



Economic & Money Market Review

The policy actions taken by the government coupled with proactive approach adopted by State Bank of Pakistan (SBP), after the pandemic, has resulted in improvement in macroeconomic landscape of the country. Country recorded a Current Account Surplus (CAS) of USD 424mn in Jul-20 as compared to a deficit of USD 613mn in Jul-19. CAS came mainly on the back of unexpected record increase in remittances to USD 2.7bn (highest monthly number on record) and decline in trade deficit (down 11.8% YoY). The CAS helped in managing stability in foreign exchange reserves of the country which stood at USD 19.8bn (SBP Reserves: USD 12.7bn).

Inflation for the month of Aug-20 clocked in at 8.21% YoY, showed an increase of 0.63% MoM. Increase in inflation was largely led by increase in electricity prices. Despite this reading of inflation, inflation for FY21 is expected to settle at 7-8% after clocking in at 10.7% in FY20. Monetary Policy meeting is due in the month of Sep-20 and we are expecting stability in interest rate despite negative real rates. SBP indicated in its last MPS that monetary policy would remain data driven so we expect that SBP will put greater focus towards economic growth keeping in mind the inflation outlook of the country.

On the money market front, Government of Pakistan (GoP) reissued 5–Years Floating rate Ijara (29-Jul-20) and raised PKR 21.6bn against a target of PKR 30bn at 6M PKRV minus 10 bps. SBP also conducted Fixed Ijara Sukuk auction and raised PKR 17.9bn through re-opening of 5-Years Fixed Rate Ijara (29-Jul-20) against a target of PKR 20bn at the rate of 8.45%.

Equity Market Review

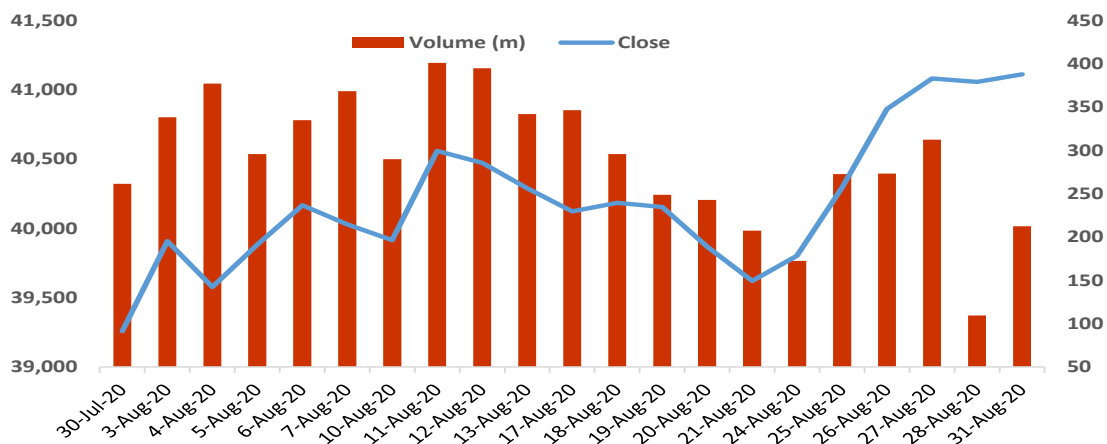
Despite the whopping rally of around 14% in the last month, stock market continued its momentum in the month of August and KSE-100 gained 1,852 points (up 4.7% MoM) to close at 41,111 points. The month witnessed some prominent events such as current account surplus for the month of July, continued reduction in active cases of corona virus and dip in infection ratio, GIDC judgement and MoU with IPPs. Market activity rose to USD 159mn average daily traded value (up 30% MoM) and also recorded average daily volumes of 292 Million shares.

The increase in index was led by the banking sector which contributed 402 points on the back of good quarterly results, cement sector which contributed 285 points due to optimism surrounding the construction package and higher offtakes. OMC sector contributed 211 points given expected decline in circular debt post IPPs agreement. Fertilizer sector contributed negative 239 points due to Supreme Court GIDC decision against the industries.

