

SYMBOL OF TRUST



FUND MANAGERS' REPORT

A wholly owned Subsidiary of Army Welfare Trust

AWT INVESTMENTS LTD

A wholly owned Subsidiary of Army Welfare Trust

Head of Operations & Investor Services

Tel Off: (+92-51) 9272379-80

Email: <http://www.awtinvestments.com/complaint/>

Head Office AWT Investments Ltd.

2nd Floor, AWT Plaza, The Mall, Rawalpindi Cantt



JULY 2023

www.awtinvestments.com



Risk Profiling for Collective Investment Scheme



| Conventional Funds | Risk profile | Risk of principal erosion |
|----------------------------------|-----------------|----------------------------|
| AWT Money Market Fund | Low | Principal at low risk |
| AWT Income Fund | Medium | Principal at medium risk |
| AWT Financial Sector Income Fund | Medium | Principal at medium risk |
| AWT Stock Fund | High | Principal at high risk |
| Shariah Compliant Funds | Risk profile | Risk of principal erosion |
| AWT Islamic Income Fund | Moderate | Principal at moderate risk |
| AWT Islamic Stock Fund | High | Principal at high risk |

Economic Overview and Outlook

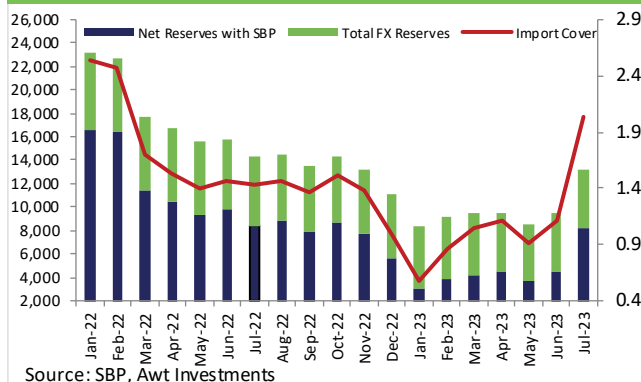
During the month of July, country's external position showed signs of improvement following a prolonged Standby Agreement (SBA) with the IMF. Subsequent to the agreement, our foreign exchange reserves nearly doubled, reaching \$8.7 billion, with contributions of \$1.2 billion from the IMF, \$2 billion from Saudi Arabia, and \$1 billion from the UAE, while rollover from China also supported the FX reserves. Overall, country FX reserves are equivalent to over two months of imports bill. As a result of improved external outlook, Fitch upgraded Pakistan's sovereign rating from CCC- to CCC.

Throughout the month, the real sector continued to face challenges, with several key leading sectors such as Cement, OMC sales, Fertilizers, Auto sales, and Steel sector experiencing negative growth. It is worth noting that the government has set a GDP target of 3.5% for FY24. However, achieving this target seems very difficult considering the current performance of the real sector.

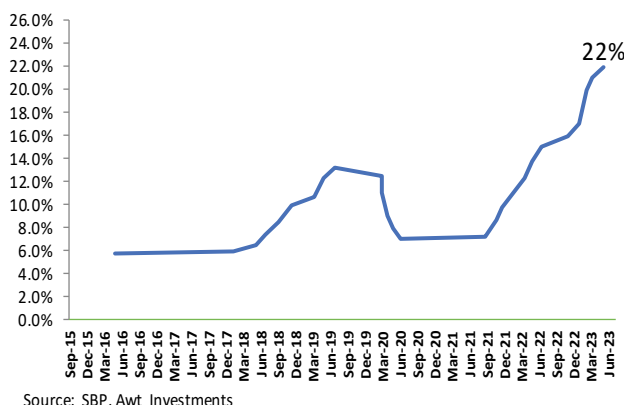
Headline inflation for Jul'23 clocked in at 28.3% vs. 29.4% reported in previous month. However, reported number for July remained above the street consensus of 26-27%, subsiding the positive base effect to some extent mainly due to higher than estimated surge in electricity charge and foods prices. We foresee average inflation for the fiscal year 2024 to decline towards 21-22% and possibly inch down to 16-17% in Jun'24. However, this outlook remains subject to risks stemming from both domestic and external shocks, including adverse climate events and global commodity price volatility. However, it is worth mentioning that SBP kept policy rate unchanged at 22%. The MPC stressed on maintaining an appropriately tight monetary policy stance with positive real interest rates on forward looking basis to keep inflation and its expectation on downward path so as to achieve the medium-term inflation target of 5–7 percent by end-FY25.

During the July, SBP reported CAD of \$2.5bn for FY23 vs. \$17.5bn reported for FY22. This contraction is attributed to government administrative measures, resulting in a substantial reduction in imports, furthermore, reduction in commodity prices also improved the overall dynamics. However, remittance and exports also reduced by 13.6% and 14.1% and recorded at \$27bn and \$27.9bn, respectively. In the latest development, the Pakistan Bureau of Statistics (PBS) reported a trade deficit of \$1.6 billion for Jul'23, compared to \$1.8 billion reported in the previous month, wherein exports posted a contraction of 12.7%/8.5% on MoM/YoY basis. We foresee, CAD to reach over \$6 billion in FY24, amid govt

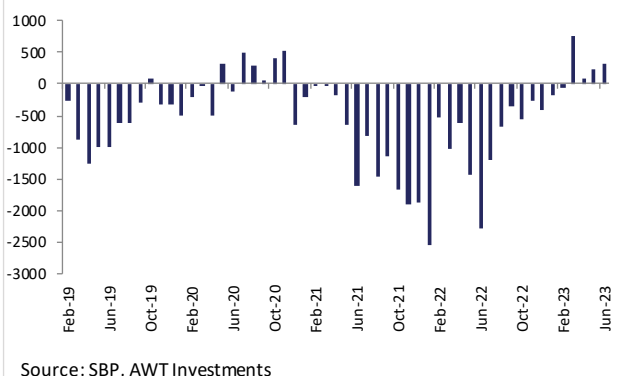
Economy : SBP FX Reserves - Mn\$ / Import Cover (Months)



Economy: Policy Rate (%)



Economy : Monthly Current Account Balance (\$mn)

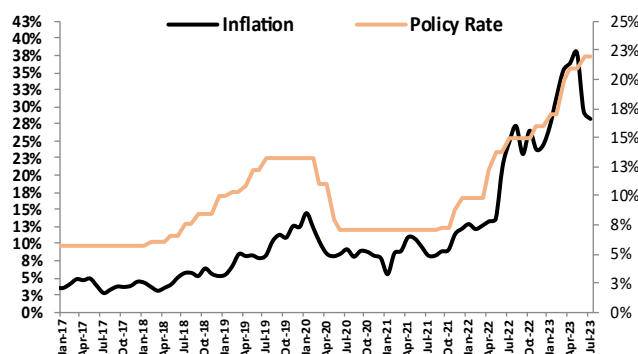


Economic Overview and Outlook

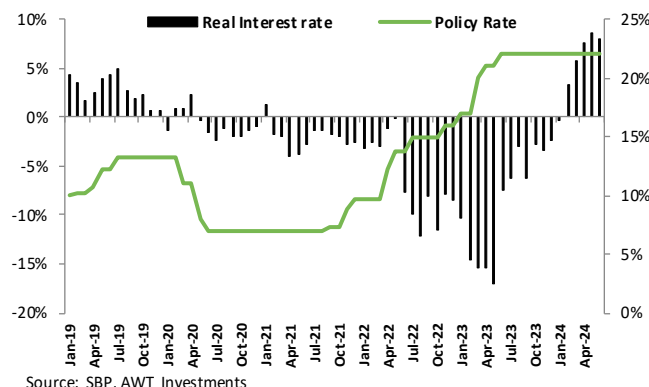
ambitious GDP growth target of 3.5%. Whereas, IMF projected CAD to remain around 1.8% of GDP.

