

FUND MANAGER REPORT

December - 2025

AA / AM2

Rated by VIS with
Stable outlook

Rated by PACRA with
Stable outlook



PAK-QATAR
FAMILY TAKAFUL

Pak-Qatar Islamic Pension Fund

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



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RISING WITH STRENGTH!

Pak-Qatar Family Takaful has been upgraded to an **"AA"** IFS rating with a **Stable Outlook** by VIS Credit Rating Company Ltd., becoming the first dedicated Takaful operator in Pakistan to achieve this milestone.

AA

A++

We thank you for your trust.

Together, we're securing a more prosperous future.

Mahana Bachat & Takaful Flexi Plan

Shariah compliant **monthly income** with **superior returns** and **complimentary Takaful**

Complimentary Takaful Coverage from Waqf Fund



No lock-in
period of investment



Steady **monthly income**
through online withdrawals



Avail benefits
with only one single
contribution



Access membership
details through our
portal & mobile app

Value Added Discounts



40% Discount
on Family Sehat
(Individual Hospitalization
Takaful)



40% Discount
on Term (Life)
Takaful



Discounted
Rate on
Motor Takaful



25% Discount
on Safar Asaan
(Travel Takaful)



25% Discount
on Ashiyana
(Home Takaful)

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PAKISTAN'S FIRST SHARIAH COMPLIANT GUARANTEED PENSION PLAN FOR LIFE

LIFETIME KAFALAT PLAN

-  Pension begins at 60, benefit for a lifetime
-  Contribution starts as low as PKR 500/- per month
-  Simple way to turn your Voluntary Pension Scheme (VPS) into a lifelong retirement income
-  Spousal / Nominee Income
-  Complimentary Takaful benefits upto Rs. 30 Million
-  Other Value Added Discounts

Value Added Discounts



40% Discount
on Family Sehat (Individual
Hospitalization Takaful)



40% Discount
on Term (Life)
Takaful



Discounted
Rate on
Motor Takaful



25% Discount
on Safar Asaan
(Travel Takaful)



25% Discount
on Ashiyana
(Home Takaful)



Voluntary Pension Scheme (VPS)

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

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

	31-Dec-25	MTD	30days	90days	FYTD	CYTD
KSE100	174,054	2.12%	3.6%	3.3%	35.8%	51.2%
KMI30	248,539	1.81%	2.8%	-0.2%	33.0%	39.1%
KMIAII	67,873	1.04%	2.6%	-1.3%	25.2%	34.3%

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 (PKR'Bn)
COMMERCIAL BANKS	24	1,491	1,405	6.14
FERTILIZER	7	688	679	1.28
OIL & GAS EXPLORATION COMPANIES	15	590	562	5.06
CEMENT	7	483	455	6.01
CHEMICAL	2	53	52	2.53
OIL & GAS MARKETING COMPANIES	2	166	161	3.40
PHARMACEUTICALS	2	116	113	3.16

