FUND MANAGER REPORT

FOR THE MONTH OCTOBER 2017
### Key Economic Indicators

**Fund Manager Report - October 2017**

<table>
<thead>
<tr>
<th>Economic Indicators</th>
<th>Oct-16</th>
<th>Nov-16</th>
<th>Dec-16</th>
<th>Jan-17</th>
<th>Feb-17</th>
<th>Mar-17</th>
<th>Apr-17</th>
<th>May-17</th>
<th>Jun-17</th>
<th>Jul-17</th>
<th>Aug-17</th>
<th>Sep-17</th>
<th>Oct-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Balance of Payments USD million</td>
<td>(520)</td>
<td>484</td>
<td>88</td>
<td>926</td>
<td>309</td>
<td>606</td>
<td>397</td>
<td>(336)</td>
<td>271</td>
<td>1,532</td>
<td>(147)</td>
<td>761</td>
<td>n.a.</td>
</tr>
<tr>
<td>Current Account Balance USD million</td>
<td>(581)</td>
<td>(939)</td>
<td>(1,083)</td>
<td>(1,189)</td>
<td>(744)</td>
<td>(562)</td>
<td>(1,234)</td>
<td>(1,581)</td>
<td>(1,431)</td>
<td>(2,053)</td>
<td>(550)</td>
<td>(956)</td>
<td>n.a.</td>
</tr>
<tr>
<td>Exports USD million</td>
<td>1,756</td>
<td>1,762</td>
<td>1,727</td>
<td>1,780</td>
<td>1,638</td>
<td>1,801</td>
<td>1,766</td>
<td>1,944</td>
<td>1,865</td>
<td>1,631</td>
<td>2,104</td>
<td>1,744</td>
<td>n.a.</td>
</tr>
<tr>
<td>Imports USD million</td>
<td>4,026</td>
<td>4,255</td>
<td>4,488</td>
<td>4,737</td>
<td>4,445</td>
<td>5,009</td>
<td>4,052</td>
<td>4,572</td>
<td>5,054</td>
<td>4,835</td>
<td>4,262</td>
<td>3,911</td>
<td>n.a.</td>
</tr>
<tr>
<td>Worker's Remittances USD million</td>
<td>1,560</td>
<td>1,616</td>
<td>1,584</td>
<td>1,488</td>
<td>1,417</td>
<td>1,695</td>
<td>1,539</td>
<td>1,867</td>
<td>1,840</td>
<td>1,542</td>
<td>1,955</td>
<td>1,294</td>
<td>n.a.</td>
</tr>
<tr>
<td>Foreign Direct Investment USD million</td>
<td>67</td>
<td>460</td>
<td>595</td>
<td>81</td>
<td>123</td>
<td>297</td>
<td>132</td>
<td>295</td>
<td>199</td>
<td>223</td>
<td>235</td>
<td>205</td>
<td>n.a.</td>
</tr>
<tr>
<td>Foreign Portfolio Investment USD million</td>
<td>(67)</td>
<td>(95)</td>
<td>(302)</td>
<td>(75)</td>
<td>(1)</td>
<td>(8)</td>
<td>(41)</td>
<td>26</td>
<td>(871)</td>
<td>(11)</td>
<td>(145)</td>
<td>28</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

#### Exchange Rate against PKR

<table>
<thead>
<tr>
<th></th>
<th>Period End</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>104.58</td>
</tr>
<tr>
<td>PKR</td>
<td>104.85</td>
</tr>
<tr>
<td>USD</td>
<td>104.38</td>
</tr>
<tr>
<td>PKR</td>
<td>104.79</td>
</tr>
<tr>
<td>USD</td>
<td>104.81</td>
</tr>
<tr>
<td>PKR</td>
<td>104.73</td>
</tr>
<tr>
<td>USD</td>
<td>104.81</td>
</tr>
<tr>
<td>PKR</td>
<td>104.84</td>
</tr>
<tr>
<td>USD</td>
<td>105.40</td>
</tr>
<tr>
<td>PKR</td>
<td>105.23</td>
</tr>
<tr>
<td>USD</td>
<td>105.41</td>
</tr>
<tr>
<td>PKR</td>
<td>105.33</td>
</tr>
</tbody>
</table>