During the outgoing month, FBR tax collection surged by 17.5%, recorded at PKR 538 billion, compared to PKR 458 billion in SPLY. This exceeded the monthly target by PKR 4 billion. We expect further improvement in ongoing fiscal year due to anticipated relaxation of import controls and fiscal tightening proposed in federal budget. To note that, government has set revenue target of PKR 9.4 trillion whereas as fiscal deficit target is set at PKR 6.9 trillion i.e. 6.5% of GDP. Furthermore, FY24 budget also include a primary surplus of 0.4% of GDP.

Economy: Policy rate Vs Inflation



Economy: Real Interest rate Vs Policy Rate

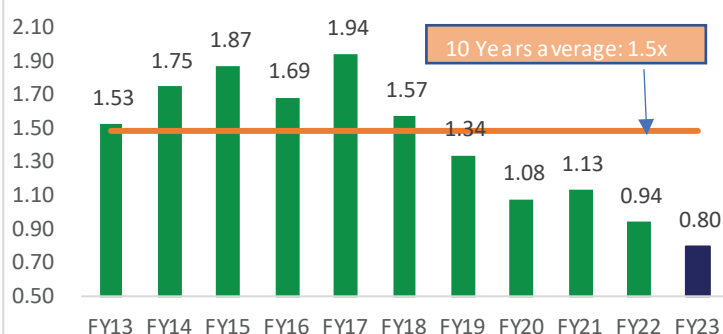


Stock Market Review

During July, PSX demonstrated exceptional performance, characterized by various positive developments mentioned above. The KSE-100 index showed remarkable growth, reaching at 48,035 points, which reflects a significant increase of 6,582 points (15.9% MoM basis), reaching the highest monthly return since Apr' 20. Moreover, PSX experienced a foreign buy of \$18.2 million, representing the highest monthly net inflow since Jul '19. This rally was primarily led by Banking sector which contributed over 2,800pts followed by Oil Exploration (E&P), Power and technology sectors which add up 920pts, 418pts and 535pts, respectively. Whereas, fertilizers and Tobacco sectors remained the laggard. Regarding participant-wise activity, foreigners remained net buyer of ~\$18.2mn, whereas, on the local front, Mutual funds & Banks remained net sellers of ~\$17.3mn & \$6.2mn while Insurance, Corporates and Individual were net buyer.

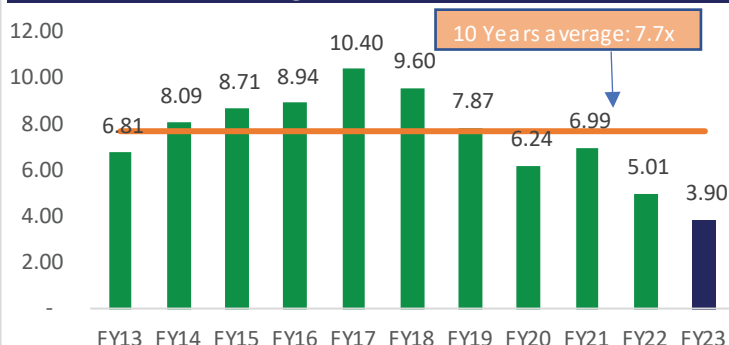
We anticipate that this robust recovery to continue in FY24 due to several factors: i) improving external account outlook following the IMF's Stand-By Arrangement (SBA), ii) the potential decrease in CPI as high base effects contribute to lower inflation, which in turn may result in monetary easing, and iii) the political landscape and stability within the country. Currently, the market P/E is still hovering at an attractive level of 3.9x vs 10 year average of 7.7x, offering an appealing dividend yield.

KSE-100 : Price to Book (P/Bv)



Source: Bloomberg, AWT Investments

KSE-100: Price Earning (P/E)



Source: Bloomberg, AWT Investments

Money Market Review

In July, secondary market yields continued to increase, even with a record high policy rate of 22%. Following emergent policy adjustments at the end of FY23, the market showed positive signs, with investors considering it as a peak in the interest rate cycle. However, later in the month, the IMF's review of the country's economic condition indicated the possibility of further tightening, as IMF projected a CPI rate to average around (+25.9%/YoY) during FY24. This development influenced investor sentiments and sparked speculation about another rate hike. Nevertheless, on July 31st, the State Bank of Pakistan (SBP) announced the monetary policy, keeping the policy rate unchanged at 22%. The Monetary Policy Committee noted a decrease in economic uncertainty since the last meeting, improvements in addressing near-term external sector challenges, and enhanced investor confidence.

During the reviewed month, the central bank conducted two T-bills auctions. In the first auction on July 13th, there was significant participation, amounting to PKR 1.9 trillion, with accepted bids totaling PKR 571 billion at rates of 22.7999%, 22.9600%, and 22.9897% for 3-month, 6-month, and 12-month tenors, respectively. However, in the second auction on July 25th, there was limited participation of PKR 1.1 trillion, despite a highly liquid market condition. The SBP accepted bids at rates of 22.9788%, 22.9201%, and 22.9991% for 3-month, 6-month, and 12-month tenors, respectively, with only bids worth PKR 584 million being accepted.

Looking ahead, we anticipate the market to remain subdued as investors exercise cautious regarding the direction of the policy rate in the coming months. Given the current liquidity conditions in the market, we expect the upcoming auctions to be driven by liquidity, with the possibility of substantial participation.

AWT - Money Market Fund

Fund Objective

Money Market Fund (formerly AWT Asset Allocation Fund), an open-end money market fund, is to generate competitive returns by investing in short term Government Securities and Debt instrument as approved by SECP from time to time.

Fund Statistics

| | |
|----------------------------------|----------|
| Net Assets(PKR mn) | 3,026 |
| NAV per Unit (PKR) | 117.3506 |
| Weighted Average Maturity (days) | 27 |
| Sharpe Ratio* | 1.73 |
| Information Ratio | 6.10 |
| Standard Deviation Annualized | 0.22% |

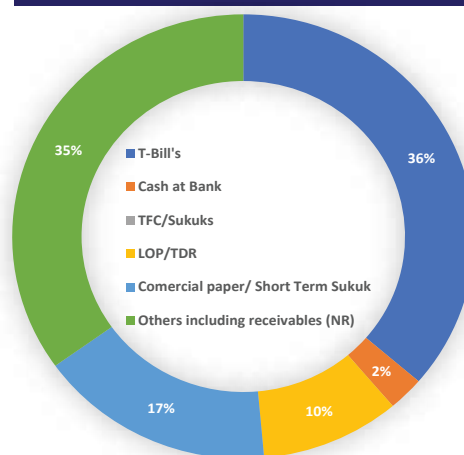
Fund Manager's Review

In July, the AWT Money Market Fund achieved an annualized return of 21.06%. The fund's financial-year-to-date return of 21.06%. At the end of the month, , the fund's allocation in Commercial paper/Short Term Sukuk (STS) was approximately 16.56%, the fund held 2.51% of its assets in cash at the bank, while Government Securities comprised 36.29% of the fund's holdings. Looking ahead, we will closely monitor the situation and adjust our investment strategies accordingly.

