



PAK-QATAR
FAMILY TAKAFUL
Together for the Future

FUND MANAGERS REPORT

June 2024

Managed By:

PAK-QATAR **پاک قطر**
ASSET MANAGEMENT

Today, For a better Tomorrow

Market Summary

	28-Jun-24	MTD	30days	90days	FYTD	CYTD
KSE100	78,445	10.33%	4.8%	17.1%	89.2%	25.6%
KMI30	126,424	5.84%	2.5%	12.5%	78.7%	20.7%
KMIIAI	34,854	4.75%	1.5%	10.4%	70.4%	13.7%

Global Markets

	28-Jun-24	MTD	30days	90days	FYTD	CYTD
UK	8,164	-0.2%	0.2%	-2.6%	-7.7%	-5.3%
USA	17,724	-11.7%	-4.5%	-7.5%	-22.2%	-15.3%
China	2,967	4.6%	4.8%	2.5%	7.9%	0.3%
Japan	34,854	10.2%	10.6%	15.8%	-4.8%	-4.0%
India	79,033	-5.8%	-5.7%	-8.3%	-18.1%	-8.6%

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	3	3	66	141	141	143
LIPI (net)	(3)	(3)	(66)	(141)	(141)	(143)
Ind.	0	(21)	(44)	(60)	(60)	(24)
Banks/DFIs	(2)	(9)	(29)	(141)	(141)	(118)
Companies	1	14	5	36	36	113
M.Funds	(6)	2	8	(47)	(47)	(128)
Brokers	5	6	5	(21)	(21)	(28)
Others	(2)	(4)	(16)	(33)	(33)	(24)
Ins.	0	9	5	126	126	65
NBFC	0	(0)	(1)	(1)	(1)	1

Key Economic Figures

		FY20	FY21	FY22	FY23	28-Jun
Policy Rate	28-Jun-24	7.0%	7.0%	13.8%	22.0%	20.5%
1yr KIBOR	28-Jun-24	7.4%	8.1%	15.7%	23.3%	19.2%
Inflation	Oct End	7.8%	9.8%	21.3%	29.4%	12.6%
PKR USD*	28-Jun-24	168.2	157.3	204.8	286.0	279.0%

Key Economic Figures

		FY20	FY21	FY22	FY23	FY24-TD
Imports	USD'mn	46,417	56,380	72,048	51,979	48,402
Exports	USD'mn	23,462	25,304	32,450	27,903	28,678
Trade Deficit	USD'mn	(22,955)	(31,076)	(39,598)	(24,076)	(19,724)
Remittances	USD'mn	23,131	29,370	31,238	27,028	27,093
FX Reserves	USD'mn	18,886	24,398	15,742	9,181	14,207

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	18.68	(212)	(118)	(205)	(264)	(425)
PKRV 3Y	16.50	(11)	(11)	(24)	(4)	(297)
PKRV 5Y	15.37	(8)	(3)	(20)	(53)	(71)
PKRV 10Y	14.09	(9)	(6)	(13)	(82)	(123)
PKRV 20Y	13.97	(4)	(3)	(5)	(71)	(131)

*Inter Bank Rate

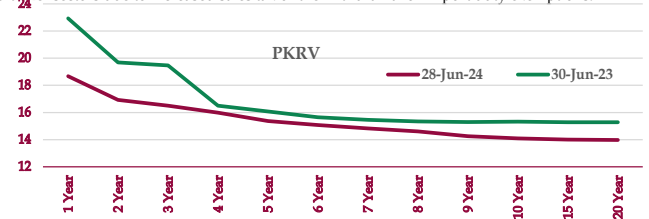
KSE100 Index Top Ten Sector Details (on Free Float Market Capitalization)

SECTORS	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Market Cap (PKR'Bn)	Change (%) in Market Cap.
COMMERCIAL BANKS	20	647	600	7.96
FERTILIZER	7	330	311	6.17
OIL & GAS EXPLORATION COMPANIE	14	302	304	(0.78)
CEMENT	5	193	189	1.98
CHEMICAL	4	48	50	(3.17)
OIL & GAS MARKETING COMPANIES	2	70	72	(2.15)
PHARMACEUTICALS	2	63	59	5.69