#### Inflation Indicators

<table>
<thead>
<tr>
<th>Economic Indicators</th>
<th>Oct-16</th>
<th>Nov-16</th>
<th>Dec-16</th>
<th>Jan-17</th>
<th>Feb-17</th>
<th>Mar-17</th>
<th>Apr-17</th>
<th>May-17</th>
<th>Jun-17</th>
<th>Jul-17</th>
<th>Aug-17</th>
<th>Sep-17</th>
<th>Oct-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>General CPI YoY change</td>
<td>4.20%</td>
<td>3.81%</td>
<td>3.70%</td>
<td>3.66%</td>
<td>4.22%</td>
<td>4.94%</td>
<td>4.78%</td>
<td>5.02%</td>
<td>3.93%</td>
<td>2.91%</td>
<td>3.42%</td>
<td>3.86%</td>
<td>3.80%</td>
</tr>
<tr>
<td>Food CPI YoY change</td>
<td>4.40%</td>
<td>3.30%</td>
<td>3.00%</td>
<td>2.60%</td>
<td>3.70%</td>
<td>5.00%</td>
<td>4.40%</td>
<td>4.90%</td>
<td>2.40%</td>
<td>-0.10%</td>
<td>1.30%</td>
<td>2.40%</td>
<td>2.20%</td>
</tr>
<tr>
<td>Core (NFNE) YoY change</td>
<td>5.20%</td>
<td>5.30%</td>
<td>5.20%</td>
<td>5.40%</td>
<td>5.30%</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.40%</td>
<td>5.30%</td>
<td></td>
</tr>
<tr>
<td>Core (Trimmed) YoY change</td>
<td>3.80%</td>
<td>3.80%</td>
<td>3.70%</td>
<td>3.80%</td>
<td>4.10%</td>
<td>4.50%</td>
<td>4.80%</td>
<td>4.80%</td>
<td>4.20%</td>
<td>4.00%</td>
<td>4.20%</td>
<td>4.10%</td>
<td>4.00%</td>
</tr>
</tbody>
</table>

#### Interest Rates

<table>
<thead>
<tr>
<th>Economic Indicators</th>
<th>Oct-16</th>
<th>Nov-16</th>
<th>Dec-16</th>
<th>Jan-17</th>
<th>Feb-17</th>
<th>Mar-17</th>
<th>Apr-17</th>
<th>May-17</th>
<th>Jun-17</th>
<th>Jul-17</th>
<th>Aug-17</th>
<th>Sep-17</th>
<th>Oct-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBP Policy Rate Current</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
<td>5.75%</td>
</tr>
<tr>
<td>6 Month KIBOR Month Avg.</td>
<td>6.08%</td>
<td>6.08%</td>
<td>6.15%</td>
<td>6.12%</td>
<td>6.13%</td>
<td>6.14%</td>
<td>6.16%</td>
<td>6.15%</td>
<td>6.15%</td>
<td>6.14%</td>
<td>6.15%</td>
<td>6.15%</td>
<td>6.17%</td>
</tr>
<tr>
<td>12 Month KIBOR Month Avg.</td>
<td>6.37%</td>
<td>6.40%</td>
<td>6.43%</td>
<td>6.41%</td>
<td>6.41%</td>
<td>6.47%</td>
<td>6.45%</td>
<td>6.46%</td>
<td>6.46%</td>
<td>6.46%</td>
<td>6.46%</td>
<td>6.47%</td>
<td>6.47%</td>
</tr>
<tr>
<td>3 Month T-Bill Yield Month Avg.</td>
<td>5.88%</td>
<td>5.91%</td>
<td>5.90%</td>
<td>5.92%</td>
<td>5.94%</td>
<td>5.97%</td>
<td>5.99%</td>
<td>5.98%</td>
<td>5.98%</td>
<td>5.98%</td>
<td>5.98%</td>
<td>5.98%</td>
<td>5.98%</td>
</tr>
<tr>
<td>6 Month T-Bill Yield Month Avg.</td>
<td>5.91%</td>
<td>5.93%</td>
<td>5.90%</td>
<td>5.91%</td>
<td>5.96%</td>
<td>5.98%</td>
<td>6.00%</td>
<td>6.01%</td>
<td>6.01%</td>
<td>6.00%</td>
<td>6.00%</td>
<td>6.01%</td>
<td>6.01%</td>
</tr>
<tr>
<td>12 Month T-Bill Yield Month Avg.</td>
<td>5.92%</td>
<td>5.97%</td>
<td>6.03%</td>
<td>5.94%</td>
<td>5.98%</td>
<td>5.99%</td>
<td>6.03%</td>
<td>6.05%</td>
<td>6.04%</td>
<td>6.03%</td>
<td>6.03%</td>
<td>6.03%</td>
<td>6.03%</td>
</tr>
<tr>
<td>10 Year PIB Yield Month Avg.</td>
<td>7.80%</td>
<td>7.80%</td>
<td>7.80%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
<td>7.94%</td>
</tr>
</tbody>
</table>

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Money Market Review:
In the two T-Bill auction held in the month of Oct’17, the government raised total amount PKR 1,517,236Mn against the target of PKR 1,300bn. The cut off-yield remained unchanged in both the auctions. The cut off yield stood at 5.9910% and 6.0109% for 3M and 6M security, respectively. While no participation was seen in the 12M tenor security in both of the T-Bill auction.

No participation was witnessed in the PIBs auction held on October 19, 2017.

