

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

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# MARCH

# 2024

[www.awtinvestments.com](http://www.awtinvestments.com)



# Risk Profiling for Collective Investment Scheme



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

Note: The performance is net of expenses and based on dividend reinvestment, excluding front end load and taxes.

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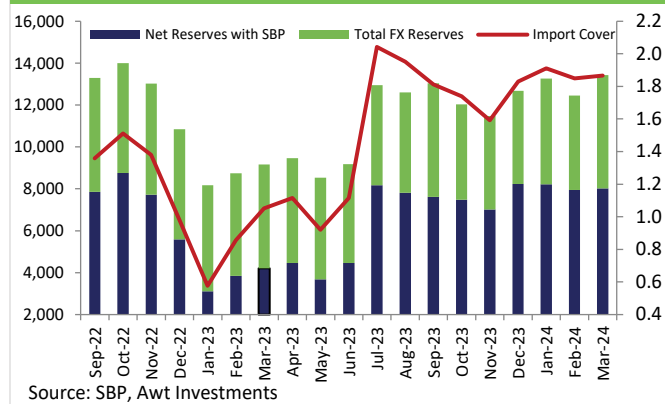
# Economic Overview and Outlook

Some positive developments were witnessed on the economic front during the month as the CPI trajectory stayed within the anticipated range as base effects came into play. Likewise, the external account showed signs of improvement, with trade deficits, remittances, and foreign exchange reserves all remaining at manageable levels. Importantly, Pakistan and International Monetary Fund (IMF) have smoothly reached the staff-level agreement on \$3bn SBA. This agreement is anticipated to bring in an inflow of \$1.1bn, subject to executive board approval in Apr'24. Furthermore, government is now aiming to send a delegation to meet IMF in Apr-2024. The purpose of this meeting is to discuss the parameters of a new, larger, and long-term facility. The government anticipates reaching a Staff Level Agreement towards the end of the current fiscal year.

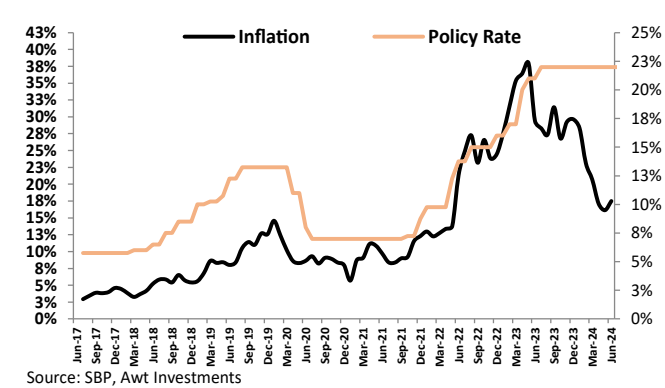
Real interest rates have now entered positive territory, as Mar'24 inflation stood at 20.7% YoY, marking the lowest figure since December 2020, primarily due to the high base effect. This brings the average CPI for 9MFY24 to 27.21% as compared to 27.19% in SPLY. On MoM basis, CPI also witnessed an increase of 1.71% mainly reflecting the Ramadan effect. Similarly, core inflation also registered a significant slowdown, clocking at 15.7% as compared 18.1% YoY reported in previous month. Looking ahead, we anticipate that average inflation for the fiscal year 2023-24 to be around 25%, compared to 29.02% in the previous fiscal year. Meanwhile, real interest rates are expected to remain significantly positive over a 12-month forward-looking basis, as CPI is projected to continue on a downward trajectory. Consequently, we anticipate the State Bank of Pakistan (SBP) to respond accordingly, with expectations of a policy rate reduction of 3% to 4% in CY24. However, concerns have been growing over upcoming reforms possibly leading to another round of inflation, fueled by speculations regarding potential increases in levies and taxes on petroleum products.

On the external front, the current account remain contained with a surplus of ~\$128mn in February 2024, bringing the cumulative deficit at ~\$1bn during 8MFY24 as compared to \$3.8bn in the same period last year.

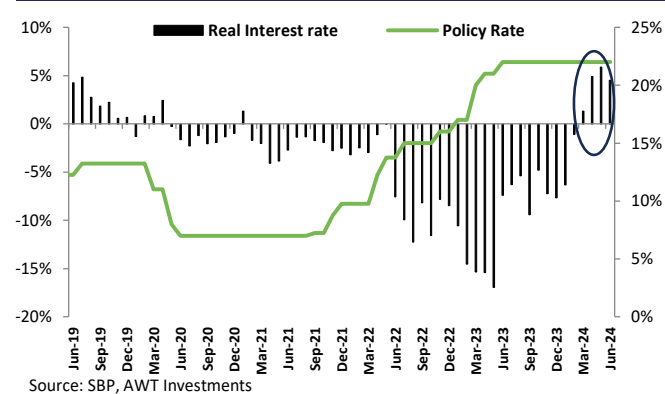
**Economy : SBP FX Reserves - Mn\$ / Import Cover (Months)**



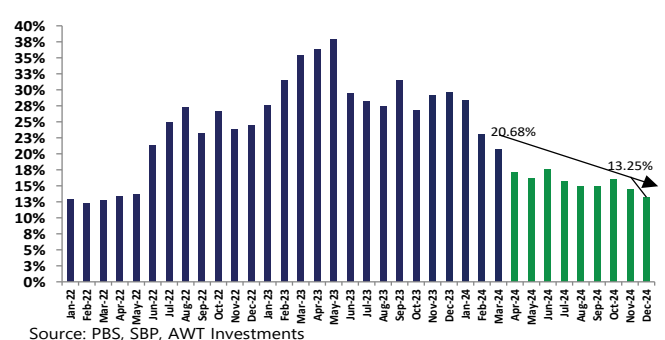
**Economy: Policy rate Vs Inflation**



**Economy: Real Interest rate Vs Policy Rate**



**Economy: Inflation (YoY)**



Note: The performance is net of expenses and based on dividend reinvestment, excluding front end load and taxes.

