# Shariah compliant mutual funds performance report

August 2023

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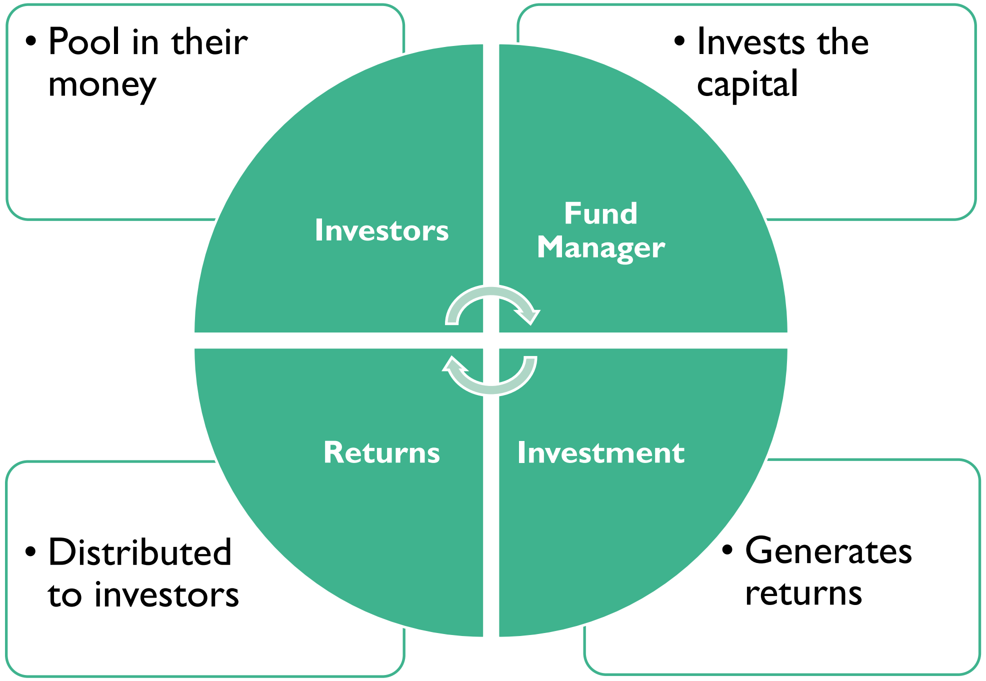
# What are mutual funds?

## Mutual funds oversimplified:

- A mutual fund is a portfolio consisting of a pool of individual investments by numerous investors sharing a common objective. These investments can range from a few thousand rupees to several millions. The collective money is invested in securities such as stocks, bonds, and short-term debt.

## Why investing in mutual funds is an excellent investment choice?

- For investors who lack the necessary expertise to handle their investments independently, mutual funds provide a safe and dependable investment choice. With various risk levels offered by different funds, investors of all kinds can enjoy the advantages. If you are looking for a trustworthy means of generating passive income that offers steady growth and aligns with Shariah principles, Islamic mutual funds are the perfect solution.