Foreigners bought shares worth of USD 7mn during Aug-20, after six months of consecutive selling. On the local front, Individuals and Mutual Funds were the major net buyer of USD 59mn and USD 12mn respectively. On the other hand, Insurance and Banks/DFIs were the seller of USD 37mn and USD 28mn respectively.

During the peak of pandemic in Mar-20, market hit the low of 27,200, fell by hefty 37% from its peak of 43,200 on January 13, 2020. Since then, market has nearly recovered all its losses and has given recovery of 51%. Stock market is still trading at an attractive forward Price to Earnings (P/E) multiple of 7.8x and has a lot more room to rise; but the participants whose maturities are approaching should give priorities to their objectives and their risk appetites.

Country	Index	Aug-20	Jul-20
UK	FTSE-100	1.12%	-4.41%
USA	Nasdaq	9.59%	6.83%
USA	Dow 30	7.57%	2.38%
China	Shanghai	2.59%	10.90%
Hong Kong	Hang Seng	2.37%	0.69%
Japan	Nikkei-225	6.59%	-2.59%
India	BSE-30	2.72%	7.71%
Pakistan	KMI 30	4.03%	14.75%
Pakistan	KSE 100	4.72%	14.05%





PAK-QATAR
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PIF-Aggressive Fund

Aug'2020

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.

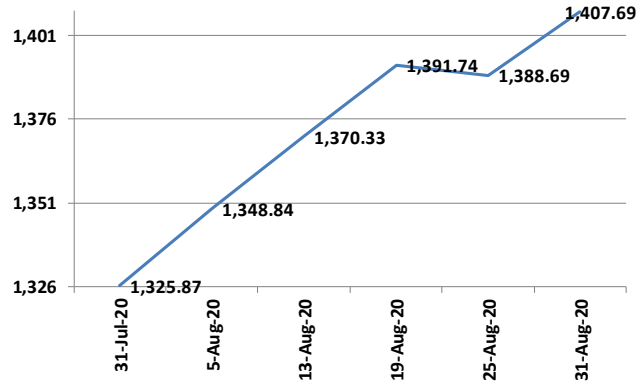
Fund Information

Fund Name PIF-Aggressive Fund
Fund Size PKR 2,543,726,439
Unit Price PKR 1407.6896
Category Aggressive
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

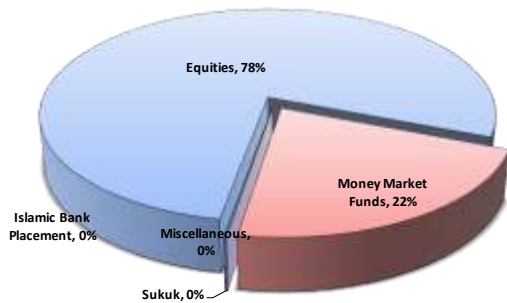
Investment Committee

Zahid Hussain Awan	Chairman
Said Gul	Member
Azeem Iqbal Pirani	Member
Muhammad Kamran Saleem	Member
Muhammad Ahsan Qureshi	Member
Abdul Rahim Abdul Wahab	Member
Farhan Shaukat	Secretary



Fund Returns	
	Return
1-month (absolute net of IMC)	6.17%
Benchmark - (1-month absolute net of IMC)	3.57%
Calendar YTD (absolute net of IMC)	11.36%
Benchmark CYTD (absolute net of IMC)	0.84%
3-Years (absolute net of IMC)	19.9%
5-Years (absolute net of IMC)	31.4%
Since Inception (absolute net of IMC)	163.2%

Asset Allocation		
	Aug'20	Jul'20
Equities	78%	76%
Money Market Funds	22%	0%
Islamic Bank Placement	0%	24%
Sukuk	0%	0%
Miscellaneous	0%	0%