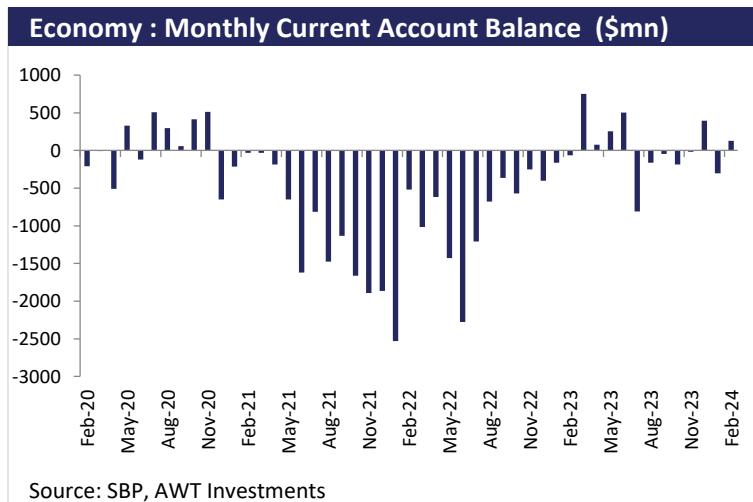
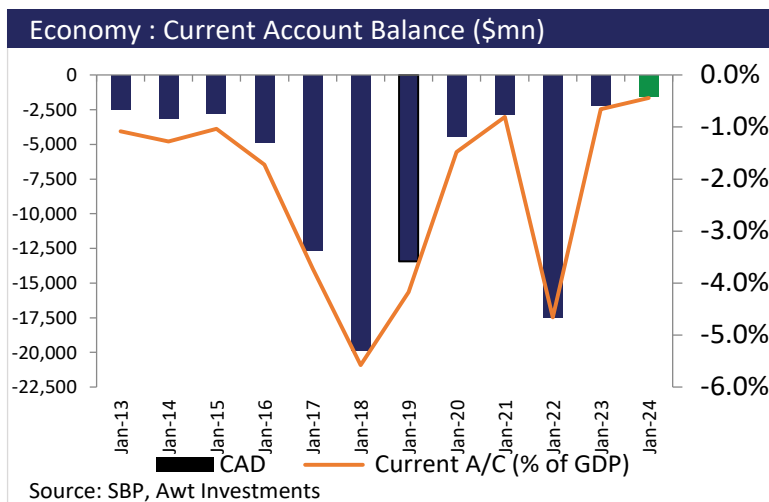
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## Economic Overview and Outlook

This improvement is attributed to i) improved export proceeds, ii) a surge in remittances due to administrative measures, and iii) controlled imports. In Mar'24, the country witnessed a 25% YoY increase in trade deficit, reaching \$2.1bn. Imports increased by 9% to \$4.7bn during the same period. On a full-year basis, we hold onto our Current Account Deficit (CAD) forecast at around 0.5% of GDP in FY24.

Real sector is expected to experience a moderate recovery in economic activity in FY24 with real GDP growth to remain at ~2%. The Agriculture sector continues to be the primary driver of the economy. Following a robust performance of Kharif crops, particularly cotton and rice, the prospects for the wheat crop also appear promising. This is attributed to an increase in the area under cultivation, improved input conditions, and higher output prices. In the Industrial sector, despite a slight decline of 0.5% during July-January, Large-Scale Manufacturing is expected to rebound in the coming months. This rebound is anticipated due to improved capacity utilization, enhanced employment conditions after the establishment of political government.

On the fiscal front, the Federal Board of Revenue (FBR) collected PKR6,710bn against the assigned target of PKR6,707bn during 9MFY24 recording a growth of ~30%. This growth is driven by gradual recovery in economic activity while non-tax revenues also remained strong. We estimate fiscal deficit to remain at 7.2% of GDP in FY24.



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# Stock Market Review

Building on the momentum from the previous month, the KSE100 index reached record highs of 67,246 in Mar'24, closing the month with a gain of 3.8%. The improvement in market sentiment was largely driven by greater clarity stemming from two key factors: 1) the newly elected government ensuring the continuation of the economic reform process, and 2) approval from the IMF mission regarding Pakistan's second and final review under the Standby Arrangement.

Regarding the flows, foreign investors remained a net buyer with a net inflow of \$15.3mn (cumulatively bought \$74.8bn worth of securities in 9MFY24). Similarly, local insurance companies also bought ~\$33.4mn worth of securities, while companies and banks recorded a cumulative net outflow of USD 39.3mn.

We expect that improving macro stability would keep momentum for the stock market in the ongoing half of FY24. The improvement in key macro indicators, such as the CPI trajectory, policy rate, and external account outlook is expected to provide stimulus to the market. We see strong prospects of further rerating of market multiples over the next 12 months, as monetary easing is expected to begin from 4QFY24 given CPI trajectory. Despite significant return during FY24, KSE-100 index is still trading at an attractive P/E of 4.6x, compared to the 10-year average of 7.8x (a discount of 70%), and also offers a double-digit dividend yield. In the near term, market direction will be influenced by policy initiatives from the recently established government, the monetary policy stance of the State Bank of Pakistan (SBP), and updates regarding the new IMF program.

