

# AL HABIB ASSET MANAGEMENT LIMITED

A wholly owned subsidiary of Bank AL Habib Limited



# Fund Manager's Report

January 2021

Rated 'AM2' by PACRA





We are pleased to announce that under the patronage of Bank AL Habib Limited,

Habib Asset Management Limited  
is now re-named as

**AL Habib Asset Management Limited**





# AL HABIB ASSET MANAGEMENT LIMITED

## Risk Profile Of Collective Investment Schemes/Funds

S. No.	Fund Name	Fund Category	Fund Risk Profile	Risk of Principal Erosion
1	First Habib Cash Fund	Money Market	Very Low	Principal at very low risk
2	First Habib Income Fund	Income	Medium	Principal at medium risk
3	First Habib Islamic Income Fund	Islamic Income	Medium	Principal at medium risk
4	First Habib Asset Allocation Fund	Asset Allocation	High	Principal at high risk
5	First Habib Stock Fund	Equity	High	Principal at high risk
6	First Habib Islamic Stock Fund	Islamic Equity	High	Principal at high risk

## Money Market Review

Money market yields remained slightly volatile in secondary market during the month for all the tenor whereby it increased by average 20bps during the month. SBP in its latest MPS kept the policy rate unchanged citing the continuation of accommodative stance for economy.

The monthly National CPI figures for January'21 clocked-in at 5.65% Year on Year (YoY) compared to 14.58% YoY in January'20 and 7.97% in December'20, respectively taking 7MFY21 average inflation to 8.2% YoY compared to 11.6% in 7MFY20. On a Month on Month (MoM) basis, CPI exhibited a decline of 0.2% in January'20 compared to decline of 0.68% in December'20 and an uptick of 2% in January'20. The decline was due to lower food inflation (in particular perishable food items – down by 20% MoM) on account of lower prices of almost all essential items such as Chicken, Potatoes, Tomatoes, Onions etc and also due to high base effect of Jan-21 CPI figures. However, the non-perishable items were slightly up 0.6% on MoM basis.

SBP conducted T-Bills auction on January 27, 2021. SBP raised PKR 487.21 billion against the auction target of PKR 400 billion. SBP accepted bids worth PKR 303.88 billion, PKR 97.40 billion and PKR 5.57 billion in 3M, 6M and 12M tenor at a cut-off yield of 7.1597, 7.4900 and 7.7989 respectively. PKR 80.35 billion were received in NCB. Auction for fixed coupon PIB bond was held on January 06, 2021. SBP raised PKR 35.3 billion against the auction target of PKR 100 billion. State bank of Pakistan accepted bids worth PKR 8.8 billion in 3 years, PKR 20.5 billion in 5 years and PKR 6 billion in 10 years tenor at a cut off rate of 8.4999%, 9.5298% and 9.99% respectively. Bids in 15- and 20-years tenor Bonds were rejected. Auction for GoP Ijarah sukuk (VAR) was held on January 14, 2021. SBP accepted bid worth of PKR 66.55 against a target of PKR 35 billion at cut-off price of 100.060.

Pakistan's total liquid foreign exchange reserves decreased to USD 20.16 billion as against USD 20.54 billion in the previous month. The foreign reserves held by SBP decreased from USD 13.41 billion in previous month to USD 13.03 billion in this month while the foreign reserves held by the Commercial Banks almost remained same to USD 7.131 billion as compared to USD 7.132 billion in the previous month.

## Equity Market Review

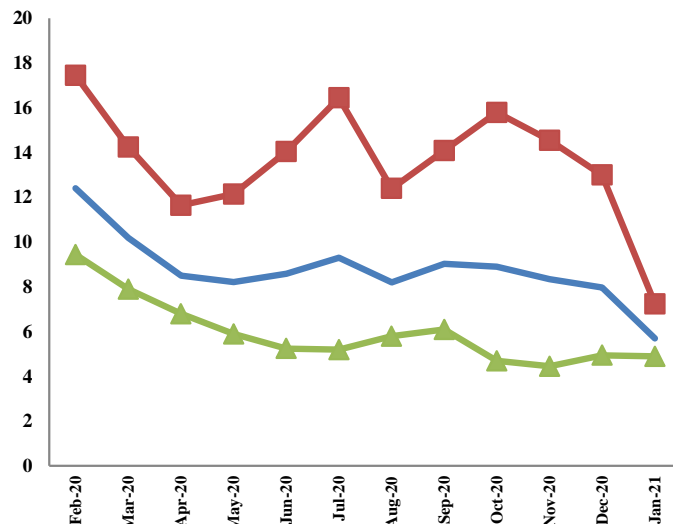
The country's stock market continued its bullish drive as the benchmark KSE-100 index posted a return of 6.0%. The index outperformed its average January return of 4.1% in last 10 years making itself the 2nd best performing market in the region. Significant improvements in macroeconomic indicators have been having a profound impact on investor's confidence which has primarily fueled the ongoing market rally. LSM and Worker's Remittances continued its upward trajectory whereby LSM showed a growth of 14.5% YoY during Nov'20 and worker remittances stood at USD 2bn in Dec'20. However, the Current Account posted a deficit of USD 662 mn during Dec'20, taking the total surplus to USD 1,131mn during 1HFY21. Furthermore, the recent commendable steps taken by the government for the reduction in circular debt along with on boarding IPPs for tariff revision and tapering off of political noise further fueled the rally.