FUND DETAILS

| | |
|-----------------------------|---|
| Fund Type | Open End |
| Category | Money Market Scheme |
| Fund Stability Rating | AA+(f) by PACRA (13th Apr 2023) |
| Benchmark | 70 % three months PKRV rate plus 30% three (3) months average deposit rate of three (3) AA rated scheduled banks as selected by MUFAP. |
| Management Co. Rating | AM3++ by PACRA (5th August 2022) |
| Inception Date | 12th April 2016 |
| Dealing Days | Daily (days when Banks are open for business) |
| Cut-off Time | Monday to Thursday 09:00 - 15:00 Friday 09:00 - 16:00 |
| Pricing Mechanism | Forward |
| Management Fee | Management Company shall be entitled to an accrued remuneration equal to an amount not Exceeding 1% of average annual Net Assets, within allowed expense ratio limit. |
| Current Management Fee | 0.65% |
| Load | NIL |
| Risk Profile | Low |
| Risk of Principal @ Erosion | Principal @ Low Risk |
| Listing | Pakistan Stock Exchange |
| Trustee | Central Depository Company of Pakistan Ltd. |
| Auditor | Yousuf Adil Chartered Accountant |
| Legal Advisor | Rizwan Faiz Associates |
| Fund Manager | Wahaj Ahmed |

Portfolio Allocation (as % of total assets) Jul '23



Total Expense Ratio

| | |
|-----|---|
| YTD | 0.89% p.a. (including 0.09% Govt. Levy and 0.075% SECP Fee) |
| MTD | 0.89% p.a. (including 0.09% Govt. Levy and 0.075% SECP Fee) |

| Portfolio Allocation (as % of T.A.) | July. '23 | June. '23 |
|-------------------------------------|----------------|----------------|
| T-Bill's | 36.29% | 68.41% |
| Cash at Bank | 2.51% | 3.01% |
| TFC/Sukuks | 0.00% | 0.00% |
| LOP/TDR | 9.76% | 9.44% |
| Commercial paper/ Short Term Sukuk | 16.56% | 17.42% |
| Others including receivables (NR) | 34.88% | 1.71% |
| Total | 100.00% | 100.00% |

Fund Performance AWT - MMF

| | AWT-MMF* | AWT-MMF** | Benchmark*** |
|-----------------|----------|-----------|--------------|
| Jul-23 | 21.06% | 23.21% | 21.74% |
| FYTD | 21.06% | 23.21% | 21.74% |
| CYTD | 19.76% | 20.57% | 19.52% |
| 12M Trailing | 18.80% | 18.80% | 17.65% |
| Since Inception | 15.03% | 14.16% | 14.24% |

*Simple Annualized

***Average of reporting period

**Morning Star

*the Returns are annualized and calculated from the date (Sept 13, 2021) of change in fund category.

Fund returns are calculated NAV with dividends reinvested (excluding sales load). etc."

*Performance data does not include the cost incurred directly by investor in the form of sales load

| Credit Quality of Portfolio (as % of T.A.) | July. '23 | June. '23 |
|--|----------------|---------------|
| AAA (Government Securities) | 36.29% | 68.41% |
| AAA | 9.93% | 0.03% |
| AA+ | 6.29% | 18.98% |
| AA | 12.61% | 10.86% |
| Other including recievables (NR) | 34.88% | 1.71% |
| Total | 100.00% | 100.0% |

Investment Committee Members

| | |
|-----------------------------------|-------------------------|
| Sajjad Anwar, (CFA) | Chief Executive Officer |
| Salman Shafiq | Chief Financial Officer |
| Wahaj Ahmed | Head Fixed Income |
| Mian Muhammad Sadaat Saeed, (CFA) | Head of Risk |

| Period | FY23 |
|-------------|--------|
| Performance | 18.08% |
| Benchmark | 17.01% |

| Months | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Performance | 14.89% | 15.04% | 15.19% | 14.25% | 17.02% | 15.09% | 15.90% | 18.40% | 20.73% | 20.50% | 20.10% | 21.06% |
| Benchmark | 14.75% | 14.92% | 14.77% | 14.94% | 15.87% | 16.28% | 17.30% | 19.17% | 20.26% | 20.64% | 21.12% | 21.74% |

AWT - Financial Sector Income Fund

Fund Manager's Review

In July, AWT Financial Sector Income Fund delivered an annualized return of 22.61%. At the end of the month, the fund had approximately 3.97% allocated in TFC/Sukuks and 14.61% in Commercial paper/Short term Sukuk (STS). The fund's holdings in (COM) accounted for 2.50%, while cash in the bank represented 72.62% of its assets. Moving forward, the fund would remain vigilant on macroeconomic developments and will devise the investment strategy accordingly.

Fund Objective

AWT Financial Sector Income Fund (AWTFSIF) aims to provide income enhancement and preservation of Capital by investing primarily in financial sector, TFCs/Sukuk, Bank deposits and instruments issued by Government Securities.

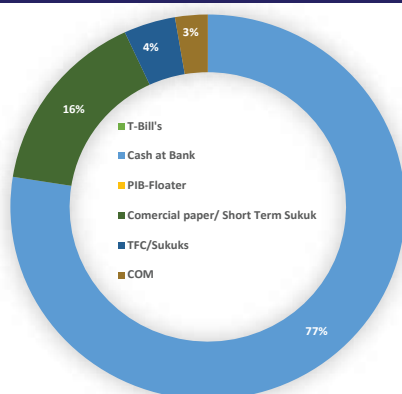
Fund Statistics

| | |
|----------------------------------|----------|
| Net Assets(PKR mn) | 695 |
| NAV per Unit (PKR) | 102.1971 |
| Weighted Average Maturity (days) | 90 |
| Sharpe Ratio* | 0.46 |
| Information Ratio | (2.08) |
| Standard Deviation Annualized | 0.20% |

FUND DETAILS

| | |
|-----------------------------|---|
| Fund Type | Open End |
| Category | Income Scheme |
| Fund Stability Rating | A+(f) by PACRA (20 Mar 23) |
| Benchmark | Average of 6M KIBOR rates for the period under review. |
| Management Co. Rating | AM3++ by PACRA (5th August 2022) |
| Inception Date | 19th Dec 2022 |
| Dealing Days | Daily (days when Banks are open for business) |
| Cut-off Time | Monday to Thursday 09:00 - 15:00 Friday 09:00 - 16:00 |
| Pricing Mechanism | Forward |
| Management Fee | The Maximum limit of management fee is 1.50% per annum of Average Annual Net Assets |
| Current Management Fee | 0.75% |
| Load | NIL |
| Risk Profile | Medium |
| Risk of Principal @ Erosion | Principal @ Medium |
| Listing | Pakistan Stock Exchange |
| Trustee | Central Depository Company of Pakistan Ltd. |
| Auditor | Yousuf Adil Chartered Accountant |
| Legal Advisor | Rizwan Faiz Associates |
| Fund Manager | Wahaj Ahmed |