Commentary

Economic Review : FY2024 is set to conclude on a path of economic stabilization, marked by improved macroeconomic indicators. Easing inflationary pressures, stable external accounts and exchange rate, fiscal consolidation, and a gradual recovery in industrial activities are boosting the confidence of economic agents, thereby fostering economic growth. The inflation outlook for June 2024 has experienced a slight uptick compared to the previous month. The National CPI kept hovered at 12.6%, driven by rising vegetable prices and Fuel cost adjustments being passed on to consumers. Meanwhile, real interest rates are showing a positive trend while also maintains the Current Account deficit. Externally, there has been a sustained improvement in the current account balance. For the period of July to May FY2024, the current account reported a deficit of \$0.5 billion, a significant improvement from the \$3.9 billion deficit recorded last year. This improvement is largely due to better trade balances and increased remittances. As of June 26, 2024, Pakistan's total liquid foreign exchange reserves rose to \$13.1 billion. the State Bank of Pakistan (SBP) held \$7.9 billion, while commercial banks' reserves amounted to \$5.2 billion. Following the budget announcement, the immediate impacts on the Pakistani Rupee (PKR) and overall market sentiment were closely examined. The Finance Minister's confident assertion of securing an IMF agreement by July sparked a surge in market activity, prompting exporters to show a strong interest in selling short-term forwards. However, the budget revealed a significant \$20 billion financing gap, comprising \$18 billion in foreign loan repayments and \$2.5 billion in short-term credits. This substantial financial deficit underscores the urgent necessity for IMF support and external funding to stabilize Pakistan's fiscal situation amid challenging conditions. Regarding inflation and interest rates, the government's budget presents a blend of ambition and realism: it aims for a GDP growth rate of 3.6% and forecasts inflation at 12%. The outlined revenue targets and increased expenditures, particularly for debt servicing, suggest an inflationary outlook. If global oil and commodity prices remain stable, achieving the 12% inflation target seems feasible. However, the fiscal plan indicates that an average interest rate of 15-16% for FY 2024-25 is sensible, with a potential reduction to 10-11% by June 2025.

Stock Market Review: During the month, the KSE 100 recorded a gain of 10.33%, and the KMI 30 also showed positive returns, marking a 5.84% increase. Notably, the Commercial Banks, Fertilizers and Pharmaceuticals have experienced positive sentiments. The Central Bank maintained a stable policy rate, leading market participants to adopt a stable approach, anticipating the peak of the interest rate cycle. Notable performers in the KMI 30 index for the month included FABL, AIRLINK, UNITY, PIOC and NETSOL witnessing increased trading prices. Conversely, ATRL, SYS, PRL, ILP and TPLP experienced noticeable decreases in their trading prices. The overall budget impacts various sectors differently. It is positive for the Auto Assemblers & Parts, Pharmaceutical, and Tobacco sectors, where government interventions are designed to modify costs, influence demand patterns, and potentially reshape the competitive landscape. Conversely, the budget is neutral for Banks, Chemicals, Technology, E&P, Refinery, Sugar & Allied Industries, and Food & Personal Care Products. However, it negatively affects the Textile & Leather, Cement, Steel, Cable & Electrical Goods, Telecommunication, and Fertilizer sectors due to increased sales tax or the withdrawal of import duty exemptions.



28-Jun-24

Disclaimer: The information contained in this report has been compiled by research department of Pak Qatar Asset Management Company Limited(PQAMC), from various sources supposed to be reliable and in good faith, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. Moreover, all opinions, figures and estimates contained in this document are based judgments as of the date of this document and are subject to change without notice and are provided in good faith but without legal responsibility.

BT Growth



Investment 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.

Managers' Comment

During the month of June'24, NAV per unit increased by PKR6.173(0.50%) from previous month.

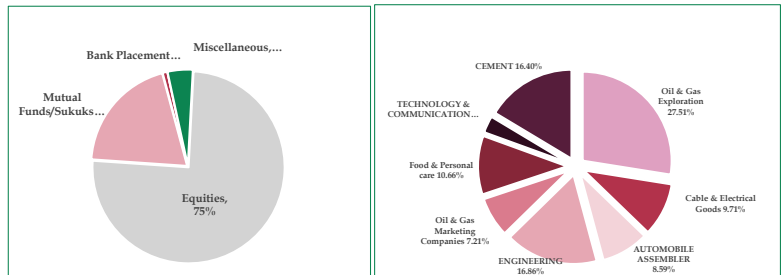
Fund Information

Fund Name	BT Growth
Launch Date	09-Aug-11
Launch Price	500
Fund Size (PKR)	5,850,616,740
Unit Price (PKR)	1,246.4176
Category	Aggressive Fund
Risk Profile	High
Pricing Mechanism	Forward
Pricing Days	Business Days
Benchmark	Composite of (Average of (KMIALI & KMI-30) & Average Return on
Management Fee	1.50%
Total Expense Ratio	0.75%
Subscription/ Redemption Days	Business Days
Fund Manager	Pak Qatar Asset Management Company Ltd through a portfolio management agreement
Auditors	Yousuf Adil, Chartered Accountants
Appointed Actuary	Abdul Wahab
Investment Committee	Zahid Hussain Awan
	Said Gul
	Muhammad Kamran Saleem
	Muhammad Ahsan Qureshi
	Waqas Ahmad
	Abdul Rahim Abdul Wahab

