



PAK-QATAR
FAMILY TAKAFUL
Together for the Future

Performance of Pak-Qatar Unit Funds

Jan'19

Economic Review

Pakistan's economy has been continuously facing challenges as Current Account Deficit (CAD) in December 2018 increased by 37.30%MoM to USD 1.66bn, and CPI inflation increased by 7.19%YoY (highest reading in 4 years) in the month of January 2019 as compared to an increase of 6.17% in December 2018 and 4.42% in January 2018. State Bank of Pakistan (SBP) continued its monetary tightening approach and increased policy rate further up by 25bps to 10.25% in the month of January 2019, which took cumulative hike to 275bps in last three Monetary Policies. Cumulative hike, from its low, have reached to 450bps which started reflecting in slowdown in economic activity as evident from decline in LSM growth (-0.9% in 1HFY19) and agricultural output.

On the positive side, CAD for 1HFY19 declined to USD 7.98bn (5.4% of GDP) against USD 8.35bn (5.2% of GDP) in the corresponding period last year, owing to 5% decline in trade deficit to USD 16.8bn in 1HFY19 and 10% increase in worker's remittances to USD 10.7bn primarily due to increased remittances through official channels.

Furthermore, foreign exchange reserves of the country increased by USD 1.05bn to USD 14.80bn due to financial packages of USD 1bn received from UAE (out of USD 3bn) and USD 1bn (last tranche of USD 3bn commitment) from Saudi Arabia for balance of payment support. We believe that further inflows from friendly countries and IMF support package (around USD 6bn) will help ending balance of payment crisis and clear the path of recovery and gaining momentum.

Going forward, we expect that inflation will increase further due to lagging effect of PKR depreciation and rise in interest rate; but we believe that monetary tightening cycle has almost completed and SBP will not increase interest rate by more than 100bps in CY19.

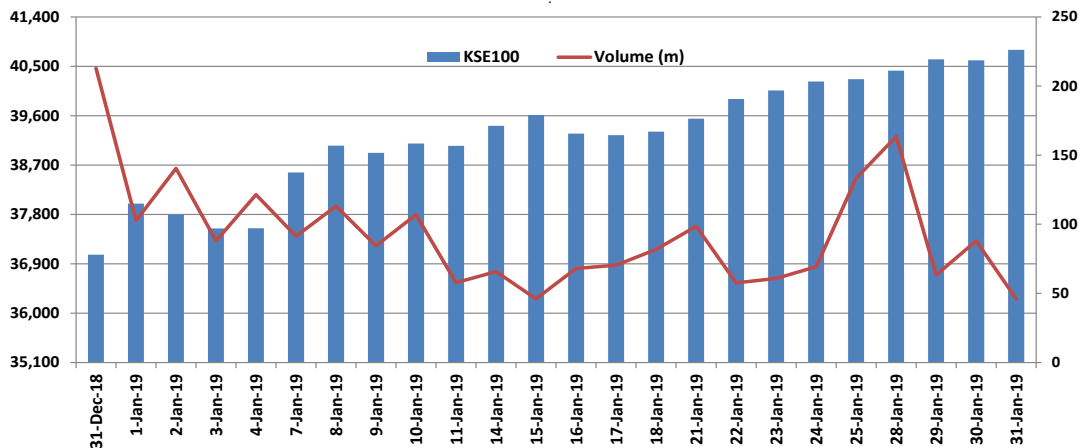
Equity Market Review

Pakistan's equity market posted a sharp recovery of 3,732 points, or 10.07% during the month of January 2019 to close at 40,799 points. Positive sentiments, that helped the index in gaining sharp recovery after 8.5% fall in December 2018, came in the market due to pro-business mini budget, returning of long-awaited foreign inflows in the market, support from friendly countries, recovery in international oil prices and expectations of finalization of IMF program in coming months. Average trading activity increased by 5%MoM to 136 million shares whereas, average traded value declined marginally by 1%MoM to USD 43mn.

Foreigners emerged as a net buyer in the month of January 2019 after cumulative selling of USD 537mn in 2018. Foreigners bought equity worth of USD 16.18mn during the month where major buying was witnessed in Banking Sector (USD 19.72mn), whereas no major selling was witnessed in any other sector. On local front, major buying was observed by Mutual Funds (USD 17.24mn) and Brokers (USD 6.17mn) while significant selling by Insurance Companies (USD 23.18mn), Individuals (USD 8.74mn) and Banks/DFIs (USD 6.81mn) were witnessed.