Commentary

Economic Review: Pakistan's economy continues to show positive momentum, supported by a broad-based recovery in industry and resilience in agriculture. In Q1 FY2025-26, GDP grew by 3.71%, with agriculture expanding by 2.89%, industry by 3.98%, and services by 2.35%. Large-Scale Manufacturing (LSM) also recorded a 5.02% growth during July–October FY2026, with 16 sectors showing positive performance, including textiles, wearing apparel, non-metallic mineral products, food, coke and petroleum products, electrical equipment, automobiles, and tobacco. On the inflation front, the (CPI) eased to 5.6% year-on-year in December 2025, down from 6.1% in November, reflecting a moderating price environment. The macroeconomic outlook for FY25 was marked by stabilization, underpinned by the government's strict compliance with the IMF program. Policy focus remained on restoring confidence through fiscal discipline, containing the current account deficit, and rebuilding FX reserves. In November 2025, the current account (CA) recorded a surplus of \$100 million, while posted a deficit of \$812 million during July–November FY2026, while FX reserves are expected to stay close to three months of import cover. FX totaled \$21.0 billion, of which \$15.9 billion were held by the SBP. Strong remittance inflows, along with consistent performance in IT and services exports, are expected to ease external pressures. Remittances increased by 9.3% to reach \$16.1 billion, driven mainly by contributions from Saudi Arabia (24.2%) and the UAE (20.8%). Meanwhile, net FDI inflows amounted to \$927.4 million during FY2026. Economic growth stayed subdued due to weak domestic demand and tight financial conditions, while disinflation gained traction. FX reserves were maintained near three months of import cover, supported by import compression and steady external inflows. Energy sector reforms and budget rationalization helped limit structural imbalances, particularly the fiscal deficit, reinforcing Pakistan's improving sovereign risk profile. Looking ahead, Policymakers are likely to continue prioritizing FX reserve stability, a contained current account deficit, and inflation management within a 5%–7% range. Continued IMF anchoring should support fiscal discipline, while external financing options, including Eurobond and Panda bond issuance, along with rollover support, are expected to ease refinancing pressures. The SBP conducted recent T-Bill auctions targeting a total face value of PKR 503.18bn. In these auctions, a total of PKR 474.81bn was realized. The allotments and yields were as follows: for the 1-month tenor, PKR 69.22bn was accepted at a cut-off yield of 10.4859% with a weighted average yield of 10.3411%; for the 3-month tenor, PKR 166.63bn was accepted at a cut-off yield of 10.4878% and a weighted average yield of 10.4333%; for the 6-month tenor, PKR 16.12bn was accepted at a cut-off yield of 10.4799% and a weighted average yield of 10.4639%; and for the 12-month tenor, PKR 222.85bn was accepted at a cut-off yield of 10.4880% with a weighted average yield of 10.4468%. In the latest GOP Ijarah auction, the cut-off yields settled at 10.73% for the 3-year FRR, 11.03% for the 5-year FRR, and 10.68% for the 10-year VRR, reflecting the impact of a 50-basis-point reduction in the MPS.

Stock Market Review: On a monthly basis, the equity market closed on a positive note, with the KSE-100 index posting an MTD gain of 2.12% (CYTD: 51.2%, FYTD: 35.8%) and the KMI-30 index rising by 1.81% (CYTD: 39.1%, FYTD: 33.0%), supported by interest rate normalization, an improved foreign exchange reserve position, and easing inflation, while relatively stable political and geopolitical conditions enhanced earnings visibility and underpinned a favorable equity risk premium. Sector-wise, Commercial Banks, Cement, and Oil & Gas Exploration companies outperformed on the back of improving fundamentals and margin outlook, whereas Chemicals and Fertilizers remained under pressure due to sector-specific challenges. On the flow side, foreign investors recorded net inflows of USD 52.4 million during the month, reflecting improving sentiment, while mutual funds and individual investors remained net sellers and insurance companies continued to provide support as net buyers. Looking ahead, we maintain a constructive view on the market, with strengthening macroeconomic fundamentals and a supportive monetary environment expected to sustain positive momentum, notwithstanding intermittent volatility.

Key Economic Figures

	FY21	FY22	FY23	FY24	FY25	FY26-TD
Policy Rate	31-Dec-25	7.0%	13.8%	22.0%	20.5%	11.0%
Tyr KIBOR	31-Dec-25	8.1%	15.7%	23.3%	19.2%	11.3%
Inflation	Dec End	9.8%	21.3%	29.4%	12.6%	3.20%
PKR USD*	31-Dec-25	157.3	204.8	286.0	279.0	283.7

Key Economic Figures

	FY21	FY22	FY23	FY24	FY25	FY26-TD
Imports	USD'mn	56,380	72,048	51,979	48,402	59,076
Exports	USD'mn	25,304	32,450	27,903	28,678	32,296
Trade Deficit	USD'mn	(31,076)	(39,598)	(24,076)	(19,724)	(26,780)
Remittances	USD'mn	29,370	31,238	27,028	27,093	38,346
FX Reserves	USD'mn	24,398	15,742	9,181	14,207	18,091

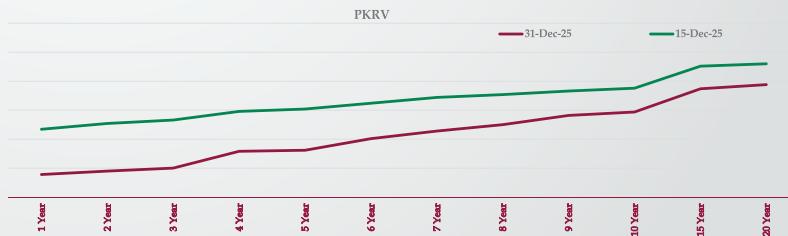
PKRV Rates (change in bps)

	Rate %	15day Δ	1m Δ	3m Δ	6m Δ	12m Δ
PKRV 1Y	10.39	(42)	(72)	(75)	(28)	(169)
PKRV 3Y	10.50	(49)	(90)	(68)	(36)	(184)
PKRV 5Y	10.81	(34)	(78)	(69)	(32)	(154)
PKRV 10Y	11.47	(25)	(44)	(54)	(58)	(71)
PKRV 20Y	11.94	(21)	(40)	(51)	(55)	(10)

*Inter Bank Rate

31-Dec-25

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.



