



Economic Review

In the month of July 2019, number of key developments took place on economic front that includes formalization of Extended Fund Facility (EFF) Program of IMF, successful US visit of prime minister, arrival of first Saudi vessel under oil facility and rise in policy rate by 100bps to 13.25% by State Bank of Pakistan (SBP).

In the last Monetary Policy, SBP showed a dovish stance and signaled possible end to rate rise as inflationary pressures are expected to ease in second half of next calendar year. SBP also published the Real Effective Exchange Rate (REER) numbers for June 2019, which showed a reading of 90.5 reflecting long term stability of PKR going forward which could attract foreign flows in the coming months (either in the form of FIPI or FDI).

The Current Account Deficit (CAD) for the month of June 2019 settled at USD 995mn which helped in bringing down the full year CAD to USD 13.6bn (~32% lower as compared to last year) due to 6% increase in remittances, 11% decline in goods trade deficit and a sizable 30% fall in services deficit. Decline in CAD came on the back of steep PKR depreciation (51.4%) and increase in interest rates (750bps) during the past 20 months.

These measures, along with aggressive tax revenue targets will help in further improving twin deficits, but on the cost of economic growth. Large Scale Manufacturing (LSM) continued to reflect slowdown in economic activity, declining by 3.5% YoY during 11MFY19 driven by Automobiles (-11.2%), Iron & Steel (-10.8%), Pharmaceuticals (-7.0%) and Coke & Petroleum Products (-7.1%).

CPI inflation for the month of July 2019 clocked in at 10.34% YoY, largely in line with the market consensus. Inflation increased due to hike in gas tariffs, upward revision in house rent index and increase in food prices. We expect inflation to remain in double digit in this fiscal year and tough economic conditions would persist.

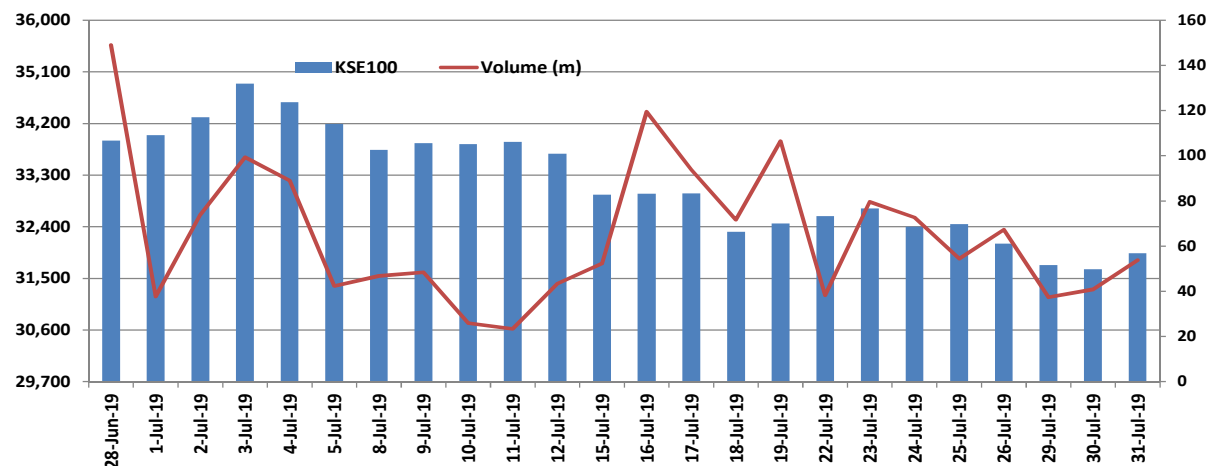
Equity Market Review

The benchmark KSE-100 index declined by 5.8% (or 1,963 points) in the month of July 2019 while KMI-30 fell by 6.6%, marking the sixth consecutive month in red after January 2019. The expectations of weaker quarterly results especially for cyclical sectors like cement, steel and automobiles, due to tough economic conditions and monetary policy tightening cycle, kept investors away from investing in equity market.

