

# Bachat Nama

Fund Manager's Report (February - 2016)



# MCB Islamic Income Fund

February 29, 2016

NAV - PKR 103.6765



## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant (Islamic) Income Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	AA-(f) by PACRA (31-Dec-15)
Risk Profile	Low
Launch Date	20-June-2011
Fund Manager	Shoalb Kamal
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets
Front end load*	Class "A" Transaction less than or equal to Rs 15m 1.5% Transaction more than Rs15m Nil For Corporate Nil
Back end Load*	Class "B" 0% Class "A" 0%, Class "B" Units: 1.5% on redemption in the 1st year from the date of investment. 1.0% on redemption in the 2nd year from the date of investment. 0.0% on redemption after completion of 2 years from the date of investment.
Min. Subscription	Growth Units PKR 500 Income Units PKR 100,000 Cash Dividend Units PKR 500
Listing	Pakistan Stock Exchange
Benchmark	Average of the most recently published three- month profit rates of three Islamic Banks rated A and above.
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

## Fund Facts / Technical Information

NAV per Unit (PKR)	103.6765
Net Assets (PKR M)	1,021
Weighted average time to maturity (Years)	1.9
Sharpe Measure	0.15
Correlation	13.8%
Standard Deviation	0.04
Alpha	0.01%
Total expense ratio with government levy	0.88%
Total expense ratio without government levy	0.68%

## Top Sukuk Holding (% of Total Assets)

Engro Fertilizers Limited (09-Jul-14)	10.8%
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## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Mohammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst
Shoalb Kamal	Manager - Fixed Income

## MCBAH Shariah Advisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

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## Investment Objective

To generate risk adjusted returns by investing in short, medium and long-term Shariah Compliant Fixed Income instruments.

## Manager's Comment

During the month the fund generated an annualized return of 5.26% as against its benchmark return of 4.54%. The fund increased its exposure in GoP Ijara Sukuk from 55.9% last month to 60.5% at month end. 27.9% of the fund was kept as cash in bank deposits, decreasing from 32.7% last month.

## Provision against WWF liability

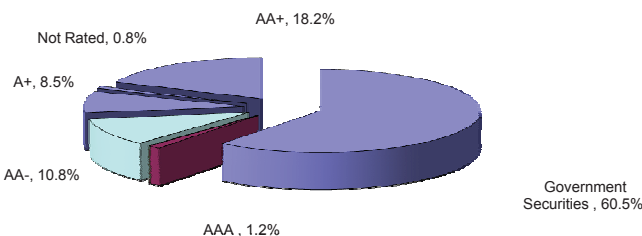
MCB-IIF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 11.49 million, if the same were not made the NAV per unit of MCB-IIF would be higher by Rs. 1.1668 and YTD return would be higher by 1.16%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of MCB-IIF.

Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Cash	27.9%	32.7%
GoP Ijara Sukuks	60.5%	55.9%
Others including receivables	0.8%	0.7%
Sukuk	10.8%	10.7%

Performance Information (%)	MCB IIF	Benchmark
Year to Date Return (Annualized)	5.20	4.37
Month to Date Return (Annualized)	5.26	4.54
180 Days Return (Annualized)	4.84	4.25
365 Days Return (Annualized)	5.81	4.94
Since inception (CAGR)	8.06	6.09

Annualized	2011	2012	2013	2014	2015
Benchmark (%)	NA	6.60	6.30	6.09	6.29
MCB IIF(%)	NA	10.40	8.90	8.38	6.55

## Asset Quality (%age of Total Assets)



MUFAP's Recommended Format.