Equity Market Review:
In the month of October the KSE100 declined by 6.6% (to 39,617), with a low near 39400 and high near 41100. After making a low below 40,000 in on Oct 13 market bounced to 42,000 on Oct 20 before retreating again by month end to close at 12 months low. Market carried bearish momentum and as uncertain domestic politics topped news and dampened investor sentiments. The overall trading activity declined by 3% MoM as the average traded shares stood at 148mn. Foreigner remained net sellers during the month, offloading shares with USD8.9mn, whereas the buy support came from Banks/DFIs (USD32.25), Other Organization (USD19.97), and Individuals (USD17.62).

Sectorwise performance showed that all the major sectors ended in the red zone except for Refineries (+39% MoM). The sectors that witnessed the most dull performance were Cable & Electrical goods (-18% MoM), Cement (-14% MoM), and Engineering (-13% MoM). Poor results in the Cable & Electric goods sector dragged its performance, the looming cement supply additions in coming years and cement pricing risk weighed heavily on the Cement. Meanwhile, the devaluation fears preventing from steel scrips to post any positive returns.

The market has broadly ignored some of the positive development for local manufacturers during the month like imposition of RD, the revamped export package and increase in duties on certain import items to curtail widening of the current account deficit. With result season coming to an end, developments on the political and macroeconomic front will majorly influence market direction. The upward trend in oil prices with expectations of oil cut by OPEC and Saudi’s steadfast approach to bring global crude inventories back to their 5 year average will likely push the Oil and Gas sector in the green zone. Overall valuations have reached attractive levels across various sectors. With macro risks largely discounted in share prices, we believe downside risk is limited. In the near term, however, uncertain domestic politics and headwinds on external account may keep equity risk premium high.

Economic Review:
CPI inflation increased by 3.8% on YoY basis in October 2017 as compared to an increase of 3.9% in the previous month and 4.2% in October 2016. On MoM basis, it increased by 0.7% in October 2017 as compared to an increase of 0.6% in the previous month and increase of 0.8% in October 2016. Central projection for CPI in current fiscal year is 4.9% compared to 4.1% in FY2017. As long as CPI stays below the threshold of 5%, there is less likelihood of increase in policy rate from prevailing 5.75%.

On the external front, the trade deficit has widened by 30% YoY during 1QFY18 to USD9.1bn (USD3bn average per month). Good’s imports have grown by 22% YoY to USD14.3bn in 1QFY18 attributed to rise in petroleum and machinery imports. Exports for 1QFY18 stood at USD5.2bn showing a growth of 11% YoY and averaging at USD1.7bn per month.

Overseas Pakistani workers remitted USD4.8bn in 1QFY18. The remitted amount is 1% higher than in the corresponding period. However, MoM basis, the inflows of home remittance witnessed a declining trend. During Sep’17, the inflows of worker’s remittances amounted to USD1.3bn, which is 34% lower than the Aug’17 and 20% lower than Sep’16. During Aug’17, inflows worth USD1.9bn were received. LSM recorded growth of 8.5% YoY in the second month of FY18. In July, LSM posted a YoY growth of 13%. The LSM target for FY18 is 6.3%, it grew 5.6% in FY17. In Jul-Aug, LSM posted growth of 11.3% on an annual basis. Meanwhile, in August 2017 growth was primarily seen in steel products, petroleum products and autos.

S&P maintained Pakistan ‘B’ long term and short term sovereign rating. The rating agency sees stable economic and fiscal outlook for the short and long term with a downward revision on the external sector.
The objective of the fund is to generate consistent returns with minimal risk by investing primarily in Government Securities, cash and near cash instruments.

**Portfolio Allocation (as % of total assets) Oct.’17**

<table>
<thead>
<tr>
<th>Cash at Bank</th>
<th>Others including receivables (NR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.28%</td>
<td>97.72%</td>
</tr>
</tbody>
</table>

**Portfolio Allocation (as % of total assets) Sept.’17**

<table>
<thead>
<tr>
<th>Placements with DFIs</th>
<th>T-Bills</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.71%</td>
<td>97.29%</td>
</tr>
</tbody>
</table>

**Net Assets (PKR mn)** 114.01

**NAV per Unit (PKR)** 82.03

**Weighted Average Maturity (days)** -0.96

**Sharpe Ratio*** 0.118

**Information Ratio** 0.118

**Standard Deviation** 1.21%

*Annualized

**SWWF Disclosure**

*Please note that SWWF liability for PRIMUS Daily Reserve Fund till the close of financial year ended June 30, 2013 since inception will be borne by the management company.

