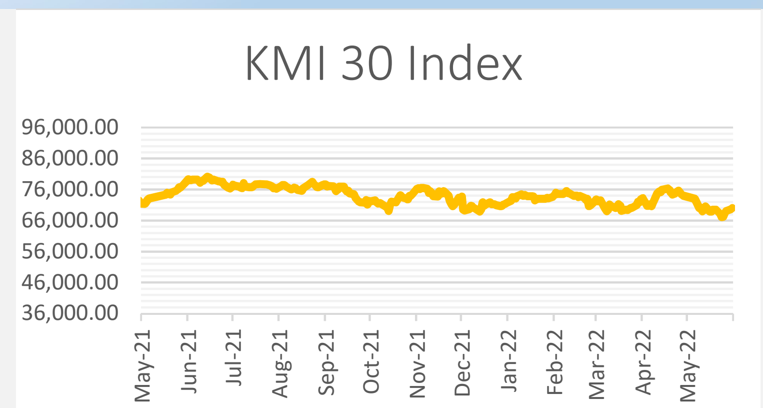
Performance Tracker

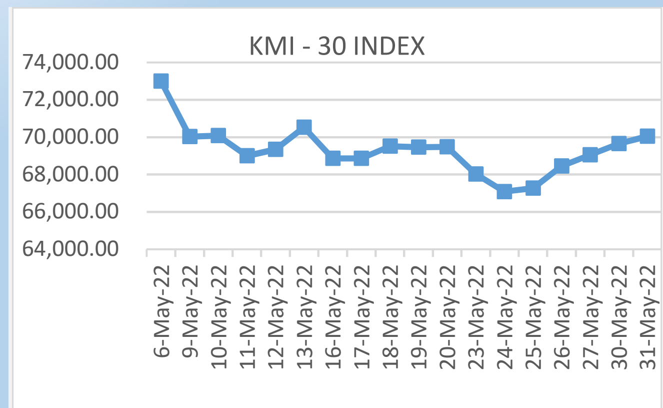
Adamjee Life Assurance
Window Takaful Operations

3rd and 4th Floor, Adamjee House,
I.I.Chundrigar Road, Karachi - 74000
+92 (21) 111-11-5433 | www.adamjeelife.com

Equity Market Analysis

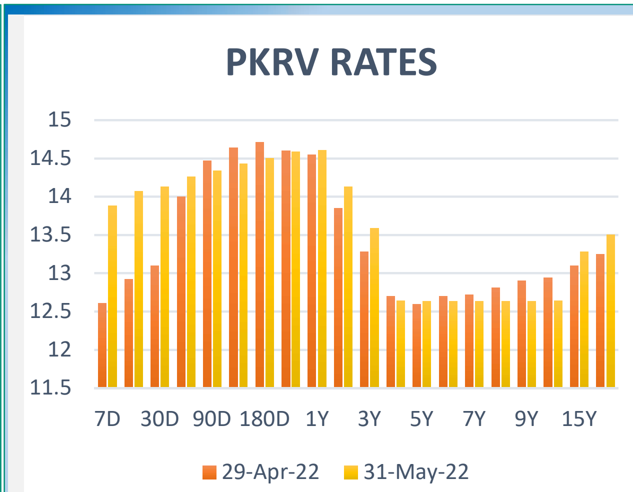
Bears dominated the Pakistan Stock Exchange (PSX) during May 2022, with KSE-100 Index losing 2,171 points (4.8%) to close the month at 43,078 points. Sentiment dampeners included 1) delay by the incumbent government to do away with fuel and power subsidies which remain crucial for the restoration of the IMF program, 2) SBP reserves hitting a 23-month low of ~USD 10bn, which led to 6.6% devaluation of PKR against USD during the month, and 3) 150bps hike in the policy rate by SBP amid inflationary concerns going forward. Pessimism at the bourse was further aggravated by the political unrest as ex-Premier marched towards the capital. The market participants remained on the sidelines reflected by the decline in average traded volume and value by 11% and 16% MoM, respectively. Mutual Funds and Foreigners remained major net sellers with cumulative outflows of USD 29.1mn, which was absorbed by Banks with a net inflow of USD 31.8mn. The major contribution in this decline came from Banking, Cement and Fertilizer sectors, which contributed - 626, -527, and -288 points, respectively. On the other hand, Auto and Chemical sectors added 101 and 29 points, respectively. In the short-term, policy actions by the government in the upcoming Federal Budget FY23 will dictate the market trend. Nonetheless, we reiterate our stance of deep discount the stock market is offering at the current level evident from Price to Earnings of 4.6x while offering an attractive dividend yield of 9.9%. These multiples stand lower than the global financial crisis of 2008 and Covid lockdowns month of March 2020.