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

Aug'2020

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

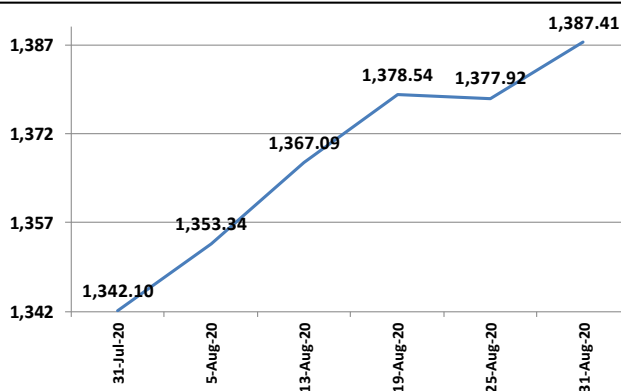
Fund Name PIF-Balanced Fund
Fund Size PKR 6,624,058,990
Unit Price PKR 1387.4146
Category Balanced
Pricing Mechanism Forward
Pricing Days Official Working Days
Benchmark Composite of ((Average of KMI-30 & KMIAll) & Average Return on Islamic Bank) based on actual allocation

Auditors EY Ford Rhodes,
Chartered Accountants

Appointed Actuary Abdul Rahim Abdul Wahab

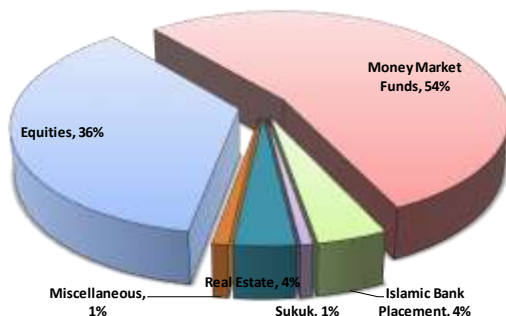
Investment Committee

Zahid Hussain Awan Chairman
 Said Gul Member
 Azeem Iqbal Pirani Member
 Muhammad Kamran Saleem Member
 Muhammad Ahsan Qureshi Member
 Abdul Rahim Abdul Wahab Member
 Farhan Shaukat Secretary



Fund Returns

	Return
1-month (absolute net of IMC)	3.38%
Benchmark - (1-month absolute net of IMC)	2.17%
Calendar YTD (absolute net of IMC)	9.06%
Benchmark CYTD (absolute net of IMC)	3.15%
3-Years (absolute net of IMC)	20.6%
5-Years (absolute net of IMC)	32.3%
Since Inception (absolute net of IMC)	159.4%



Asset Allocation

	Aug'20	Jul'20
Equities	36%	36%
Money Market Funds	54%	37%
Islamic Bank Placement	4%	15%
Sukuk	1%	7%
Real Estate	4%	5%
Miscellaneous	1%	0%

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PIF-Conservative Fund

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Aug'2020

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.

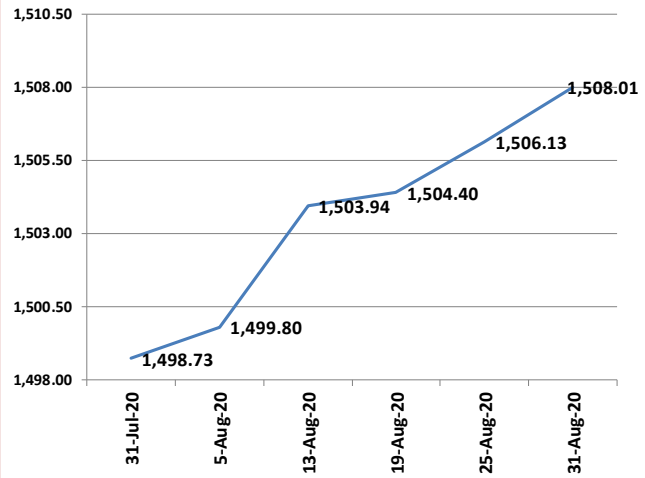
Fund Information

Fund Name PIF-Conservative Fund
Fund Size PKR 2,929,018,329
Unit Price PKR 1508.0075
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