**Total Expense Ratio**

<table>
<thead>
<tr>
<th>Period</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18T</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>9.87%</td>
<td>9.91%</td>
<td>9.54%</td>
<td>6.00%</td>
<td>6.16%</td>
<td>4.76%</td>
</tr>
<tr>
<td>Beta</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>R-squared</td>
<td>0.51</td>
<td>0.51</td>
<td>0.51</td>
<td>0.51</td>
<td>0.51</td>
<td>0.51</td>
</tr>
<tr>
<td>Information Ratio</td>
<td>9.87%</td>
<td>9.91%</td>
<td>9.54%</td>
<td>6.00%</td>
<td>6.16%</td>
<td>4.76%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>7.51%</td>
<td>8.43%</td>
<td>7.72%</td>
<td>5.33%</td>
<td>4.44%</td>
<td>3.17%</td>
</tr>
<tr>
<td>Return %</td>
<td>9.87%</td>
<td>9.91%</td>
<td>9.54%</td>
<td>6.00%</td>
<td>6.16%</td>
<td>4.76%</td>
</tr>
<tr>
<td><strong>Total Expense Ratio</strong></td>
<td>0.69%</td>
<td>0.69%</td>
<td>0.69%</td>
<td>0.69%</td>
<td>0.69%</td>
<td>0.69%</td>
</tr>
</tbody>
</table>

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PIML Income Fund
Fund Manager Report - October 2017

Fund Manager’s Review
In the month of Oct ’17, PIML-IF generated an annualized return of 5.32% as compared to its benchmark return of 6.17%, underperforming its benchmark. Year to date return of the fund is 6.94%. The funds exposure in TFC/Sukuk securities was 17.73% of the net assets as compared to 18% of the net assets in the previous month, while cash at bank has increased to 86.15% from 81% of the net asset in the previous month. The weighted average time to maturity of the portfolio is at 260 days.

Fund Details

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Open End</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>Income Scheme</td>
</tr>
<tr>
<td>Fund Stability Rating</td>
<td>A+ (if) by PACRA (30 Dec 2016)</td>
</tr>
<tr>
<td>Benchmark</td>
<td>Average of 6M KIBOR rates for the period under review.</td>
</tr>
<tr>
<td>Management Co. Rating</td>
<td>AM3+ by JCR-VIS (12 July 2017)</td>
</tr>
<tr>
<td>Inception Date</td>
<td>9th August 2012</td>
</tr>
<tr>
<td>Dealing Days</td>
<td>Daily (days when banks are open for business)</td>
</tr>
<tr>
<td>Cut-off Time</td>
<td>5.00 pm</td>
</tr>
<tr>
<td>Pricing Mechanism</td>
<td>Forward</td>
</tr>
<tr>
<td>*Management Fee</td>
<td>1%</td>
</tr>
<tr>
<td>Load</td>
<td>1% (Front-end) 0% (Back-end)</td>
</tr>
<tr>
<td>Risk Profile</td>
<td>Low to Moderate Risk</td>
</tr>
<tr>
<td>Listing</td>
<td>Pakistan Stock Exchange</td>
</tr>
<tr>
<td>Leverage</td>
<td>Nil</td>
</tr>
<tr>
<td>Trustee</td>
<td>Central Depository Company of Pakistan Ltd.</td>
</tr>
<tr>
<td>Auditor</td>
<td>Deloitte Yousef Adil ‘Chartered Accountants’</td>
</tr>
<tr>
<td>Legal Advisor</td>
<td>Mohsin Tayebaly &amp; Co.</td>
</tr>
<tr>
<td>Fund Manager</td>
<td>Kwawar Salman</td>
</tr>
</tbody>
</table>

**Effective from 7th August 2017**

Investment Committee Members

- Salman H. Sheikh - Chief Executive Officer
- Hamza Saboor - Chief Financial Officer
- Basharatullah Khan - Chief Investment Officer
- Khawar Salman - Fund Manager
- Asif Iqbal - Head of Compliance and Risk
- M. Saeed Khalid - Acting Head of Research

Fund Objective
The objective of PIML - Income Fund (formerly Primus Cash Fund) is to generate competitive returns by investing in short to long term debt instruments and securities.

Portfolio Allocation (as % of total assets) Oct.’17

- TFCs/Sukuk: 17%
- Cash at Bank: 1%
- Others including receivables (NR): 82%

Portfolio Allocation (as % of total assets) Sept.’17

- TFCs/Sukuk: 17%
- Cash at Bank: 1%
- Others including receivables (NR): 82%

SWWF Disclosure
The scheme has maintained a provision gainst Worker’s Welfare Fund’s liability to the tune of Rs.10,574,456, if the same were not made the NAV per unit/year to date (YTD) return of the scheme would be higher by Rs.1.6829/4.65% enhancing the YTD return to 11.57% pa.

Total Expense Ratio
Total Expense Ratio is 0.64% which includes 0.10% of Government Levy and 0.03% SECP Fee calculated as % Average Net Asset Value.