Average volumes during Jan'21 went up by 27% to 624mn shares whereas average value traded was also up by 2% to USD 137mn. On the local front, Individual and companies remained the largest accumulators amounting to USD 44.26 and USD 15.09 million respectively while Insurance companies, Banks and Brokers sold stocks worth USD 27.38, USD 13.25 and USD 11.9 million respectively. During the month under review, foreigners (FIPI) sold stocks worth USD 1.82 million. Positive contribution to index was led by Banks (535pts), Technology (453pts), Power (374pts) and Cements (177pts). However, negative contribution to the index came from Paper & Boards (39pts), Auto Assembler (35pts) and Auto Parts (26pts).

Market is expected to continue its North bound drive with financial conditions across the country deemed satisfactory by the SBP, and forward guidance of stable interest rates in the near term. Moreover, country is expected to come out of FATF grey list in Feb coupled with COVID situation improving gradually across the country and the vaccination drive also expected to be initiated in February 2021. The KSE-100 index is currently trading at a PER of 7.7x (2021) compared to Asia Pacific regional average of 16.7x.

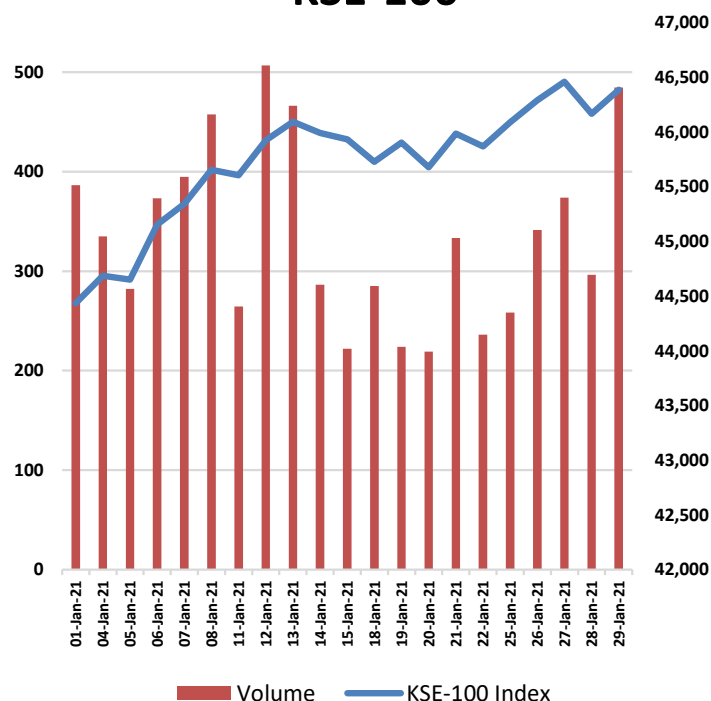
## CPI

General Food Non-Food



Millions

## KSE-100



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**AL Habib Asset Management Limited**

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# First Habib Cash Fund (FHCF)

January 2021

## INVESTMENT OBJECTIVE

The investment objective of FHCF is to provide its unit-holders competitive returns from a portfolio of low risk, short duration assets while maintaining high liquidity.

## FUND MANAGER'S REVIEW

The Fund underperformed its benchmark by 3bps as it generated a MTD return of 6.65% as against the benchmark of 6.68%. The weighted average time to maturity of net assets remained at 11 days.

Fund Type	Open-ended
Fund Category	Money Market Scheme
Net Assets	Rs. 7.17 Billion (January 31, 2021)
NAV per Unit	Rs. 100.6678 per unit (January 31, 2021)
Total Expense Ratio	0.76% as on (January 31, 2021) (Including 0.21% Government Levies)
Trustee	Central Depository Company of Pakistan Ltd.
Auditors External	KPMG Taseer Hadi & co Chartered Accountants
Management Fee*	Up to 10% of the gross earnings of the scheme
Front-end-Load	2% (Management has the discretion to reduce or waive load on any transaction)
Back-end-Load	Nil
Launch Date	March 10, 2011
Benchmark	70% three (3) months PKRV rates + 30% three (3) months average deposit rate of three (3) AA rated scheduled banks.
Dealing Days	Monday to Friday
Cut-off Timings	09:00 am to 4:30 pm
Pricing Mechanism	Forward Pricing
Allocation of Units (NAV)	On receipt of cheque
Minimum Subscription	Initial investment of Rs. 1,000/- Subsequently Rs. 100/- per transaction.
AMC Rating	"AM2" by PACRA (June 26, 2020)
Fund Stability Rating	'AA+(f)' by VIS (December 31, 2020)
Risk Profile	Very Low (Principal at very low risk)
Fund Manager	Mr. Ahmed Abbas
Investment Committee	Mr. Kashif Rafi Mr. Zahid Hussain Vasanani Mr. Talha A. Siddiqui Mr. Ahmed Abbas Mr. Muhammad Tahir
Leverage	Nil

\*Actual Management Fee charged is 0.36% based on average net assets (annualized).