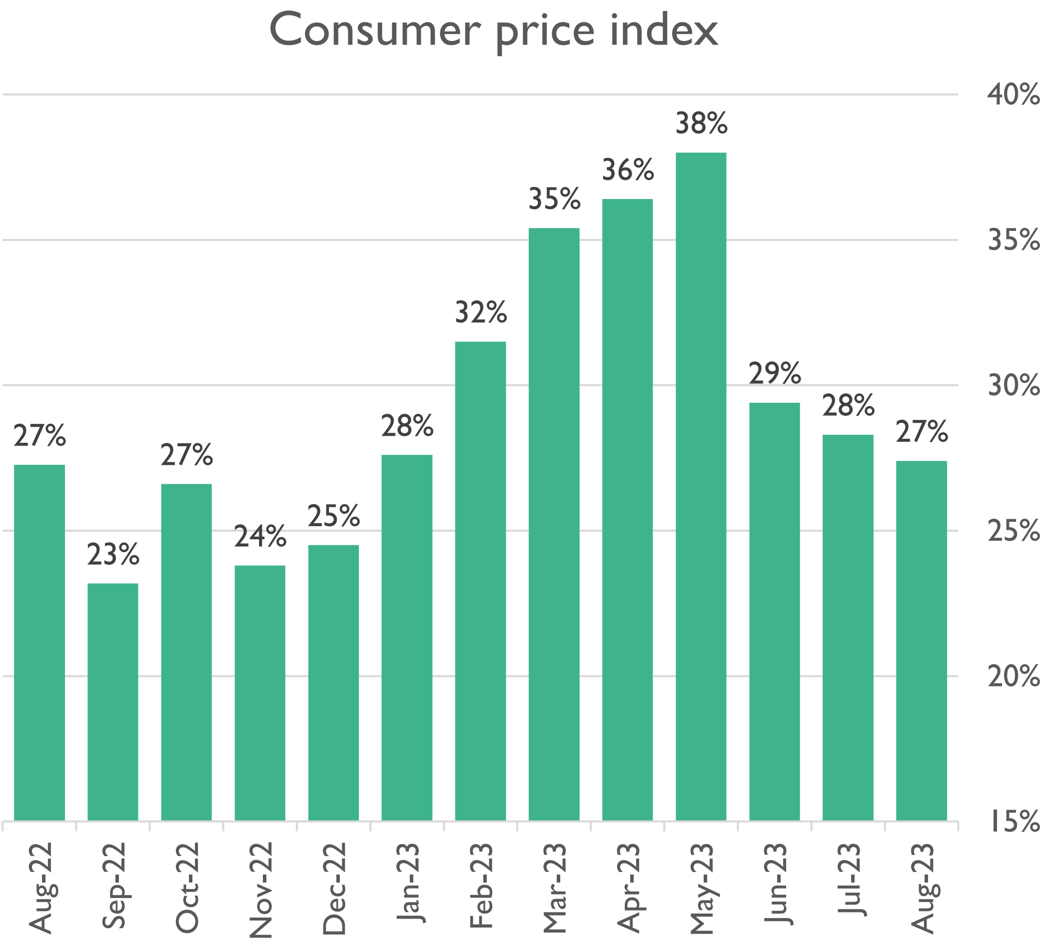
# Key highlights:

## Summary:

- Based on the fund manager reports and MUFAP data, the Shariah-compliant mutual funds industry decreased by 2.17% in August 2023, reaching a total of PKR 792,035 million from PKR 809,649 million.

## Market overview:

- In August-23, the KSE-100 and KMI-30 indices fell by 6.3% and 6.7%, respectively primarily due to rapid devaluation and inflation concerns.
- CPI-based inflation increased to 27.4% in August compared to an increase of 28.3% in the previous month. On MoM basis, it rose by 1.9% with the main rise emanating from food items.
- Foreign exchange reserves held by State Bank of Pakistan (SBP) also came down to USD 7.8bn in Aug-23 vs. USD 8.2bn in Jul-23. Pakistan's trade deficit widened to USD 2.1bn in Aug-23.



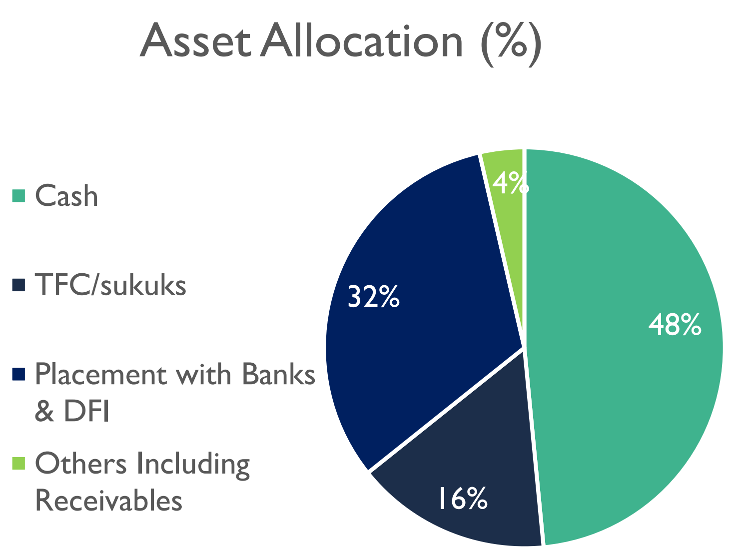
# Key highlights:

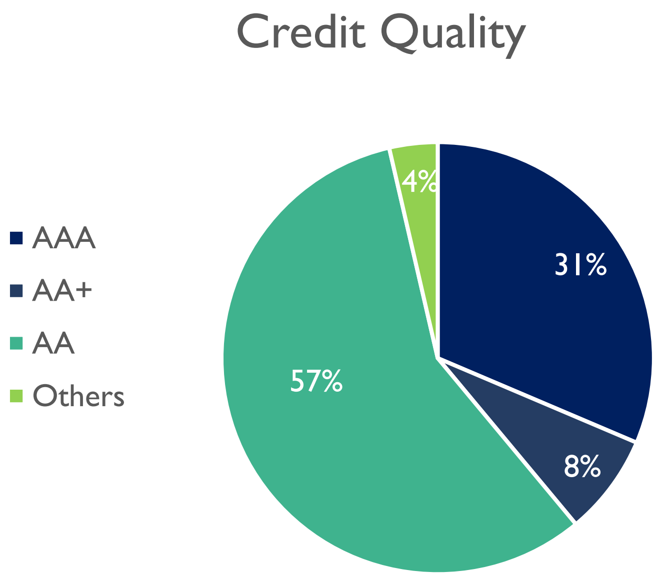
## Future outlook:

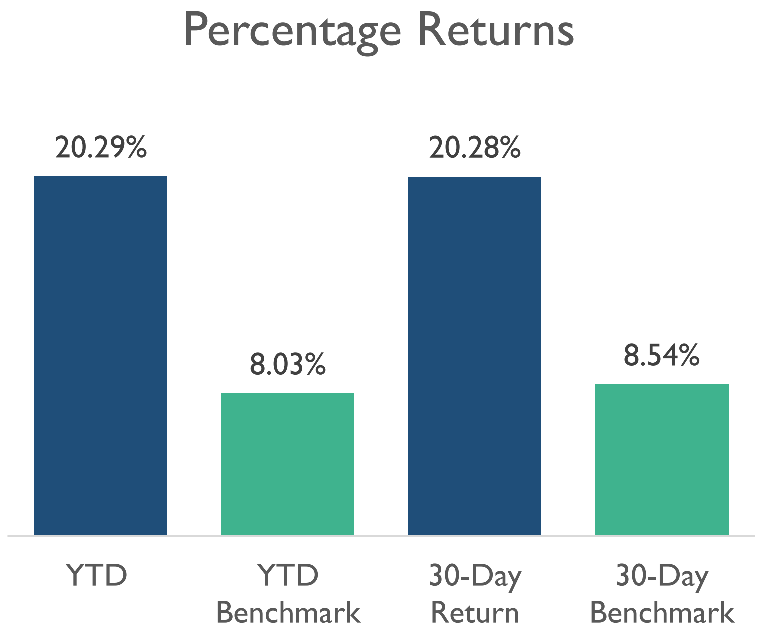
- Due to the swift depreciation of the Pakistani Rupee (PKR) and the ongoing insistence from the International Monetary Fund (IMF) to address the gas circular debt issue, the government has found it necessary to raise gas prices. As a result, it is conceivable that the State Bank of Pakistan (SBP) may need to consider raising the policy rate.
- We expect equity returns to consolidate in the near term until there is clarity with respect to the dates for the upcoming general election.
- Low-risk money market and income funds are expected to continue to perform well and deliver good returns in the short to medium term. Investors looking for a stable returns on their investment are encouraged to invest in these funds.

# Funds in spotlight: Faysal Islamic Cash Fund

- In August 2023, Faysal Islamic Cash Fund (FICF) achieved an impressive annualized return of 20.28% over a 30-day period, surpassing its benchmark return of 8.54%.
- The fund has effectively fulfilled its objective of consistently generating reliable returns, primarily by investing in top-tier assets.
- The credit quality of the fund's assets is exceptional, with a significant portion invested in AA-rated securities.