Fund Performance PIML-IF

<table>
<thead>
<tr>
<th>Period</th>
<th>PIML-IF</th>
<th>PIML-IF**</th>
<th>Benchmark***</th>
</tr>
</thead>
<tbody>
<tr>
<td>CYTD</td>
<td>6.25%</td>
<td>7.09%</td>
<td>6.14%</td>
</tr>
<tr>
<td>FYTD</td>
<td>6.77%</td>
<td>6.81%</td>
<td>6.15%</td>
</tr>
<tr>
<td>TFCs/Sukuk</td>
<td>5.56%</td>
<td>5.56%</td>
<td>6.14%</td>
</tr>
<tr>
<td>SION Inception</td>
<td>11.31%</td>
<td>8.92%</td>
<td>7.32%</td>
</tr>
<tr>
<td>SION Market Inception</td>
<td>10.90%</td>
<td>9.00%</td>
<td>41.59%</td>
</tr>
<tr>
<td>Last 3 yrs</td>
<td>10.62%</td>
<td>9.69%</td>
<td>6.40%</td>
</tr>
<tr>
<td>Sep-17</td>
<td>7.66%</td>
<td>7.96%</td>
<td>6.16%</td>
</tr>
<tr>
<td>Oct-17</td>
<td>5.20%</td>
<td>5.41%</td>
<td>6.17%</td>
</tr>
</tbody>
</table>

*Morning Star n.a = not applicable
**Performance data does not include the cost incurred directly by an investor in the form of sales load or front-end load.
***Simple Annualized
****Average of reporting period

Fund Statistics

Net Assets (PKR mn) 675.30
NAV per Unit (PKR) 107.47
Weighted Average Maturity (days) 260
Sharpe Ratio* 1.44
Information Ratio 0.097
Standard Deviation 0.73%

Since Inception FY13 FY14 FY15 FY16 FY17 FY18

Top 10 Holdings (as % of T.A.)

- AKBL TFC-IV: 23-Dec-11 - 23-Dec-21: 10.87%
- TPL Sukuk 15-Apr-16 - 13-Aug-21: 3.56
- HPL Sukuk 07-Jan-16 - 07-Jan-22: 2.35

Credit Quality of Portfolio (as % of T.A.)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Oct.’17</th>
<th>Sep.’17</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>AA+</td>
<td>95.72%</td>
<td>94.46%</td>
</tr>
<tr>
<td>AA</td>
<td>3.46%</td>
<td>3.46%</td>
</tr>
<tr>
<td>Other including receivables (NR)</td>
<td>1.24%</td>
<td>1.24%</td>
</tr>
<tr>
<td>Total</td>
<td>100.00%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

AWT Investments Limited

*Morning Star n.a = not applicable
**Performance data does not include the cost incurred directly by an investor in the form of sales load or front-end load.
***Simple Annualized
****Average of reporting period

SWWF Disclosure
The scheme has maintained a provision against Worker’s Welfare Fund’s liability to the tune of Rs.10,574,456, if the same were not made the NAV per unit/year to date (YTD) return of the scheme would be higher by Rs.1.6829/4.65% enhancing the YTD return to 11.57% pa.

Total Expense Ratio
Total Expense Ratio is 0.64% which includes 0.10% of Government Levy and 0.03% SECP Fee calculated as % Average Net Asset Value.

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In the month of Oct'17, the fund posted return of -6.62% against the benchmark return of -4.25%, denoting underperformance of 237bps. Major contribution in the fund’s negative return came from its holding in LUCK, PAEL and INIL. The top five holdings of the fund are PSO, LUCK, NML, ENGRO and OGDC, having 50% of the weight. The overall valuations have reached attractive levels across various sectors. However, macro risks largely discounted in share prices, we believe downside risk is limited. In the near term, however, uncertain domestic politics and headwinds on external account may keep equity risk premium high.

**Portfolio Allocation (as % of total assets) Oct’17**

- **Equity Securities**: 64%
- **Cash at Bank**: 33%
- **Others including receivables (NR)**: 3%

**SWWF Disclosure**

The scheme has maintained a provision against Worker’s Welfare Fund’s liability to the tune of Rs.1,405,807, if the same were not made the NAV per unit/year to date (YTD) return of the scheme would be higher by Rs.1,0115/2.97% enhancing the YTD return to -12.52% p.a.

**Total Expense Ratio**

Total Expense Ratio is 1.31% which includes 0.03% of SECP Fee calculated as % of Average Net Asset Value.

**Fund Performance PIML - SMAF**

<table>
<thead>
<tr>
<th>Period</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>28.77%</td>
<td>17.64%</td>
<td>8.42%</td>
<td>11.35%</td>
<td>16.74%</td>
<td>18.00%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>18.80%</td>
<td>13.40%</td>
<td>8.59%</td>
<td>17.54%</td>
<td>-8.85%</td>
<td></td>
</tr>
</tbody>
</table>

**Fund Manager's Review**

The objective of PIML-SMAF, an open-end balanced scheme, is offering retail and institutional clients a product that aims to maximize return and minimize risk. For this purpose, a balanced portfolio is created that has an optimal mix of equity, debt securities and commodity.

