



# PQFT Banca Performance Report

Sep'20

**PAK-QATAR**  
FAMILY TAKAFUL  
Together for the Future

## Economic Review

Pakistan's economic conditions are on a path of recovery as most of the businesses have reopened after the pandemic. The country has experienced a major change in macroeconomic landscape as country reported consecutive second month surplus in current account in August 2020 on back of controlled trade deficit and strong remittances growth despite of pandemic related layoffs across the globe.

Current Account Surplus for the month of August 2020 clocked in at USD 297mn, taking cumulative surplus to USD 805mn (1.8% of GDP) as compared to Current Account Deficit of USD 1.2bn (2.8% of GDP) reported during the same period last year. The improvement in Current Account is mainly due to the record remittances growth (up 31.0% YoY) and decline in trade deficit (down 16.8% YoY).

CPI for the month of September 2020 clocked in at 9.04% YoY increasing by 1.54% MoM. Increase in CPI was largely driven by perishable food items on the back of spike in fresh vegetable prices. We believe that the inflation for FY21 will average at around 9% which would restrict further monetary easing; but as Central Bank is cognizant of the need for growth, we are of the view that discount rate of 7% will persist a little longer.

On money market side, government issued fixed GoP Ijara sukuk at 8.41% and raised PKR 5.8bn against the target of PKR 15bn. Central Bank also conducted the auction of floating rate GoP sukuk and raised PKR 69.1bn against the target of PKR 35bn at the rate of 6M PKRV minus 10bps.

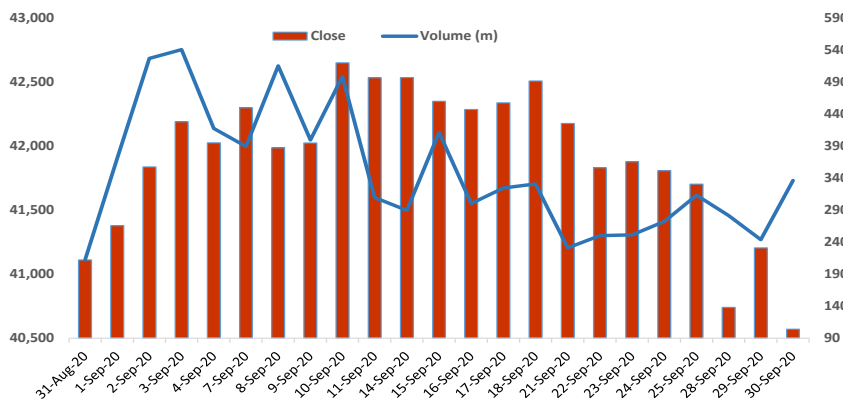
## Equity Market Review

The KSE-100 index took a breather after three consecutive three months positive closings. KSE-100 lost 539 points or 1.3% MoM to close at 40,571 levels. On a cumulative basis, KSE-100 is still up by 17.7% in 1QFY21. The month witnessed correction in the latter half due to some prominent events such as rise in political temperature after the arrest of Shahbaz Sharif, rise in Corona cases globally which ignited the fear of second wave and uncertainty regarding outcome of FATF meeting in the latter half of October 2020.

Market activity remained elevated during the month with average daily volume of KSE-100 increasing by 21% MoM to 355mn shares. FIPI recorded a net outflow of USD 33mn during September 2020 against the inflow of USD 7mn reported in the previous month. On the local front, Individuals, Insurance Companies and Other Organizations bought shares worth USD 32mn, USD 23mn and USD 7mn respectively while Banks/DFIs and Brokers were net sellers of USD 12mn and USD 10mn respectively.

Stock market is still looking attractive at forward Price to Earnings (P/E) multiple of ~7.5x as lower interest rate will attract fresh liquidity in the market but near term volatility cannot be ruled out at this point of time. We are of the view that the participants, whose maturities are approaching, should give priorities to their objectives and their risk appetites.

Country	Index	Sep-20	Aug-20
UK	FTSE-100	-1.63%	1.12%
USA	Nasdaq	-5.16%	9.59%
USA	Dow 30	-2.28%	7.57%
China	Shanghai	-5.23%	2.59%
Hong Kong	Hang Seng	-6.82%	2.37%
Japan	Nikkei-225	0.20%	6.59%
India	BSE-30	-1.45%	2.72%
Pakistan	KMI 30	-1.39%	4.03%
Pakistan	KSE 100	-1.31%	4.72%