Several positives in the month, including formalization of EFF Program and successful US visit of Imran Khan, have been ignored by the market participants to lack of confidence of investors and multi-year low volumes in the exchange.

During the month, Foreigners, Individuals, Brokers and Insurance Companies were net buyers of USD 30.4mn, USD 15mn, USD 5.5mn and USD 2.6mn worth of shares respectively. While mutual funds remained the largest seller during the month with an amount of USD 44.3mn accompanied by Companies with USD 9.2mn. We expect volatility will persist in the exchange due to weak results, tough economic conditions and low confidence of investors; but we suggest investors, who have longer term investment horizon, to gradually invest in the market which

Country	Index	Jul-19	Jun-19
UK	FTSE-100	2.17%	3.69%
USA	Nasdaq	2.11%	7.42%
USA	Dow 30	0.99%	7.19%
China	Shanghai	-1.56%	2.77%
Hong Kong	Hang Seng	-2.68%	6.10%
Japan	Nikkei-225	1.15%	3.28%
India	BSE-30	-4.86%	-0.80%
Pakistan	KMI 30	-6.56%	-7.07%
Pakistan	KSE 100	-5.79%	-5.76%





PIF-Aggressive Fund

Jul'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.

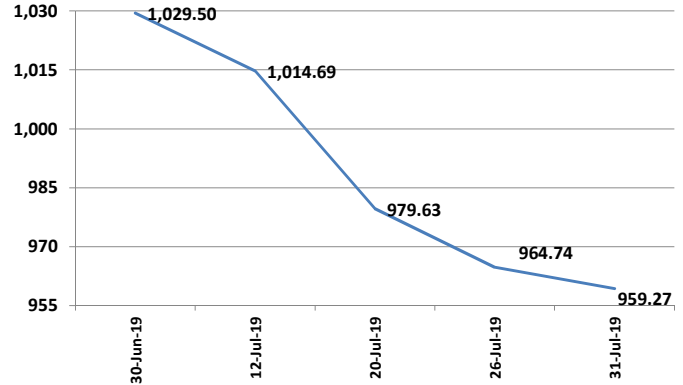
Fund Information

Fund Name PIF-Aggressive Fund
Fund Size PKR 1,654,896,355
Unit Price PKR 959.2706
Category Aggressive
Pricing Mechanism Forward
Pricing Days Official Working Days
Benchmark Composite of ((Average of KMI-30 & KMIAI) & Average Return on Islamic Bank) based on actual allocation

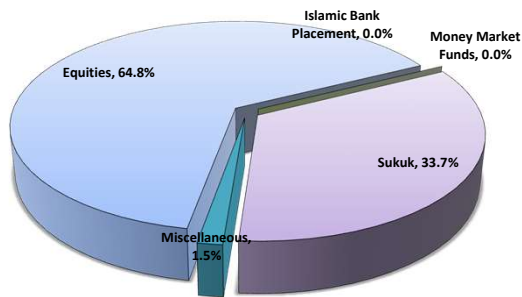
Auditors EY Ford Rhodes,
Chartered Accountants
Appointed Actuary Abdul Rahim Abdul Wahab

Investment Committee

Zahid Hussain Awan Chairman
 Said Gul 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)	-6.8%
Benchmark - (1-month absolute net of IMC)	-4.5%
Calendar YTD (absolute net of IMC)	-14.6%
Benchmark YTD (absolute net of IMC)	-11.4%
3-Years (absolute net of IMC)	-18.5%
5-Years (absolute net of IMC)	-3.0%
Since Inception (absolute net of IMC)	78.0%



Asset Allocation		
	Jul'19	Jun'19
Equities	64.8%	64.3%
Money Market Funds	0.0%	0.0%
Islamic Bank Placement	0.0%	33.4%
Sukuk	33.7%	0.0%
Miscellaneous	1.5%	2.3%

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.



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.

