

FUND *December - 23* MANAGERS REPORT



PAK-QATAR
FAMILY TAKAFUL

Pakistan's first **Takaful Company**
to offer Voluntary Pension Scheme (VPS)



021-111-TAKAFUL (825-238) | info@pakqatar.com.pk | www.pakqatar.com.pk

PAK-QATAR
GROUP

A Pak-Qatar Group Company:
Pakistan's Premier and Pioneer Islamic Financial Services Group

Voluntary Pension Scheme (VPS)



PAK-QATAR
FAMILY TAKAFUL

Pakistan's first **Takaful Company** to offer VPS



LIFE BEGINS AT 60

Plan your retirement **Today, For A Better Tomorrow.**
Invest today & get a regular income when you retire

Save **TAX** on your
current **INCOME** upto

20%

* **Tax Credit**
Can be Availed by
VPS Participants

Unique Features:-*

- **Natural Death Coverage:** Up to **10 Million** or two-times of the investment balance, whichever is lower.
- **Accidental Death Coverage:** Up to **20 Million** or four-times of the investment balance, whichever is lower
- **Accidental Permanent Disability:** Up to **10 Million** or two-times of the investment balance, whichever is lower
- **Accidental Medical Expense:** Up to **1 Million** or 20% of the investment balance, whichever is lower
- Special discounted rates on **Individual Health** and **Motor Takaful.**

* Terms & Conditions Apply

Additional Features:-

- Personalized Investment
- Tax-Free early disability retirement
- Post Retirement Income Option
- Pension Fund Portability
- It's Flexible, It's Convenient
- Tax-Free Growth in Investment

Disclaimer: As per section 63 of the income tax ordinance 2001, an eligible person joining Pak-Qatar Family Takaful - Voluntary Pension Scheme can avail tax credit up to 20% of the (eligible) person's taxable income for the relevant tax year. In view of Individual nature of tax consequences each participant is advised to consult with his/her tax advisor with respect to specific tax consequences of contribution in the Scheme.



PAK-QATAR
FAMILY TAKAFUL

Pak-Qatar Family Takaful Limited

A Pak-Qatar Group Company

Market Summary

	29-Dec-23	MTD	30days	90days	FYTD	CYTD
KSE100	62,451	3.17%	35.1%	50.7%	54.5%	54.5%
KMI30	104,729	2.98%	3.7%	34.8%	48.0%	53.4%
KMIAII	30,649	4.10%	4.5%	35.4%	49.9%	53.3%

Global Markets

	29-Dec-23	MTD	30days	90days	FYTD	CYTD
UK	7,733	-3.6%	-4.0%	-1.6%	-2.6%	-3.6%
USA	15,011	-5.2%	-5.0%	-11.9%	-8.2%	-30.3%
China	2,975	1.8%	1.6%	4.6%	7.6%	3.8%
Japan	33,464	0.1%	-0.4%	-4.8%	-0.8%	-22.0%
India	72,240	-7.5%	-7.4%	-8.9%	-10.4%	-15.8%

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIPI (net)	(2)	25	50	74	71	74
LIPI (net)	2	(25)	(50)	(74)	(71)	(74)
Ind.	(7)	(12)	(9)	28	(8)	28
Banks/DFIs	3	(3)	(52)	(69)	(92)	(69)
Companies	(1)	(2)	26	129	52	129
M.Funds	0	(7)	(13)	(132)	(51)	(132)
Brokers	1	(7)	(12)	(29)	(21)	(29)
Others	1	(1)	(7)	(2)	(11)	(2)
Ins.	4	8	16	(1)	60	(1)
NBFC	0	0	(0)	1	(0)	1

Key Economic Figures

		FY20	FY21	FY22	FY23	29-Dec
Policy Rate	29-Dec-23	7.0%	7.0%	13.8%	22.0%	22.0%
1yr KIBOR	29-Dec-23	7.4%	8.1%	15.7%	23.3%	21.7%
Inflation	Oct End	7.8%	9.8%	21.3%	29.4%	29.4%
PKR USD*	29-Dec-23	168.2	157.3	204.8	286.0	281.86

Key Economic Figures

		FY20	FY21	FY22	FY23	FY24-TD
Imports	USD'mn	46,417	56,380	72,048	51,979	21,281
Exports	USD'mn	23,462	25,304	32,450	27,903	12,511
Trade Deficit	USD'mn	(22,955)	(31,076)	(39,598)	(24,076)	(8,770)
Remittances	USD'mn	23,131	29,370	31,238	27,028	11,045
FX Reserves	USD'mn	18,886	24,398	15,742	9,181	12,856