Portfolio Allocation (as % of total assets) Jul '23



Total Expense Ratio

| | |
|-----|---|
| YTD | 1.11% p.a. (including 0.11% Govt. Levy and 0.075% SECP Fee) |
| MTD | 1.11% p.a. (including 0.11% Govt. Levy and 0.075% SECP Fee) |

Top TFCs Holding (As of T.A.) Jul. '23

| | |
|---------------------|------|
| Aspin | 1.87 |
| Soneri Bank Limited | 2.09 |

| Portfolio Allocation (as % of T.A.) | July. '23 | June. '23 |
|-------------------------------------|----------------|----------------|
| T-Bill's | 0.00% | 0.00% |
| Cash at Bank | 72.62% | 69.16% |
| PIB-Floater | 0.00% | 0.00% |
| Commercial paper/ Short Term Sukuk | 14.61% | 15.16% |
| TFC/Sukuks | 3.97% | 4.07% |
| COM | 2.50% | 2.60% |
| Others including receivables (NR) | 6.30% | 9.01% |
| Total | 100.00% | 100.00% |

Fund Performance AWT - FSIF

| | AWT-FSIF* | AWT-FSIF** | Benchmark*** |
|-----------------|-----------|------------|--------------|
| Jul-23 | 22.61% | 25.10% | 23.03% |
| FYTD | 22.61% | 25.10% | 23.03% |
| CYTD | 20.49% | 21.36% | 20.99% |
| Since Inception | 20.40% | 21.19% | 20.77% |

*Simple Annualized

***Average of reporting period

**Morning Star

Fund returns are calculated NAV with dividends reinvested (excluding sales load), etc."

*Performance data does not include the cost incurred directly by investor in the form of sales load

| Credit Quality of Portfolio (as % of T.A.) | July. '23 | June. '23 |
|--|----------------|----------------|
| AAA (Government Securities) | 0.00% | 0.00% |
| AAA | 2.50% | 0.00% |
| AA+ | 6.97% | 9.13% |
| AA | 8.35% | 8.67% |
| AA- | 0.00% | 0.00% |
| A+ | 74.01% | 71.25% |
| A | 1.87% | 1.94% |
| A- | 0.00% | 0.00% |
| BBB- | 0.00% | 0.00% |
| Other including receivables (NR) | 6.30% | 9.01% |
| Total | 100.00% | 100.00% |

Investment Committee Members

| | |
|---------------------|-------------------------|
| Sajjad Anwar, (CFA) | Chief Executive Officer |
| Salman Shafiq | Chief Financial Officer |
| Wahaj Ahmed | Head Fixed Income |
| Mian Muhammad | Head of Risk |
| Saadat Saeed, (CFA) | |

| Months | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|-------------|--------|--------|--------|--------|--------|--------|--------|
| Performance | 17.73% | 16.18% | 19.12% | 20.14% | 20.61% | 19.95% | 22.61% |
| Benchmark | 17.38% | 18.73% | 21.20% | 22.09% | 22.08% | 22.24% | 23.03% |

AWT - Income Fund

Fund Manager's Review

In July, AWT Income Fund generated an annualized return of 24.23%. The fund's financial year-to-date (FYTD) return was 24.23%. At the end of the month, the fund allocated TFCs/ Sukuk & Commercial Paper CP/ Short term Sukuk (STS) approximately 12.60% & 20.45% respectively, while cash in the bank accounted for 29.25% and Govt Securities made up 23.59% of the total assets. Moving forward, the fund would remain vigilant on macroeconomic developments and will devise the investment strategy accordingly.

Fund Objective

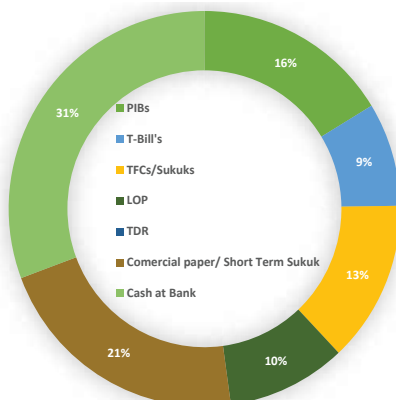
The objective of the fund is to generate competitive returns by investing in short to long term debt instruments and securities.

Fund Statistics

| | |
|-----------------------------------|----------|
| Net Assets(PKR mn) | 1,837 |
| NAV per Unit (PKR) | 112.4891 |
| Weighted Average Maturity (Years) | 1.5 |
| Sharpe Ratio* | (1.20) |
| Information Ratio | (2.35) |
| Standard Deviation | 0.45% |
| Annualized | |

| | |
|-----------------------------|--|
| Fund Type | Open End |
| Category | Income Scheme |
| Fund Stability Rating | A+(f) by PACRA (13th Apr 2023) |
| Benchmark | Average of 6M KIBOR rates for the period under review. |
| Management Co. Rating | AM3++ by PACRA (5th August 2022) |
| Inception Date | 9th August 2012 |
| Dealing Days | Daily (days when Banks are open for business) |
| Cut-off Time | Monday to Thursday 09:00 - 15:00 pm Friday 09:00 - 16:00 pm |
| Pricing Mechanism | Forward |
| *Management Fee Load | 1% (Front-end) 0% (Back-end) |
| Risk Profile | Medium |
| Risk of Principal @ Erosion | Principal @ Medium Risk |
| Listing | Pakistan Stock Exchange |
| Leverage | Nil |
| Trustee | Central Depository Company of Pakistan Ltd. |
| Auditor | Yousuf Adil Chartered Accountant |
| Legal Advisor | Rizwan Faiz Associates |
| Fund Manager | Wahaj Ahmed |

Portfolio Allocation (as % of total assets) Jul '23



| | |
|-----|---|
| YTD | 1.85% p.a. (including 0.14% Govt. Levy and 0.075% SECP Fee) |
| MTD | 1.85% p.a. (including 0.14% Govt. Levy and 0.075% SECP Fee) |

| Top TFCs Holding (As of T.A) | | Jul. '23 |
|-------------------------------|--|----------|
| Soneri Bank Limited | | 7.04 |
| Bank Al Habib | | 5.22 |
| Aspin | | 0.26 |

| Portfolio Allocation (as % of T.A.) | July. '23 | June. '23 |
|-------------------------------------|----------------|----------------|
| PIBs | 15.51% | 27.18% |
| T-Bill's | 8.08% | 8.36% |
| TFCs/Sukuks | 12.60% | 13.04% |
| LOP | 9.39% | 0.00% |
| TDR | 0.00% | 0.00% |
| Commercial paper/ Short Term Sukuk | 20.45% | 21.48% |
| Cash at Bank | 29.25% | 24.13% |
| Others including receivables (NR) | 4.72% | 5.81% |
| Total | 100.00% | 100.00% |

| | AWT-IF* | AWT-IF** | Benchmark** |
|-----------------|---------|----------|-------------|
| Jul-23 | 24.23% | 27.11% | 23.03% |
| FYTD | 24.23% | 27.11% | 23.03% |
| CYTD | 19.31% | 20.08% | 20.99% |
| 12M Trailing | 17.97% | 17.97% | 18.96% |
| Since Inception | 18.53% | 10.64% | 9.60% |
| Last 10 Yrs | 17.97% | 10.83% | 9.62% |
| Last 5 Yrs | 15.68% | 12.27% | 12.06% |
| Last 3 Yrs | 12.88% | 11.51% | 12.65% |