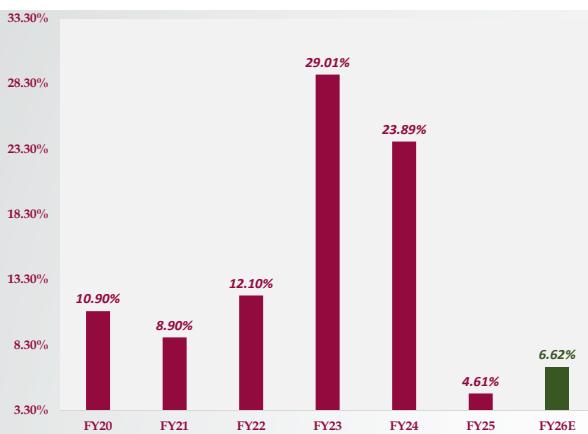
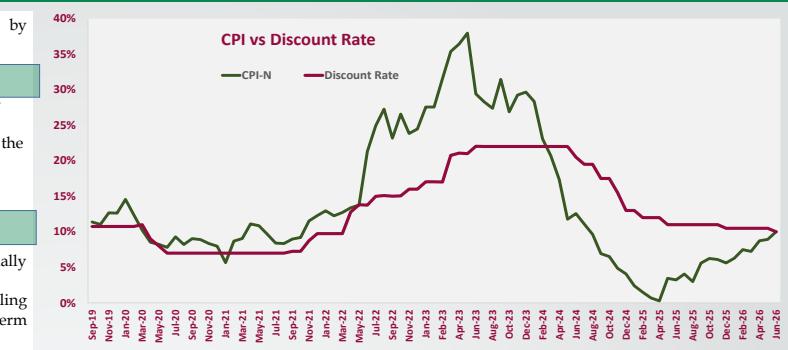
Pakistan's economy remains on a gradual stabilization trajectory, underpinned by ongoing structural reforms and improved macroeconomic management.

Inflation:

- Inflation has eased markedly from the elevated levels observed in 2023, with headline CPI moderating to around 5.6% in December 2025.
- Looking ahead, inflation is expected to remain contained within the 6-7% range over the next six months, with limited upside risks stemming primarily from potential energy price adjustments.

Monetary Policy & Liquidity:

- Reflecting the improved inflation outlook, the policy rate has been reduced substantially from its peak of 22% to 10.5% in the latest Monetary Policy Statement.
- Meanwhile, the PKRV yield curve remains largely flat up to the 3-month tenor, signaling market expectations that the policy rate is likely to stabilize around 10% in the near term as disinflationary trends persist.



Exchange Rate:

- PKR remained stable at 280.5-282.7 during Nov-Dec 2025 on improved reserves and disciplined import management.
- Mild, orderly depreciation expected:
 - 1-month: 281.801
 - 3-month: 284.915
 - 6-month: 289.514

Current Account:

- Exports of goods and services increased; IT exports posted double-digit growth.
- Remittances rose 9.3%, while FX reserves stabilized near USD 21 billion.
- External indicators point to rising economic activity and stable inflows.

FX Reserves Position

- SBP's FX reserves increased from USD 8.0 billion in September 2024 to USD 16 billion by December 2025, driven by improved external inflows, better current account management, and multilateral support.
- Total liquid FX reserves (SBP + banks) stand at USD 21 billion, strengthening the country's ability to manage short-term external pressures.
- SBP's FX reserves of USD 16 billion provide an import cover of ~2.8 months, indicating moderate external stability despite ongoing trade pressures.