# PQFT Banca-BT Growth

Sep'20

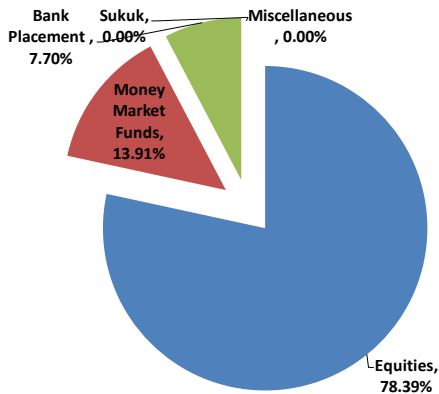
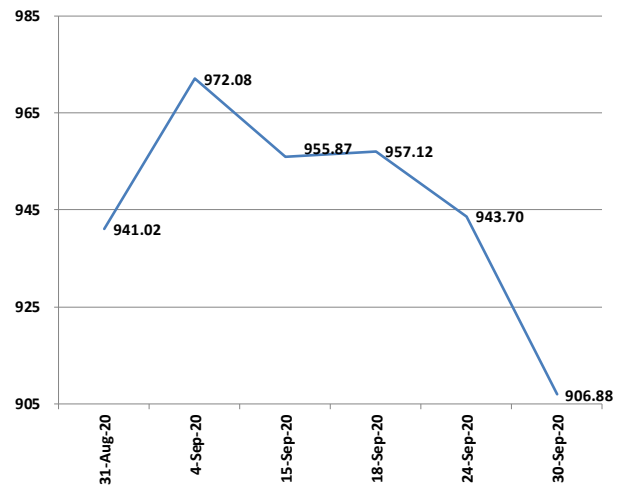
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## Fund Objective

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

<b>Fund Name</b>	PQFT-Banca Growth	
<b>Fund Size</b>	PKR 6,177,311,144	
<b>Unit Price</b>	PKR 906.8770	
<b>Category</b>	Capital Growth	
<b>Pricing Mechanism</b>	Forward	
<b>Pricing Days</b>	Official Working Days	
<b>Auditors</b>	EY Ford Rhodes , Chartered Accountants	
<b>Benchmark</b>	Composite of (Average of (KMIAII & KMI-30 ) & Average Return on Islamic Bank) based on actual allocation	
<b>Appointed Actuary</b>	Abdul Rahim Abdul Wahab	
<b>Investment Committee</b>		
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	



	Sep'20	Aug'20
Equities	78.39%	77.28%
Money Market Funds	13.91%	13.23%
Bank Placement	7.70%	8.50%
Sukuk	0.00%	0.00%
Miscellaneous	0.00%	0.99%

Fund Returns	Return
1-month (absolute net of IMC)	-3.63%
Benchmark - (1-month absolute net of IMC)	-0.46%
Calendar YTD (absolute net of IMC)	7.88%
Benchmark CYTD (absolute net of IMC)	1.19%
365 Days (absolute net of IMC)	36.37%
Since Inception* (annualized net of IMC)	8.9%
3-Years (absolute net of IMC)	12.99%
Since Inception (absolute net of IMC)*	81.38%

\*Since Aug'11

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.



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# PQFT Banca-BT Conservative

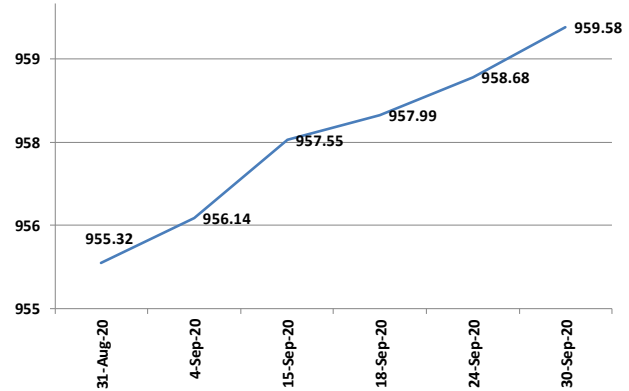
Sep'20

## Fund Objective

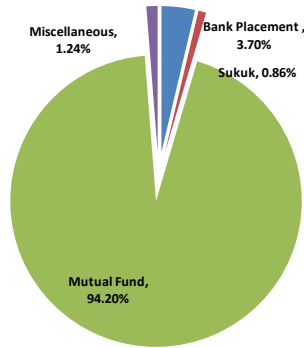
The objective of investments is to enhance returns through a well-diversified, prudently invested portfolio while considering Customer needs, regulatory restrictions and overall corporate strategy of PQFTL. The Fund aims to provide stable return exhibiting low volatility with capital preservation by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

## Fund Information

<b>Fund Name</b>	PQFT-Banca Conservative	
<b>Fund Size</b>	PKR 5,913,208,623	
<b>Unit Price</b>	PKR 959.5846	
<b>Category</b>	Capital Preservation	
<b>Pricing Mechanism</b>	Forward	
<b>Pricing Days</b>	Official Working Days	
<b>Benchmark</b>	Average Return on three Islamic Bank as stated on MUFAP	
<b>Auditors</b>	EY Ford Rhodes , Chartered Accountants	
<b>Appointed Actuary</b>	Abdul Rahim Abdul Wahab	
<b>Investment Committee</b>		
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	



	Sep'20	Aug'20
Bank Placement	3.70%	4.62%
Sukuk	0.86%	0.86%
Mutual Fund	94.20%	93.10%
Miscellaneous	1.24%	1.42%



Fund Returns	Annualized Return
1-month	5.43%
Benchmark (1-month)	3.9%
3-months	6.97%
Calendar YTD	9.78%
Benchmark (CYTD)	5.83%
365 Days	10.81%
Since Inception*	10.04%
3-Years (absolute net of IMC)	19.56%
Since Inception (absolute net of IMC)*	10.81%

\*Since Aug'11

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