*Simple Annualized ***Average of reporting period

**Morning Star n.a = not applicable

Fund returns are calculated NAV with dividends reinvested (excluding sales load).
*Performance data does not include the cost incurred directly by investor in the form of sales load

| Credit Quality of Portfolio (as % of T.A.) | July. '23 | June. '23 |
|--|----------------|----------------|
| AAA (Government Securities) | 23.59% | 35.43% |
| AAA | 14.67% | 5.52% |
| AA+ | 8.69% | 9.21% |
| AA | 16.82% | 12.48% |
| AA- | 7.04% | 7.40% |
| A+ | 0.37% | 0.01% |
| A | 24.09% | 24.13% |
| A- | 0.01% | 0.01% |
| BBB- | 0.00% | 0.00% |
| Other including receivables (NR) | 4.72% | 5.81% |
| Total | 100.00% | 100.00% |

| Period | FY19 | FY20 | FY21 | FY22 | FY23 |
|-------------|--------|--------|-------|--------|--------|
| Performance | 9.31% | 17.97% | 6.73% | 9.21% | 16.96% |
| Benchmark | 10.21% | 12.22% | 7.43% | 10.81% | 18.33% |

| Months | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Performance | 13.94% | 14.24% | 14.37% | 12.75% | 15.37% | 15.00% | 14.74% | 16.90% | 19.67% | 19.92% | 18.34% | 24.23% |
| Benchmark | 15.96% | 16.05% | 15.82% | 15.96% | 17.00% | 17.38% | 18.73% | 21.20% | 22.09% | 22.08% | 22.24% | 23.03% |

| Name of Non Compliant Investment | Type of Investment | Value of Investment Before Provisioning | Provisioning held (If any) | Value of Investment After Provisioning | Limit | % of Gross Asset | % of Net Asset |
|----------------------------------|--------------------|---|----------------------------|--|-------|------------------|----------------|
| Hascol | Sukuk | 4,750,000 | 4,347,000 | 403,000 | 10% | 0.03% | 0.03% |

Investment Committee Members

| | |
|-----------------------------------|-------------------------|
| Sajjad Anwar, (CFA) | Chief Executive Officer |
| Salman Shafiq | Chief Financial Officer |
| Wahaj Ahmed | Head Fixed Income |
| Mian Muhammad Saadat Saeed, (CFA) | Head of Risk |

Selling & Mktg. Exp.

| | |
|----------------|------|
| Rs. In Million | 0.38 |
|----------------|------|

AWT - Islamic Income Fund

Fund Objective

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.

Fund Statistics

| | |
|----------------------------------|----------|
| Net Assets(PKR mn) | 2,747 |
| NAV per Unit (PKR) | 106.9503 |
| Weighted Average Maturity (days) | 64 |
| Sharpe Ratio* | (2.66) |
| Information Ratio | 59.50 |
| Standard Deviation | 0.21% |
| Annualized | |

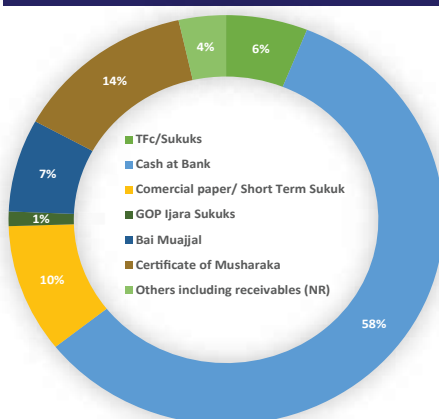
Fund Manager's Review

In July, the AWT Islamic Income Fund achieved an annualized return of 20.63%, surpassing its benchmark return of 7.14%. As of the end of the month, the fund's financial year-to-date (FYTD) return stood at 20.63%, positioning it as one of the top three best-performing funds in the industry. The fund allocated approximately 6.07% to Corporate Sukuks, 10.16% to Short-term Sukuk (STS), and 1.15% to GOP Ijarah Sukuk. Cash reserves in the bank accounted for 58.28% of the total assets, while Certificate of Musharaka (COM) represented 13.51%. Looking ahead, the fund aims to generate competitive returns by investing in Shariah-compliant debt securities and bank deposits with low risk and high liquidity.

FUND DETAILS

| | |
|-----------------------------|--|
| Fund Type | Open End |
| Category | Islamic Income Scheme |
| Fund Stability Rating | A+(f) by PACRA (13th Apr 2023) |
| Benchmark | 6 month average deposit rates of three (3) A rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP.* |
| Management Co. Rating | AM3++ by PACRA (5th August 2022) |
| Inception Date | 4th March 2014 |
| Dealing Days | Daily (days when Banks are open for business) |
| Cut-off Time | Monday To Thursday 09:00 - 15:00 Friday 09:00 - 16:00 |
| Pricing Mechanism | Forward |
| Management Fee | 0.45% |
| Load | 2% (Front-end) 0% (Back-end) |
| Risk Profile | Moderate |
| Risk of Principal @ Erosion | Principal @ Moderate Risk |
| Listing | Pakistan Stock Exchange |
| Leverage | Nil |
| Trustee | Central Depository Company of Pakistan Ltd. |
| Auditor | Yousuf Adil |
| Legal Advisor | Chartered Accountant Rizwan Faiz Associates |
| Fund Manager | Wahaj Ahmed |

Portfolio Allocation (as % of total assets) Jul. '23



Total Expense Ratio

| | |
|-----|---|
| YTD | 0.76% p.a. (including 0.07% Govt. Levy and 0.075% SECP Fee) |
| MTD | 0.76% p.a. (including 0.07% Govt. Levy and 0.075% SECP Fee) |

| Top TFCs Holding (As of T.A.) | Jul. '23 |
|-------------------------------|----------|
| Hubco Sukuk | 1.98 |
| ASPIN Sukuk | 0.75 |
| Mughal Steel | 3.34 |

| Portfolio Allocation (as % of T.A.) | July. '23 | June. '23 |
|-------------------------------------|----------------|----------------|
| TFC/Sukuks | 6.07% | 9.29% |
| Cash at Bank | 58.28% | 48.38% |
| Commercial paper/ Short Term Sukuk | 10.16% | 15.53% |
| GOP Ijarah Sukuks | 1.15% | 1.76% |
| Bai Muajjal | 7.33% | 8.18% |
| Certificate of Musharaka | 13.51% | 13.76% |
| Others including receivables (NR) | 3.51% | 3.10% |
| Total | 100.00% | 100.00% |

| Fund Performance AWT - IIF | | | |
|----------------------------|----------|-----------|--------------|
| | AWT-IIF* | AWT-IIF** | Benchmark*** |
| Jul-23 | 20.63% | 22.70% | 7.14% |
| FYTD | 20.63% | 22.70% | 7.14% |
| CYTD | 19.40% | 20.18% | 6.80% |
| 12M Trailing | 17.85% | 17.85% | 6.29% |
| Since Inception | 10.04% | 7.32% | 4.44% |
| Last 5 Yrs | 11.37% | 9.42% | 4.65% |
| Last 3 Yrs | 11.66% | 10.52% | 4.38% |