# Pakistan International Element Islamic Asset Allocation Fund

February 29, 2016

NAV - PKR 56.200



## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Islamic Asset Allocation Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	2-May-2006
Fund Manager	Mohammad Aitazaz Farooqui
Trustee	Central Depository Company of Pakistan Limited
Auditor	Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants
Management Fee	Type A & B: 2% Type C & D: 1.33%
Front end Load *	Type A: Transaction less than or equal to Rs 15m 3% Transaction more than Rs 15m Nil For corporate Nil
Back end Load*	Type B,C & D: None Type A: None
Min. Subscription	Type B,C & D: Yr 1:3%, Yr 2:2%, Yr 3:1% A & B PKR 5,000 C & D PKR 10,000,000
Listing	Pakistan Stock Exchange
Benchmark	70% KMI-30 Index + 30% DJIM-World Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

The objective of the fund is to provide medium to long term capital appreciation through investing in Shariah compliant investments in Pakistan and Internationally .

## Manager's Comment

The fund posted a return of -1.20% as against its benchmark return of -0.16% during the month. Exposure in equities was decreased to 54.0% as compared to 61.1% in the previous month while allocation in cash marginally increased from 37.1% to 38.3% over the same period.

## Provision against WWF liability

PIEIF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 9.64 million, if the same were not made the NAV per unit of PIEIF would be higher by Rs. 0.7352 and YTD return would be higher by 1.21%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2015 of PIEIF.

Fund Facts / Technical Information	PIEIF	KMI-30
NAV per Unit (PKR)	56.20	
Net Assets (PKR M)	737	
Price to Earning (x)	10.53	10.81
Dividend Yield (%)	5.4%	7.0%
No. of Holdings - Equity	27	30*
Wt. Avg Mkt Cap (PKR Bn)	31.83	101.16
Sharpe Measure	0.04	0.05
Beta	0.65	1.00
Correlation	82.0%	
Max draw up	331.42%	615.04%
Max draw Down	-28.91%	-39.65%
Standard Deviation	0.76	0.96
Alpha	0.01%	
Total expense ratio with government levy	1.86%	
Total expense ratio without government levy	1.36%	
*prospective earnings		

Performance Information (%)	PIEIF	Benchmark
Year to Date Return	-7.76	-6.18
Month to Date Return	-1.20	-0.16
180 Days Return	-5.39	-5.65
365 Days Return	-3.72	-1.08
Since inception	178.54	282.60

## MCBAH Shariah Advisory Board

Justice (Rtd.) Muhammad Taqi Usmani	Chairman
Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member

Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Cash	38.3%	37.1%
Stock /Equities	54.0%	61.1%
Sukuk	0.0%	0.0%
Others including receivables	1.1%	1.8%
GOP Ijara Sukuk	6.6%	0.0%

## Top 10 Holdings (%age of Total Assets)

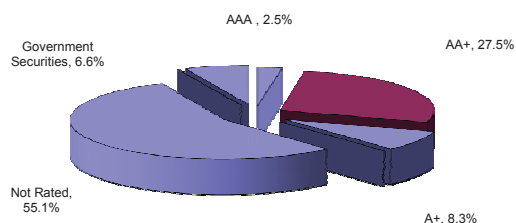
Hub Power Company Limited	Equity	7.3%
Tariq Glass Industries Limited	Equity	3.7%
Engro Fertilizers Limited	Equity	3.5%
I.C.I Pakistan Limited	Equity	3.5%
Cherat Cement Company Limited	Equity	3.1%
Lalpir Power Limited	Equity	2.9%
Fauji Cement Company Limited	Equity	2.6%
Lucky Cement Limited	Equity	2.6%
Pakgen Power Limited	Equity	2.5%
Maple Leaf Cement Factory Limited	Equity	2.4%

## Members of the Investment Committee

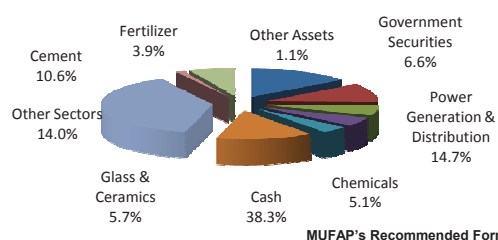
Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

	2011	2012	2013	2014	2015
Benchmark (%)	40.60	11.00	46.60	28.51	17.47
PIEIF (%)	15.10	15.70	28.40	18.89	35.59

## Asset Quality - Inclusive of equity portfolio (%age of Total Assets)



## Sector Allocation (%age of Total Assets)



MUFAP's Recommended Format.

