

# Economic Overview

The Pakistan Stock Exchange entered 2017 as one of the best-performing stock markets in the region. The year began on a high note, as the benchmark KSE-100 Index breached the 50,000 barrier for the first time ever in January alone, eventually going over 53,000. However, political turmoil and uncertainty over the finance minister's tenability saw the benchmark slide to unprecedented lows, even dipping below the 38,000 barrier at one point towards the end of the year



After experiencing a volatile 2017, Year 2018 has witnessed a much better performance of the market so far. This is supported by the recent recovery witnessed in the KSE-100 index, it has regained around 15% after rallying more than 6,000 pts. Many factors played their role in moving Karachi Stock Market Index. KSE Market Summary accommodates key banking names like HBL, BAHF, BAFL, and UBL in gathering investor's interest. Oil marketing sector was in the limelight amid price increase. Moreover chemical sector dominated trading by a margin with 50.9m shares traded.

Sectors that tends to improve in 2018

1) **Insurance:** Insurance sector will also remain a major beneficiary of improving macros, rising auto sales and initiations of CPEC projects. We expect non-life premiums to grow, as insurance penetration in Pakistan is less than 1% of GDP and country is witnessing increasing growth.

2) **Steel:** Topline Steel Universe which includes International Steels (ISL) and Amreli Steels (ASTL) is expected to post 3 year (FY18-20) earnings CAGR of 49%, due to their ongoing expansions which are expected to come online by the last quarter of FY18. Pakistan Steel sector is likely to benefit from growing steel demand led by economic & construction activity stemming from onset of China-Pakistan Economic Corridor (CPEC), along with manufacturing growth spurred by investments in the automotive sector & appliance space.

We recommend our customers, to invest in balance or Income Fund for Short-term investment instead of Aggressive Fund due to volatile market.

# SHARIAH COMPLIANT BALANCED FUND

July 31, 2018



## Fund Objective

The objective of the fund is to provide balance mix of income returns and capital growth over medium to long term. The fund invests in high quality Shariah Compliant instruments - with consistent returns; high growth equities; and securities.

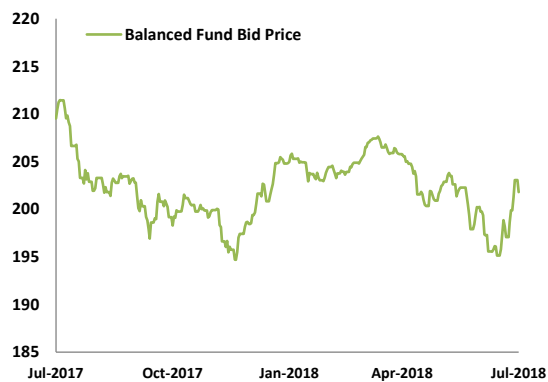
## General Information

Net Assets	PKR 1492 million
NAV	PKR 201.8072
Category	Balanced
Risk Profile	Moderate
Date of Inception	01-Dec-2008
Thrwat Fee (Management Fee)	1.5% p.a.
Bid Offer Share (Front end Load)	5%
Pricing Mechanism	Forward Pricing
Pricing Frequency	Daily (Monday-Friday)
Cut Off Timing	3:00 PM

## Fund Returns

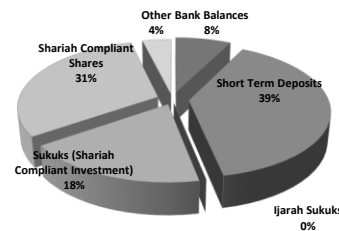
	Jul-18	Jun-18
Month to Date (Annualized Net of IMC)	9.81%	-12.26%
Calendar Year to Date (Annualized Net of IMC)	2.91%	1.80%
3 Year (Absolute Net of IMC)	8.39%	8.28%
5 Years (Absolute Net of IMC)	28.10%	27.83%
Since Inception (Absolute Net of IMC)	101.81%	100.24%

## Fund Performance Chart



## Asset Allocation

	Jul-18	Jun-18
	(Percentage of total Assets)	
Bank Balances	7.5%	11.6%
Short Term Deposits	39.4%	40.2%
Ijarah Sukuks	0.0%	0.0%
Sukuks (Shariah Compliant Investment)	18.4%	14.8%
Shariah Compliant Shares	30.8%	28.9%
Other	3.8%	4.5%



## \*\*Top Ten Equity Holdings

	(Percentage of total Assets)
Lucky Cement Limited	1.6%
Mari Petroleum Ltd	1.2%
The Searle Company Limited	1.2%
Millat Tractors Ltd	1.2%
Pakistan Oil Field Limited	1.1%
Sui Northern Gas Limited	0.8%
Al-Ghazi Tractors Limited	0.7%
Hub Power Company Limited	0.7%
International Industries Limited	0.7%
Hignoon Laboratories Pak.Ltd.	0.7%