*Simple Annualized **Average of reporting period

**Morning Star n.a = not applicable

Fund returns are calculated NAV with dividends reinvested (excluding sales load), etc.*

*Performance data does not include the cost incurred directly by investor in the form of sales load

| Credit Quality of Portfolio (as % of T.A.) | July. '23 | June. '23 |
|--|-------------|-------------|
| AAA (Government Securities) | 1.15% | 1.76% |
| AAA | 0.02% | 0.02% |
| AA+ | 17.52% | 18.83% |
| AA | 11.01% | 14.15% |
| AA- | 34.82% | 55.85% |
| A+ | 31.22% | 5.12% |
| A | 0.75% | 1.15% |
| A- | 0.00% | 0.00% |
| Other including recievables (NR) | 3.51% | 3.10% |
| Total | 100% | 100% |

| Period | FY19 | FY20 | FY21 | FY22 | FY23 |
|-------------|-------|-------|-------|-------|--------|
| Performance | 7.24% | 7.77% | 5.48% | 8.46% | 17.06% |
| Benchmark | 3.58% | 6.33% | 3.56% | 3.34% | 6.05% |

| Months | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Performance | 12.97% | 13.79% | 13.68% | 13.45% | 15.06% | 14.52% | 15.13% | 18.45% | 19.87% | 19.92% | 20.98% | 20.63% |
| Benchmark | 4.65% | 4.98% | 5.64% | 6.06% | 6.57% | 6.76% | 6.84% | 6.67% | 6.60% | 6.50% | 7.08% | 7.14% |

Investment Committee Members

| | |
|---------------------|-------------------------|
| Sajjad Anwar, (CFA) | Chief Executive Officer |
| Salman Shafiq | Chief Financial Officer |
| Wahaj Ahmed | Head Fixed Income |
| Mian Muhammad | Head of Risk |
| Saadat Saeed, (CFA) | |

AWT - Stock Fund

Fund Manager's Review

During the review period, SF outperformed the benchmark, recording a positive return of 16.25% compared with positive 15.88% return of the KSE-100 index. The primary contributors to positive returns during the month were MEBL, UBL, OGDC, HUBC, and PPL. On the other hand, ENGRO, ISL, EFERT, TOMCL, and KTML had a negative impact on the overall return. SF initially allocated around 89% of its assets to equities, which was increased to around 90% by the end of the month. The allocation was raised in the Commercial Banks and Oil & Gas Exploration Companies while reduced in the Fertilizer and Cement. The top five holdings in the portfolio consist of MEBL, SYS, OGDC, HUBC, and MARI.

Fund Objective

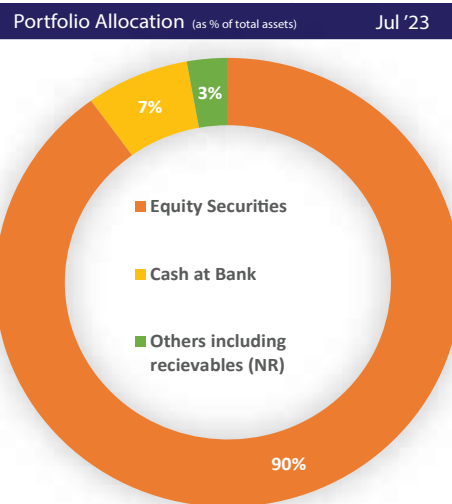
The objective of AWT SF is to achieve long term capital growth by investing mainly in listed equity securities.

Fund Statistics

| | |
|---------------------|----------|
| Net Assets(PKR mn) | 114 |
| NAV per Unit (PKR) | 101.0014 |
| Sharpe Ratio* | 0.29 |
| Standard Deviation* | 16.10% |
| Treynor Ratio | 0.04 |
| Beta | 1.06 |
| R - Square** | 0.95 |
| Value at Risk | 1.64% |

3MPKRYield used as Risk-Free rate
*Annualized
** R-Square measures the correlation between the benchmark and the fund

| | |
|-----------------------------|---|
| Fund Type | Open End |
| Category | Equity Scheme |
| Benchmark | KSE 100 Index |
| Management Co. Rating | AM3++ by PACRA (5th August 2022) |
| Inception Date | 13th March 2015 |
| Dealing Days | Daily (days when Stock Exchange are open for business) |
| Cut-off Time | Monday to Thursday 09:00 - 15:00 Friday 09:00 - 16:00 |
| Pricing Mechanism | Forward |
| Management Fee | 2% p.a. |
| Load | 2% (Front-end) 0% (Back-end) |
| Risk Profile | High |
| Risk of Principal @ Erosion | Principal @ High Risk |
| Listing | Pakistan Stock Exchange |
| Trustee | Central Depository Company of Pakistan Ltd. |
| Leverage | Nil |
| Auditor | Yousuf Adil Chartered Accountant |
| Legal Advisor | Rizwan Faiz Associates |
| Fund Manager | Syed Noman Ahmed |



| Portfolio Allocation (as % of T.A.) | Jul'23 | Jun'23 |
|-------------------------------------|----------------|----------------|
| Equity Securities | 90.01% | 88.95% |
| Cash at Bank | 2.83% | 7.03% |
| Others including receivables (NR) | 7.16% | 4.02% |
| Total | 100.00% | 100.00% |

| | AWT-SF | Benchmark |
|------------------------------|--------|-----------|
| Jul-23 | 16.25% | 15.88% |
| FYTD | 16.25% | 15.88% |
| CYTD | 21.21% | 18.84% |
| 12M Trailing | 23.11% | 19.64% |
| Since Inception (annualized) | 1.15% | 4.73% |
| Last 5 Yrs (annualized) | -0.76% | 2.38% |
| Last 3 Yrs (annualized) | 4.47% | 6.96% |

Fund returns are calculated NAV with dividends reinvested (excluding sales load).
Performance data does not include the cost incurred directly by investor in the form of sales load etc.