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# Money Market Review

The month of February saw a notable decline in the consumer price index (CPI), with a year-on-year (YoY) increase of 23.10%. This marked the lowest rise since the peak of 37.97% recorded in May 2023. This favorable development contributed to a significant decline in yields within the secondary market during the initial half of the reviewed month.

Despite these encouraging trends, the State Bank of Pakistan's Monetary Policy Committee (MPC) opted to maintain the key policy rate at 22% during their meeting on March 18th. This decision marked the sixth consecutive instance of holding rates steady. While recognizing the ongoing decrease in inflation, the MPC expressed reservations regarding the persistently high

level of inflation and potential future risks. Additionally, the recent staff-level agreement (SLA) between Pakistan and the International Monetary Fund (IMF) on March 20th may also influenced the decision-making process.

Consequently, during the latter part of the month, there was a notable increase in secondary market yields. Short-term Treasury bills experienced an average increase of 50 to 80 basis points (bps), while longer tenors garnered attention with an average appreciation of 15 to 20 bps.

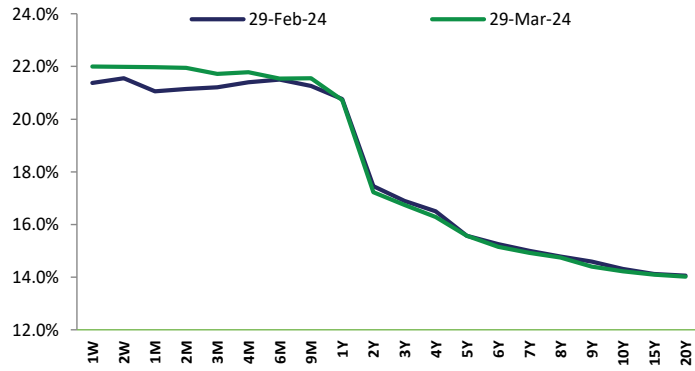
During the reviewed month, the central bank conducted T-bill auctions. In the first auction on March 06th, the market witnessed a hefty participation of PKR 1.28 trillion against the maturity of PKR 255 billion. The total bids worth PKR 470 billion were accepted at cut-off rates of 21.4002%, 20.3949%, and 20.2998% in 3-month, 6-month, and 12-month tenors, respectively. However, at the month-end T-bill auction, the market witnessed participation of PKR 990 billion against the total maturity of PKR 369 billion while the total target was around PKR 340 billion. SBP accepted total bids worth PKR 650 billion at cut-off yields of 21.6601%, 20.3944%, and 20.7191%, for 3-month, 6-month & 12-month tenors respectively. The auction for fixed coupon PIB bonds was on March 13th, 2024 where a total target was around PKR 190 billion. SBP accepted bids worth PKR 42 billion for the 3-year, PKR 11.8 billion for the 5-year & PKR 1.2 billion for the 10-year bond at cut-off rates of 16.7800%, 15.4899% & 14.35% respectively.

During the month, the Finance Ministry conducted two Ijarah auctions through the Pakistan Stock Exchange (PSX). In the first auction held on March 14th, the Ministry accepted bids totaling PKR 11.2 billion for a 1-year term at a rate of 20.0999%, PKR 81.834 million for a 3-year Fixed Rental Rate (FRR) at 15.9988%, PKR 1.68 billion for a 5-year FRR at 15.4990%, PKR 60.167 million for a 3-year Variable Rental Rate (VRR) at 21.1073%, and PKR 79.17 billion for a 5-year VRR at 21.8526%. However, by the end of the month, specifically on March 28th, the Ministry accepted bids amounting to PKR 13.2 billion for a 1-year term, PKR 338.854 million for a 3-year FRR, PKR 27.426 million for a 3-year VRR, and PKR 19.074 billion for a 5-year VRR. The accepted bids were at cut-off rates of 20.2400% for 1 year, 15.9998% for 3 years FRR, 21.0756% for 3 years VRR, and 21.8401% for 5 years VRR respectively. However, 5-year FRR bids were rejected.

Moving forward, the CPI for March is expected to be around 20.50%. Moreover, investors in the secondary market are foreseeing a decline in yields, anticipating an impending transition towards a more accommodative monetary policy. Despite positive trends in Pakistan's economic indicators, inflationary pressures are expected to persist as a lingering concern. The State Bank of Pakistan's (SBP) cautious approach underscores its dedication to fostering long-term economic stability.

This commitment necessitates the continuation of the prevailing monetary policy stance, intending to align inflation within the target range of 5-7% by September 2025.

**Economy: PKRV**



Source: Mufap, Awt Investments

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# AWT - Money Market Fund

## Fund Objective

The objective of AWT Money Market Fund, an open-end money market scheme, is to generate competitive return by investing in short term Government Securities and Debt instrument as approved by SECP from time to time.

## Fund Statistics

Net Assets(PKR mn)	2,799
NAV per Unit (PKR)	117.8349
Weighted Average Maturity (days)	55
Sharpe Ratio*	3.08
Information Ratio	6.78
Standard Deviation Annualized	0.22%