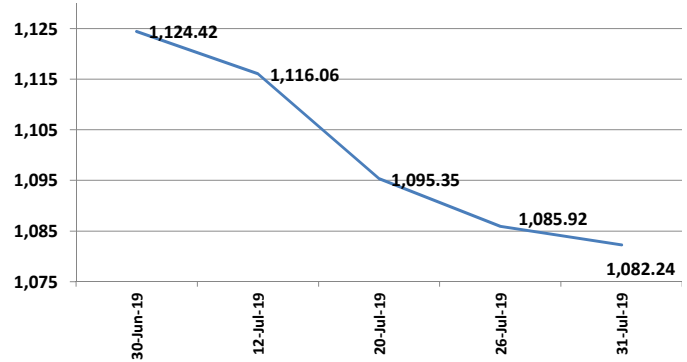
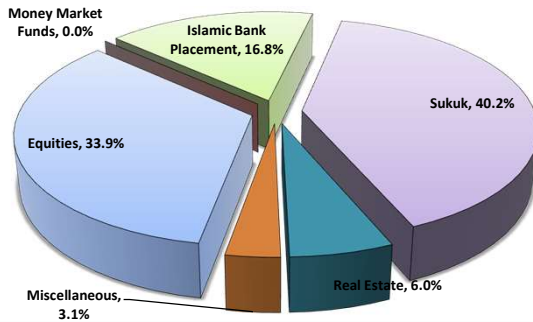
Fund Information

Fund Name PIF-Balanced Fund
Fund Size PKR 5,046,431,020
Unit Price PKR 1082.2449
Category Balanced
Pricing Mechanism Forward
Pricing Days Official Working Days
Benchmark Composite of ((Average of KMI-30 & KMIAll) & 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
 Said Gul 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)	-3.8%
Benchmark - (1-month absolute net of IMC)	-2.3%
Calendar YTD (absolute net of IMC)	-6.8%
Benchmark YTD (absolute net of IMC)	-5.9%
3-Years (absolute net of IMC)	-1.8%
5-Years (absolute net of IMC)	2.3%
Since Inception (absolute net of IMC)	100.8%

Asset Allocation

	Jul'19	Jun'19
Equities	33.9%	36.8%
Money Market Funds	0.0%	0.0%
Islamic Bank Placement	16.8%	23.5%
Sukuk	40.2%	30.5%
Real Estate	6.0%	5.7%
Miscellaneous	3.1%	3.5%

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PIF-Conservative Fund

PAK-QATAR
FAMILY TAKAFUL
Together for the Future

Jul'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.

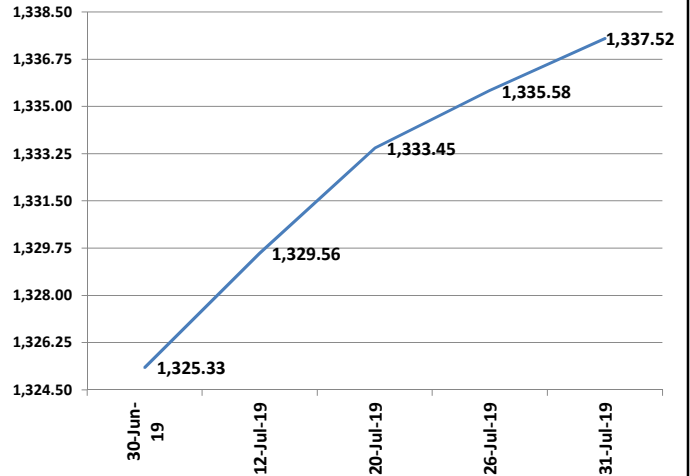
Fund Information

Fund Name PIF-Conservative Fund
Fund Size PKR 1,795,976,975
Unit Price PKR 1337.5166
Category Conservative
Pricing Mechanism Forward
Pricing Days Official Working Days
Benchmark Average Return on three Islamic Bank as stated by MUFAP
Auditors EY Ford Rhodes ,
Chartered Accountants