| Total Expense Ratio | | |
|---------------------|---|--|
| YTD | 3.97% p.a. (including 0.33% Govt. Levy and 0.095% SECP Fee) | |
| MTD | 3.97% p.a. (including 0.33% Govt. Levy and 0.095% SECP Fee) | |

| Sector Allocation (as % of T.A.) | Jul'23 | Jun'23 |
|----------------------------------|---------------|---------------|
| OIL & GAS EXPLORATION COMPANIES | 18.15% | 17.86% |
| COMMERCIAL BANKS | 17.50% | 16.12% |
| CEMENT | 13.20% | 14.68% |
| TECHNOLOGY & COMMUNICATION | 6.20% | 6.77% |
| FERTILIZER | 5.70% | 8.93% |
| OTHERS | 29.26% | 25.65% |
| Total | 90.01% | 88.95% |

| Top 10 Equity Holdings (as % of T.A.) | Symbol | Jul'23 |
|---------------------------------------|--------|--------|
| Meezan Bank Limited | MEBL | 6.55% |
| Systems Limited | SYS | 6.17% |
| Oil & Gas Development Company Limited | OGDC | 6.01% |
| Hub Power Company Limited | HUBC | 5.62% |
| Mari Petroleum Company Limited | MARI | 5.21% |
| Lucky Cement Limited | LUCK | 4.64% |
| Pakistan Petroleum Limited | PPL | 4.49% |
| Engro Corporation Limited | ENGRO | 4.38% |
| Pakistan State Oil Company Limited | PSO | 4.10% |
| United Bank Limited | UBL | 4.09% |

Investment Committee Members

| | |
|-----------------------------------|-------------------------|
| Sajjad Anwar, (CFA) | Chief Executive Officer |
| Syed Noman Ahmed | Head of Equity |
| Mian Muhammad Saadat Saeed, (CFA) | Head of Risk |
| Salman Shafiq | Chief Financial Officer |

Selling & Mktg. Exp.

| | |
|----------------|------|
| Rs. In Million | 0.02 |
|----------------|------|

| Period | FY19 | FY20 | FY21 | FY22 | FY23 |
|--------------------|---------|-------|--------|---------|--------|
| Performance | -24.02% | 1.52% | 34.17% | -21.13% | 2.79% |
| Benchmark | -19.11% | 1.53% | 37.58% | -12.28% | -0.21% |

| Months | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Performance | 7.56% | -5.01% | 0.68% | 2.71% | -3.86% | 0.47% | -0.40% | 1.39% | 3.50% | -0.39% | 0.61% | 16.25% |
| Benchmark | 5.48% | -2.89% | 0.33% | 2.63% | -4.55% | 0.62% | -0.40% | -1.26% | 3.95% | -0.60% | 0.30% | 15.88% |

AWT - Islamic Stock Fund

Fund Manager's Review

At the beginning of the month, the equities allocation of ISF stood at approximately 88.32%, which increased to around 91.46% by the end of the month. During the review period, there was a decrease in allocation specifically within Fertilizer and Cement, while allocation has been raised in Oil & Gas Marketing Companies and Commercial Banks. Moreover, ISF recorded a positive return of 14.22%, indicating an outperformance compared to the positive 13.6% return of the KMI-30 index. The major contributors to positive return during the month were MEBL, PPL, OGDC, PSO, and LUCK. On the other hand, ENGRO, EFERT, STCL, PCAL, and TOMCL lagged. The top five holdings in the portfolio consist of MEBL, PPL, OGDC, MARI and SYS.

Fund Objective

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

Fund Statistics

| | |
|---------------------|---------|
| Net Assets(PKR mn) | 110 |
| NAV per Unit (PKR) | 91.7900 |
| Sharpe Ratio* | 0.06 |
| Standard Deviation* | 17.09% |
| Treynor Ratio | 0.01 |
| Beta | 0.96 |
| R - Square** | 0.93 |
| Value at Risk | 1.74% |

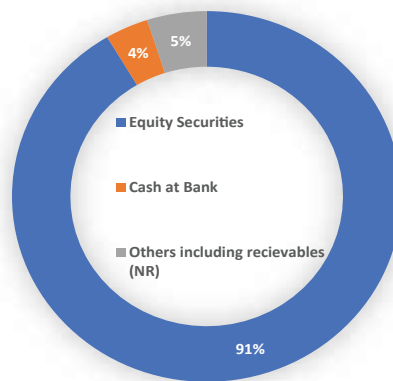
3MPKRYield used as Risk-Free rate

*Annualized

** R-Square measures the correlation between the benchmark and the fund

| | |
|-----------------------------|---|
| Fund Type | Open End |
| Category | Islamic Equity Scheme |
| Benchmark | KMI - 30 Index |
| Management Co. Rating | AM3++ by PACRA (5th August 2022) |
| Inception Date | 4th March 2014 |
| Dealing Days | Daily (days when Stock Exchange are open for business) |
| Cut-off Time | Monday to Thursday 09:00 - 15:00 Friday 09:00 - 16:00 |
| Pricing Mechanism | Forward |
| Management Fee | 2% p.a. |
| Load | 2% (Front-end) 0% (Back-end) |
| Risk Profile | High |
| Risk of Principal @ Erosion | Principal @ High Risk |
| Listing | Pakistan Stock Exchange |
| Leverage | Nil |
| Trustee | Central Depository Company of Pakistan Ltd. |
| Auditor | Yousuf Adil Chartered Accountant |
| Legal Advisor | Rizwan Faiz Associates |
| Fund Manager | Syed Noman Ahmed |

Portfolio Allocation (as % of total assets) Jul '23



Total Expense Ratio

| | |
|-----|---|
| YTD | 4.41% p.a. (including 0.37% Govt. Levy and 0.095% SECP Fee) |
| MTD | 4.41% p.a. (including 0.37% Govt. Levy and 0.095% SECP Fee) |

| Sector Allocation (as % of T.A.) | Jul'23 | Jun'23 |
|----------------------------------|---------------|---------------|
| OIL & GAS EXPLORATION COMPANIES | 22.10% | 21.13% |
| CEMENT | 16.96% | 18.84% |
| OIL & GAS MARKETING COMPANIES | 9.42% | 6.60% |
| FERTILIZER | 8.77% | 12.08% |
| COMMERCIAL BANKS | 8.67% | 6.52% |
| OTHERS | 25.54% | 23.15% |
| Total | 91.46% | 88.32% |

| Portfolio Allocation (as % of T.A.) | Jul'23 | Jun'23 |
|-------------------------------------|----------------|----------------|
| Equity Securities | 91.46% | 88.32% |
| Cash at Bank | 3.59% | 8.20% |
| Others including receivables (NR) | 4.95% | 3.48% |
| Total | 100.00% | 100.00% |

Fund Performance AWT - ISF

| | AWT-ISF | Benchmark |
|------------------------------|---------|-----------|
| Jul-23 | 14.22% | 13.60% |
| FYTD | 14.22% | 13.60% |
| CYTD | 14.82% | 17.71% |
| 12M Trailing | 17.41% | 22.80% |
| Since Inception (annualized) | 1.23% | 6.84% |
| Last 5 Yrs (annualized) | -2.96% | 2.13% |
| Last 3 Yrs (annualized) | 1.08% | 8.39% |

Fund returns are calculated NAV with dividends reinvested (excluding sales load), etc.*