Going forward, we expect that market participants would stay cautious due to uncertainty regarding finalization of IMF support package and increasing inflation, but materialization of financial aids and investments from friendly countries would help to build the momentum. The announcement of financial results of the quarter ended December 2018 may also dictate the market movement

Country	Index	Jan-19	Dec-18
UK	FTSE-100	3.58%	-3.61%
USA	Nasdaq	9.74%	-9.48%
USA	Dow 30	7.17%	-8.66%
China	Shanghai	3.64%	-3.64%
Hong Kong	Hang Seng	8.11%	-2.49%
Japan	Nikkei-225	3.79%	-10.45%
India	BSE-30	0.52%	-0.35%
Pakistan	KMI 30	11.60%	-10.55%
Pakistan	KSE 100	10.07%	-8.47%





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PIF-Aggressive Fund

Jan'19

Fund Objective

The objective of investments is to enhance returns through a well-diversified, prudently invested portfolio while considering customer needs, regulatory restrictions and overall corporate strategy of PQFTL. The Fund intends to achieve capital appreciation with medium to long term investment horizon by taking enhanced exposure to equities and fixed income investments.

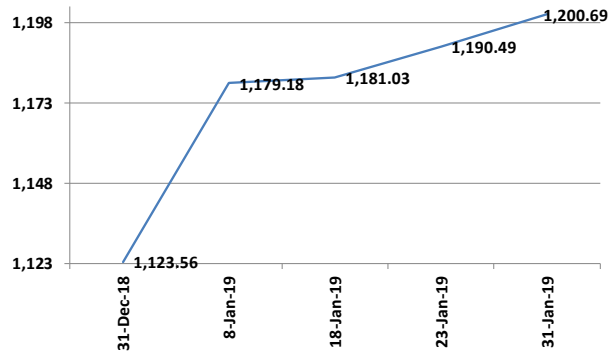
Fund Information

Fund Name PIF-Aggressive Fund
Fund Size PKR 1,987,599,472.4
Unit Price PKR 1200.6922
Category Aggressive
Pricing Mechanism Forward
Pricing Days Official Working Days
Benchmark Composite of (KMI-30 YTD & Average Return on Islamic Bank) based on actual allocation

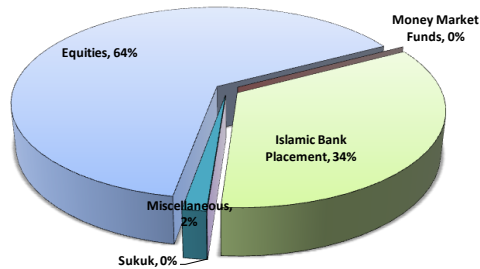
Auditors EY Ford Rhodes ,
Chartered Accountants
Appointed Actuary Abdul Rahim Abdul Wahab

Investment Committee

Zahid Hussain Awan Chairman
 Abdul Basit AL-Shaibei Member
 Muhammad Nasir Ali Syed Member
 Abdul Rahim Abdul Wahab Member
 Muhammad Kamran Saleem Member & Secretary



Fund Returns	
	Return
1-month (absolute net of IMC)	6.9%
Benchmark - (1-month absolute net of IMC)	6.7%
Calendar YTD (absolute net of IMC)	6.9%
Benchmark YTD (absolute net of IMC)	6.7%
3-Years (absolute net of IMC)	3.2%
5-Years (absolute net of IMC)	5.4%
Since Inception (absolute net of IMC)	122.0%



Asset Allocation		
	Jan'19	Dec'18
Equities	64%	61.7%
Money Market Funds	0%	0.0%
Islamic Bank Placement	34%	37.6%
Sukuk	0%	0.0%
Miscellaneous	2%	0.7%

Past performance is not indicative of future performance. Market volatility can significantly affect short-term performance. The value of investment can fall as well as rise.



PIF-Balanced Fund

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Jan'19

Fund Objective

The objective of investments is to enhance returns through a well-diversified, prudently invested portfolio while considering Customer needs, regulatory restrictions and overall corporate strategy of PQFTL. Objective is to provide capital appreciation with a modest risk profile and a medium to long-term investment horizon by investing in a portfolio of fixed income instruments and a flavor of equity investments.