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# MCB Pakistan Islamic Stock Fund [Formerly Pakistan Strategic Allocation Fund]

February 29, 2016 NAV - PKR 9.26



## General Information

Fund Type	An Open End Scheme
Category	Shariah Compliant Equity Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	11-Sept-2004
Fund Manager	Muhammad Asim, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	Ernst&Young Ford Rhodes Sidat Hyder & Co. Chartered Accountants
Management Fee	2.0% p.a.
Front end Load*	Transaction less than or equal to Rs.15m 3% Transaction more than Rs.15m Nil For Corporate Nil
Back-end load*	Nil
Min. Subscription	PKR 5,000
Listing	Pakistan Stock Exchange
Benchmark	KMI-30 Index
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

The objective of the Fund is to provide investors long term capital appreciation from its investment in Shariah Compliant Equity Securities.

## Manager's Comment

During the month, the fund posted return of -1.49% whereas its benchmark KMI30 index posted a return of -0.15%. Equity exposure decreased from 65.6% to 60.8% and the cash balance increased from 32.7% to 38.1%.

## Provision against WWF liability

MCB-PISF has maintained provisions against Workers' Welfare Funds' liability to the tune of Rs.15.75 million, if the same were not made the NAV per unit of MCB-PISF would be higher by Rs. 0.1825 and YTD return would be higher by 1.78%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2015 of MCB-PISF.

Fund Facts / Technical Information	MCB-PISF	KMI-30
NAV per Unit (PKR)	9.26	
Net Assets (PKR M)	800	
Price to Earning (x)*	10.3	10.8
Dividend Yield (%)	11.5	7.0
No. of Holdings	30	30
Weighted Avg. Market Cap. (PKR Bn)	39	101
Sharpe Measure	0.03	0.04
Beta	0.75	1.00
Correlation	90.10%	
Max draw up	427.2%	485.0%
Max draw down	-60.1%	-14.7%
Standard Deviation	1.10	1.32
Alpha	0.00%	
Total expense ratio with government levy	2.34%	
Total expense ratio without government levy	1.83%	
*prospective earnings		

Performance Information (%)	MCB-PISF Benchmark				
Year to Date Return	-9.83	-6.14			
Month to Date Return	-1.49	-0.15			
180 Days Return	-7.12	-6.25			
365 Days Return	-6.64	0.24			
Since inception	338.49	421.62			
	2011	2012	2013	2014	2015
Benchmark (%)	28.5	10.40	52.20	41.16	16.01
MCB-PISF(%)	19.1	14.90	32.30	31.38	19.20

## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Mohammad Asim CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitzaz Farooqui	Research Analyst

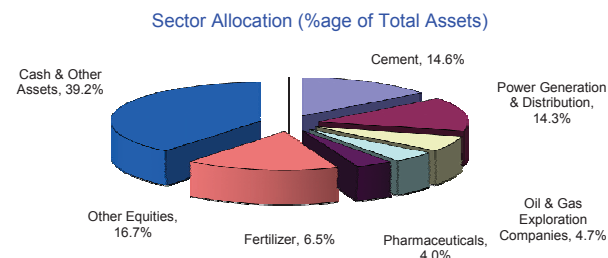
Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Stock / Equities	60.8%	65.6%
Cash	38.1%	32.7%
Others including receivables	1.10%	1.7%

## Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	6.1%
Lucky Cement Limited	4.5%
K-Electric Limited	3.9%
Fauji Cement Company Limited	3.5%
Cherat Cement Company Limited	3.4%
Engro Fertilizers Limited	3.1%
I.C.I Pakistan Limited	3.1%
Tariq Glass Industries Limited	2.8%
Fatima Fertilizer Company Limited	2.4%
Pakistan Petroleum Limited	2.4%

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Dr. Muhammad Zubair Usmani	Member
Dr. Ejaz Ahmed Samdani	Member



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# Pakistan Islamic Pension Fund

February 29, 2016



## General Information

Fund Type	An Open End Scheme
Category	Islamic Voluntary Pension Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Launch Date	15-Nov-07
Fund Manager	Muhammad Asim, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 1,000
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 5:00 PM)

Leverage Nil

\*Subject to government levies

## Investment Objective

The investment objective of the fund is to seek steady returns with a moderate risk for investors by investing in a portfolio of equity, short medium term debt and money market instruments.