Money Market Analysis

The State Bank of Pakistan (SBP) held its monetary policy meeting in May-22 and raised policy rate by 150 basis points (bps) to 13.75%. The Monetary Policy Committee was of the view this rate hike along with fiscal consolidation would moderate demand to a more sustainable pace and help to achieve external account sustainability and price stability. The short-term secondary market yields increased by an average of 35 basis points (bps) while longer tenor yields remained flattish during the month. The elevated yields reflected market participants' apprehension regarding the impact of the commodities super cycle on the external account and inflation outlook. The market participants also remained jittery about the prospect of early resumption of IMF program, which put further pressure on yields. SBP conducted the Treasury bill auction on May 18, 2022. The auction had a total maturity of PKR 279bn against a target of PKR 500bn. SBP accepted total bids worth PKR 234bn in 3 months' tenor, PKR 59bn in 6 months' tenors & PKR 56bn in 12 months' tenor at a cut-off yield of 14.4999%, 14.7000% & 14.75% respectively. Auction for Fixed coupon PIB bonds was held on May 25, 2022 with a total target of PKR 100bn. State bank of Pakistan accepted bids worth PKR 26bn in 3 years & PKR 70bn in 05 years at a cutoff rate of 14.0000% & 13.19% 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 progress on negotiation with the IMF will set the tone for market direction.



MAZ'AF FUND (TAKAFUL)

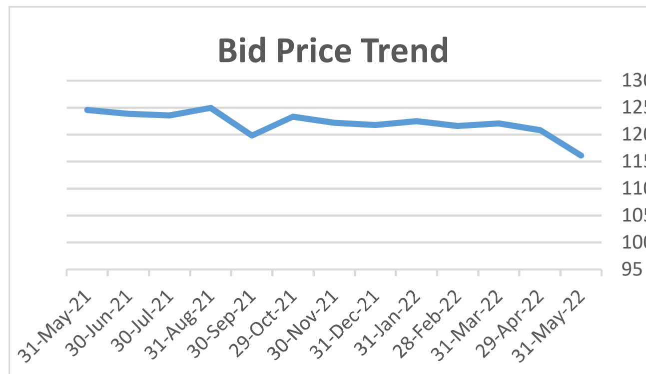
May 31, 2022

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 **(31 May 2022)**	PKR 116.1284
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)

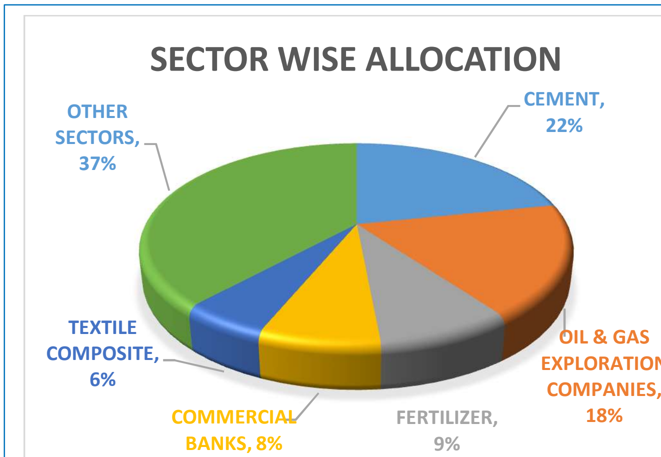


Asset Mix

Assets	May 2022	April 2022
Bank Balances	2.28%	2.62%
Term Deposits	9.77%	10.56%
Equities	31.02%	29.70%
Mutual Funds	27.30%	28.41%
Fixed Income Securities	6.22%	5.99%
GOP IJARA	18.79%	18.34%
Other Assets	4.62%	4.38%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	-3.91%	-38.01%
180 Days Return	-4.95%	-9.66%
CYTD	-4.66%	-10.82%
Since Inception	16.13%	2.59%
5 Years	8.79%	1.70%
10 Years	N/A	N/A



Managers' Comments:

During the month of May 2022, the NAV per unit has been decreased by PKR 4.7210 (3.91%) from Apr 2022.

TAMEEN FUND (TAKAFUL)

May 31, 2022

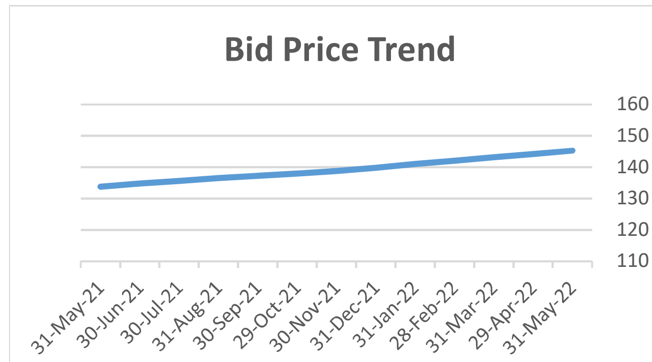
adamjeefamily takaful

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 4.4 Billion
Launch Date	July 26, 2016
Bid Price **(Inception)**	PKR 100
Bid Price **(31 May 2022)**	PKR 145.2455
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