*Performance data does not include the cost incurred directly by investor in the form of sales load

| Top 10 Equity Holdings (as % of T.A.) | Symbol | Jul'23 |
|---------------------------------------|--------|--------|
| Meezan Bank Limited | MEBL | 8.14% |
| Pakistan Petroleum Limited | PPL | 7.41% |
| Oil & Gas Development Company Limited | OGDC | 7.18% |
| Mari Petroleum Company Limited | MARI | 6.65% |
| Systems Limited | SYS | 6.44% |
| Lucky Cement Limited | LUCK | 5.89% |
| Engro Corporation Limited | ENGRO | 5.79% |
| Pakistan State Oil Company Limited | PSO | 4.58% |
| Hub Power Company Limited | HUBC | 4.02% |
| Kohat Cement Company Limited | KOHC | 3.32% |

| Period | FY19 | FY20 | FY21 | FY22 | FY23 |
|--------------------|---------|-------|--------|---------|--------|
| Performance | -25.20% | 0.44% | 35.47% | -24.59% | -0.67% |
| Benchmark | -23.84% | 1.62% | 39.32% | -10.25% | 2.88% |

| Months | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Performance | 7.19% | -4.38% | 1.08% | 2.61% | -3.80% | 0.03% | -1.43% | 0.73% | 3.19% | -1.01% | -0.90% | 14.22% |
| BM | 7.49% | -4.10% | 2.74% | 3.55% | -4.86% | 1.70% | -0.97% | 0.84% | 4.35% | -1.40% | -0.83% | 13.60% |

| Name of Non Compliant Investment | Type of Investment | Value of Investment Before Provisioning | Value of Investment After Provisioning | % of Gross Asset | % of Net Asset |
|----------------------------------|--------------------|---|--|------------------|----------------|
| POL | Equity | 1,008,718 | 1,008,718 | 0.85% | 0.91% |

Investment Committee Members

| | |
|-----------------------------------|-------------------------|
| Sajjad Anwar, (CFA) | Chief Executive Officer |
| Syed Noman Ahmed | Head of Equity |
| Mian Muhammad Saadat Saeed, (CFA) | Head of Risk |
| Syed Noman Ahmed | Chief Financial Officer |

Selling & Mktg. Exp.

| | |
|----------------|------|
| Rs. In Million | 0.02 |
|----------------|------|

Disclaimer: The AWT ISF scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest Financial Statements.*

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.

Key Economic Indicators

| Economic Indicators | | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 |
|----------------------------------|-------------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|---------|--------|
| External Indicators | | | | | | | | | | | | | |
| Overall Balance of Payments | USD million | (439) | 662 | (1,173) | 1,147 | 2,292 | 2,255 | (932) | (636) | (385) | 745 | (1,112) | |
| Current Account Balance | USD million | 676 | (363) | (569) | (252) | (400) | (230) | (36) | 750 | 78 | 220 | 334 | |
| Exports | USD million | 2,813 | 2,450 | 2,284 | 2,241 | 2,295 | 2,219 | 2,210 | 2,438 | 2,101 | 2,603 | 2,127 | |
| Imports | USD million | 5,848 | 4,834 | 4,579 | 4,333 | 4,218 | 3,929 | 3,933 | 3,991 | 3,677 | 3,769 | 3,192 | |
| Worker's Remittances | USD million | 2,724 | 2,437 | 2,216 | 2,108 | 2,041 | 1,894 | 1,988 | 2,537 | 2,198 | 2,103 | 2,184 | |
| Foreign Direct Investment | USD million | 111 | 84 | 95 | 82 | (17) | 29 | 38 | 163 | 122 | 150 | (158) | |
| Foreign Portfolio Investment | USD million | (11) | (5) | 3 | (1) | 999 | (8) | - | (2) | (8) | 15 | (8) | |
| Forex Reserves | USD billion | 8.8 | 7.9 | 7.5 | 5.6 | 3.1 | 3.1 | 3.9 | 4.2 | 4.5 | 4.1 | 4.5 | 8.2 |
| Exchange Rate against PKR | | | | | | | | | | | | | |
| USD | Month end | 218.95 | 228.25 | 220.89 | 223.94 | 226.43 | 267.89 | 261.50 | 283.79 | 283.84 | 285.46 | 285.99 | 286.64 |
| Inflation Indicators | | | | | | | | | | | | | |
| General CPI | YoY change | 27.30% | 23.18% | 26.57% | 23.80% | 24.50% | 27.55% | 31.54% | 35.40% | 36.40% | 37.97% | 29.40% | 28.30% |
| Food CPI | YoY change | 29.53% | 31.70% | 36.27% | 31.16% | 35.50% | 42.94% | 45.07% | 47.15% | 48.07% | 48.65% | 39.49% | 39.52% |
| Core (NFNE) Urban | YoY change | 13.80% | 14.40% | 14.90% | 14.60% | 14.70% | 15.40% | 17.10% | 18.60% | 19.50% | 20.00% | 18.50% | 18.40% |
| Core (Trimmed) Urban | YoY change | 21.40% | 19.51% | 22.00% | 19.80% | 19.40% | 20.90% | 25.10% | 28.70% | 24.90% | 30.50% | 22.90% | 21.70% |
| Interest Rates | | | | | | | | | | | | | |
| SBP Policy Rate | Current | 15.00% | 15.00% | 15.00% | 16.00% | 16.00% | 17.00% | 20.00% | 20.00% | 21.00% | 21.00% | 22.00% | 22.00% |
| 6 Month KIBOR | Month end | 16.00% | 15.91% | 15.84% | 16.95% | 17.04% | 17.87% | 20.06% | 22.07% | 22.06% | 22.18% | 22.97% | 23.22% |
| 12 Month KIBOR | Month end | 16.35% | 16.21% | 16.13% | 17.21% | 17.34% | 18.29% | 20.40% | 22.38% | 22.30% | 22.42% | 23.27% | 23.49% |
| 3 Month T-Bill Yield | Month end | 15.75% | 15.50% | 15.57% | 16.80% | 16.69% | 17.75% | 19.53% | 21.41% | 21.90% | 21.70% | 22.65% | 22.95% |
| 6 Month T-Bill Yield | Month end | 15.81% | 15.65% | 15.69% | 16.86% | 16.99% | 17.87% | 19.82% | 21.10% | 21.80% | 21.92% | 22.87% | 22.99% |
| 12 Month T-Bill Yield | Month end | 15.90% | 15.74% | 15.72% | 16.90% | 17.00% | 17.95% | 19.93% | 21.18% | 21.76% | 21.95% | 22.93% | 23.02% |
| 10 Year PIB Yield | Month end | 12.60% | 12.85% | 12.91% | 13.51% | 13.70% | 14.45% | 15.46% | 14.98% | 15.09% | 15.10% | 15.32% | 15.96% |

n.a.=Not Available

Source: SBP, PBS, MUFAP





SYMBOL OF TRUST

AWT INVESTMENTS LTD

A wholly owned Subsidiary of Army Welfare Trust

Head of Operations & Investor Services
Tel Off: (+92-51) 9272379-80
Email: <http://www.awtinvestments.com/complaint/>
Head Office AWT Investments Ltd.
2nd Floor, AWT Plaza, The Mall, Rawalpindi Cantt

www.awtinvestments.com