ASSET ALLOCATION	January 21	December 20
Cash	45.24%	73.04%
T-Bills	52.35%	26.71%
Others	2.41%	0.25%

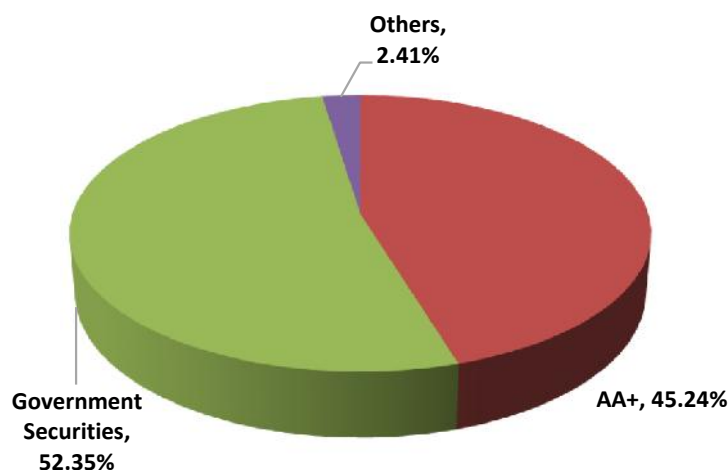
FUND'S PERFORMANCE	YTD	MTD	Trailing Twelve Months	Since Inception (10 Years basis)
<b>FHCF (Annualized)*</b>	6.53%	6.65%	8.88%	7.90%
<b>Benchmark**</b>	6.72%	6.68%	7.94%	7.54%

\*Basic computation of performance (i.e. NAV to NAV as with Dividend reinvested)

\*\* Benchmark of the scheme has been changed - vide SECP Direction # 27/16 dated January 25, 2016

FUND PERFORMANCE HISTORY	FY20	FY19	FY18	FY17	FY16
<b>FHCF (Annualized) – YTD</b>	12.94%	8.63%	5.42%	6.56%	5.35%
<b>Benchmark</b>	11.45%	8.87%	5.39%	5.27%	5.54%

## Credit Quality of Portfolio (%age of Total Assets)



**SWWF DISCLOSURE:** The scheme has maintained provisions against Sindh Worker's Welfare Fund's liability to the tune of Rs. 14.54 million. If the same were not made the NAV per unit / last one year return of the Scheme would be higher by Re. 0.41 / 0.41% p.a. respectively. For details investors are advised to read the Note 10 of the Financial Statements of the Scheme for the quarter ended September 30, 2020.

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# First Habib Income Fund (FHIF)

January 2021

## INVESTMENT OBJECTIVE

To provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the Unit Holders, along with facility to join or leave the fund at their convenience. The management team would seek to enhance returns through active portfolio management using efficiency tools.

## FUND MANAGER'S REVIEW

The Fund underperformed its benchmark by 215bps as it posted a MTD return of 5.41% as against the benchmark of 7.56%. The Weighted Average Time to Maturity of Net Assets remained at 1622 days.

Fund Type	Open-ended
Fund Category	Income Scheme
Net Assets	Rs. 796.10 million (January 31, 2021)
NAV per Unit	Rs. 103.9579 per unit (January 31, 2021)
Total Expense Ratio	1.44% as on (January 31, 2021) (Including 0.22% Government Levies)
Trustee	Central Depository Company of Pakistan Ltd.
Auditors External	KPMG Taseer Hadi & Co. Chartered Accountants.
Management Fee*	Up to 10% of the gross earnings of the scheme
Front-end-Load	1.00% (Management has the discretion to reduce or waive load on any transaction)
Back-end-Load	Nil
Launch Date	June 02, 2007
Benchmark	Six (6) months KIBOR rates.
Dealing Days	Monday to Friday
Cut-off Timings	09:00 am to 4:30 pm
Pricing Mechanism	Forward Pricing
Allocation of Units(NAV)	On receipt of cheque
Minimum Subscription	Initial investment of Rs. 1,000/- Subsequently Rs. 100 per transaction.
AMC Rating	"AM2" by PACRA (June 26, 2020)
Fund Stability Rating	"AA - (f)" by PACRA (September 25, 2020)
Risk Profile	Medium (Principal at medium risk)
Fund Manager	Mr. Ahmed Abbas
Investment Committee	Mr. Kashif Rafi Mr. Zahid Hussain Vasnani Mr. Talha A. Siddiqui Mr. Ahmed Abbas Mr. Muhammad Tahir
Leverage	Nil

\*Actual Management Fee charged is 0.79% based on average net assets (annualized).