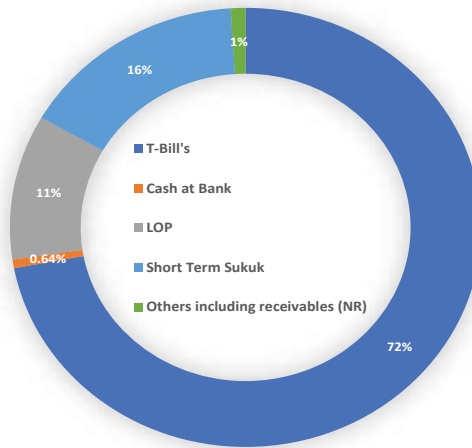
## Fund Manager's Review

In the month of March, the AWT Money Market Fund achieved an annualized return of 18.99%. At the end of the month, the fund's allocation in Short Term Sukuk (STS) was approximately 15.65%, the fund held 0.64% of its assets in cash at the bank, while Government Securities comprised 72.02% 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 Oct 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 (4th August 2023)
Inception Date	12th April 2016
Dealing Days	Daily (days when Banks are open for business)
Cut-off Time	Monday to Friday 09:00 - 16:00
Cut-off Time (Ramazan)	Monday to Thursday 09:00 - 14:00 Friday 09:00 - 13:00
Pricing Mechanism	Forward
Management Fee	Management fee 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	1.00%
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 Rizwan Faiz Associates
Legal Advisor	
Fund Manager	Wahaj Ahmed

## Portfolio Allocation (as % of total assets) Mar 24



## Total Expense Ratio

YTD	1.16% p.a. (including 0.12% Govt. Levy and 0.075%)
MTD	1.31% p.a. (including 0.14% Govt. Levy and 0.075%)

## Portfolio Allocation (as % of T.A.) Mar '24 Feb '24

T-Bill's	72.02%	70.13%
Cash at Bank	0.64%	0.67%
LOP	10.67%	20.59%
Short Term Sukuk	15.65%	17.33%
Others including receivables (NR)	1.02%	-8.72%

## Fund Performance AWT - MMF

	AWT-MMF*	AWT-MMF**	Benchmark***
Mar-24	18.99%	20.74%	20.60%
FYTD	21.90%	22.48%	21.08%
CYTD	19.68%	21.18%	20.37%
12M Trailing	22.48%	22.48%	20.98%
Since Inception	18.37%	16.26%	16.02%

\*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.) Mar. '24 Feb. '24

AAA (Government Securities)	72.02%	70.13%
AAA	10.97%	19.60%
AA+	0.41%	11.65%
AA	15.58%	7.34%
Other including recievables (NR)	1.02%	-8.72%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## Period FY23

<b>Performance</b>	<b>18.08%</b>
<b>Benchmark</b>	<b>17.01%</b>

Months	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Performance	20.73%	20.50%	20.10%	21.06%	21.26%	21.64%	21.34%	20.45%	20.15%	20.11%	18.96%	18.99%
Benchmark	20.26%	20.64%	21.12%	21.74%	21.89%	22.15%	21.55%	20.62%	20.65%	20.16%	20.34%	20.60%

Name of Non Compliant Investment	Type of Investment	Value of Investent Before Provisioning	Provisioning held (If any)	Value of Investent After Provisioning	Limit	% of Gross Asset	% of Net Asset
PTCL	Short Term Sukuk	300,000,000	300,000,000	-	10%	10.67%	10.72%
PAIR Investment	Certificate of Investment	300,000,000	300,000,000	-	10%	10.72%	10.71%

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# AWT - Financial Sector Income Fund

## Fund Manager's Review

In the month of March, AWT Financial Sector Income Fund delivered an annualized return of 19.98%. At the end of the month, the fund had approximately 1.51% allocated in TFC/Sukuks and 29.32% in Pakistan Investment Bonds (PIBs). The fund's holding cash in the bank represented 66.05% 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.

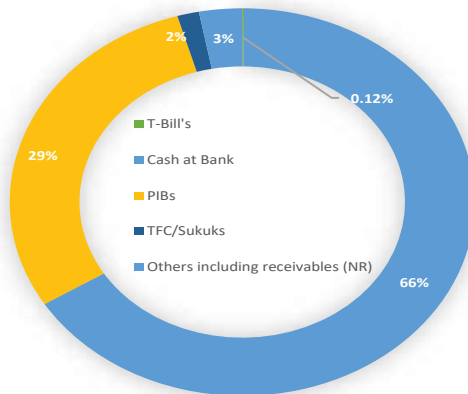
## Fund Statistics

Net Assets(PKR mn)	987
NAV per Unit (PKR)	118.1440
Weighted Average Maturity (days)	262
Sharpe Ratio*	5.78
Information Ratio	4.95
Standard Deviation Annualized	0.34%

## FUND DETAILS

Fund Type	Open End
Category	Income Scheme
Fund Stability Rating	A+(f) by PACRA (20 March 2024)
Benchmark	Average of 6M KIBOR rates for the period under review.
Management Co. Rating	AM3+ by PACRA (4th August 2023)
Inception Date	19th Dec 2022
Dealing Days	Daily (days when Banks are open for business)
Cut-off Time	Monday to Friday 09:00 - 16:00
Cut-off Time (Ramazan)	Monday to Thursday 09:00 - 14:00 Friday 09:00 - 13:00
Pricing Mechanism	Forward
Management Fee	The Maximum limit of management fee is 1.50% per annum of Average Annual Net Assets
Current Management Fee	1.50%
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 Rizwan Faiz Associates
Legal Advisor	
Fund Manager	Wahaj Ahmed

Portfolio Allocation (as % of total assets) Mar '24



## Total Expense Ratio

YTD	1.77% p.a. (including 0.18% Govt. Levy and 0.075%)
MTD	2.00% p.a. (including 0.20% Govt. Levy and 0.075%)

## Top TFCs Holding (As of T.A) Mar. '24

Soneri Bank Limited	1.52
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Portfolio Allocation (as % of T.A.)	Mar. '24	Feb. '24
T-Bill's	0.12%	0.12%
Cash at Bank	66.05%	76.69%
PIBs	29.32%	19.41%
TFC/Sukuks	1.51%	1.55%
Others including receivables (NR)	2.99%	2.22%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## Fund Performance AWT - FSIF