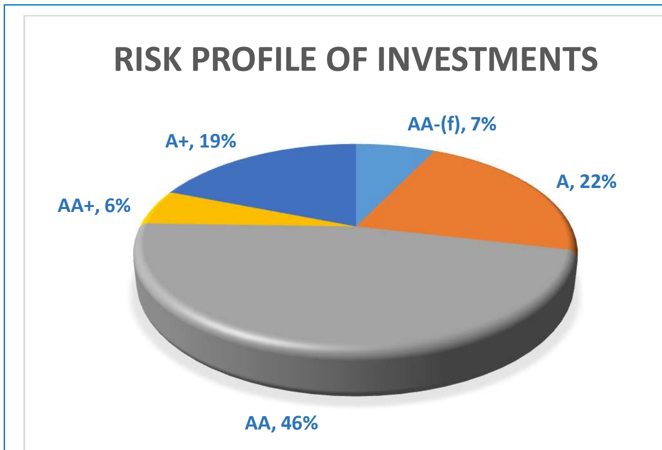


Asset Mix

Assets	May 2022	April 2022
Bank Balances	35.78%	38.48%
Term Deposits	36.53%	32.55%
Mutual Funds	5.71%	5.75%
Fixed Income Securities	2.69%	2.73%
GOP IJARA	13.70%	15.59%
Real Estate	0.00%	0.00%
Other Assets	5.59%	4.90%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	0.75%	9.33%
180 Days Return	4.69%	9.60%
CYTD	3.94%	9.71%
Since Inception	45.25%	6.59%
5 Years	44.57%	7.65%
10 Years	N/A	N/A



Managers' Comments:

During the month of May 2022, the NAV per unit has been increased by PKR 1.0760 (0.75%) from April 2022.

SAMAN FUND (TAKAFUL)

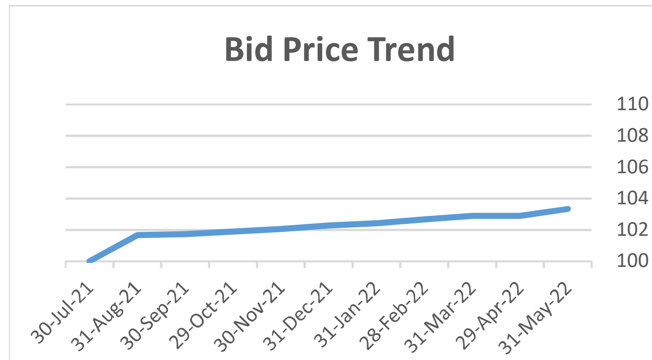
May 31, 2022

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 1.9 Million
Launch Date	July 09, 2021
Bid Price **(Inception)**	PKR 100
Bid Price **(31 May 2022)**	PKR 103.3321
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)

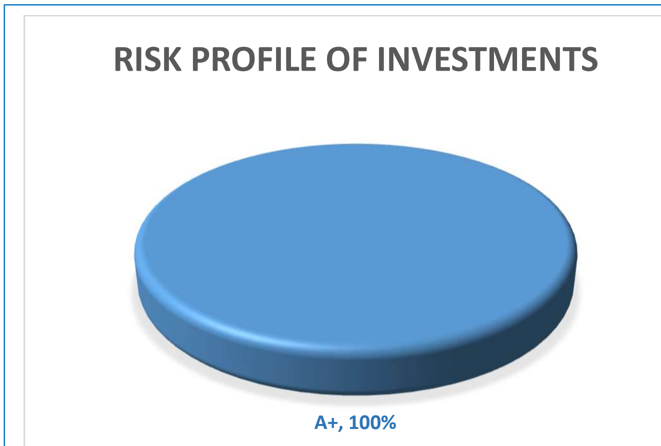


Asset Mix

Assets	May 2022	April 2022
Bank Balances	99.46%	99.89%
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	0.54%	0.11%

Fund Returns:

	Absolute	Annualized (CAGR)
Month to Date (MTD)	0.44%	5.37%
180 Days Return	1.25%	2.51%
CYTD	1.03%	2.49%
Since Inception	3.33%	3.74%
5 Years	N/A	N/A
10 Years	N/A	N/A



Managers' Comments:

During the month of May 2022, the NAV per unit has been Increased by PKR 0.4497 (0.44%) from April 2022.

TOP EQUITY HOLDING

May 31, 2022

MAZAAF

TOP TEN HOLDINGS

MARI
ENGRO
LUCK
MEBL
OGDC
BATA
PPL
FCCL
DGKC
PKGS