Asset Allocation	January 21	December 20
Cash	6.63%	66.79%
GOP Ijarah Sukuk	79.68%	Nil
PIBs	Nil	18.93%
TFC	9.18%	9.20%
Sukuk	3.56%	3.57%
Others Including receivables	0.95%	1.51%

FUND'S PERFORMANCE*	YTD	MTD	Trailing Twelve Months	Since Inception (10 Years basis)
<b>FHIF (Annualized)**</b>	5.04%	5.41%	8.78%	7.82%
<b>Benchmark ***</b>	7.32%	7.56%	8.22%	8.21%

\*Performance data does not include the cost incurred directly by an investor in the form of sales loads.

\*\*Basic computation of performance(i.e. NAV to NAV as with Dividend reinvested)

\*\*\* Benchmark of the scheme has been changed - vide SECP Direction # 27/16 dated January 25, 2016

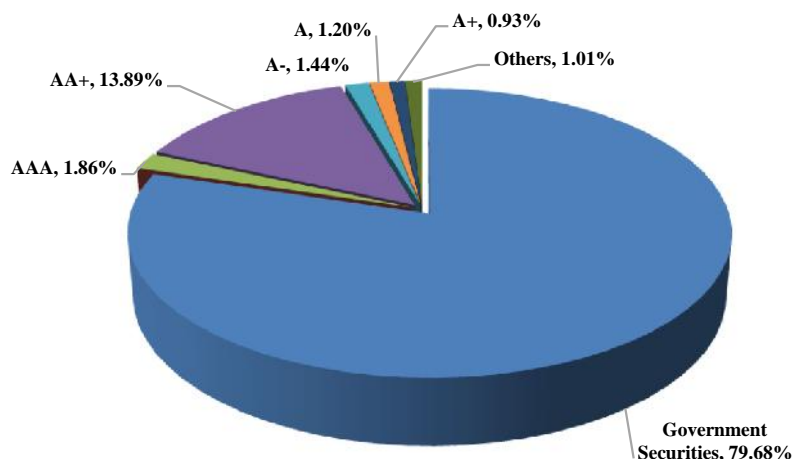
FUND PERFORMANCE HISTORY	FY20	FY19	FY18	FY17	FY16
<b>FHIF (Annualized) – YTD</b>	12.79%	8.09%	5.24%	6.29%	6.66%
<b>Benchmark (Annualized)</b>	11.94%	10.43%	6.39%	6.03%	5.65%

### TOP HOLDINGS (% of Total Assets)

INVESTEES NAME	% OF TOTAL ASSETS
Askari Bank Ltd. - TFC (17-03-20)	7.34%
Habib Bank Limited TFC (19-02-2016)	1.84%
Ghani Chemicals Industries Limited-Sukuk (02-02-2017)	1.44%
International Brands Limited-Sukuk (15-11-2017)	1.20%
AGP Limited-Sukuk (09-06-2017)	0.93%

Top Holdings make 12.74% of Total Assets

### Credit Quality of Portfolio (%age of Total Assets)



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# First Habib Islamic Income Fund (FHIIF)

January 2021

## INVESTMENT OBJECTIVE

The primary objective of FHIIF is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah Compliant instruments while taking into account liquidity considerations.

## FUND MANAGER'S REVIEW

The Fund outperformed its benchmark by 298bps as it posted a MTD return of 6.35% against the benchmark of 3.37% for the month of January 2021. The Weighted Average Time to Maturity of Net Assets remained at 1212 days.

Fund Type	Open-ended
Fund Category	Shariah Compliant Income Scheme
Net Assets	Rs. 10.99 Billion ( January 31, 2021)
NAV per Unit	Rs. 100.6405 per unit ( January 31, 2021)
Total Expense Ratio	0.80% as on ( January 31, 2021) (Including 0.21% Government Levies)
Trustee	Central Depository Company of Pakistan Ltd.
Shariah Advisor	Mufti Ismatullah
Auditors External	KPMG Taseer Hadi & Co. Chartered Accountants.
Management Fee*	Up to 10% of the gross earnings of the scheme
Front-end-Load	1.00% (Management has the discretion to reduce or waive load on any transaction)
Back-end-Load	Nil
Launch Date	January 23, 2017
Benchmark	Average of six months profit rate of 3 scheduled Islamic banks / Islamic windows of conventional banks having long term rating of 'A' or higher
Dealing Days	Monday to Friday
Cut-off Timings	09:00 am to 4:30 pm
Pricing Mechanism	Forward Pricing
Allocation of Units (NAV)	On receipt of cheque
Minimum Subscription	Initial investment of Rs. 1,000/- Subsequently Rs. 100/- per transaction.
AMC Rating	"AM2" by PACRA (June 26, 2020)
Fund Stability Rating	"AA (f)" by PACRA, (September 25, 2020)
Risk Profile	Medium (Principal at medium risk)
Fund Manager	Mr. Ahmed Abbas
Investment Committee	Mr. Kashif Rafi Mr. Zahid Hussain Vasanani Mr. Talha A. Siddiqui Mr. Ahmed Abbas Mr. Muhammad Tahir
Leverage	Nil

\*Actual Management Fees charged is 0.41% based on average net assets (annualized).