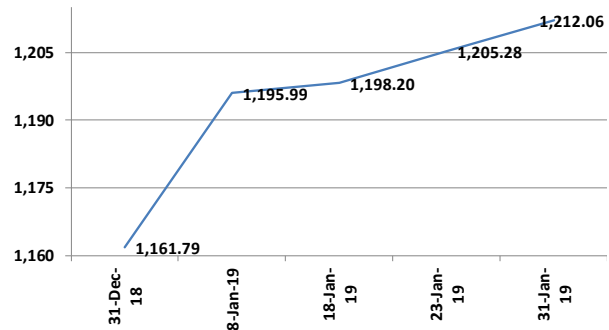
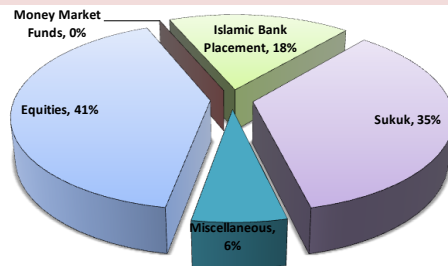
Fund Information

Fund Name PIF-Balanced Fund
Fund Size PKR 5,568,491,268.84
Unit Price PKR 1212.0645
Category Balanced
Pricing Mechanism Forward
Pricing Days Official Working Days
Benchmark Composite of (KMI-30 YTD & Average Return on Islamic Bank) based on actual allocation

Auditors EY Ford Rhodes ,
Chartered Accountants
Appointed Actuary Abdul Rahim Abdul Wahab

Investment Committee

Zahid Hussain Awan Chairman
 Abdul Basit AL-Shaibei Member
 Muhammad Nasir Ali Syed Member
 Abdul Rahim Abdul Wahab Member
 Muhammad Kamran Saleem Member & Secretary



Fund Returns

	Return
1-month (absolute net of IMC)	4.3%
Benchmark - (1-month absolute net of IMC)	4.3%
Calendar YTD (absolute net of IMC)	4.3%
Benchmark YTD (absolute net of IMC)	4.3%
3-Years (absolute net of IMC)	4.0%
5-Years (absolute net of IMC)	6.1%
Since Inception (absolute net of IMC)	124.1%

Asset Allocation

	Jan'19	Dec'18
Equities	41%	38.6%
Money Market Funds	0%	0.0%
Islamic Bank Placement	18%	27.0%
Sukuk	35%	29.4%
Miscellaneous	6%	4.9%

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PIF-Conservative Fund

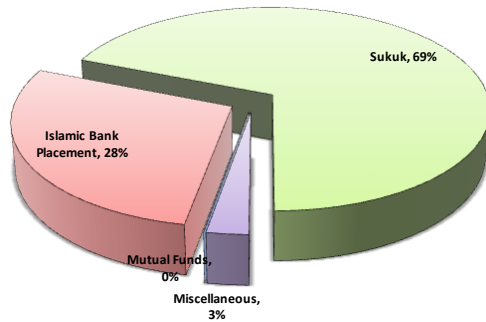
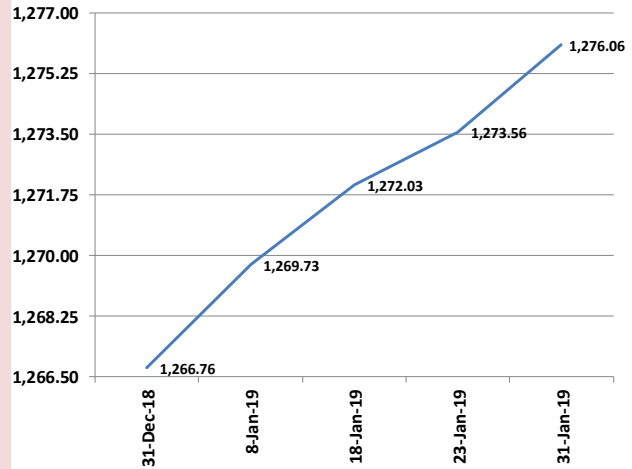
Jan'19

Fund Objective

The objective of investments is to enhance returns through a well-diversified, prudently invested portfolio while considering Customer needs, regulatory restrictions and overall corporate strategy of PQFTL. The Fund aims to provide stable return exhibiting low volatility with capital preservation by constructing a portfolio composed of fixed income and Mutual Funds investments.