	AWT-FSIF*	AWT-FSIF**	Benchmark***
Mar-24	19.98%	21.92%	21.51%
FYTD	23.66%	24.32%	22.13%
CYTD	19.90%	21.44%	21.31%
12M Trailing	23.80%	23.80%	22.13%
Since Inception	23.46%	22.76%	21.42%

\*Simple Annualized

\*\*Average of reporting period

\*\*Morning Star

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.)	Mar. '24	Feb. '24
AAA (Government Securities)	29.33%	19.54%
AAA	0.26%	0.15%
AA+	0.12%	0.26%
AA	0.05%	0.05%
AA-	0.00%	0.00%
A+	67.25%	77.78%
A	0.00%	0.00%
A-	0.00%	0.00%
BBB-	0.00%	0.00%
Other including recievables (NR)	2.99%	2.22%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Months	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Performance	20.14%	20.61%	19.95%	22.61%	21.92%	22.22%	25.02%	25.86%	21.35%	20.09%	18.61%	19.98%
Benchmark	22.09%	22.08%	22.24%	23.03%	23.07%	23.55%	22.48%	21.54%	21.53%	20.98%	21.44%	21.51%

## Investment Committee Members

Sajjad Anwar, (CFA)	Chief Executive Officer
Salman Shafiq	Chief Financial Officer
Wahaj Ahmed	Head Fixed Income
Farrukh Yasin (CFA)	S.Manager Risk

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# AWT - Income Fund

## Fund Manager's Review

In the month of March, AWT Income Fund generated an annualized return of 19.32%. At the end of the month, the fund allocated TFCs/ Sukuk & Commercial Paper CP/ Short term Sukuk (STS) approximately 13.48% respectively, while cash in the bank accounted for 22.41% and Govt Securities made up 43.43% of the total assets. Moving forward, the fund would remain vigilant on macroeconomic developments and will devise the investment strategy accordingly.

## Fund Objective

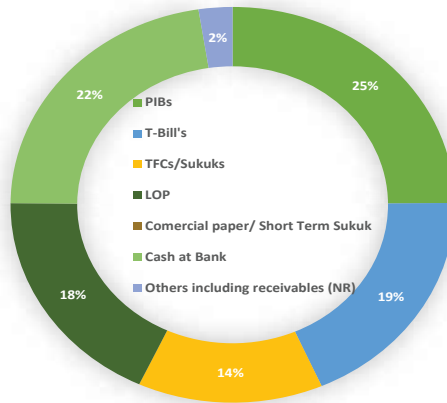
The objective of the fund is to generate competitive returns by investing in short to long term debt instruments and securities.

## Fund Statistics

Net Assets(PKR mn)	1,707
NAV per Unit (PKR)	129.3864
Weighted Average Maturity (Days)	679
Sharpe Ratio*	0.17
Information Ratio	0.13
Standard Deviation	7.17%
Annualized	

Fund Type	Open End
Category	Income Scheme
Fund Stability Rating	A+(f) by PACRA (13th Oct 2023)
Benchmark	Average of 6M KIBOR rates for the period under review.
Management Co. Rating	AM3++ by PACRA (4th August 2023)
Inception Date	9th August 2012
Dealing Days	Daily (days when Banks are open for business)
Cut-off Time	Monday to Friday 09:00 - 16:00
Cut-off Time (Ramazan)	Monday to Thursday 09:00 - 14:00 Friday 09:00 - 13:00
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) Mar '24



YTD	1.90% p.a. (including 0.14% Govt. Levy and 0.075%
MTD	1.84% p.a. (including 0.14% Govt. Levy and 0.075%

## Top TFCs Holding (As of T.A) Mar. '24

Soneri Bank Limited	7.85
Bank Al Habib	5.93

Portfolio Allocation (as % of T.A.)	Mar. '24	Feb. '24
PIBs	24.85%	22.16%
T-Bill's	18.58%	18.70%
TFCs/Sukuks	13.48%	13.77%
LOP	18.22%	8.72%
Commercial paper/ Short Term Sukuk	0.00%	9.01%
Cash at Bank	22.41%	25.01%
Others including receivables (NR)	2.46%	2.62%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

	AWT-IF*	AWT-IF**	Benchmark**
Mar-24	19.32%	21.12%	21.51%
FYTD	23.07%	23.71%	22.13%
CYTD	19.00%	20.39%	21.31%
12M Trailing	23.07%	23.06%	22.13%
Since Inception	21.38%	11.33%	10.31%
Last 10 Yrs	20.59%	11.82%	10.45%
Last 5 Yrs	18.81%	14.17%	13.69%
Last 3 Yrs	17.73%	15.27%	15.90%

\*Simple Annualized \*\*Morning Star \*\*\*Average of reporting period  
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)	Mar. '24	Feb. '24
AAA (Government Securities)	43.31%	40.86%
AAA	6.01%	15.18%
AA+	0.19%	9.20%
AA	8.90%	0.06%
AA-	17.08%	7.85%
A+	22.04%	24.22%
A	0.00%	0.00%
A-	0.01%	0.01%
BBB-	0.00%	0.00%
Other including recievables (NR)	2.46%	2.62%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

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	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Performance	19.67%	19.92%	18.34%	24.23%	21.15%	21.81%	24.85%	23.58%	21.42%	19.91%	16.76%	19.32%
Benchmark	22.09%	22.08%	22.24%	23.03%	23.07%	23.55%	22.48%	21.54%	21.53%	20.98%	21.44%	21.51%

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
Hascal	Sukuk	4,750,000	4,750,000	-	10%	0.00%	0.00%

## Investment Committee Members

Sajjad Anwar, (CFA)	Chief Executive Officer
Salman Shafiq	Chief Financial Officer
Wahaj Ahmed	Head Fixed Income
Farrukh Yasin (CFA)	S.Manager Risk

## Selling & Mktg. Exp.

Rs. In Million	0.71
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Disclaimer: The AWT IF scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest Financial Statements.\*

Note: The performance is net of expenses and based on dividend reinvestment, excluding front end load and taxes.