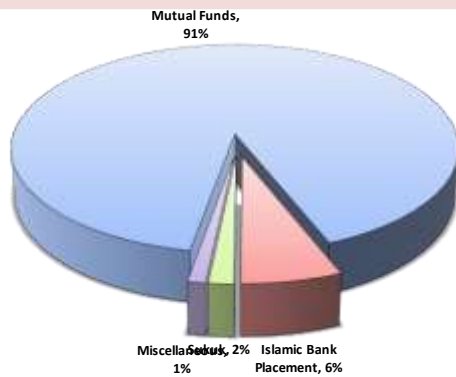
Appointed Actuary Abdul Rahim Abdul Wahab

Investment Committee

Zahid Hussain Awan	Chairman
Said Gul	Member
Azeem Iqbal Pirani	Member
Muhammad Kamran Saleem	Member
Muhammad Ahsan Qureshi	Member
Abdul Rahim Abdul Wahab	Member
Farhan Shaukat	Secretary



Fund Returns	
	Return
1-month	7.3%
Benchmark - (1-month)	4.4%
3-months	8.2%
Calendar YTD	10.4%
Benchmark (CYTD)	6.1%
Since Inception	8.7%
3-Years	10.2%
5-Years	9.3%
Since Inception (absolute net of IMC)	182.0%



Asset Allocation		
	Aug'20	Jul'20
Mutual Funds	91%	74%
Islamic Bank Placement	6%	14%
Sukuk	2%	10%
Miscellaneous	1%	2%

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PIF-SecureWealth Fund

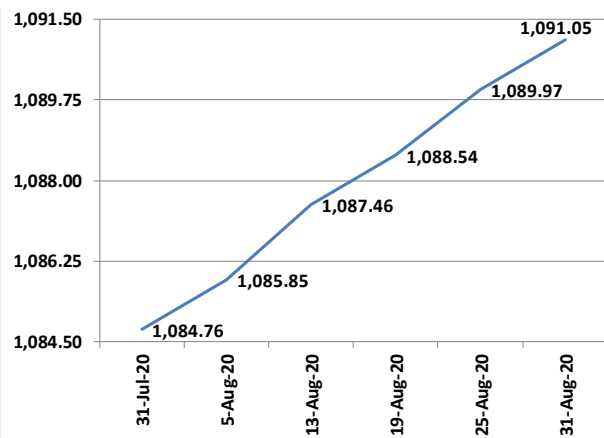
Aug'2020

Fund Objective

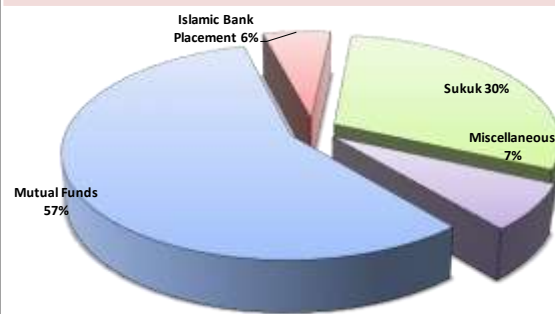
The objective of investments is to enhance returns through a well-diversified, prudently invested portfolio while considering Customer needs, regulatory restrictions and overall corporate strategy of PQFTL. The fund aims to provide competitive returns from a portfolio of low credit risk with prime focus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

Fund Information

Fund Name	PIF-Secure Wealth Fund	
Fund Size	PKR 80,966,058	
Unit Price	PKR 1091.0493	
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	
Azeem Iqbal Pirani	Member	
Muhammad Kamran Saleem	Member	
Muhammad Ahsan Qureshi	Member	
Abdul Rahim Abdul Wahab	Member	
Farhan Shaukat	Secretary	



Fund Returns	
	Return
1-month	6.8%
Benchmark (1-month)	4.4%
3-months	7.6%
Calendar YTD	9.4%
Benchmark (CYTD)	6.1%
Since Inception	8.4%
3-Years	9.7%
5-Years	9.1%
Since Inception (absolute net of IMC)	113.1%



Asset Allocation		
	Aug'20	Jul'20
Mutual Funds	57%	56%
Islamic Bank Placement	6%	3%
Sukuk	30%	34%
Miscellaneous	7%	7%

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