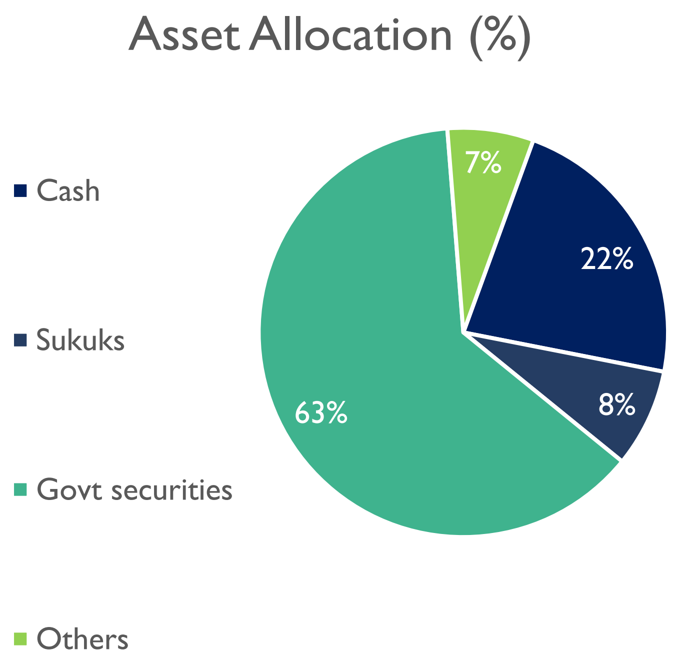



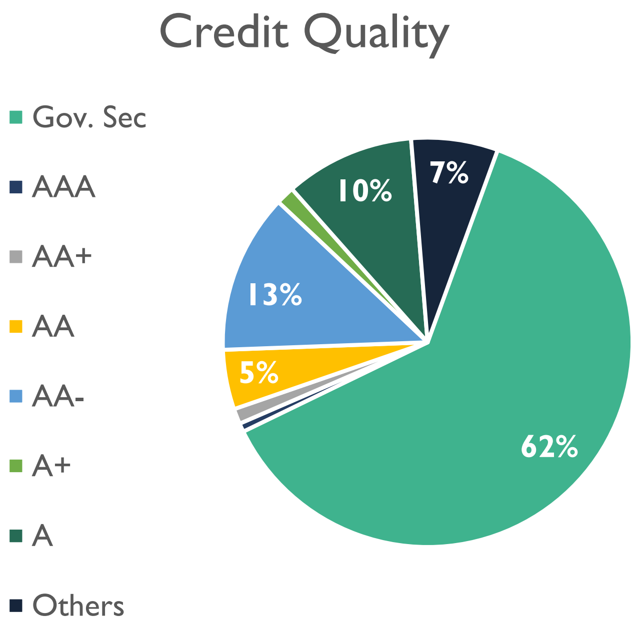



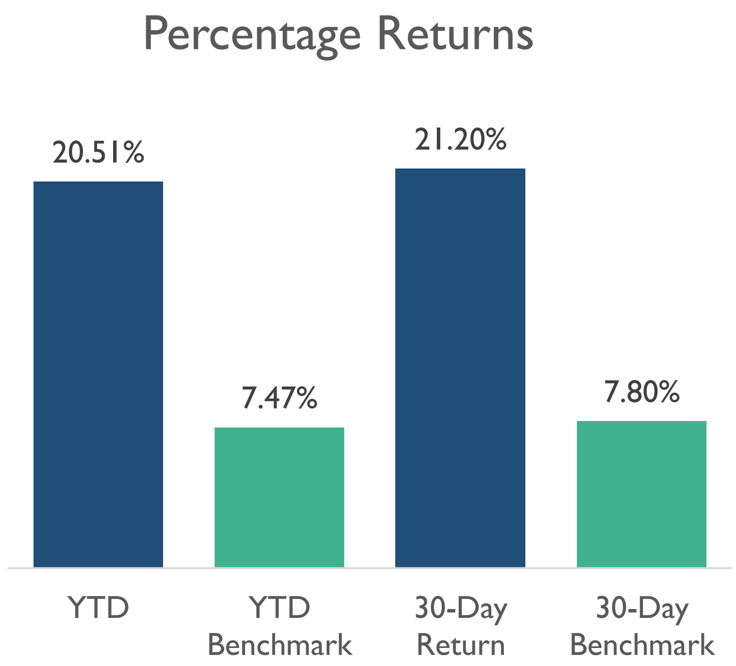

Source: Fund Manager Report

# Funds in spotlight: HBL Islamic Income Fund

- In August 2023, HBL Islamic Income Fund (HIIF) achieved an impressive 30-day annualized return of 21.20%, outperforming its benchmark of 7.80%.
- The fund effectively grew investor capital by focusing on consistent Halal income generation through investing primarily in shariah compliant sukuk instruments.




Source: Fund Manager Report

# AUMs of Shariah compliant funds:

| ASSET MANAGEMENT COMPANIES | NO. OF FUNDS | AUM August 2023 (PKR million) | AUM July 2023 (PKR million) | INDUSTRY SHARE % |
|---|---|---|---|---|
| Al-Meezan Investment Management Ltd | 25 | 319,678 | 313,865 | 40.36% |
| Faysal Asset Management Ltd | 14 | 86,284 | 89,531 | 10.89% |
| HBL Asset Management Ltd | 10 | 71,685 | 67,334 | 9.05% |