ASSET ALLOCATION	January 21	December 20
Cash	35.54%	39.04%
GOP Ijarah Sukuk	36.44%	15.56%
Sukuk	20.13%	19.81%
TDR	Nil	17.76%
Government Backed/ Guaranteed Securities	7.04%	6.92%
Others including receivables	0.86%	0.91%

FUND'S PERFORMANCE*	YTD	MTD	Trailing Twelve Months	Since Inception
<b>FHIIF (Annualized)**</b>	6.33%	6.35%	8.09%	5.64%
<b>Benchmark</b>	3.85%	3.37%	4.95%	3.57%

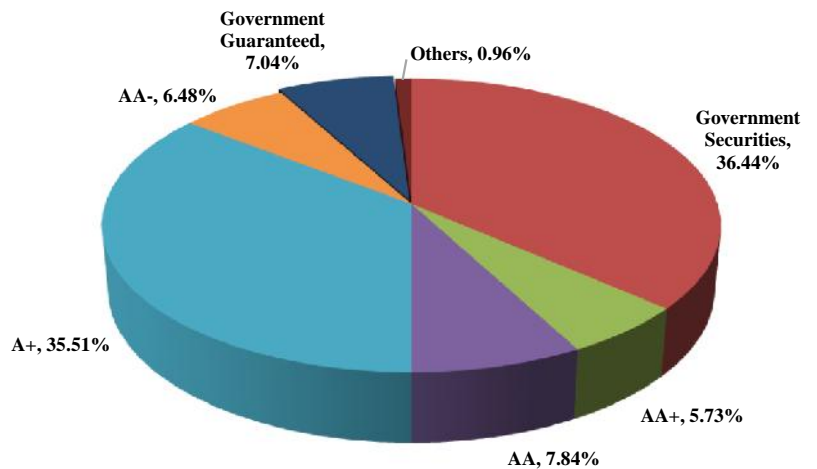
\*Performance data does not include the cost incurred directly by an investor in the form of sales loads.

\*\*Basic computation of performance(i.e NAV to NAV as with Dividend reinvested)

FUND PERFORMANCE HISTORY	FY20	FY19	FY18	FY17
<b>FHIIF (Annualized) – YTD</b>	11.79%	6.62%	3.49%	3.30%
<b>Benchmark (Annualized)</b>	6.33%	3.69%	2.44%	2.22%

TOP 10 HOLDINGS (% of Total Assets)*	
INVESTEE NAME	% OF TOTAL ASSETS
Engro Polymer & Chemicals Limited. Sukuk (11-01-2019)	5.89%
Dubai Islamic Bank Sukuk (14-07-2017)	3.92%
Meezan Bank Limited-Sukuk (22-09-2016)	2.87%
Meezan Bank Limited-Sukuk (09-01-2020)	2.81%
Dawood Hercules Limited-Sukuk-1 (16-11-2017)	2.76%
Dawood Hercules Limited-Sukuk-2 (01-03-2018)	1.16%
Fatima Fertilizer Company-Sukuk (28-11-2016)	0.60%
International Brands Limited-Sukuk (15-11-2017)	0.06%
Ghani Chemicals Industries Limited-Sukuk (02-02-2017)	0.04%
AGP Limited- Sukuk (09-06-2017)	0.03%
*Top 10 Holding make 20.13% of Total Assets	

## Credit Quality of Portfolio (%age of Total Assets)



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# First Habib Asset Allocation Fund (FHAAF)

January 2021

## INVESTMENT OBJECTIVE

To provide risk adjusted competitive returns to its investor by investing in multiple assets class based on market outlook.

## FUND MANAGER'S REVIEW

The Fund underperformed its benchmark by 251bps as it posted a MTD return of 2.63% as against the benchmark of 5.14%. The Weighted Average Time to Maturity of Net Assets remained less than one day.

Fund Type	Open-ended
Fund Category	Asset Allocation Scheme
Net Assets	Rs. 105.71 Million (January 31, 2021)
NAV per Unit	Rs. 104.6667 per unit (January 31, 2021)
Total Expense Ratio	5.30% as on (January 31, 2021) (Including 0.83% Government Levies)
Trustee	Central Depository Company of Pakistan Ltd.
Auditors External	KPMG Taseer Hadi & Co. Chartered Accountants.
Management Fee	2%
Front-end-Load	2% (Management has the discretion to reduce or waive load on any transaction)
Back-end-Load	Nil
Launch Date	November 08, 2017
Benchmark	Weighted average daily return of PSX-100 + 6M KIBOR
Dealing Days	Monday to Friday
Cut-off Timings	Monday-Thursday 09:00 am to 3:30 pm Friday 09:00 am to 4:30 pm
Pricing Mechanism	Forward Pricing
Allocation of Units (NAV)	On receipt of cheque
Minimum Subscription	Initial investment of Rs. 1000/- Subsequently Rs. 100 per transaction.
AMC Rating	"AM2" by PACRA (June 26, 2020)
Risk Profile	High (Principal at high risk)
Fund Manager	Mr. Talha A. Siddiqui
Investment Committee	Mr. Kashif Rafi Mr. Zahid Hussain Vasanani Mr. Talha A. Siddiqui Mr. Ahmed Abbas Mr. Muhammad Tahir
Leverage	Nil