## \*\*Sector Allocation

	Jul-18	Jun-18
	(Percentage of total Assets)	
Automobile & Parts	1.0%	1.0%
Automobile Assembler	3.3%	3.0%
Cement	4.0%	3.3%
Chemicals	1.9%	1.6%
Commercial Banks	0.0%	0.1%
Engineering	2.9%	2.8%
Fertilizer	0.9%	1.0%
Food & Personal Care Products	1.0%	0.9%
Glass & Ceramics	0.2%	0.1%
Household Goods	0.2%	0.2%
Leather & Tanneries	0.3%	0.3%
Modaraba	0.6%	0.7%
Oil And Gas	0.4%	0.3%
Oil And Gas Exploration Companies	3.6%	3.3%
Oil And Gas Marketing Companies	1.8%	1.6%
Paper & Board	0.8%	0.8%
Personal Goods (Textile)	0.2%	0.2%
Pharmaceuticals	3.8%	3.7%
Power Generation & Distribution	1.7%	1.7%
Real Estate Investment Trust	0.6%	0.5%
Refinery	1.0%	1.1%
Suger And Allied Industries	0.2%	0.2%
Synthetic & Rayon	0.1%	0.1%
Technology & Communication	0.0%	0.0%
Technology And Communication	0.1%	0.1%
Transport	0.2%	0.2%

## Fund's Movement Observations

During the month, the market showed positive movements, due to which the return for the current month is delicately higher as compared to last month.

### DISCLAIMER

Investment risk is borne by the participant and actual maturity or surrender values may be higher or lower than the projected figures depending on the performance of the underlying investments in the Participant Investment Fund. Past performance of the fund is indicative and is not necessarily a guide or guarantee to future performance.

# SHARIAH COMPLIANT INCOME FUND

July 31, 2018



## Fund Objective

The primary objective of the fund is to provide moderate level of income with some potential for capital growth over the medium to long term by investing in high quality Shariah Compliant instruments with consistent returns.

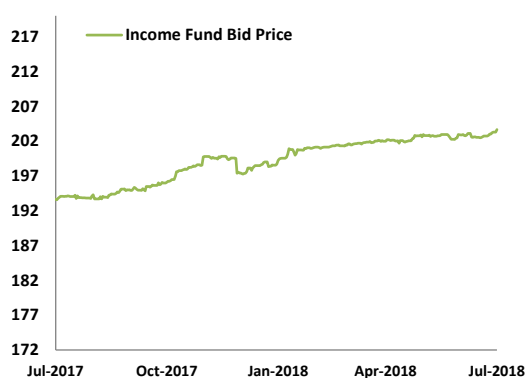
## General Information

Net Assets	PKR 334 million
NAV	PKR 203.6553
Category	Income
Risk Profile	Low to moderate
Date of Inception	01-Dec-2008
Thrawat Fee (Management Fee)	1.5% p.a.
Bid Offer Share (Front end Load)	5%
Pricing Mechanism	Forward Pricing
Pricing Frequency	Daily (Monday-Friday)
Cut Off Timing	3:00 PM

## Fund Returns

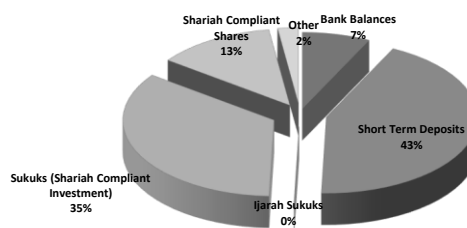
	Jul-18	Jun-18
Month to Date (Annualized Net of IMC)	4.52%	-0.33%
Calendar Year to Date (Annualized Net of IMC)	5.49%	5.65%
3 Year (Annualized Net of IMC)	4.48%	4.50%
5 Years (Annualized Net of IMC)	5.65%	5.69%
Since Inception (Absolute Net of IMC)	103.66%	102.91%

## Fund Performance Chart



## Asset Allocation

	Jul-18	Jun-18
(Percentage of total Assets)		
Bank Balances	7.28%	12.87%
Short Term Deposits	43.25%	44.13%
Ijarah Sukuks	0.00%	0.00%
Sukuks (Shariah Compliant Investment)	34.54%	26.30%
Shariah Compliant Shares	12.72%	13.09%
Other	2.21%	3.62%



## \*\*Top Equity Holding

	(Percentage of total Assets)
Dolmen City Reit	8.8%
Hub Power Company Limited	2.3%
Lalpir Power Limited	1.0%

## \*\*Sector Allocation

	Jul-18	Jun-18
(Percentage of total Assets)		
Power Generation & Distribution	3.93%	4.02%
Real Estate Investment Trust	8.79%	9.07%

## Fund's Movement Observations

During the month, the investment in low risk instruments maintained a consistent and positive return.