Fund Information

Fund Name	PIF-Conservative Fund
Fund Size	PKR 1,506,053,129.3
Unit Price	PKR 1276.0583
Category	Conservative
Pricing Mechanism	Forward
Pricing Days	Official Working Days
Benchmark	Average Return on three Islamic Bank
Auditors	EY Ford Rhodes, Chartered Accountants
Appointed Actuary	Abdul Rahim Abdul Wahab
Investment Committee	
Zahid Hussain Awan	Chairman
Abdul Basit AL-Shaibei	Member
Muhammad Nasir Ali Syed	Member
Abdul Rahim Abdul Wahab	Member
Muhammad Kamran Saleem	Member & Secretary



Fund Returns	
	Return
1-month	8.6%
Benchmark - (1-month)	6.0%
3-months	8.7%
Calendar YTD	8.6%
Benchmark (CYTD)	6.0%
Since Inception	8.3%
3-Years	6.4%
5-Years	7.6%
Since Inception (absolute net of IMC)	136%

Asset Allocation		
	Jan'19	Dec'18
Mutual Funds	0%	0.0%
Islamic Bank Placement	28%	26.4%
Sukuk	69%	70.6%
Miscellaneous	3%	3.1%

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PIF-SecureWealth Fund

Jan'19

Fund Objective

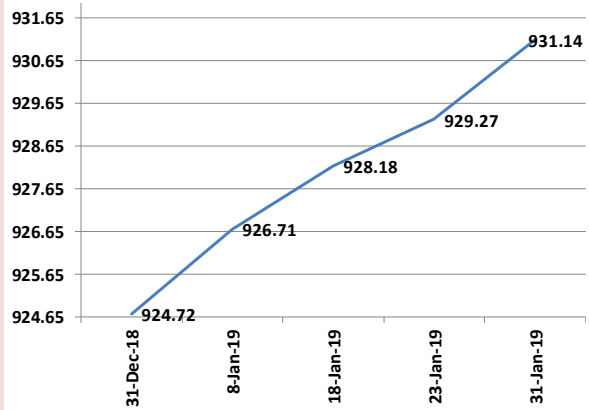
The objective of investments is to enhance returns through a well-diversified, prudently invested portfolio while considering Customer needs, regulatory restrictions and overall corporate strategy of PQFTL. The fund aims to provide competitive returns from a portfolio of low credit risk with prime focus on investment in Sukuks rated (A and above), Islamic Deposits and Mutual Funds.

Fund Information

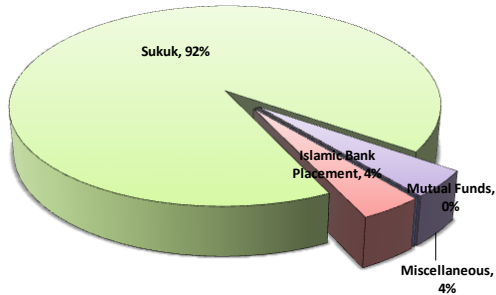
Fund Name	PIF-Secure Wealth Fund
Fund Size	PKR 101,333,515.25
Unit Price	PKR 931.1351
Category	Conservative
Pricing Mechanism	Forward
Pricing Days	Official Working Days
Benchmark	Average Return on three Islamic Bank
Auditors	EY Ford Rhodes, Chartered Accountants
Appointed Actuary	Abdul Rahim Abdul Wahab

Investment Committee

Zahid Hussain Awan	Chairman
Abdul Basit AL-Shaibei	Member
Muhammad Nasir Ali Syed	Member
Abdul Rahim Abdul Wahab	Member
Muhammad Kamran Saleem	Member & Secretary



Fund Returns	
	Return
1-month	8.2%
Benchmark (1-month)	6.0%
3-months	8.1%
Calendar YTD	8.2%
Benchmark (CYTD)	6.0%
Since Inception	7.8%
3-Years	6.5%
5-Years	7.8%
Since Inception (absolute net of IMC)	79.8%



Asset Allocation		
	Jan'19	Dec'18
Mutual Funds	0%	0.00%
Islamic Bank Placement	4%	6.85%
Sukuk	92%	92.60%
Miscellaneous	4%	0.55%

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