## Manager's Comment

Equity sub-fund generated return of -1.22% during the month against KSE-100 index return of 0.23%. Many changes in sector and company allocations were made in response to prudently incorporate the changing local and global dynamics. Allocations in Cement and Paper & Board sectors were decreased. Allocation in Chemicals, Fertilizer, Glass & Ceramics and Power Generation & Distribution sectors were increased.

Debt sub-fund generated an annualized return of -1.10% during the month. The exposure in GoP Ijarah Sukuk was decreased to 93.8%.

Money Market sub-fund generated an annualized return of 3.57% during the month. The fund exposure in GoP Ijarah Sukuk was marginally decreased from 38.8% to 38.3%. The excess liquidity has been placed in bank at comparatively better rates.

## Provision against WWF liability

PIPF-EQ has not made provisions amounting to Rs. 0.70 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIPF-EQ would be lower by Rs. 1.0991 and YTD return would be lower by 0.29%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of PIPF.

PIPF-DT has not made provisions amounting to Rs. 0.35 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIPF-DT would be lower by Rs. 0.4085 and YTD return would be lower by 0.23%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of PIPF.

PIPF-MM has not made provisions amounting to Rs. 0.24 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PIPF-MM would be lower by Rs. 0.5996 and YTD return would be lower by 0.37%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of PIPF.

## Top 10 Equity Holdings (%age of Total Assets)

Hub Power Company Limited	10.1%
Shifa International Hospitals	4.7%
Ghani Glass Limited	4.5%
ICI Pakistan Limited	4.4%
Engro Corporation Limited	4.2%
Engro Fertilizers Limited	4.0%
Fauji Cement Company Limited	3.8%
Maple Leaf Cement Factory Limited	3.7%
Mari Petroleum Company Limited	3.7%
Packages Limited	3.6%

PIPF -Money Market ( %age of Total Assets)	Feb-16	Jan-16
Cash	61.0%	60.8%
GoP Ijarah Sukuk	38.3%	38.8%
Others including receivables	0.7%	0.4%

PIPF-Debt (%age of Total Assets)	Feb-16	Jan-16
Cash	5.0%	4.7%
GoP Ijarah Sukuk	93.8%	94.5%
Sukuk	0.0%	0.0%
Others including receivables	1.2%	0.8%

Performance Information & Net Assets			PIPF-EQ*	PIPF-DT**	PIPF-MM**		
Year to Date Return (%)			-4.86	3.57	2.05		
Month to Date Return (%)			-1.22	-1.10	3.57		
Since inception (%)			262.87	9.85	7.89		
Net Assets (PKR M)			230.43	157.05	67.51		
NAV (Rs. Per unit)			363.60	182.41	166.06		
	2011	2012	2013	2014	2015		
PIPF - EQ*			21.30	24.70	41.80	42.10	39.53
PIPF - DT**			8.80	8.40	6.80	8.22	4.76
PIPF - MM**			6.90	8.30	7.70	6.86	4.80
* Total Return	** Annualized return						

PIPF-Equity (%age of Total Assets)	Feb-16	Jan-16
Cement	13.5%	15.5%
Power Generation & Distribution	10.1%	5.7%
Chemicals	10.1%	7.2%
Fertilizer	8.2%	1.1%
Glass & Ceramics	7.6%	7.1%
Other equity sectors	35.4%	37.8%
Cash	12.8%	18.7%
Others including receivables	2.3%	6.9%

## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
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