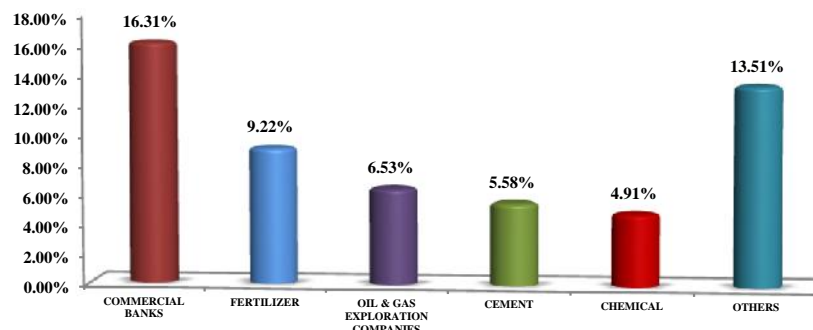
FUND'S PERFORMANCE*	YTD	MTD	Trailing Twelve Months	Since Inception
<b>FHAAF **</b>	15.39%	2.63%	12.23%	5.91%
<b>Benchmark</b>	21.55%	5.14%	19.15%	16.86%

\*Performance data does not include the cost incurred directly by an investor in the form of sales loads.  
\*\*Basic computation of performance (i.e NAV to NAV as with Dividend reinvested)

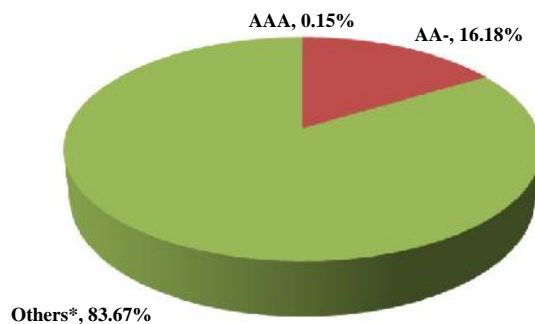
FUND PERFORMANCE HISTORY	FY20	FY19	FY18
<b>FHAAF (YTD)</b>	-0.55%	-8.43%	0.83%
<b>Benchmark</b>	2.09%	-5.70%	1.99%

ASSET ALLOCATION	January 21	December 20
<b>Cash</b>	16.43%	15.33%
<b>Equity</b>	56.07%	73.26%
<b>Others</b>	27.50%	11.41%

## SECTOR ALLOCATION (%age of Total Assets)



## Credit Quality of Portfolio (%age of Total Assets)



\*Inclusive of equity portfolio

TOP TEN HOLDINGS (% of Total Assets)	
INVESTEES NAME	% OF TOTAL ASSETS
Lucky Cement Limited	4.86%
Habib Bank Limited	4.55%
Engro Corporation Limited	4.17%
Mari Petroleum Company Limited	3.05%
Meezan Bank Limited	3.01%
Engro Fertilizers Limited	2.88%
Bank AL Habib Limited	2.52%
Engro Polymer & Chemicals Limited	3.51%
Habib Metropolitan Bank Limited	2.17%
Fauji Fertilizer Company Limited	2.17%
<b>Top Ten Holdings make 31.89% of Total Assets</b>	

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# First Habib Stock Fund (FHSF)

January 2021

## INVESTMENT OBJECTIVE

The objective of First Habib Stock Fund (FHSF) is to provide investors with long term capital growth from an actively managed portfolio invested primarily in diversified pool of listed equities and other approved instruments.

## FUND MANAGER'S REVIEW

The Fund underperformed its benchmark by 271bps as it posted a MTD return of 3.55% against the benchmark of 6.26% for the month of January 2021.

