



MUFAP
MUTUAL FUNDS ASSOCIATION OF PAKISTAN

(A company set up under Section 42 of Companies Act, 2017)

Newsletter

February 2023

In this issue, you'll find:

- Industry stats
- Regulatory updates
- MUFAP updates
- Investor education

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Vision

To have collective investment as the preferred investment solution for investors and financial intermediaries

Mission

The Association is engaged in five core missions:

- ⇒ contributing to a strong national economy by encouraging savings and improving the opportunities for achieving personal financial independence;
- ⇒ encouraging adherence to high ethical standards by all industry participants;
- ⇒ providing services that improve the regulatory framework;
- ⇒ advancing the interest of funds and the fund managers; and
- ⇒ promoting public understanding of mutual funds and pension funds.



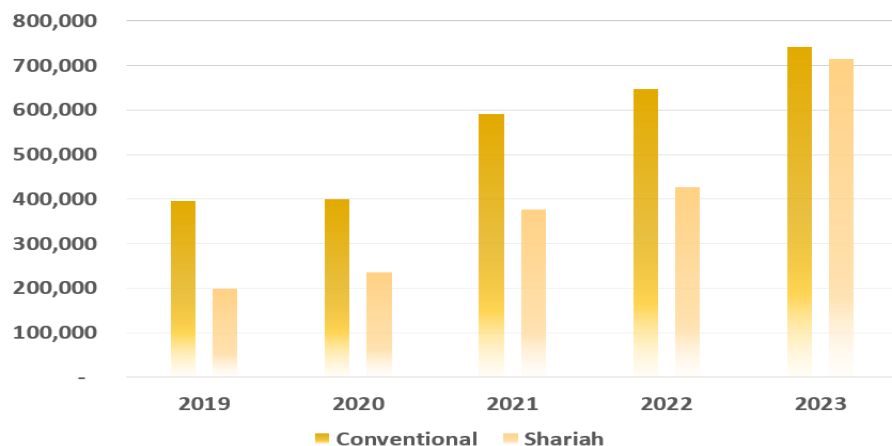
Our Members



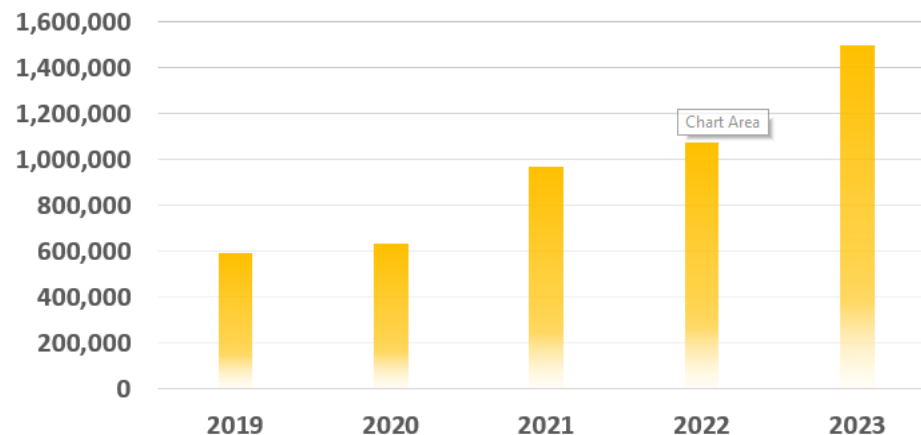
Industry Snapshot

Particulars	Feb 2023	Jan 2023	MoM
	Rs. In Million		In %
Mutual Funds AUMs	1,500,883	1,469,112	2.16%
Type wise AUMs			
Open-end funds	1,456,154	1,424,945	2.19%
Voluntary Pension Schemes	44,019	43,455	1.30%
Exchange Traded Funds	710	712	-0.28%
Category wise Open-end funds			
Money market	859,810	815,975	5.37%
Income	338,432	343,480	-1.47%
Equity	137,975	144,186	-4.31%
Others	119,937	121,304	-1.13%
Composition of AUMs			
Shariah	713,960	637,020	12.08%
Conventional	742,190	787,020	-5.70

