



Funds Management Report February - 2022

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Macro Review and Outlook:

Current Account registered a record high deficit of USD 2,556Mn during January 2021 (6MFY22: -11,579) verses a deficit of USD 219Mn during same month previous year (6MFY21: 1,028). On a month-on-month basis, Current Account deteriorated by ~37.0%. Prolonged global political uncertainty due to Russia-Ukraine conflict can keep the international commodity prices elevated, which could put further pressure on the Pakistan's import bill in coming months.

Yearly Inflation numbers for the month of February-2022 decreased from 12.97% in Jan-21 to 12.24% majorly due to low base effect. MoM inflation was 1.15%. Food and non-alcoholic beverages, which has the highest contribution in CPI basket, increased by 14.03% monthly reflecting higher prices for tomatoes, fresh vegetables, chicken, and vegetable ghee. However, decrease in Housing, Water and Electricity index countered this increase. Elevated commodity and petroleum prices are expected to keep inflation in double digits in coming months. SBP expects inflation to average between 9% to 11% during fiscal year 2022 before declining toward the medium-term target range of 5% to 7% in FY23 as global commodity prices normalize.

Latest released numbers show that PKR is currently close to its equilibrium value, as measured by Real Effective Exchange rate (REER). However, elevated commodity prices are expected to put pressure on CAD and exchange rate in coming periods.

Gross Foreign Reserves at February-end decreased by USD 0.2Bn and closed at USD 22.6Bn. Pakistan received USD 1.053Bn from IMF after successful completion of 6th review of IMF program during January. Remaining USD 3Bn under the EFF will be received in 3 tranches after reviews in March, June, and September 2022. IMF has shown concern on recent relief package and amnesty scheme announced by prime minister. 7th IMF review (due in March) might hang in balance till the prices of petroleum products are re-adjusted.

With election year approaching, local political environment is also heating up. Opposition has recently submitted a notice for a no-confidence resolution to remove the prime minister.

Equity Market Review and Outlook:

February 2022 started on a positive note with resumption of IMF program and USD 1Bn Euro Bond issue. However, investor's sentiment soon turned bearish with news relating to Russian-Ukraine conflict and soaring commodity prices as a result. Rising local political uncertainty also dampened the investor's sentiments further. KSE-100 posted a return of -2.0% during February (verses a return of 1.75% during December) and closed at 44,431 levels (-914 points MoM).

Total monthly turnover decreased by 7.4% from 2.1Bn to 1.9Bn shares for KSE-100 index. Foreigners and local Mutual Funds remained net sellers during the month with USD 15.03Mn and USD 19.8BN net outflow respectively.

Automobile Assemblers, Textile and Fertilizers were the top performing sectors which posted returns of 7.04%, 2.77% and 2.19% respectively. While sectors which posted negative returns were Technology (-12.61%), Engineering (-11.36%) and Cement (-4.92%).” (Source: BR Indices)

Current macro-economic concerns like rising CAD, expected hike in policy rate, inflationary pressures due to increasing petroleum and commodity prices along with local and global (Russia-Ukraine conflict) political uncertainty will dictate the market direction in near term.

FUNDS MANAGEMENT REPORT For the month of February 2022



Money Market Review and Outlook:

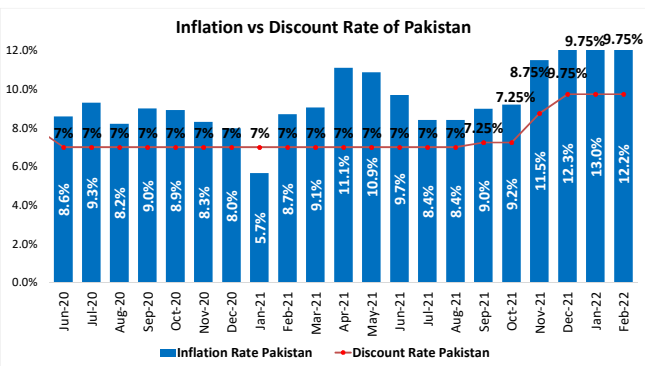
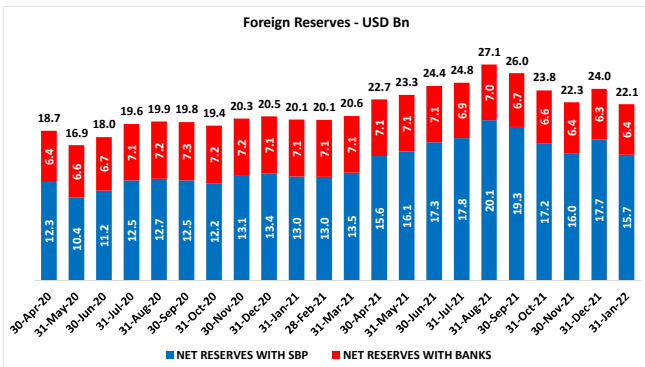
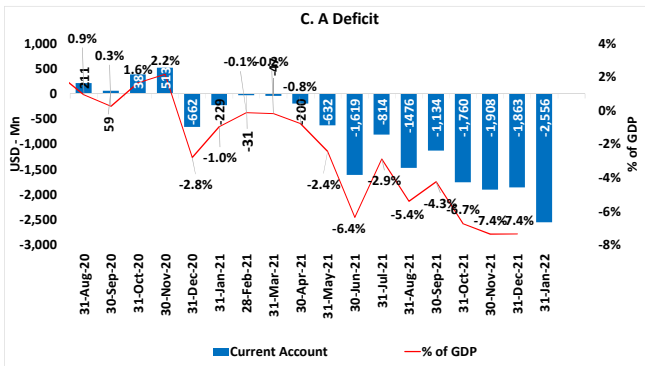
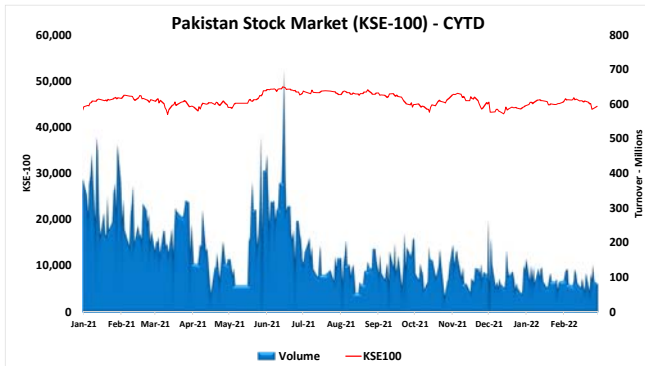
In line with expectations and forward guidance provided by SBP, policy rate remained unchanged at 9.75% in March's monetary policy despite record high CAD levels reported in January. SBP has indicated that higher than expected adverse movement in CAD and inflation levels due to on-going Russia-Ukraine conflict and high commodity prices could necessitate changes in the policy rate and MPC is prepared to meet earlier than the next scheduled MPC meeting in late April, if necessary, to take any needed timely and calibrated action to safeguard external and price stability.

Despite no change in monetary policy, yields for 3M, 6M and 12M instruments have increased by 78bp, 53bp and 59bp respectively since the end of January. Yields for longer maturity instruments also increased by 19bp and 17bp for 3-Year and 5-Year instruments respectively.

Trajectory of global prices of commodities and petroleum products, trade deficit and inflation numbers in upcoming months will bring more clarity to the direction of interest rates.

Source: SBP, PBS, Bloomberg

FUND MANAGER REPORT - Key Economic Indicators
As at February 28, 2022



PSX Performance	KSE100	KSE30	KMI30	KSEALL
31-Dec-21	44,596	17,502	71,687	30,727
31-Jan-22	45,375	17,830	73,593	31,008
28-Feb-22	44,461	17,313	72,149	30,524
MTD - %	-2.01%	-2.90%	-1.96%	-1.56%
CYTD - %	-0.30%	-1.08%	0.64%	-0.66%

Portfolio (USD - Mn)	MTD	CYTD
FOREIGN CORPORATES	-16.8	3.97
FOREIGN INDIVIDUAL	-0.07	0.15
OVERSEAS PAKISTANI	1.84	-1.59
FIPI	-15.03	2.53
BANKS / DFI	9.01	29.22
BROKER PROPRIETARY TRADING	-0.04	-4.05
COMPANIES	13.51	18.65
INDIVIDUALS	4.26	1.61
INSURANCE COMPANIES	-6.34	-5.44
MUTUAL FUNDS	-19.77	-42.12
NBFC	0.27	0.16
OTHER ORGANIZATION	14.14	-0.56
LIPI	15.04	-2.53