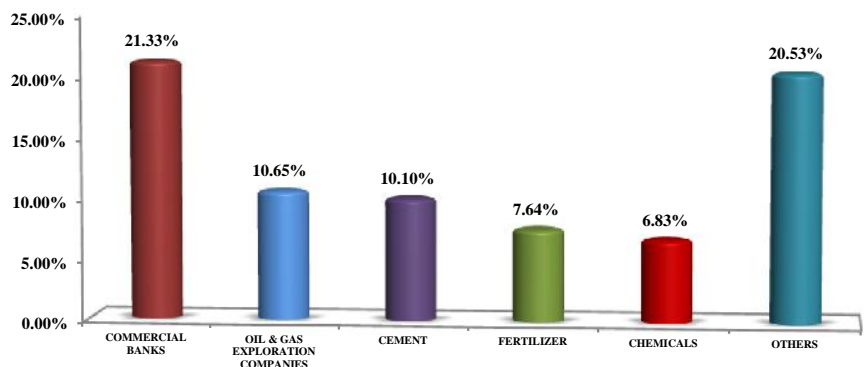
Fund Type	Open-ended
Fund Category	Equity Scheme
Net Assets	Rs. 146.43 Million (January 31, 2021)
NAV per Unit	Rs. 89.1269 per unit (January 31, 2021)
Total Expense Ratio	4.76% as on (January 31, 2021) (Including 1.04% Government Levies)
Trustee	Central Depository Company of Pakistan Ltd.
Auditors External	KPMG Taseer Hadi & Co. Chartered Accountants.
Management Fee	2.00% p.a.
Front-end-Load	2.00% (Management has the discretion to reduce or waive load on any transaction)
Back-end-Load	Nil
Launch Date	October 10, 2009
Benchmark	KSE – 30 Index (Total Return Index)
Dealing Days	Monday to Friday
Cut-off Timings	Monday-Thursday 09:00 am to 3:30 pm Friday 09:00 am to 4:30 pm
Pricing Mechanism	Forward Pricing
Allocation of Units (NAV)	On receipt of cheque
Minimum Subscription	Initial investment of Rs. 1,000/- Subsequently Rs. 100 per transaction.
AMC Rating	"AM2" by PACRA (June 26, 2020)
Risk Profile	High (Principal at high risk)
Fund Manager	Mr. Talha A. Siddiqui
Investment Committee	Mr. Kashif Rafi Mr. Zahid Hussain Vasanani Mr. Talha A. Siddiqui Mr. Ahmed Abbas Mr. Muhammad Tahir
Leverage	Nil

FUND'S PERFORMANCE*	YTD	MTD	Trailing Twelve Months	Since Inception
<b>FHSF**</b>	24.09%	3.55%	3.07%	128.81%
<b>Benchmark***</b>	33.37%	6.26%	9.66%	52.59%

\*Performance data does not include the cost incurred directly by an investor in the form of sales loads.  
 \*\*Basic computation of performance (i.e. NAV to NAV as with Dividend reinvested )  
 \*\*\*The benchmark returns of Since Inception has been calculated from Jan 1, 2014 as the benchmark of KSE-30 Index total return was launched on Jan 1, 2014.

TOP TEN STOCKS (% of Total Assets)	
INVESTEES NAME	% OF TOTAL ASSETS
Lucky Cement Limited	7.40%
Habib Bank Limited	6.33%
Engro Corporation Limited	4.17%
Oil & Gas Development Company Limited	3.64%
Mari Petroleum Company Limited	3.09%
Engro Polymer & Chemical Limited	3.03%
The Hub Power Company Limited	2.81%
System Limited	2.58%
MCB Bank Limited	2.25%
Bank AL Habib Limited	2.23%
Top Ten Stocks make 37.55% of Total Assets	

## SECTOR ALLOCATION (% of Total Assets)



ASSET ALLOCATION	January 21	December 20
<b>Cash</b>	10.98%	9.34%
<b>Equity</b>	77.08%	88.34%
<b>Others including receivables</b>	11.94%	2.32%

FUND PERFORMANCE HISTORY	FY20	FY19	FY18	FY17	FY16
<b>FHSF (Absolute) – YTD</b>	-0.95%	-19.10%	-14.70%	21.12%	1.26%
<b>Benchmark</b>	-0.52%	-18.18%	-10.03%	17.92%	7.11%

**SWWF DISCLOSURE:** The scheme has maintained provisions against Sindh Worker's Welfare Fund's liability to the tune of Rs. 1.26 mn. If the same were not made the NAV per unit / return of the Scheme would be higher by Re. 0.95 / 1.18% p.a. respectively. For details investors are advised to read the Note 10 of the Financial Statements of the Scheme for quarter ended September 30, 2020.

**Dispute Resolution/Complaints Handling:** Investors may lodge their complaints to our Investor Services Department through any of the following options: Call us at (+92-21) 111-342-242, Email us at [complaints@alhabibfunds.com](mailto:complaints@alhabibfunds.com) or submit through our Website <https://www.alhabibfunds.com/>. In case your complaint has not been properly addressed by us, you may lodge your complaint with SECP at <https://sdms.secp.gov.pk/>. Please note that SECP will entertain only those complaints which were at first directly requested to be addressed by the Company and the Company has failed to address the same.

The FMR is as per MUFAP's Recommended Format.

**Risk Disclosure:** "This publication is for informational purposes 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 are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved."



# First Habib Islamic Stock Fund (FHISF)

January 2020

## INVESTMENT OBJECTIVE

The investment objective of First Habib Islamic Stock Fund (FHISF) is to seek long-term capital growth by investing primarily in a Shariah Compliant diversified pool of equities and equity related instruments. The management team shall ensure the active implementation of prudent investment practices, the highest professional standards and compliance of applicable laws.