| NBP Fullerton Asset Management Ltd | 13 | 64,728 | 75,089 | 8.17% |
| Alfalah GHP Investment Management Ltd | 11 | 51,874 | 49,953 | 6.55% |
| UBL Al-Ameen Funds Manager Ltd | 13 | 51,515 | 53,602 | 6.50% |
| MCB-Arif Habib Savings and Investments Ltd | 11 | 43,686 | 54,841 | 5.52% |
| ABL Asset Management Company Ltd | 7 | 26,582 | 30,800 | 3.36% |
| AL Habib Asset Management Ltd | 6 | 26,480 | 26,725 | 3.34% |
| Atlas Asset Management Ltd | 6 | 11,484 | 11,755 | 1.45% |
| Pak Qatar Asset Management Limited | 7 | 11,306 | 10,241 | 1.43% |
| National Investment Trust Ltd | 4 | 10,645 | 11,460 | 1.34% |
| JS Investments Ltd | 8 | 5,346 | 4,451 | 0.67% |
| AWT Investment Management Ltd | 2 | 3,924 | 2,857 | 0.50% |
| Lakson Investments Ltd | 2 | 3,040 | 4,103 | 0.38% |
| AKD Investment Management Ltd | 3 | 1,951 | 1,888 | 0.25% |
| 786 Investments Ltd | 1 | 1,194 | 1,157 | 0.15% |
| Pak Oman Asset Management Company | 3 | 636 | 621 | 0.08% |
| TOTAL | 143 | 792,035 | 809,650 | 100% |