LSM & Real Sector:

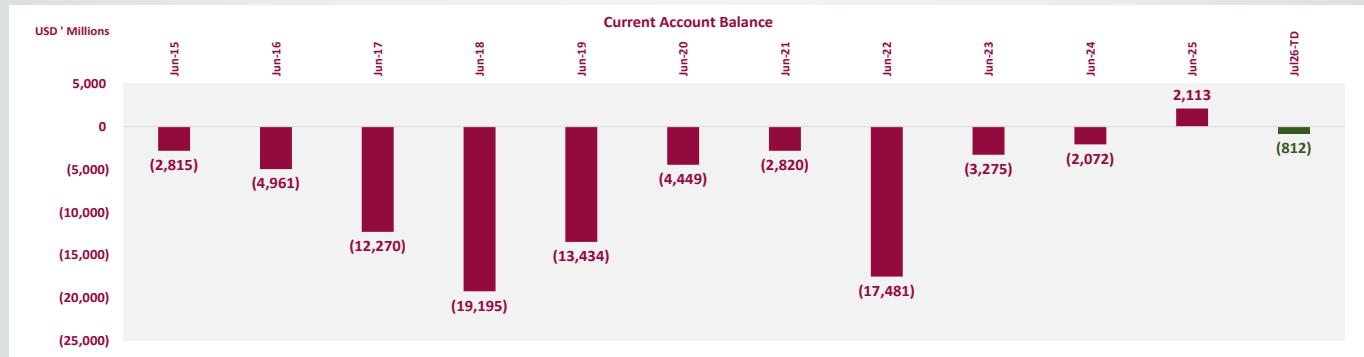
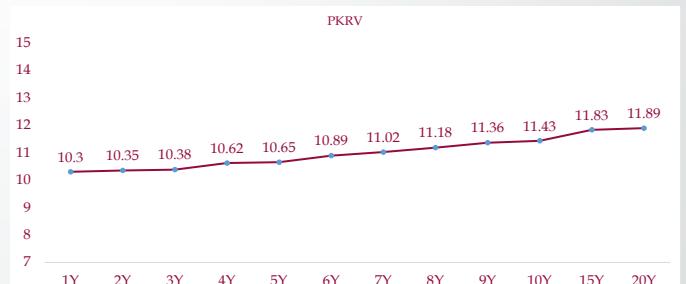
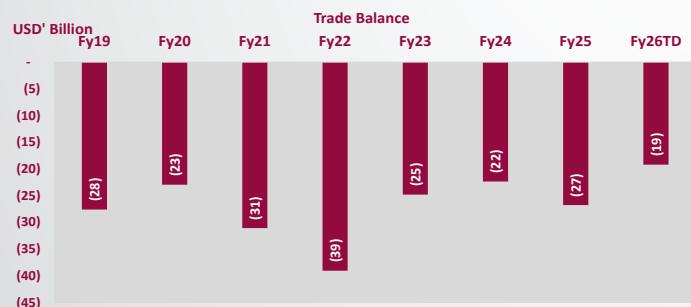
- Large-Scale Manufacturing (LSM) grew 8.33% in Oct 2025, with gains across coke & Petroleum, wearing Apperal, Automobiles & Food.
- Auto production rebounded across cars, trucks, buses, and pick-ups.
- Agriculture remained mixed: sugarcane output improved, while cotton, rice, and maize declined; however, strong credit disbursement and rising farm machinery imports indicate improving sectoral investment.

Financial Markets & Social Indicators:

- Money supply contracted slightly in Jul-Oct FY2026 due to lower government borrowing and weak private credit demand.
- KSE-100 fell by 3,862 points in Oct 2025 amid global uncertainty.
- Labour migration and social welfare spending continued to rise, supporting household incomes.

Overall Outlook

Macroeconomic stability is improving, inflation remains anchored, monetary easing is progressing cautiously, and external buffers are aligned with near-term needs. With sustained reforms and a supportive global environment, Pakistan is positioned to maintain stability and transition toward more sustainable growth.



PAK-QATAR ISLAMIC PENSION FUND (PQIPF)

Fund Review

As at 31-Dec-2025, total size of net assets of Pak Qatar Islamic Pension Fund (PQIPF) stood at PKR181.23 million. During the month, NAV of equity sub fund increased by 4.24%, while the NAVs of debt and money market sub funds provided annualized returns of 11.69% and 9.96% respectively.