Graphical Performance of Banca Growth



Asset Allocation & Sector Allocation



Asset Allocation

	June'24	May'24
Equities	75%	76%
Mutual Funds/Sukuks	20%	20%
Bank Placement	1%	0%
Real Estate	0%	0%
Miscellaneous	4%	4%

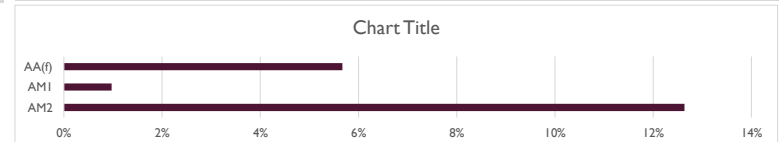
Top Ten Holdings

Oil & Gas Development Company	11.41%	Honda Atlas Cars (Pakistan) Ltd.	6.76%
Pak Petroleum Ltd.	10.25%	Unity Foods Limited	6.69%
D. G. Khan Cement Co.	8.99%	Sui Northern Gas Ltd.	5.67%
Amreli Steels Limited	7.80%	Crescent Steel & Allied	3.61%
Pak Elektron Ltd.	7.64%	Avanceon Limited	2.41%

Key Ratios

	June'24	May'24
Fund Return (Monthly)	0.50%	4.16%
Standard Deviation (Annualized)	17.19%	
Since Inception	7.34%	
365-Day Return	82.19%	
5y Return	12.56%	
10y Return	6.24%	

Credit Quality



Returns (Absolute Return)

	1M	3M	6M	CYTD	CY23	CY22	CY21	CY20	CY19
BT Growth	0.50%	12.57%	14.72%	14.72%	54.23%	-17.51%	-11.30%	14.54%	10.18%

BT Conservative



Investment 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.

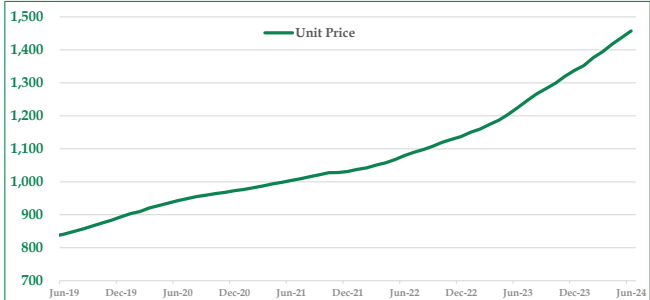
Managers' Comment

During the month of June'24, NAV per unit increased by PKR20.098(1.40%) from previous month.

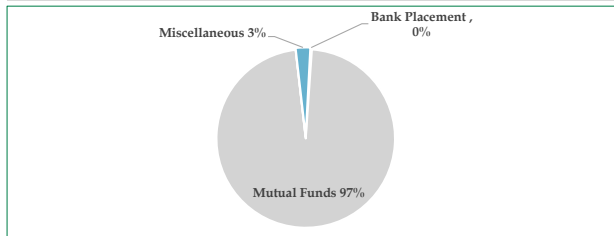
Fund Information

Fund Name	BT Conservative
Launch Date	09-Aug-11
Launch Price	500
Fund Size (PKR)	7,002,541,963
Unit Price (PKR)	1,457.4344
Category	Balanced Fund of Funds
Risk Profile	Medium
Pricing Mechanism	Forward
Pricing Days	Business Days
Benchmark	Average deposit rate of three (3) A rated Islamic Banks or Islamic Windows of Conventional
Management Fee	1.50%
Total Expense Ratio	0.75%
Subscription/ Redemption Days	Business Days
Fund Manager	Pak Qatar Asset Management Company Ltd through a portfolio management agreement
Auditors	Yousuf Adil, Chartered Accountants
Appointed Actuary	Abdul Wahab
Investment Committee	Zahid Hussain Awan
	Said Gul
	Muhammad Kamran Saleem
	Muhammad Ahsan Qureshi
	Waqas Ahmad
	Abdul Rahim Abdul Wahab