# Shariah compliant money market (annualized return)

| Fund Name | YTD | August | 3-Month | 6-Month | 1-Year |
|---|---|---|---|---|---|
| Faysal Islamic Cash Fund | 20.29% | 20.28% | 20.26% | 20.44% | 18.57% |
| Lakson Islamic Money Market Fund | 20.30% | 20.28% | 20.24% | 19.72% | N/A |
| HBL Islamic Money Market Fund | 20.35% | 20.24% | 20.29% | 19.86% | 18.41% |
| Alfalah Islamic Rozana Amdani Fund | 20.28% | 20.20% | 20.30% | 19.92% | 18.25% |
| JS Islamic Daily Dividend Fund | 20.05% | 20.13% | 20.09% | 19.70% | 18.24% |
| Faysal Halal Amdani Fund | 20.19% | 20.12% | 20.22% | 19.59% | 18.21% |
| NBP Islamic Daily Dividend Fund | 20.00% | 20.10% | 19.92% | 19.52% | 18.00% |
| Alfalah Islamic Money Market Fund | 20.16% | 20.06% | 20.17% | N/A | N/A |
| Atlas Islamic Money Market Fund | 20.06% | 20.05% | 20.03% | 19.70% | 18.06% |
| Pak Qatar Cash Plan | 19.90% | 20.03% | 19.86% | 19.52% | N/A |
| ABL Islamic Cash Fund | 19.99% | 20.01% | 19.90% | 19.53% | 18.04% |
| Al Ameen Islamic Cash Plan I | 20.14% | 20.01% | 20.20% | 19.71% | 18.16% |
| Alhamra Islamic Money Market Fund | 19.92% | 19.91% | 19.90% | 19.55% | 18.07% |
| AL Habib Islamic Cash Fund | 20.09% | 19.83% | 19.96% | 19.34% | 17.85% |
| NBP Islamic Money Market Fund | 19.80% | 19.70% | 19.82% | 19.29% | 17.60% |
| Al Ameen Islamic Cash Fund | 19.68% | 19.72% | 20.36% | 19.56% | 17.64% |
| Alhamra Cash Management Optimizer | 19.68% | 19.72% | 19.67% | N/A | N/A |
| Meezan Rozana Amdani Fund | 19.69% | 19.69% | 19.74% | 19.39% | 17.99% |
| NIT Islamic Money Market Fund | 19.71% | 19.65% | 19.84% | 19.35% | 18.00% |
| Pak Qatar Daily Dividend Plan | 19.43% | 19.51% | 19.56% | 19.36% | N/A |
| Meezan Cash Fund | 19.60% | 19.45% | 19.65% | 19.17% | 19.60% |
| Pak Qatar Asan Munafa Plan | 18.80% | 18.58% | 18.83% | 18.71% | N/A |
| AKD Islamic Daily Dividend Fund | 18.41% | 18.42% | 18.49% | 18.49% | N/A |
| Pak Oman Daily Dividend Fund | 15.61% | 15.22% | 16.57% | 16.41% | 16.27% |

# Shariah compliant income (annualized return)

| Fund Name | YTD | August | 3-Month | 6-Month | 1-Year |
|---|---|---|---|---|---|
| HBL Islamic Income Fund | 20.51% | 21.20% | 20.90% | 20.73% | 18.89% |
| AWT Islamic Income Fund | 21.06% | 21.11% | 21.27% | 21.04% | 18.66% |
| Faysal Islamic Sovereign Fund | 20.83% | 20.76% | 21.12% | 20.38% | N/A |
| AKD Islamic Income Fund | 20.68% | 20.67% | 20.48% | 20.49% | 18.94% |
| Alfalah GHP Islamic Income Fund | 20.12% | 20.47% | 20.57% | 20.67% | 16.56% |
| Meezan Sovereign Fund | 20.59% | 20.40% | 20.96% | 19.13% | 17.41% |
| Pak Oman Advantage Islamic Income Fund | 20.69% | 20.33% | 24.64% | 22.55% | 19.85% |
| Pak Qatar Income Plan | 20.84% | 20.10% | 21.02% | 21.04% | N/A |
| AL Habib Islamic Savings Fund | 20.18% | 19.99% | 20.22% | 19.87% | 17.37% |
| Meezan Daily Income Fund (MDIP I) | 19.93% | 19.98% | 19.94% | 19.50% | 18.04% |
| Pak Qatar Khalis Bachat Plan | 20.38% | 19.90% | 20.73% | 19.86% | N/A |
| Pak Qatar Monthly Income Plan | 20.00% | 19.66% | 20.91% | 19.76% | N/A |
| Atlas Islamic Income Fund | 19.79% | 19.64% | 19.73% | 18.99% | 17.02% |
| Meezan Islamic Income Fund | 19.89% | 19.50% | 20.03% | 18.27% | 16.51% |
| JS Islamic Income Fund | 18.77% | 19.46% | 19.81% | 18.96% | 16.67% |
| NIT Islamic Income Fund | 19.37% | 19.45% | 19.82% | 19.82% | 17.74% |
| Al Ameen Islamic Sovereign Fund | 19.44% | 19.34% | 19.48% | 17.60% | 15.43% |
| NBP Islamic Mahana Amdani Fund | 19.20% | 19.20% | 19.60% | 18.63% | 16.90% |
| Alhamra Islamic Income Fund | 18.56% | 19.04% | 19.17% | 18.16% | 16.75% |
| NBP Islamic Income Fund | 18.70% | 18.80% | 19.08% | 18.25% | 16.80% |
| AL Habib Islamic Income Fund | 18.79% | 18.71% | 18.77% | 19.25% | 16.67% |