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	21.32	2	22	(158)	(161)	433
PKRV 3Y	16.54	4	4	(257)	(293)	35
PKRV 5Y	15.90	-	1	(133)	(18)	127
PKRV 10Y	14.91	(6)	(6)	(121)	(41)	114
PKRV 20Y	14.68	(11)	(11)	(66)	(60)	88

*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	17	479	463	3.51
FERTILIZER	6	251	239	5.14
OIL & GAS EXPLORATION COMPANIES	13	260	234	11.38
CEMENT	5	176	171	2.90
CHEMICAL	5	59	61	(2.90)
OIL & GAS MARKETING COMPANIES	2	78	75	4.23
PHARMACEUTICALS	2	43	44	(1.93)

Commentary

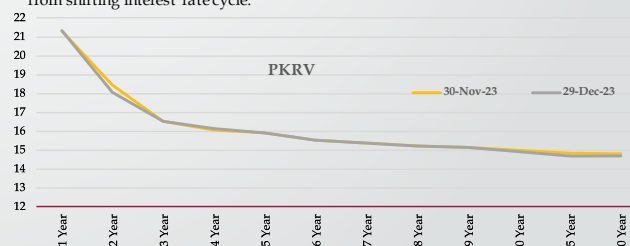
Economic Review

The economy traversed a controlled path for 1HFY24 with central bank keeping a tight monetary stance, managed Current Account and controlled fiscal space given IMF stringent measures. Notably, CPI kept hovering around 25% in Dec'23 as govt. passes on full brunt of energy tariff to consumers., Fiscal discipline continue to be imperative under IMF program and notable reduction in subsidies and expansion of revenue base remains crucial for consistent economic sustenance. Key initiatives i.e., SFIC to boost FDI flow to reboot economic activity in the country while also integrating economy with regional players. These policy actions are expected to cascade the later half with some respite from international crude prices, provided a smooth supply chain exist amid current conflict in Middle East, which can help ease off inflation burden allowing central bank to ratchet down interest rates at far end of FY24. Remittances would remain a backbone for the economy as Financial Account will continue to test nerves for economic managers as loan repayments continue to pile up. An expected stability in commodity prices and a passive mode in Ukrainian-Russian conflict would help in easing pressure on oil import economies. The country is expected to sustain economic trajectory provided a smooth election cycle and religious follow-up on IMF program!

Stock Market Review

For CY23, the bourse remained sloppy for 1HFY23 while key initiatives i.e., IMF talks and controlled Current Account pushed investors' confidence back in the economy paving way for a charming 2HCY23 return of 54% in PKR with 23% in USD terms with Banks, Fertilizers and E&P being the large contributors to benchmark index. The best-performing stocks during the year were PGLC, PKGP, COLG, SCBPL, and UBL as they gained 273%, 162%, 157%, 153%, and 141%, respectively. Meanwhile, the overall PSX average traded volume (All-Share) was recorded at 322.5m shares worth Rs10.1bn, marking an increase of 41% YoY in the number of shares and 46% YoY in traded value.

During the month, KSE100 advanced by 3.17% while KMI 30 also generated return of 2.98%. As central bank endorsed stable policy rate, market participants entered stable mode with expectation of peaked interest rate cycle. The KSE-100 benchmark experienced volatility near month end as bourse faced some redemption pressure and absence of Foreign Investors made the movements more visible. During the month Commercial Banks, Oil & Gas Marketing Companies, Fertilizers and automobile enhanced. Market sentiment is expected to return amid positive news flows on elections, result season and MPS surprise. Investors are advised to maintain their position to realized optimal benefit from shifting interest rate cycle.



29-Dec-23

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PAK-QATAR ISLAMIC PENSION FUND (PQIPF)

Fund Review

As at December 29, 2023, total size of net assets of Pak Qatar Islamic Pension Fund (PQIPF) stood at Rs. 67.06 million. For the month of November, NAV of equity sub fund increased by 5.18%, while the NAVs of debt and money market sub funds provided annualized returns of 17.88% and 17.84% respectively.

Investment Objective

To give participants a steady source of halal income after retirement or incapacity, when they are no longer able to work for a living, in order to prevent them from being dependent on other people in society.