**Credit Quality of Portfolio (as % of T.A.)**

<table>
<thead>
<tr>
<th>AAA</th>
<th>AA &amp; above</th>
<th>A</th>
<th>BB &amp; below</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total</th>
<th>Equity Securities</th>
<th>Others including receivables (NR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>64.65%</td>
<td>35.35%</td>
</tr>
</tbody>
</table>

**Risk Profile**

- **Load**: 2% (Front-end) 0% (Back-end)
- **Management Fee**: 2%
- **Beta**: 1.15
- **R - Square**: 90.84%
- **Standard Deviation**: 14.01%
- **Treynor Ratio**: 1.15
- **Sharpe Ratio**: -1.40
- **R²**: Measures the correlation between the benchmark and the fund's return
- **Beta**: Measures the fund's sensitivity to market movements
- **Sharpe Ratio**: Measures the fund's risk-adjusted return

**Investment Committee Members**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salman H. Sheikh</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>Hamza Saboor</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Basharatullah Khan</td>
<td>Chief Investment Officer</td>
</tr>
<tr>
<td>Nisha Ahuja</td>
<td>Fund Manager</td>
</tr>
<tr>
<td>Aisf Iqbal</td>
<td>Head of Compliance and Risk</td>
</tr>
<tr>
<td>M. Saeed Khalid</td>
<td>Acting Head of Research</td>
</tr>
</tbody>
</table>

**Risk/return**

- **R/uni2010Square** measures the correlation between the benchmark and the fund’s return
- **Nil** Leverage

**Benchmark**

- **18.80%**
- **36.51%**
- **49.13%**
- **76.31%**

**Since Inception**

<table>
<thead>
<tr>
<th>Return %</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.27%</td>
<td>9.27%</td>
<td>9.27%</td>
<td>9.27%</td>
<td>9.27%</td>
<td>9.27%</td>
</tr>
</tbody>
</table>

**Management Co. Rating**

- **AM+ by ICP-HS**
- **33%**

**Legal Advisor**

- **Mohtsin Tayebaly & Co.**
- **3%**

**Auditor**

- **Deloitte Yousuf & Co.**
- **64%**

**Trustee**

- **Central Depository Company of Pakistan Ltd.**
- **0.00%**

**Listing**

- **Pakistan Stock Exchange**
- **100%**

**Cut-off Time**

- **4.00 pm**

**Risk Profile**

- **2% p.a.**
- **0% (Back-end)**
- **0% (Front-end)**

**Pricing Mechanism**

- **Forward**

**Dealing Days**

- **Daily (Except Banks are open for business)**

**Management Fee**

- **0.11%**
- **2% p.a.**

**Benchmark**

- **18.80%**
- **36.51%**
- **49.13%**
- **76.31%**

**Portfolio Allocation**

- **Equity Securities**
- **Cash at Bank**
- **Others including receivables (NR)**

**Top 10 Holdings (as % of T.A.)**

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Oct. '17</th>
<th>Oct. '17</th>
</tr>
</thead>
<tbody>
<tr>
<td>PSO</td>
<td>7.57%</td>
<td>9.65%</td>
</tr>
<tr>
<td>LUCK</td>
<td>7.29%</td>
<td></td>
</tr>
<tr>
<td>NML</td>
<td>5.37%</td>
<td></td>
</tr>
<tr>
<td>EORP</td>
<td>4.59%</td>
<td></td>
</tr>
<tr>
<td>GPFL</td>
<td>3.33%</td>
<td></td>
</tr>
<tr>
<td>ASL</td>
<td>2.81%</td>
<td></td>
</tr>
<tr>
<td>UBL</td>
<td>2.57%</td>
<td></td>
</tr>
<tr>
<td>SPEL</td>
<td>2.50%</td>
<td></td>
</tr>
<tr>
<td>PPL</td>
<td>2.47%</td>
<td></td>
</tr>
</tbody>
</table>

**Sector Allocation (as % of T.A.)**

- **CEMENT**: 9.07%
- **COMMERCIAL BANKS**: 8.18%
- **OIL & GAS**: 7.57%
- **TEXTILE COMPOSITE**: 7.48%
- **OIL & GAS MARKETING COMPANIES**: 5.77%
- **OTHERS**: 5.72%
- **Pakistan Petroleum Ltd**: 5.02%

**Auditor**

- **Mohsin Tayebaly & Co.**
- **64.65%**

**Fund Manager Report - October 2017**

**Investment Committee Members**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>M. Saeed Khalid</td>
<td>Acting Head of Research</td>
</tr>
<tr>
<td>Asif Iqbal</td>
<td>Head of Compliance and Risk</td>
</tr>
<tr>
<td>Basharatullah Khan</td>
<td>Chief Investment Officer</td>
</tr>
<tr>
<td>Hamza Saboor</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Salman H. Sheikh</td>
<td>Chief Executive Officer</td>
</tr>
</tbody>
</table>

**Fund Type**

- **Open End**
- **Balanced Fund**

**Category**

- **KSE 100 index and six (6) months KIBOR rates on the basis of actual proportion held by the scheme during the period under review.**