## FUND MANAGER'S REVIEW

The Fund underperformed its benchmark by 147bps as it posted a MTD return of 2.82% as against the benchmark of 4.29% for the month of January 2021.

Fund Type	Open-ended
Fund Category	Shariah Compliant Equity Scheme
Net Assets	Rs. 321.99 Million (January 31, 2021)
NAV per Unit	Rs. 87.3950 per unit (January 31, 2021)
Total Expense Ratio	5.49% as on (January 31, 2021) (Including 0.82% Government Levies)
Trustee	Central Depository Company of Pakistan Ltd.
Shariah Advisor	Mufti Ismatullah
Auditors External	KPMG Taseer Hadi & Co. Chartered Accountants.
Management Fee	2.00% per annum
Front-end-Load	2.00% (Management has the discretion to reduce or waive load on any transaction)
Back-end-Load	Nil
Launch Date	April 01, 2017
Benchmark	KMI 30 Index
Dealing Days	Monday to Friday
Cut-off Timings	Monday-Thursday 09:00 am to 3:30 pm Friday 9:00 am to 4:30 pm
Pricing Mechanism	Forward Pricing
Allocation of Units (NAV)	On receipt of cheque
Minimum Subscription	Initial investment of Rs. 1,000/- Subsequently Rs. 100 per transaction.
AMC Rating	"AM2" by PACRA (June 26, 2020)
Risk Profile	High (Principal at high risk)
Fund Manager	Mr. Talha A. Siddiqui
Investment Committee	Mr. Kashif Rafi Mr. Zahid Hussain Vasnani Mr. Talha A. Siddiqui Mr. Ahmed Abbas Mr. Muhammad Tahir
Leverage	Nil

FUND'S PERFORMANCE*	YTD	MTD	Trailing Twelve Months	Since Inception
<b>FHISF**</b>	24.91%	2.82%	4.60%	-20.67%
<b>Benchmark</b>	34.96%	4.29%	14.58%	-9.29%

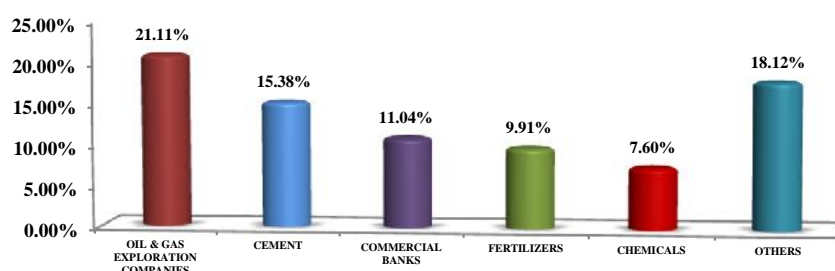
\*Performance data does not include the cost incurred directly by an investor in the form of sales loads.

\*\*Basic computation of performance (i.e. NAV to NAV as with Dividend reinvested)

FUND'S PERFORMANCE	YTD (FY-17) (till March 2017)	MTD	Trailing Twelve Months	Since Inception
<b>FHIBF</b>	21.50%	0.53%	28.65%	62.37%
<b>Benchmark</b>	16.46%	-1.33%	28.08%	106.57%

TOP TEN STOCKS (% of Total Assets)*	
INVESTEES NAME	% OF TOTAL ASSETS
Lucky Cement Limited	11.52%
Meezan Bank Limited	11.04%
Engro Corporation Limited	6.96%
Oil & Gas Development Company Limited	6.28%
Mari Petroleum Company Limited	5.46%
Pakistan Petroleum Limited	5.29%
Pakistan Oilfields Limited	4.08%
Engro Polymer & Chemicals Limited	3.86%
Interloop Limited	2.98%
Engro Fertilizers Limited	2.95%
<b>*Top Ten Stocks makes 60.42% of Total Assets</b>	

## SECTOR ALLOCATION (% of Total Assets)



ASSET ALLOCATION	January 21	December 20
<b>Cash</b>	6.53%	3.80%
<b>Equities</b>	83.16%	80.08%
<b>Others including receivables</b>	10.30%	16.13%

FUND'S PERFORMANCE HISTORY	FY20 FHISF	FY19 FHISF	FY18 FHISF	FY17 FHISF (From April 2017)	FY16 FHIBF
<b>FHISF &amp; FHIBF (Absolute) – YTD</b>	-0.09%	-19.62%	-16.15%	-5.44%	1.66%
<b>Benchmark</b>	1.62%	-23.84%	-9.59%	-3.94%	11.00%

**SWWF DISCLOSURE:** The scheme has maintained provisions against Sindh Worker's Welfare Fund's liability to the tune of Rs. 0.74 mn. If the same were not made the NAV per unit / return of the Scheme would be higher by Re. 0.58 / 0.75% p.a. respectively. For details investors are advised to read the Note 10 of the Financial Statements of the Scheme for the quarter ended September 30, 2020.

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