

FUND *July - 24* MANAGERS REPORT



PAK-QATAR
FAMILY TAKAFUL

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



PAK-QATAR
GROUP

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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
- 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.



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FAMILY TAKAFUL

Pak-Qatar Family Takaful Limited

A Pak-Qatar Group Company

Market Summary

	31-Jul-24	MTD	30days	90days	FYTD	CYTD
KSE100	77,887	-1.19%	-1.2%	10.2%	-0.7%	24.7%
KMI30	122,928	-2.99%	-3.0%	3.5%	-2.8%	17.4%
KMIALL	34,403	-1.32%	-1.3%	4.1%	-1.3%	12.2%

Global Markets

	31-Jul-24	MTD	30days	90days	FYTD	CYTD
UK	8,283	-1.4%	-1.4%	-1.3%	-1.4%	-6.6%
USA	17,194	4.9%	4.9%	-7.9%	4.0%	-12.7%
China	2,931	2.2%	2.2%	5.9%	1.2%	1.5%
Japan	39,102	1.4%	1.4%	-2.2%	-10.9%	-14.4%
India	81,606	-2.6%	-2.6%	-8.6%	-3.2%	-11.5%

Portfolio Investments (USD mn)

	7 days	30 days	90 days	365days	FYTD	CYTD
FIFI (net)	(1)	25	39	145	165	167
LIPI (net)	1	(25)	(39)	(145)	(165)	(167)
Ind.	(1)	3	(24)	(57)	(55)	(19)
Banks/ DFIs	(1)	2	(9)	(131)	(136)	(112)
Companies	0	(9)	1	23	27	104
M.Funds	2	(12)	(14)	(43)	(62)	(143)
Brokers	(0)	(4)	(2)	(24)	(26)	(33)
Others	(2)	(4)	(15)	(36)	(37)	(28)
Ins.	3	(2)	24	123	125	64
NBFC	(0)	0	(0)	(1)	(1)	1

Key Economic Figures

		FY21	FY22	FY23	FY24	31-Jul
Policy Rate	31-Jul-24	7.0%	13.8%	22.0%	20.5%	19.5%
1yr KIBOR	31-Jul-24	8.1%	15.7%	23.3%	19.2%	18.5%
Inflation	Oct End	9.8%	21.3%	29.4%	12.6%	11.1%
PKR USD*	31-Jul-24	157.3	204.8	286.0	279.0	278.5%

Key Economic Figures

		FY21	FY22	FY23	FY24	FY25-TD
Imports	USD'mn	56,380	72,048	51,979	48,402	53,167
Exports	USD'mn	25,304	32,450	27,903	28,678	31,090
Trade Deficit	USD'mn	(31,076)	(39,598)	(24,076)	(19,724)	(22,077)
Remittances	USD'mn	29,370	31,238	27,028	27,093	30,251
FX Reserves	USD'mn	24,398	15,742	9,181	14,207	14,392

PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	18.06	(62)	(62)	(277)	(290)	(485)
PKRV 3Y	16.25	(25)	(25)	(37)	(48)	(302)
PKRV 5Y	15.25	(12)	(12)	(21)	(22)	(153)
PKRV 10Y	14.07	(2)	(2)	(12)	(11)	(183)
PKRV 20Y	13.95	(2)	(2)	(6)	(8)	(148)

*Inter Bank Rate

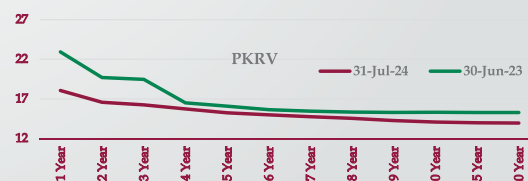
KSE100 Index Top Ten Sector Details (on Free Float Market Capitalization)

SECTORS	Index Weight (%)	Current Market Cap (PKR'Bn)	Previous Market Cap (PKR'Bn)	Change (%) in Market Cap.
COMMERCIAL BANKS	20	657	647	1.54
FERTILIZER	8	352	330	6.66
OIL & GAS EXPLORATION COMPANIES	13	302	302	0.02
CEMENT	5	186	193	(3.32)
CHEMICAL	4	47	48	(1.85)
OIL & GAS MARKETING COMPANIES	2	82	70	17.27
PHARMACEUTICALS	2	63	63	1.40

Commentary

Economic Review: The month ended with some positive notes for the economy with Central bank tweaking down policy rate to 19.5% amid decelerating y/y inflation forecast 10.5% for July'24 compared to y/y 12.5% in Jun'24 while keeping ample real rate which will keep the market in positive flux. Central bank indicated several pointers with key ones being GDP growth target in the range of 2.5%-3.5%. This range indicates that financial managers are awaiting recovery/improvements in Industrial sector with LSM growth as stated by PBS remained for 11MFY24 at 0.9% while Agricultural growth remaining upbeat averaged -6.1% (three quarters FY24). On a positive note, Current Account deficit also subdued to USD \$700 million in FY24, now only 0.2% of GDP aided by 10% y/y increase in exports, mainly rice and high-value textiles, and flat imports due to lower commodity prices and decreased oil imports contributed to this improvement. The country managed to cope with trade balance deficit of USD\$22 billion with assistance from remittances which have reach to USD\$30billion an increase of over 10% y/y basis. The country also had some respite from international rating agency with Pakistan's Long-Term Foreign-Currency Issuer Default Rating (IDR) improved to 'CCC+' from 'CCC'. The upgrade reflects improved external funding prospects, narrowed fiscal deficits, and increased foreign exchange reserves. However, Pakistan still faces large funding needs and risks from challenging reforms, with continued support from bilateral partners crucial for maintaining stability and further improvements. Economic managers also had some success in having some foreign loans rescheduled from China which would release burden on overall Balance of Payment account and on USD PKR parity. On the fiscal account, the country managed to have positive primary balance at 0.4% of GDP in FY24, with an overall fiscal deficit reduction due to higher tax and Petroleum Development Levy collections, increased SBP profits, and reduced non-interest expenditures. Going forward, central bank will continue to soften monetary stance amid a tight fiscal policy with aim to increase employment and aid in productivity in the economy.