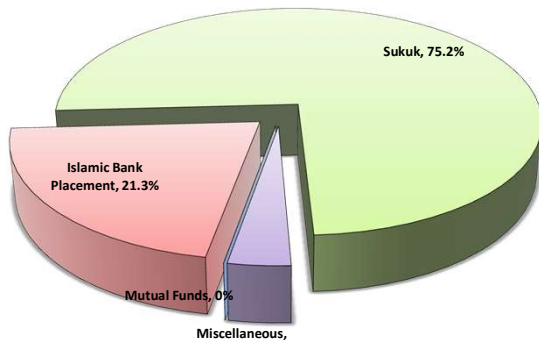
Appointed Actuary Abdul Rahim Abdul Wahab

Investment Committee

Zahid Hussain Awan	Chairman
Said Gul	Member
Muhammad Nasir Ali Syed	Member
Abdul Rahim Abdul Wahab	Member
Muhammad Kamran Saleem	Member & Secretary



Fund Returns	
	Return
1-month	10.8%
Benchmark - (1-month)	5.4%
3-months	9.7%
Calendar YTD	9.6%
Benchmark (CYTD)	4.7%
Since Inception	8.4%
3-Years	7.3%
5-Years	7.9%
Since Inception (absolute net of IMC)	148%



Asset Allocation		
	Jul'19	Jun'19
Mutual Funds	0%	0.0%
Islamic Bank Placement	21.3%	25.4%
Sukuk	75.2%	71.5%
Miscellaneous	3.5%	3.1%

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PIF-SecureWealth Fund

PAK-QATAR
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Jul'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 96,814,823
Unit Price PKR 974.2601
Category Conservative
Pricing Mechanism Forward
Pricing Days Official Working Days

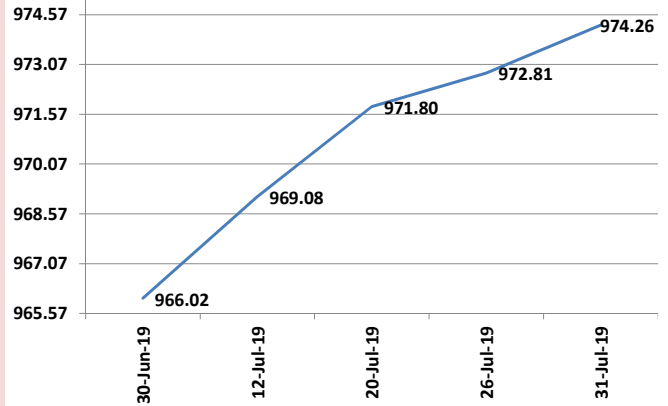
Benchmark Average Return on three Islamic Bank as stated by MUFAP

Auditors EY Ford Rhodes ,Chartered Accountants

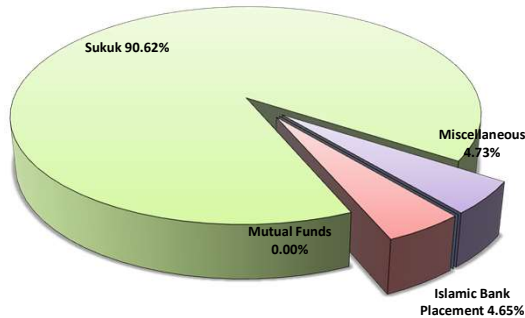
Appointed Actuary Abdul Rahim Abdul Wahab

Investment Committee

Zahid Hussain Awan Chairman
 Said Gul Member
 Muhammad Nasir Ali Syed Member
 Abdul Rahim Abdul Wahab Member
 Muhammad Kamran Saleem Member & Secretary



Fund Returns	
	Return
1-month	10.0%
Benchmark (1-month)	5.4%
3-months	9.7%
Calendar YTD	9.2%
Benchmark (CYTD)	4.7%
Since Inception	8.0%
3-Years	7.3%
5-Years	8.1%
Since Inception (absolute net of IMC)	88.9%



Asset Allocation		
	Jul'19	Jun'19
Mutual Funds	0.00%	0.00%
Islamic Bank Placement	4.65%	8.65%
Sukuk	90.62%	86.41%
Miscellaneous	4.73%	4.94%

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