Fund Details

Fund Type	Open End
Fund Category	VPS - Shariah Compliant Pension Fund
Risk Profile/Risk of Principal Erosion	Investor Dependent
Launch Date	01-Dec-22
Trustee	Central Depository Company Pakistan Limited (CDC).
Service Provider	ITMinds
Auditor	Yousuf Adil, Chartered Accountants
Front End Load	3%
Back End Load	Nil
Leverage	Nil
Valuation Days	Monday to Friday
Subscription Redemption Days	9:00 AM 3:00 PM (Mon to Thr), 9:00 AM 4:00 PM (Fri)
Pricing Mechanism	Forward
Management Fee	Upto (1.50% Equity, 1.50% Debt, 1.50% MMKT)
Actual Rate of Management Fee	1.50% Equity, Debt & MMKT
Fund Manager	Danish Waseem
Appointed Actuary	Abdul Wahab
Investment Committee	Azeem Iqbal Pirani, Muhammad Ahsan Qureshi, Danish Waseem, Tahir Latif

Fund Net Assets

	Dec'23	Nov'23
PQIPF-Equity (PKR Mn)	13.73	13.06
PQIPF-Debt (PKR Mn)	15.12	14.90
PQIPF-MMkt (PKR Mn)	38.20	37.67
Total Fund (PKR Mn)	67.06	65.63

NAV Per Unit

	Dec'23	Nov'23
PQIPF-Equity	137.0744	130.3400
PQIPF-Debt	120.5804	118.9159
PQIPF-MMkt	120.3574	118.6839

Allocation Scheme

	Equity	Debt	Money Market
High Volatility	65%	20%	0%
Medium Volatility	35%	40%	10%
Low Volatility	10%	60%	15%
Lower Volatility	0%	40%	40%

PQIPF - Performance

	1M	3M	6M	FYTD	CAGR
PQIPF-Equity (Absolute)	5.18%	24.16%	26.17%	26.34%	33.84%
PQIPF-Debt (Annualized)	17.88%	20.60%	21.95%	21.94%	18.99%
PQIPF-MMkt (Annualized)	17.84%	21.37%	21.76%	21.69%	18.79%

Annual Returns

	CYTD-23	CY22
PQIPF-Equity (Absolute)	35.62%	1.08%
PQIPF-Debt (Annualized)	19.41%	13.15%
PQIPF-MMkt (Annualized)	19.19%	13.15%

Top Holdings (PQIPF-Equity)

LUCKY CEMENT LIMITED	9.32%
MARI PETROLEUM COMPANY LIMITED	9.00%
THE HUB POWER COMPANY LIMITED	9.00%
PAKISTAN PETROLEUM LIMITED	8.79%
ENGRO FERTILIZERS Limited	8.69%
OIL & GAS DEVELOPMENT	8.02%
MILLAT TRACTORS LIMITED HFT	6.82%
ENGRO CORPORATION Limited	6.37%
CHERAT CEMENT COMPANY Limited	5.12%
PAKISTAN OILFIELDS LIMITED	3.02%

Sector Allocation (PQIPF-Equity)

OIL & GAS EXPLORATION COMPANIES	28.88%
CEMENT	17.41%
FERTILIZER	15.04%
POWER GENERATION AND DISTRIBUTION	9.00%
BANKS	7.34%
AUTOMOBILE ASSEMBLES	6.82%
OIL & GAS MARKETING COMPANIES	4.80%
INDUSTRIAL ENGINEERING	3.24%
TEXTILE COMPOSITE	3.17%
TECHNOLOGY AND COMMUNICATION	3.03%
CHEMICALS	1.27%

Debt Rating Exposure

Debt Rating Exposure	Percentage	Money Market Rating Exposure	Percentage
A	0.00%	A	0.00%
A+	8.97%	A+	0.00%
AA	25.91%	AA	10.59%
AA+	0.00%	AA+	0.00%
AAA	60.47%	AAA	82.25%

Asset Allocation - PQIPF Debt Sub Fund

Cash/Bank Deposits	25.94%
Government Sukuks	60.41%
Corporate Sukuk	8.97%
Others including Recievable	4.68%

Asset Allocation - PQIPF Money Market Sub Fund

Cash/Bank Deposits	10.59%
Government Sukuks	82.25%
Others including Recievable	7.16%

Expense Ratio - YTD

	PQIPF-Equity	PQIPF-Debt	PQIPF-MMkt
Dec'23	0.86%	0.86%	0.95%
Nov'23	0.73%	0.66%	0.77%

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PAK-QATAR FAMILY TAKAFUL

For information regarding
Pak-Qatar Family Takaful Limited
Please call us at
111-TAKAFUL (825-238)

email us at info@pakqatar.com.pk
or visit us at www.pakqatar.com.pk

Address: First Floor, Business Arcade, Block - 6, P.E.C.H.S,
Sharah-e-Faisal, Karachi

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