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# SHARIAH COMPLIANT AGGRESSIVE FUND

July 31, 2018



## Fund Objective

The primary objective of the fund is to provide moderate to high level of returns through capital growth over the medium to long term by investing in high quality listed Shariah compliant equity instruments expected to yield high returns.

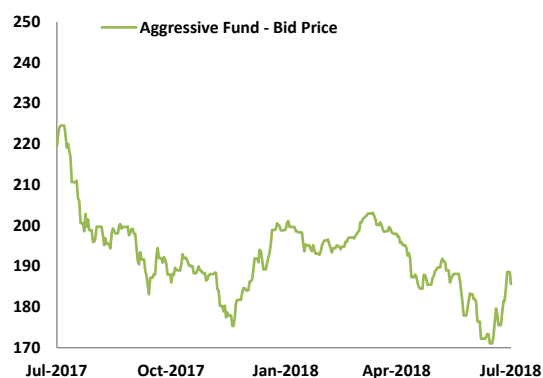
## General Information

Net Assets	PKR 581 million
NAV	PKR 185.6385
Category	Aggressive
Risk Profile	Moderate to High
Date of Inception	29-Apr-2011
Thrwat Fee (Management Fee)	1.5% p.a.
Bid Offer Share (Front end Load)	5%
Pricing Mechanism	Forward Pricing
Pricing Frequency	Daily (Monday-Friday)
Cut Off Timing	3:00 PM

## Fund Returns

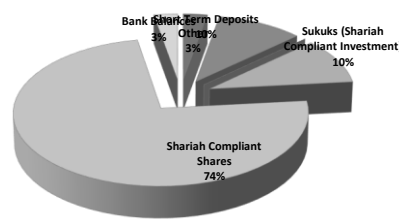
	Jul-18	Jun-18
Month to Date (Annualized Net of IMC)	18.00%	-30.63%
Benchmark - KMI30 (1 - Month)	23.91%	-27.40%
Calendar Year to Date (Annualized Net of IMC)	1.49%	-1.03%
3 Year (Absolute Net of IMC)	2.07%	2.38%
5 Years (Absolute Net of IMC)	35.55%	38.58%
Since Inception (Absolute Net of IMC)	85.64%	83.10%

## Fund Performance Chart



## Asset Allocation

	Jul-18	Jun-18
(Percentage of total Assets)		
Bank Balances	2.88%	4.11%
Short Term Deposits	10.29%	10.65%
Ijarah Sukuks	0.00%	0.00%
Sukuks (Shariah Compliant Investment)	10.22%	8.88%
Shariah Compliant Shares	73.78%	71.66%
Other	2.83%	4.70%



## \*\*Top Ten Equity Holdings

	(Percentage of total Assets)
Mari Petroleum Ltd	3.3%
Lucky Cement Limited	3.3%
Millat Tractors Ltd	2.5%
The Searle Company Limited	2.5%
Highnoon Laboratories Limited	2.4%
Power Cement Ltd	2.2%
Hub Power Company Limited	2.0%
B.R.R.Guardian Modaraba	1.9%
Al-Ghazi Tractors Limited	1.8%
Sui Northern Gas Limited	1.7%

## \*\*Sector Allocation

	Jul-18	Jun-18
(Percentage of total Assets)		
Automobile & Parts	1.90%	1.93%
Automobile Assembler	7.90%	8.07%
Cable & Electrical Goods	0.34%	0.29%
Cement	10.98%	9.95%
Chemicals	4.55%	4.05%
Commercial Banks	0.08%	0.24%
Engineering	7.26%	6.68%
Fertilizer	1.92%	2.33%
Food & Personal Care Products	2.61%	2.39%
Glass & Ceramics	0.72%	0.29%
Household Goods	0.64%	0.62%
Leather & Tanneries	0.88%	0.90%
Modaraba	1.73%	1.96%
Oil And Gas	3.85%	3.50%
Oil And Gas Exploration Companies	7.34%	6.87%
Oil And Gas Marketing Companies	0.58%	0.61%
Paper & Board	2.16%	2.16%
Pharma & Biotech	0.53%	0.45%
Pharmaceuticals	9.19%	9.40%
Power Generation & Distribution	3.76%	3.87%
Refinery	2.54%	2.75%
Sugar And Allied Industries	0.49%	0.51%
Synthetic & Rayon	0.31%	0.29%
Technology & Communication	0.74%	0.74%
Textile Composite	0.32%	0.34%
Transport	0.45%	0.48%

## Fund's Movement Observations

During the month; the movements in the equity market yielded a positive return, the investment in shariah compliant shares slightly increased which resulted in enhanced growth for the month.

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