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# AWT - Islamic Income Fund

## Fund Manager's Review

In the month of March, the AWT Islamic Income Fund achieved an annualized return of 20.18%, surpassing its benchmark return of 11.20%. As of the end of the month, the fund allocated approximately 0.68% to Corporate Sukuks, 31.79% to Short-term Sukuk (STS), and 6.25% to GOP Ijarah Sukuk. Cash reserves in the bank accounted for 29.29% of the total assets, while Certificate of Musharka (COM) & Bai Muajjal represented 15.06% & 14.09% respectively. 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 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.

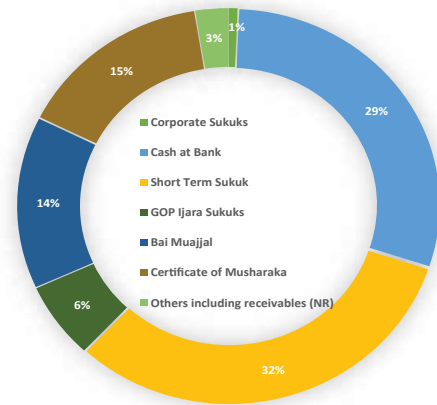
## Fund Statistics

Net Assets(PKR mn)	11,582
NAV per Unit (PKR)	105.5680
Weighted Average Maturity (days)	117
Sharpe Ratio*	0.31
Information Ratio	4.35
Standard Deviation	3.16%
Annualized	

## FUND DETAILS

Fund Type	Open End
Category	Islamic Income Scheme
Fund Stability Rating	A+(f) by PACRA (13th Oct 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 (4th August 2023)
Inception Date	4th March 2014
Dealing Days	Daily (days when Banks are open for business)
Cut-off Time	Monday to Friday 09:00 - 16:00
Cut-off Time (Ramazan)	Monday to Thursday 09:00 - 14:00 Friday 09:00 - 13:00
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 Chartered Accountant
Legal Advisor	Rizwan Faiz Associates
Fund Manager	Wahaj Ahmed

## Portfolio Allocation (as % of total assets) Mar. '24



## Total Expense Ratio

YTD	0.80% p.a. (including 0.08% Govt. Levy and 0.075%
MTD	0.75% p.a. (including 0.07% Govt. Levy and 0.075%

## Top TFCs Holding (As of T.A) Mar. '24

Meezan Bank Sukuk II	0.34
Mughal Steel	0.62

Portfolio Allocation (as % of T.A)	Mar. '24	Feb. '24
Corporate Sukuks	0.68%	1.14%
Cash at Bank	29.29%	31.63%
Short Term Sukuk	31.79%	29.88%
GOP Ijarah Sukuks	6.25%	7.07%
Bai Muajjal	14.09%	11.06%
Certificate of Musharaka	15.06%	16.27%
Others including receivables (NR)	2.54%	2.94%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

Fund Performance AWT - IIF			
	AWT-IIF*	AWT-IIF**	Benchmark***
Mar-24	20.18%	22.15%	11.20%
FYTD	22.37%	22.96%	9.78%
CYTD	20.60%	22.25%	11.17%
12M Trailing	22.79%	22.78%	9.02%
Since Inception	12.24%	8.30%	4.81%
Last 5 Yrs	14.46%	11.49%	5.55%
Last 3 Yrs	16.72%	14.51%	5.84%

\*Simple Annualized \*\*Morning Star \*\*\*Average of reporting period  
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)	Mar. '24	Feb. '24
AAA (Government Securities)	6.25%	7.07%
AAA	12.32%	6.99%
AA+	17.37%	18.70%
AA	14.58%	17.58%
AA-	40.10%	39.91%
A+	6.87%	6.82%
A	0.00%	0.00%
A-	0.00%	0.00%
Other including receivables (NR)	2.54%	2.94%
<b>Total</b>	<b>100%</b>	<b>100%</b>

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	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Performance	19.87%	19.92%	20.98%	20.63%	21.11%	21.22%	21.24%	21.34%	21.31%	20.54%	20.04%	20.18%
Benchmark	6.60%	6.50%	7.08%	7.14%	7.80%	7.87%	10.17%	10.58%	11.03%	11.10%	11.22%	11.20%

## Investment Committee Members

Sajjad Anwar, (CFA)	Chief Executive Officer
Salman Shafiq	Chief Financial Officer
Wahaj Ahmed	Head Fixed Income
Farrukh Yasin (CFA)	S.Manager Risk

Note: The performance is net of expenses and based on dividend reinvestment, excluding front end load and taxes.

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## AWT - Stock Fund

### Fund Manager's Review

During the period under review, Stock Fund recorded a return of 2.13% compared to benchmark return of 3.76%, thus underperformed the index. SF invested funds maintained at 93.89% of net assets. In Mar'24 allocation was raised in commercial banks, E&Ps and Fertilizers, while reduced in Cement sector. During the month, MEBL, ENGRO, and HUBC are the top positive contributors, while PPL, MLCF, and HBL was contributed negatively to the fund return. Going forward, the fund would remain attentive on macroeconomic and political developments and will develop the investment strategy accordingly.