**Management Co. Rating**

- **AM+ by ICP-HS**
- **33%**

**Inception Date**

- **23rd August 2013**
- **100%**

**Dealing Days**

- **Daily**

**Fund Statistic**

<table>
<thead>
<tr>
<th>Net Assets (PKR mn)</th>
<th>NAV per Unit (PKR)</th>
<th>Sharpe Ratio</th>
<th>Standard Deviation</th>
<th>Treynor Ratio</th>
<th>Beta</th>
<th>R - Square</th>
<th>Value at Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>140.23</td>
<td>100.90</td>
<td>-1.40</td>
<td>14.01%</td>
<td>-0.170</td>
<td>2%</td>
<td>90.84%</td>
<td>1.46%</td>
</tr>
</tbody>
</table>

1yr PKRV yield used as Risk/uni Free rate. * Annualized
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PIML Islamic Equity Fund

Fund Manager Report - October 2017

Fund Manager’s Review

In the month of Oct’17, the fund posted return of -7.84% against the benchmark return of -5.8%, denoting underperformance of 204bps. Major contribution in the fund’s negative return came from INIL, LUCK, SNGP and ENGRO. The top five holdings of the fund are LUCK, OGDC, ENGRO, PSO and NML. The overall valuations have reached attractive levels across various sectors. With macro risks largely discounted in share prices, we believe downside risk is limited. In the near term, however, uncertain domestic politics and headwinds on external account may keep equity risk premium high.

Fund Objectives

The objective of PIML-IEF is to achieve long term capital growth by investing mainly in Shariah Compliant listed equity securities.

Portfolio Allocation (as % of total assets) Oct’17

- **Equity Securities**: 84.52%
- **Cash at Bank**: 10.66%
- **Others including receivables (NR)**: 4.80%

Sector Allocation (as % of T.A.) Oct’17 vs Sept.’17

- **Oil & Gas Marketing Companies**: 12.81% vs 13.13%
- **Chemicals**: 11.33% vs 12.58%
- **Fertilizer**: 10.20% vs 12.12%
- **Engineering**: 7.72% vs 8.00%
- **Others**: 19.66% vs 32.21%

SWWF Disclosure

The scheme has maintained a provision against Worker's Welfare Fund's liability to the tune of Rs.1,582,895, if the same were not made the NAV per unit/year to date (YTD) return of the scheme would be higher by Rs.1.39/10.37% enhancing the YTD return to -18.21% p.a.

Fund Performance PIML-IEF

<table>
<thead>
<tr>
<th>Period</th>
<th>Performance</th>
<th>Benchmark</th>
<th>FYTD</th>
<th>CYTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14</td>
<td>4.58%</td>
<td>10.70%</td>
<td>24.96%</td>
<td>15.53%</td>
</tr>
<tr>
<td>FY15</td>
<td>7.30%</td>
<td>15.80%</td>
<td>30.69%</td>
<td>18.80%</td>
</tr>
<tr>
<td>FY16</td>
<td>17.02%</td>
<td>18.80%</td>
<td>40.23%</td>
<td>14.39%</td>
</tr>
<tr>
<td>FY17</td>
<td>-22.08%</td>
<td>18.80%</td>
<td>-14.39%</td>
<td>30.69%</td>
</tr>
<tr>
<td>FY18TD</td>
<td>-18.21%</td>
<td>18.80%</td>
<td>-5.80%</td>
<td>30.69%</td>
</tr>
</tbody>
</table>

Total Expense Ratio is 1.39% which includes 0.12% of Government Levy and 0.03% of SECP Fee calculated as % of Average Net Asset Value.

Investment Committee Members

- **Salman H. Sheikh**: Chief Executive Officer
- **Hamza Saboor**: Chief Financial Officer
- **Basharatullah Khan**: Chief Investment Officer
- **Basharatullah Khan**: Fund Manager
- **Asif Iqbal**: Head of Compliance and Risk
- **M. Saeed Khalid**: Acting Head of Research

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Fund Manager’s Review

In the month of Oct’ 17, PIML-IIF generated an annualized return of 4.25% as compared to benchmark return of 2.51%, outperforming its benchmark by 174bps. Year to date return of the fund is 4.51%. The fund maintained its exposure in cash at bank at 99%. The weighted average time to maturity of the portfolio is at 01 day.

*Effective from 7th August 2017

**Morning Star 
*Simple Annualized
***Average of reporting period

The scheme has maintained a provision against Worker’s Welfare Fund’s liability to the tune of Rs.288,990, if the same were not made the NAV per unit/year to date (YTD) return of the scheme would be higher by Rs.0.2967/0.86% enhancing the YTD return to 5.37% p.a.

The investment objective of the fund is to generate competitive risk adjusted returns by investing in short, medium and long-term Shariah Compliant Fixed Income Instruments.