Investment Objective												Top Holdings (PQIPF-Equity)			
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.												PAKISTAN PETROLEUM LIMITED	11.42%		
Fund Details												ENGRO FERTILIZERS LIMITED	10.53%		
Fund Type												THE HUB POWER COMPANY LIMITED	10.06%		
Fund Category												MEEZAN BANK LIMITED	9.46%		
Risk Profile/Risk of Principal Erosion												MARI ENERGIES LIMITED	8.11%		
Launch Date												OIL & GAS DEVELOPMENT COMPANY LIMITED	7.89%		
Trustee												LUCKY CEMENT LIMITED	6.65%		
Service Provider												ENGRO HOLDINGS LIMITED	4.87%		
Auditor												CHERAT CEMENT COMPANY LIMITED	4.64%		
Front End Load												SUI NORTHERN GAS PIPELINES LIMITED	3.99%		
Back End Load															
Leverage															
Valuation Days															
Dealing Days & Cut-Off time															
Pricing Mechanism															
Management Fee															
Actual Rate of Management Fee															
Asset Manager Rating															
Fund Manager															
Pricing Mechanism															
Appointed Actuary															
Investment Committee															
Benchmark															
Fund Net Assets												Debt Rating Exposure	Money Market Rating Exposure		
												AAA	62.43%	AAA	41.27%
												AA+	0.01%	AA+	41.06%
												AA	0.00%	AA	12.21%
												AA-	31.93%	AA-	0.00%
												A+	1.96%	A+	0.00%
NAV Per Unit												NR	3.67%	NR	5.46%
												Top Sukuk Holdings - Debt Sub Fund			
												KE STS 33-23-July-25 Issue	6.51%		
												OBS Sukuk	1.96%		
Fund Net Assets												Nov'25	Dec'25		
												Top Short-Term Sukuk Holdings - Money Market Sub Fund			
												Nishat Mills Limited STS	8.55%		
												KE STS 33-23-July-25 Issue	3.66%		
NAV Per Unit												Debt	Equity	NR	
												AAA	62.43%	AAA	41.27%
												AA+	0.01%	AA+	41.06%
												AA	0.00%	AA	12.21%
												AA-	31.93%	AA-	0.00%
												A+	1.96%	A+	0.00%
Expense Ratio - YTD												NR			
												Asset Allocation - PQIPF Debt Sub Fund (% of Total Assets)			
												Nov'25	Dec'25		
												Cash/Bank Deposits	43.97%	32.08%	
												Government Securities	42.42%	55.78%	
												Govt. Backed/Guranteed	0.00%	0.00%	
												Corporate Sukuk	8.71%	8.47%	
												Placements	0.00%	0.00%	
												Others including Receivable	4.90%	3.67%	
Expense Ratio - YTD												Nov'25			
												Asset Allocation - PQIPF Money Market Sub Fund (% of Total Assets)			
												Cash/Bank Deposits	34.80%	41.20%	
												Government Securities	27.01%	31.36%	
												Govt. Backed/Guranteed	0.00%	0.00%	
												Corporate Sukuk	22.26%	12.21%	
												Placements	10.48%	9.77%	
												Others including Receivable	5.45%	5.46%	
Allocation Scheme												NR			
												Risk Measures			
												PQIPF-Debt		PQIPF-MMkt	
												Yield to Maturity (YTM)	9.96%	9.79%	
												Macaulay's Duration (YR)	1.45	0.74	
												Modified Duration (YR)	1.38	0.70	
PQIPF - Allocation Performance															
												CAGR			
												1M	3M	6M	FYTD
												3.59%	0.84%	20.55%	22.23%
												2.59%	1.33%	14.62%	15.68%
												1.28%	1.94%	6.71%	6.92%
												10.65%	9.34%	9.64%	9.64%
PQIPF - Performance															
												Since Inception			

PAK-QATAR GOKP ISLAMIC PENSION FUND (PQGOKPIPF)

Fund Review

As at 31-Dec-2025, total size of net assets of Pak Qatar GOKP Islamic Pension Fund (PQGOKPIPF) stood at PKR31.05 million. During the month NAVs of money market sub fund provided annualized returns of 3.14%.

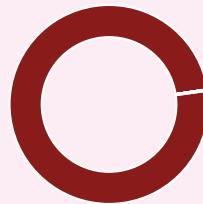
Investment Objective

The objective of the fund is to provide Employees with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the allocation scheme empowers the Employees to invest their pension saving as per their desired asset allocation.