### Fund Objective

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

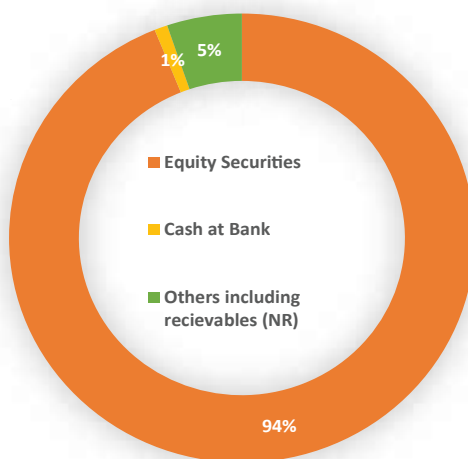
### Fund Statistics

Net Assets(PKR mn)	118
NAV per Unit (PKR)	135.3989
Sharpe Ratio*	2.09
Standard Deviation*	18.34%
Treynor Ratio	0.36
Beta	1.07
R - Square**	0.94
Value at Risk	1.86%

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 (4th August 2023)
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
Cut-off Time (Ramazan)	Monday to Thursday 09:00 - 13:00 Friday 09:00 - 12:00
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 total assets) Mar '24



Portfolio Allocation (as % of T.A.) Mar'24 Feb'24

	Mar'24	Feb'24
Equity Securities	93.89%	85.13%
Cash at Bank	0.91%	1.60%
Others including receivables (NR)	5.20%	13.27%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

	AWT-SF	Benchmark
Mar-24	2.13%	3.76%
FYTD	55.84%	61.64%
CYTD	4.91%	7.29%
12M Trailing	60.15%	67.51%
Since Inception (annualized)	4.39%	8.28%
Last 5 Yrs (annualized)	7.96%	11.62%
Last 3 Yrs (annualized)	11.93%	14.53%

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	4.11% p.a. (including 0.29% Govt. Levy and 0.095%)
MTD	4.48% p.a. (including 0.30% Govt. Levy and 0.095%)

Sector Allocation (as % of T.A.)	Mar'24	Feb'24
COMMERCIAL BANKS	21.94%	20.19%
OIL & GAS EXPLORATION COMPANIES	15.98%	13.19%
CEMENT	12.48%	13.45%
FERTILIZER	13.18%	11.23%
OIL & GAS MARKETING COMPANIES	6.39%	5.32%
OTHERS	23.92%	21.75%
<b>Total</b>	<b>93.89%</b>	<b>85.13%</b>

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

Symbol	Mar'24
Meezan Bank Limited	6.14%
Engro Corporation Limited	6.12%
Pakistan Petroleum Limited	5.51%
Oil & Gas Development Company Limited	5.43%
MCB Bank Limited	5.07%
Lucky Cement Limited	5.01%
Hub Power Company Limited	4.87%
United Bank Limited	4.49%
Mari Petroleum Company Limited	3.87%
Fauji Fertilizer Company Limited	3.46%

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

Months	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
<b>Performance</b>	3.50%	-0.39%	0.61%	16.25%	-8.00%	2.94%	12.26%	16.42%	3.25%	-0.48%	3.21%	2.13%
<b>Benchmark</b>	3.95%	-0.60%	0.30%	15.88%	-6.31%	2.73%	12.30%	16.59%	3.17%	-0.76%	4.19%	3.76%

### Investment Committee Members

Sajjad Anwar, (CFA)	Chief Executive Officer
Syed Noman Ahmed	Head of Equity
Farrukh Yasin (CFA)	S.Manager Risk
Salman Shafiq	Chief Financial Officer

### Selling & Mktg. Exp.

Rs. In Million	0.05
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Note: The performance is net of expenses and based on dividend reinvestment, excluding front end load and taxes.

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# AWT - Islamic Stock Fund

## Fund Manager's Review

During the period, Islamic stock fund posted a positive return 2.26% as compared to a 3.23% return of the KMI-30 index, thus underperformed the benchmark. ISF invested funds stood at 93.45% of its assets. During the month allocation was raised in E&Ps and Islamic banks, while reduced in Cement sector. During the month, MEBL, ENGRO, and TOMCL are the top positive contributors, while PPL, MLCF, and SYS was contributed negatively to the fund return. Going forward, the fund would remain attentive on macroeconomic and political developments and will develop the investment strategy accordingly.

## Fund Objective

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

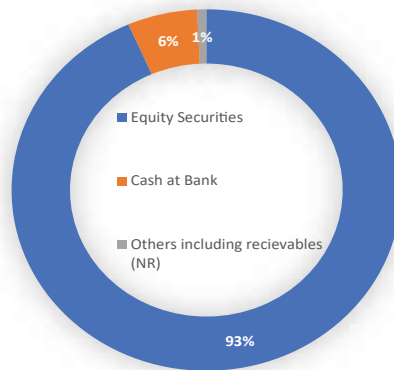
## Fund Statistics

Net Assets(PKR mn)	146
NAV per Unit (PKR)	122.5143
Sharpe Ratio*	1.64
Standard Deviation*	19.87%
Treynor Ratio	0.335
Beta	0.97
R - Square**	0.91
Value at Risk	2.02%

3MPKR/yr yield 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 (4th August 2023)
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
Cut-off Time (Ramazan)	Monday to Thursday 09:00 - 13:00 Friday 09:00 - 12:00
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) Mar '24



### Total Expense Ratio

YTD	5.01% p.a. (including 0.40% Govt. Levy and 0.095%)
MTD	5.24% p.a. (including 0.39% Govt. Levy and 0.095%)

Sector Allocation (as % of T.A.)	Mar'24	Feb'24
OIL & GAS EXPLORATION COMPANIES	22.99%	21.53%
CEMENT	16.28%	18.23%
FERTILIZER	10.72%	10.85%
OIL & GAS MARKETING COMPANIES	7.15%	8.04%
BANKS	8.60%	8.15%
OTHERS	27.71%	26.33%
<b>Total</b>	<b>93.45%</b>	<b>93.13%</b>