# Shariah compliant income (annualized return)

| Fund Name | YTD | August | 3-Month | 6-Month | 1-Year |
|---|---|---|---|---|---|
| Meezan Sehl income plan | 17.85% | 18.63% | N/A | N/A | N/A |
| Faysal Islamic Savings Growth Fund | 18.41% | 18.59% | 18.38% | 17.59% | 15.51% |
| Faysal Islamic Special Income Plan I | 20.53% | 18.52% | 22.38% | 25.06% | 23.82% |
| NBP Riba Free Savings Fund | 18.60% | 18.40% | 18.94% | 17.65% | 16.00% |
| AL Ameen Islamic Income Fund | 18.93% | 18.28% | 15.59% | N/A | N/A |
| Meezan Daily Income Fund | 18.36% | 18.26% | 18.39% | 17.79% | N/A |
| 786 Smart Fund | 21.56% | 23.01% | 21.13% | 19.80% | 18.26% |
| AL Hamra Daily Dividend Fund | 18.13% | 18.21% | 18.11% | 17.74% | 16.57% |
| NBP Islamic Savings Fund | 17.40% | 17.40% | 17.43% | 17.09% | 15.70% |
| ABL Islamic Income Fund | 18.88% | 17.01% | 18.67% | 18.61% | 14.53% |

# Shariah compliant equity

| Fund Name | YTD | August | 3-Month | 6-Month | 1-Year |
|---|---|---|---|---|---|
| NIT Islamic Equity Fund | 7.69% | -6.18% | 9.26% | 9.11% | 5.60% |
| Al Meezan Mutual Fund | 6.81% | -7.15% | 7.75% | 10.64% | 2.70% |
| NBP Islamic Energy Fund | 10.70% | -7.30% | 14.22% | 8.39% | 12.80% |
| AKD Islamic Stock Fund | 12.56% | -7.46% | 16.22% | 13.84% | -5.59% |
| Meezan Islamic Fund | 5.68% | -7.85% | 6.19% | 7.91% | -0.75% |
| Pak Qatar Islamic Stock Fund | 6.68% | -7.86% | 6.19% | 4.58% | N/A |
| NBP Islamic Stock Fund | 6.50% | -7.90% | 9.95% | 8.34% | -0.20% |
| Alfalah GHP Islamic Stock Fund | 6.44% | -8.08% | 9.23% | 9.45% | 8.21% |
| Atlas Islamic Stock Fund | 6.78% | -8.17% | 5.36% | 5.21% | 0.18% |
| Al Ameen Islamic Energy Fund | 8.54% | -8.35% | 7.82% | 8.65% | 9.26% |
| Al Ameen Shariah Stock Fund | 5.29% | -8.44% | 5.36% | 7.62% | -0.21% |
| AWT Islamic Stock Fund | 4.46% | -8.54% | 6.50% | 6.74% | 0.18% |
| AL Habib Islamic Stock Fund | 4.15% | -8.61% | 6.38% | 8.70% | 1.21% |
| JS Islamic Fund | 4.31% | -8.63% | 8.28% | 9.71% | 0.50% |
| Meezan Energy Fund | 8.90% | -8.84% | 9.20% | 6.91% | 5.79% |
| ABL Islamic Stock Fund | 5.05% | -8.88% | 4.50% | 6.38% | -1.09% |
| HBL Islamic Stock Fund | 5.12% | -9.51% | 6.39% | 7.29% | -8.97% |
| Alhamra Islamic Stock Fund | 2.55% | -9.94% | 5.75% | 4.05% | -2.74% |
| Faysal Islamic Stock Fund | 2.92% | -10.13% | 5.04% | -0.42% | -11.44% |
| HBL Islamic Equity Fund | 3.76% | -10.57% | 6.90% | 6.30% | -4.90% |

# Shariah compliant mutual funds performance report

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- **Source of returns and mutual funds data is based on publicly available data from the Mutual Funds Association of Pakistan (MUFAP) and fund manager reports**.