Global Market Performance		MTD - %	CYTD - %
Index			
Karachi 100	Pakistan	-2.01%	-0.30%
BSE Sensex	India	-3.05%	-3.44%
Dow Jones	USA	-3.56%	-6.77%
S&P 500	USA	-3.14%	-8.23%
Nasdaq	USA	-3.43%	-12.10%
FTSE 100	UK	-0.08%	1.00%
Euro Stoxx 50	Euro Zone	-6.00%	-8.71%
Shanghai	China	3.00%	-4.88%
Nikkei 225	Japan	-1.76%	-7.87%
CAC 40	France	-4.86%	-6.91%
MOEX	Russia	-30.02%	-34.77%

Forex Rates	Dec-21	Jan-22	Feb-22
USD	176.80	177.20	177.20
EUR	197.50	196.50	197.00
JPY	1.41	1.41	1.41
GBP	236.00	236.50	237.50
CNY	23.50	23.50	23.55

PKRVs	Dec-21	Jan-22	Feb-22
3M	10.35%	10.19%	10.52%
6M	11.30%	10.59%	10.91%
1Y	11.38%	10.77%	10.95%
3Y	11.42%	10.78%	10.94%
5Y	11.46%	10.86%	10.96%
7Y	11.51%	10.92%	10.98%
10Y	11.62%	11.09%	11.07%

International Commodities	Dec-21	Jan-22	Feb-22
Arab Light	77.53	90.28	99.11
BRENT CRUDE OIL	77.78	89.26	97.97
WTI CRUDE OIL	75.21	88.15	96.46
Coal [API4 - FOB Richards Bay]	135.80	174.00	261.50
Steel (USD/ton)	1,435.00	1,165.00	1,056.00
HRC (USD/ton)	4,729.00	4,970.00	4,910.00
COPPER USD	4.46	4.34	4.45
GOLD	1,828.60	1,796.40	1,900.70
PLATINUM	965.80	1,022.25	1,045.20
NATURAL GAS	3.73	4.87	4.40
SILVER	23.38	22.43	24.37

IGI Takaful Aggressive Fund For the month of February 2022



INVESTMENT OBJECTIVE:

To provide investors with an opportunity to earn long-term capital appreciation optimizing through broad mix of asset classes largely driven by Shariah compliant equity with a proportion of Shariah compliant fixed income & money market instruments.

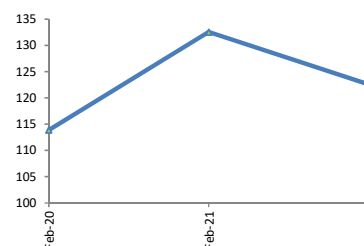
FUND INFORMATION:

Strategy	Fixed Income / Equity
Risk Profile	High
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	1.5%
Launch Date	21-Sep-15

RETURNS:

During the month the fund generated an absolute return of -1.94% against its last month absolute return of 0.82%.

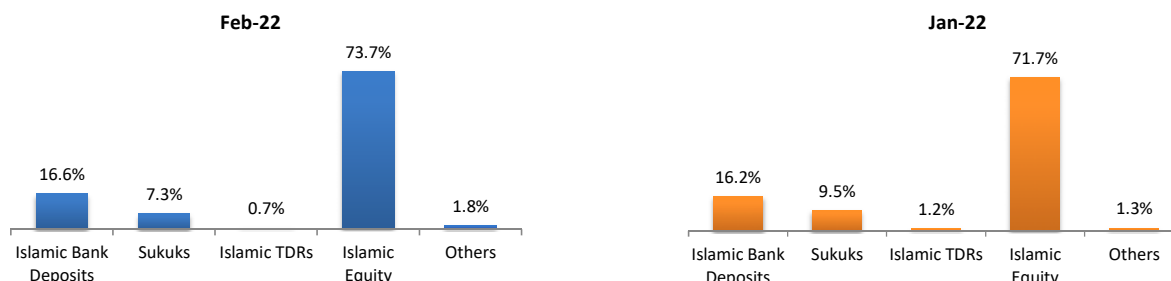
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Feb-22	Jan-22	MoM %
NAV per Unit (PKR)	122.5	124.9	-1.94%
Net Assets Value (PKR '000)	677,847	686,607	-1.28%

ASSET ALLOCATION *:



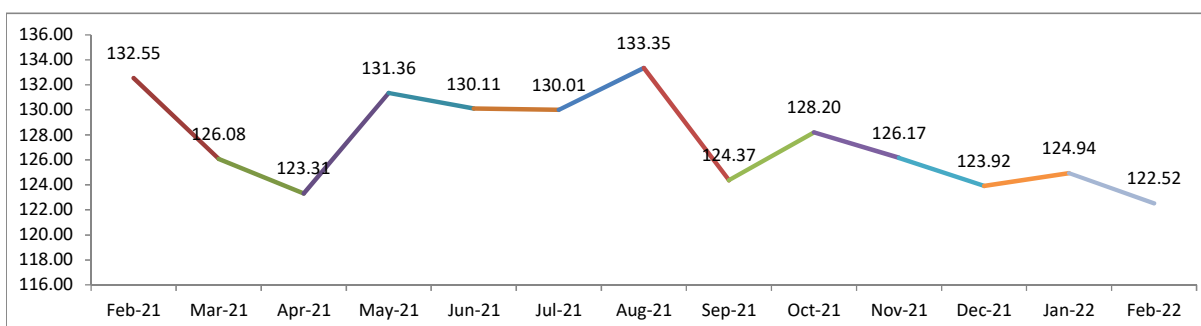
* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return						Annualized Return
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	-1.94%	-1.13%	-2.89%	-8.12%	-7.57%	-1.13%	3.20%

Note: All returns are gross of Fund Management Charges.

IGI Takaful Aggressive Fund - IAF BID PRICE:



Disclaimer: Past performance is not indicative of future performance. Market volatility can significantly affect short-term performance. The value of investment can fall as well as rise.

IGI Takaful Balanced Fund For the month of February 2022



INVESTMENT OBJECTIVE:

The investment objective of the Fund is to earn competitive long term return by investing in mix of Shariah compliant equity, fixed income and money market instruments. This fund is suited for investors with moderate risk tolerance.

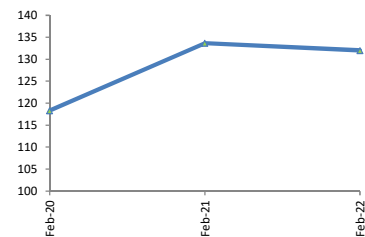
FUND INFORMATION:

Strategy	Fixed Income / Equity
Risk Profile	Moderate
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	1.5%
Launch Date	21-Sep-15

RETURNS:

During the month the fund generated an absolute return of -0.52% against its last month absolute return of 0.77%.

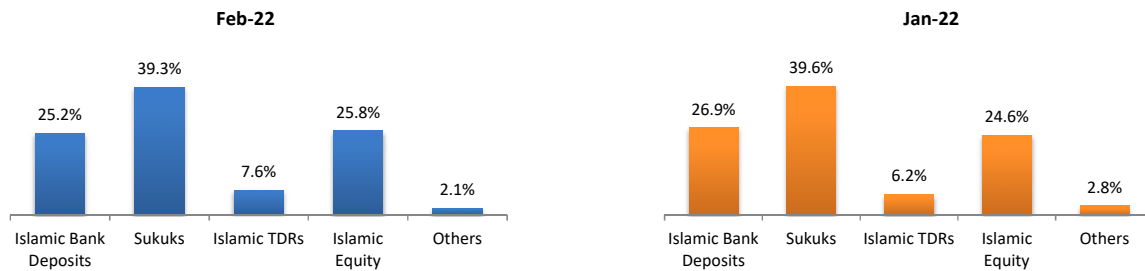
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Feb-22	Jan-22	MoM %
NAV per Unit (PKR)	132.0	132.7	-0.52%
Net Assets Value (PKR '000)	2,061,663	2,058,102	0.17%

ASSET ALLOCATION *:



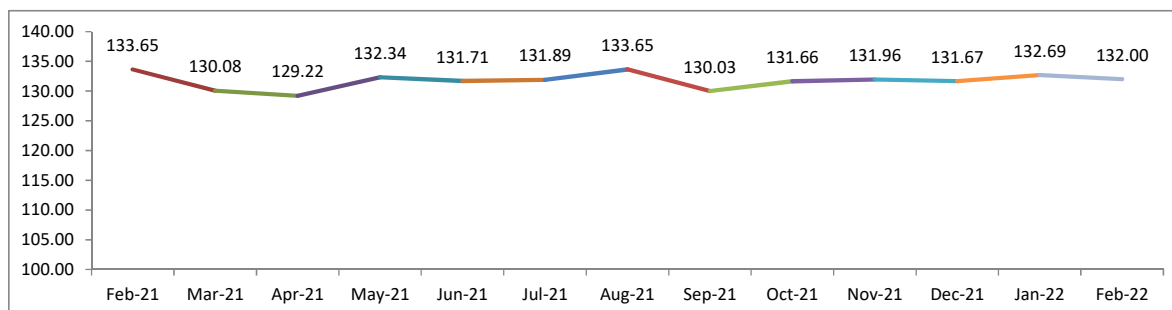
* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return						Annualized Return
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Balanced Fund - IBF	-0.52%	0.25%	0.03%	-1.24%	-1.23%	0.25%	4.40%

Note: All returns are gross of Fund Management Charges.

IGI Takaful Balanced Fund - IBF BID PRICE:



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IGI Takaful Conservative Fund For the month of February 2022



INVESTMENT OBJECTIVE:

To provide stable and competitive returns in line with the money markets exhibiting low volatility consistent with capital preservation by constructing a liquid portfolio of low risk short term Shariah compliant investments yielding competitive returns.

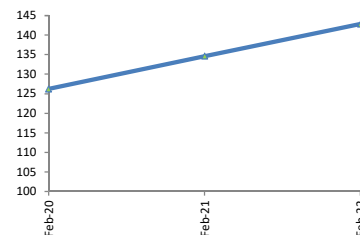
FUND INFORMATION:

Strategy	Fixed Income / Equity
Risk Profile	Low
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	1.5%
Launch Date	21-Sep-15

RETURNS:

During the month the fund generated an absolute return of 0.59% against its last month absolute return of 0.71%.

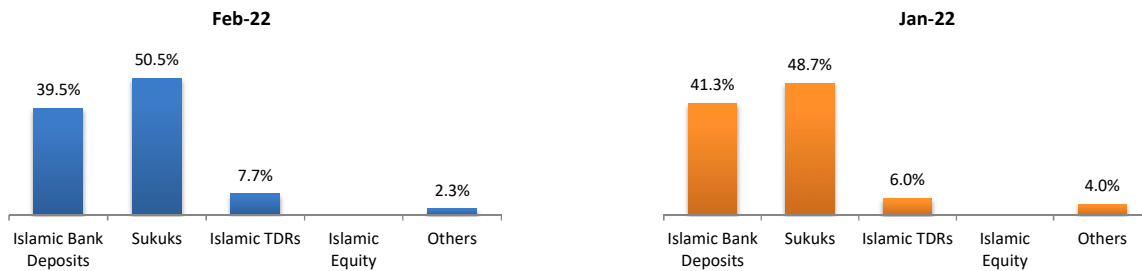
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Feb-22	Jan-22	MoM %
NAV per Unit (PKR)	142.8	142.0	0.59%
Net Assets Value (PKR '000)	1,462,639	1,434,104	1.99%

ASSET ALLOCATION *:



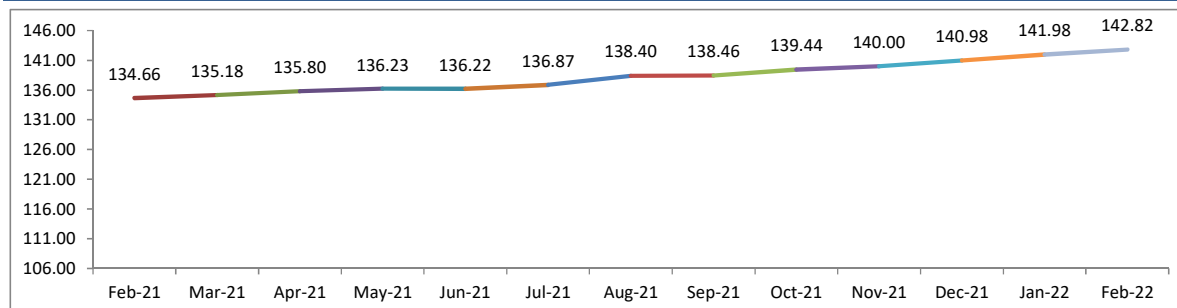
* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	0.59%	1.31%	2.02%	3.20%	6.07%	8.11%	5.68%

Note: All returns are gross of Fund Management Charges.

IGI Takaful Conservative Fund - ICF BID PRICE:



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