Portfolio Allocation (as % of T.A.)	Mar'24	Feb'24
Equity Securities	93.45%	93.13%
Cash at Bank	5.79%	5.55%
Others including receivables (NR)	0.76%	1.32%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

### Fund Performance AWT - ISF

	AWT-ISF	Benchmark
Mar-24	2.26%	3.23%
FYTD	52.45%	58.82%
CYTD	3.21%	7.29%
12M Trailing	54.31%	62.05%
Since Inception (annualized)	4.09%	9.97%
Last 5 Yrs (annualized)	6.34%	12.14%
Last 3 Yrs (annualized)	5.33%	15.42%

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	Mar'24
Oil & Gas Development Company Limited	OGDC	9.04%
Meezan Bank Limited	MEBL	8.60%
Pakistan Petroleum Limited	PPL	8.26%
Hub Power Company Limited	HUBC	7.78%
Lucky Cement Limited	LUCK	6.51%
Engro Corporation Limited	ENGRO	6.36%
Mari Petroleum Company Limited	MARI	5.70%
Systems Limited	SYS	4.78%
Engro Fertilizers Limited	EFERT	3.79%
Pakistan State Oil	PSO	3.01%

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

Months	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
<b>Performance</b>	3.19%	-1.01%	-0.90%	14.22%	-8.54%	3.34%	12.72%	15.93%	4.71%	-1.72%	2.70%	2.26%
<b>BM</b>	4.35%	-1.40%	-0.83%	13.60%	-6.72%	3.60%	13.59%	15.27%	2.98%	-0.97%	4.96%	3.23%

### Investment Committee Members

Sajjad Anwar, (CFA)	Chief Executive Officer
Syed Noman Ahmed	Head of Equity
Farrukh Yasin (CFA)	S.Manager Risk
Salman Shafiq	Chief Financial Officer

### Selling & Mktg. Exp.

Rs. In Million	0.06
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# Key Economic Indicators

Economic Indicators		Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
<b>External Indicators</b>													
Overall Balance of Payments	USD million	(385)	745	(1,112)	(2,481)	271	(29)	(172)	(540)	(1,479)	641	158	
Current Account Balance	USD million	78	220	504	(775)	(164)	(46)	(184)	9	404	(303)	128	
Exports	USD million	2,101	2,603	2,119	2,120	2,425	2,470	2,464	2,732	2,795	2,697	2,556	
Imports	USD million	3,677	3,769	3,177	4,200	4,275	3,970	4,378	4,458	4,101	4,554	4,275	
Worker's Remittances	USD million	2,198	2,103	2,187	2,029	2,095	2,208	2,463	2,250	2,382	2,398	2,250	
Foreign Direct Investment	USD million	122	150	114	87	142	173	122	131	(34)	(173)	131	
Foreign Portfolio Investment	USD million	(8)	15	19	22	4	(17)	2	27	34	25	16	
Forex Reserves	USD billion	4.5	4.1	4.5	8.2	7.8	7.4	7.2	7.0	8.2	8.2	8.0	8.0
<b>Exchange Rate against PKR</b>													
USD	Month end	283.84	285.46	285.99	286.64	305.54	287.73	281.47	285.17	281.86	279.50	279.12	277.95
<b>Inflation Indicators</b>													
General CPI	YoY change	36.40%	37.97%	29.40%	28.30%	27.40%	31.41%	26.70%	29.20%	29.70%	28.30%	23.10%	20.68%
Food CPI	YoY change	48.07%	48.65%	39.49%	39.52%	38.51%	33.11%	26.82%	27.95%	27.50%	24.96%	18.15%	17.22%
Core (NFNE) Urban	YoY change	19.50%	20.00%	18.50%	18.40%	18.40%	18.60%	18.50%	18.60%	18.20%	17.80%	15.50%	12.80%
Core (Trimmed) Urban	YoY change	24.90%	30.50%	22.90%	21.70%	23.00%	25.00%	24.60%	22.90%	23.30%	22.10%	16.00%	14.80%
<b>Interest Rates</b>													
SBP Policy Rate	Current	21.00%	21.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%	22.00%
6 Month KIBOR	Month end	22.06%	22.18%	22.97%	23.22%	23.21%	22.95%	22.00%	21.47%	21.49%	20.97%	21.73%	21.71%
12 Month KIBOR	Month end	22.30%	22.42%	23.27%	23.49%	23.49%	23.29%	22.26%	21.66%	21.71%	21.19%	21.44%	21.63%
3 Month T-Bill Yield	Month end	21.90%	21.70%	22.65%	22.95%	22.23%	22.46%	21.65%	21.33%	21.28%	20.70%	21.21%	21.72%
6 Month T-Bill Yield	Month end	21.80%	21.92%	22.87%	22.99%	23.20%	22.81%	21.70%	21.33%	21.37%	21.00%	21.50%	21.54%
12 Month T-Bill Yield	Month end	21.76%	21.95%	22.93%	23.02%	23.23%	22.90%	21.76%	21.30%	21.32%	20.84%	20.76%	20.73%
10 Year PIB Yield	Month end	15.09%	15.10%	15.32%	15.96%	16.31%	16.12%	15.15%	14.97%	14.91%	14.17%	14.32%	14.22%

n.a.=Not Available

Source: SBP, PBS, MUFAP



Note: The performance is net of expenses and based on dividend reinvestment, excluding front end load and taxes.

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## SYMBOL OF TRUST

# AWT INVESTMENTS LTD

A wholly owned Subsidiary of Army Welfare Trust

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