**Performance PIML - IIF**

<table>
<thead>
<tr>
<th>Period</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18TD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>5.46%</td>
<td>5.08%</td>
<td>4.26%</td>
<td>4.37%</td>
<td>4.51%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>6.49%</td>
<td>6.18%</td>
<td>4.59%</td>
<td>3.61%</td>
<td>2.39%</td>
</tr>
</tbody>
</table>

**Credit Quality of Portfolio (as % of T.A.) Oct. '17 Sept. '17**

| Cash at Bank | 98.00% | 96.88% |
| Others including receivables (NR) | 2.00% | 3.12% |
| Total | 100.00% | 100.00% |

**Since Inception FY14 | FY15 | FY16 | FY17 | FY18TD**

| Performance | 5.46% | 5.08% | 4.26% | 4.37% | 4.51% |
| Benchmark | 6.49% | 6.18% | 4.59% | 3.61% | 2.39% |

**Total Expense Ratio**

Total Expense Ratio is 0.80% which includes 0.10% of Government Levy and 0.03% of SECP Fee calculated as % of Average Net Asset Value.
PIML Value Equity Fund

Fund Manager Report - October 2017

Fund Manager’s Review

In the month of Oct’17, the fund posted return of -8.72% against the benchmark return of -6.58%, denoting underperformance of 214bps. Major contribution in the fund’s negative return came from its holding in AICL, INIL, LUCK and SNGP. The top five holdings of the fund are PSO, LUCK, NML, OGDC and SNGP, having 50% of the weight. The overall valuations have reached attractive levels across various sectors. With macro risks largely discounted in share prices, we believe downside risk is limited. In the near term, however, uncertain domestic politics and headwinds on external account may keep equity risk premium high.

Fund Details

| Fund Type | Open End |
| Category | Equity Scheme |
| Benchmark | KSE 100 Index |
| Management Co. Rating | AM3+ by JCR-VIS (15 December 2016) |
| Inception Date | 13th March 2015 |
| Dealing Days | Daily |
| Cut-off Time | 4:00 pm |
| Pricing Mechanism | Forward |
| Management Fee | 2% p.a. |
| Load | 2% (Front-end) 0% (Back-end) |
| Risk Profile | Moderate to High |
| Listing | Pakistan Stock Exchange |
| Trustee | Central Depository Company of Pakistan Ltd. |
| Leveragge | Nil |
| Auditor | KPMG Tauseef Har & Co |
| Legal Advisor | Mohsin Tayebaly & Co. |
| Fund Manager | Basharatullah Khan |

Fund Objective

The objective of PIML-Value Equity Fund is to achieve long term capital growth by investing mainly in listed equity securities.

Portfolio Allocation

![Portfolio Allocation Chart]

<table>
<thead>
<tr>
<th>Top 10 Equity Holdings (as % of T.A.)</th>
<th>Symbol</th>
<th>Oct. ’17</th>
<th>Sept. ’17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pakistan State Oil</td>
<td>PSD</td>
<td>9.48%</td>
<td>9.48%</td>
</tr>
<tr>
<td>Lucky Cement Ltd.</td>
<td>LUCK</td>
<td>7.55%</td>
<td>9.23%</td>
</tr>
<tr>
<td>Nishat Mills Ltd.</td>
<td>NML</td>
<td>5.94%</td>
<td>9.72%</td>
</tr>
<tr>
<td>Oil &amp; Gas Development Co.</td>
<td>OGDC</td>
<td>5.79%</td>
<td>5.79%</td>
</tr>
<tr>
<td>Sui Northern Gas Pipeline</td>
<td>SNGP</td>
<td>5.77%</td>
<td>5.77%</td>
</tr>
<tr>
<td>Admapen Insurance Co Ltd</td>
<td>ACL</td>
<td>5.93%</td>
<td>5.93%</td>
</tr>
<tr>
<td>Engro Corp</td>
<td>ENGRO</td>
<td>5.39%</td>
<td>5.39%</td>
</tr>
<tr>
<td>Packages Ltd</td>
<td>PKGS</td>
<td>5.14%</td>
<td>5.14%</td>
</tr>
<tr>
<td>Aisha Steel Mills</td>
<td>ASL</td>
<td>4.21%</td>
<td>4.21%</td>
</tr>
<tr>
<td>Bank Alfalah</td>
<td>BAFL</td>
<td>3.87%</td>
<td>3.87%</td>
</tr>
</tbody>
</table>

Credit Quality of Portfolio

![Credit Quality of Portfolio Chart]

Fund Performance PIML-VEF

![Fund Performance Chart]

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**Fund Manager’s Review**

In the month of Oct'17, the fund posted return of -4.97% against the benchmark return of -3.8%, denoting underperformance of 117bps. Major contribution to the fund’s negative return came from its holding in INIL, LUCK, ENGRO and PKGS. The top five holdings of the fund are NML, LUCK, PSO, ASL and MUGHAL. The overall valuations have reached attractive levels across various sectors. With macro risks largely discounted in share prices, we believe downside risk is limited. In the near term, however, uncertain domestic politics and headwinds on external account may keep equity risk premium high.
AWT INVESTMENTS LIMITED

“A Joint venture of Army Welfare Trust and Pak Brunei Investment Company”

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