Stock Market Review: During the month, the KSE 100 recorded a negative return of -1.19%, and the KMI 30 also showed negative returns, marking a -2.99% decrease. Notably, the Fertilizers, Oil & Gas Marketing Companies & Commercial Banks 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 AIRLINK, SNGP, SHEL, ILP and CHCC witnessing increased trading prices. Conversely, NML, TPLP, FCCL, HUBC and NRL experienced noticeable decreases in their trading prices



31-Jul-24

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Fund Review

As at July 31, 2024, total size of net assets of Pak Qatar Islamic Pension Fund (PQIPF) stood at Rs. 107.5 million. For the month of June, NAV of equity sub fund decreased by 2.92%, while the NAVs of debt and money market sub funds provided annualized returns of 18.20% and 17.92% 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	1-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	Nasir Ali Soomro, FCA
Appointed Actuary	Abdul Wahab
Investment Committee	Waqas Ahmad, Muhammad Ahsan Qureshi, Tahir Latif

Fund Net Assets

	July'24	June'24
PQIPF-Equity (PKR Mn)	19.57	20.16
PQIPF-Debt (PKR Mn)	22.57	22.23
PQIPF-MMkt (PKR Mn)	65.37	53.72
Total Fund (PKR Mn)	107.51	96.11

NAV Per Unit

	July'24	June'24
PQIPF-Equity	166.3506	166.3506
PQIPF-Debt	131.7057	131.7057
PQIPF-MMkt	131.0747	131.0747

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 - Allocation Performance

	1M	3M	6M	FYTD	CAGR
High Volatility	-2.04%	3.30%	15.29%	-2.04%	30.48%
Medium Volatility	-0.71%	3.88%	12.96%	-0.71%	26.17%
Low Volatility	1.07%	4.66%	9.88%	1.07%	20.44%
Lower Volatility	18.03%	19.49%	17.93%	18.03%	18.85%

PQIPF - Performance

	1M	3M	6M	FYTD	CAGR
PQIPF-Equity (Absolute)	-2.92%	2.91%	16.82%	-2.92%	33.34%
PQIPF-Debt (Annualized)	18.20%	19.39%	18.33%	18.20%	19.07%
PQIPF-MMkt (Annualized)	17.92%	19.55%	17.66%	17.92%	18.71%

Annual Returns

	CYTD	CY23	CY22
PQIPF-Equity (Absolute)	17.80%	35.62%	1.08%
PQIPF-Debt (Annualized)	18.51%	19.41%	13.15%
PQIPF-MMkt (Annualized)	17.90%	19.19%	13.15%

Top Holdings (PQIPF-Equity)

THE HUB POWER COMPANY LIMITED	9.66%
MARI PETROLEUM COMPANY LIMITED'	9.19%
ENGRO FERTILIZERS LIMITED	8.83%
PAKISTAN PETROLEUM LIMITED	8.60%
ENGRO CORPORATION LIMITED	8.38%
OIL & GAS DEVELOPMENT COMPANY LIMITED	7.99%
LUCKY CEMENT LIMITED	7.92%
MEEZAN BANK LIMITED	7.78%
MILLAT TRACTORS LIMITED	7.41%
CHERAT CEMENT COMPANY LIMITED	5.26%

Sector Allocation (PQIPF-Equity)

Oil & Gas Exploration Companies	25.78%
Fertilizer	17.21%
Cement	16.03%
Power Generation & Distribution	9.66%
Banks	7.78%
Automobile Assembler	7.41%
Technology & Communications	5.24%
Textile Composite	5.11%
Industrial Engineering	2.73%
Oil & Gas Marketing Companies	2.08%

Debt Rating Exposure

A	0.00%	A	0.00%
A+	10.68%	A+	0.00%
AA	8.86%	AA	10.71%
AA+	13.55%	AA+	0.00%
AAA	62.58%	AAA	82.70%

Money Market Rating Exposure

Asset Allocation - PQIPF Debt Sub Fund

Cash/Bank Deposits	49.29%
Government Sukuks	0.00%
Corporate Sukuk	46.38%
Others including Recievable	4.33%

Asset Allocation - PQIPF Money Market Sub Fund

Cash/Bank Deposits	68.93%
Government Sukuks	0.00%
Corporate Sukuks	24.48%
Others including Receivable	6.59%

Expense Ratio - YTD

	PQIPF-Equity	PQIPF-Debt	PQIPF-MMkt
July'24	0.26%	0.31%	0.24%
June'24	1.78%	1.88%	1.89%

Disclaimer : This publication is for informational purpose only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds and pension fund are subject to market risk. The NAV based prices of units and any dividends/returns thereon are dependent on force and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include cost incurred by investor in the form of sales-load etc. Please read the offering document to understand the investment policies and risks involved.



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