Graphical Performance of Banca Conservative



Asset Allocation



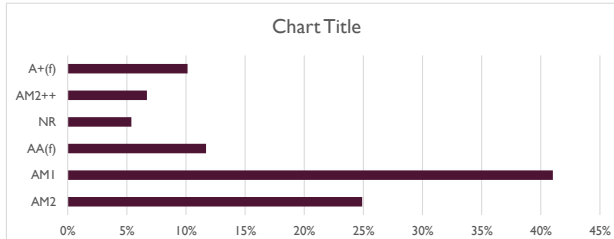
Asset Allocation

	June'24	May'24
Bank Placement	0%	1%
Mutual Funds	97%	96%
Gov. Ijara Sukuk	0%	0%
Real Estate	0%	0%
Miscellaneous	3%	3%

Key Ratios

	June'24	May'24
Fund Return (Monthly)	18.23%	17.23%
Standard Deviation (Annualized)	3.56%	
Since Inception	8.65%	
365-Day Return	19.72%	
5y Return	11.61%	
10y Return	8.80%	

Credit Quality



Returns (Annualized)

	1M	3M	6M	CYTD	CY23	CY22	CY21	CY20	CY19
BT Conservative	18.23%	18.05%	17.94%	17.84%	17.64%	10.27%	5.99%	8.85%	11.19%

Mustehkam Munafa



Investment Objective

The objective is to generate stable return exhibiting low volatility and low risk profile through an underlying portfolio of fixed income instruments.

Managers' Comment

During the month of June'24, NAV per unit increased by PKR8.456(1.38%) from previous month.

Fund Information

Fund Name	Mustehkam Munafa
Launch Date	01-Mar-23
Launch Price	500
Fund Size (PKR)	437,134,516
Unit Price (PKR)	619.2290
Category	Money Market Fund of Funds
Risk Profile	Low
Pricing Mechanism	Forward
Pricing Days	Business Days
Benchmark	Average deposit rate of three (3) A rated Islamic Banks or Islamic Windows of Conventional
Management Fee	1.50%
Total Expense Ratio	0.75%
Subscription/ Redemption Days	Business Days
Fund Manager	Pak Qatar Asset Management Company Ltd through a portfolio management agreement
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	Muhammad Ahsan Qureshi
	Waqas Ahmad
	Abdul Rahim Abdul Wahab

Asset Allocation

	June'24	May'24
Bank Placement	9%	2%
Mutual Funds/Sukuks	85%	95%
Gov. Ijara Sukuk	0%	0%
Real Estate	0%	0%
Miscellaneous	6%	3%

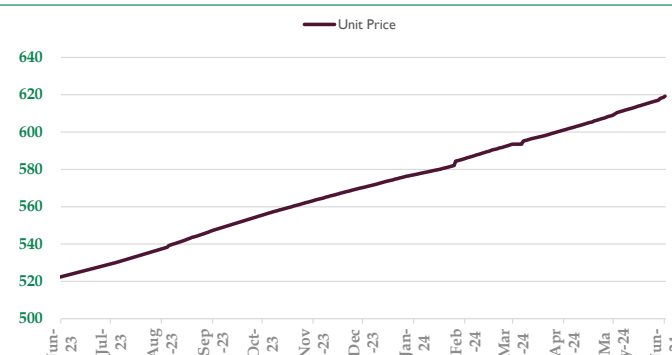
Key Ratios

	June'24	May'24
Fund Return (Monthly)	18.05%	18.33%
Standard Deviation	2.96%	-
365-Days Return	18.68%	-
Since Inception Return (Annualized)	17.95%	-
5-Year Return (Annualized)	-	-
10-Year Return (Annualized)	-	-

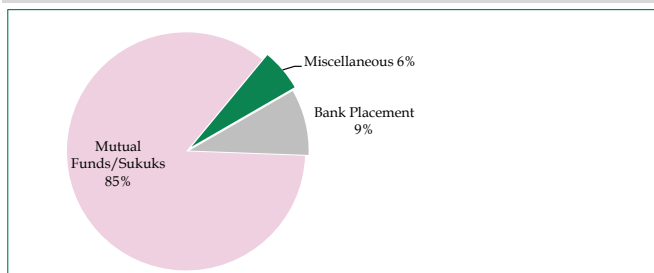
Returns (Annualized)

	1M	3M	6M	CYTD	CY23
Mustehkam Munafa	18.05%	17.32%	17.16%	17.06%	17.02%

Graphical Performance of Mustehkam Munafa



Asset Allocation



Credit Quality