Fund Details

	PQGOKPIPF Money Market Sub Fund
Fund Type	Open End
Fund Category	VPS - Shariah Compliant Pension Fund
Risk Profile/Risk of Principal Erosion	Employer/Investor Dependent
Launch Date	12-Dec-25
Trustee	Central Depository Company Pakistan Limited (CDC).
Service Provider	Pak Qatar Family Takaful Limited
Auditor	Yousuf Adil, Chartered Accountants
Front End Load	Nil
Back End Load	Nil
Leverage	Nil
Valuation Days	Monday to Friday
Dealing Days & Cut-Off time	9:00 AM 3:00 PM (Mon to Thr), 9:00 AM 4:00 PM (Fri)
Pricing Mechanism	Forward
Management Fee	Equity : Upto 1.75%, Equity Index : Upto 1.00%, Debt: 0.75%, MMKT 0.75%
Actual Rate of Management Fee	MMKT: 0.10%
Asset Manager Rating	AM2 (p)
Fund Manager	Nasir Ali Soomro, FCA
Pricing Mechanism	MMkt Sub-Fund: Forward , Debt Sub-Fund: Forward
Investment Committee	Waqas Ahmad, Muhammad Ahsan Qureshi, Tahir Latif

Cash & Cash
Equivalent, 99.79%



Others including
Receivable, 0.21 %

Money Market Rating Exposure

	AAA	99.79%
Equity : Upto 1.75%, Equity Index : Upto 1.00%, Debt: 0.75%, MMKT 0.75%	AA+	0.00%
MMKT: 0.10%	AA	0.00%
AM2 (p)	A+	0.00%
Nasir Ali Soomro, FCA	NR	0.21%
MMkt Sub-Fund: Forward , Debt Sub-Fund: Forward		
Waqas Ahmad, Muhammad Ahsan Qureshi, Tahir Latif		

Asset Allocation - PQGOKPIPF Money Market Sub Fund (% of Total Assets)

	Dec'25
Cash & Cash Equivalent	99.79%
Govt Securities	0.00%
Govt. Backed/Guranteed	0.00%
Corporate Sukuks	0.00%
Placements	0.00%
Others including Receivable	0.21%

Fund Net Assets

	Dec'25
PQGOKPIPF-MMkt (PKR Mn) (Active)	30.05
PQGOKPIPF-Debt (PKR Mn)	0.50
PQGOKPIPF-Equity (PKR Mn)	0.50
PQGOKPIPF-Equity Index (PKR Mn)	0.50
Total Fund (PKR Mn)	31.05

Salient Features

The Government of Khyber Pakhtunkhwa (KPK) has successfully transitioned from traditional defined-benefit pensions to a Voluntary Pension System (VPS) for its civil servants.

VPS scheme is aimed at providing better benefits and more security to retirees and will eventually replace the old and outdated pension system.

The K-P government has engaged several pension fund managers to ensure that the new scheme remains self-financing and doesn't become a burden on the government.

PQGOKPIPF consists of four sub-fund: Equity, Equity Index, Debt and Money Market. However, for initial three years, only Money Market sub-fund will remain active.

PQGOKPIPF offers lucrative allocation schemes for the benefit of investors in compliance with Khyber Pakhtunkhwa Contributory Provident Fund Rules. 2022.

NAV Per Unit

	Dec'25
PQGOKPIPF-MMkt (PKR Mn)	100.16

Expense Ratio - YTD

	PQGOKPIPF-Equity Index Index	PQGOKPIPF-Equity Index Index	PQGOKPIPF-Debt Debt	PQGOKPIPF-MMkt
Expense Ratio - MTD	0.50%	0.50%	0.50%	0.50%
Govt Levy	0.01%	0.01%	0.01%	0.01%
Expense Ratio - YTD	0.50%	0.50%	0.50%	0.50%
Govt Levy	0.01%	0.01%	0.01%	0.01%

Risk Measures

	PQGOKPIPF-MMkt
Yield to Maturity (YTM) (Days)	1
Macaulay's Duration (Days)	1
Modified Duration (Days)	1

PQGOKPIPF - Performance

	FYTD	1M	3M	6M	365 Days	CYTD	Since Inception
PQGOKPIPF-MMkt (Annualized)	3.14%	3.14%	-	-	-	3.14%	3.14%
Benchmark	9.51%	9.51%				9.51%	

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PAK-QATAR FAMILY TAKAFUL

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