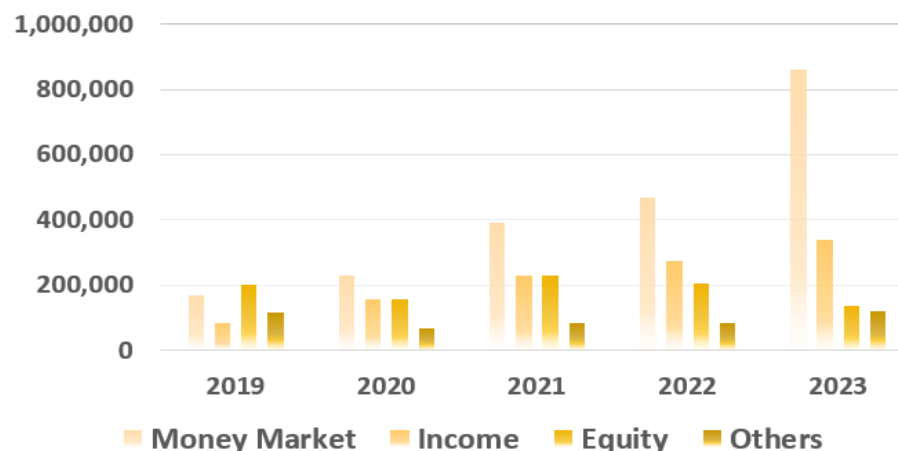
**AUMS COMPOSITION IN LAST 5 YEARS
(12 MONTHS ENDING ON FEBRUARY)**



**AUMS IN LAST 5 YEARS
(12 MONTHS ENDING ON FEBRUARY)**



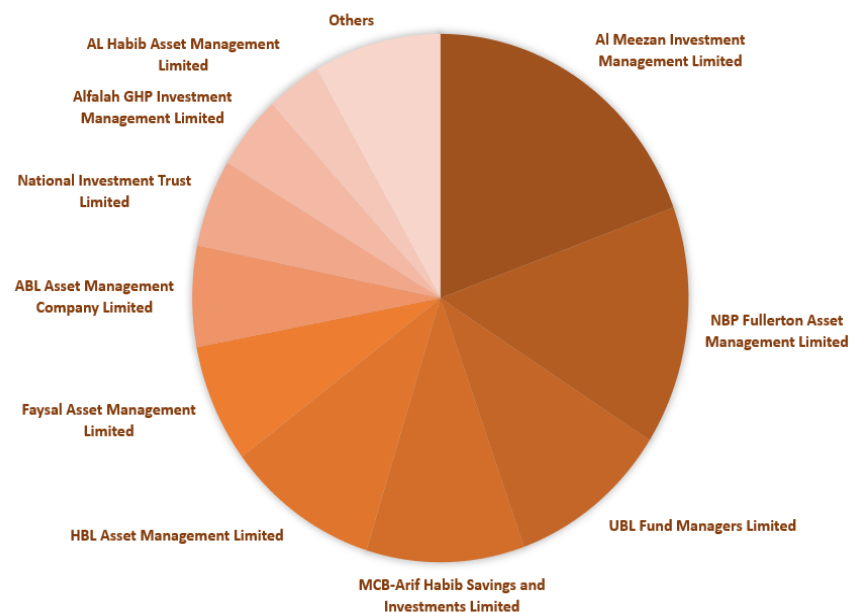
**CATEGORY-WISE AUMS IN LAST 5 YEARS
(12 MONTHS ENDING ON FEBRUARY)**



Asset Under Management — AMC wise

Name of AMC	Feb 2023	Jan 2023	MoM
	Rs. In Million		In %
ABL Asset Management Company Limited	92,638	101,305	-8.55%
AKD Investment Management Limited	6,307	6,180	2.05%
AL Habib Asset Management Limited	53,660	53,531	0.24%
Al Meezan Investment Management Limited	291,599	272,866	6.87%
Alfalah GHP Investment Management Limited	68,597	67,038	2.33%
Atlas Asset Management Limited	46,534	46,366	0.36%
AWT Investments Limited	3,995	4,051	-1.39%
Faysal Asset Management Limited	109,063	104,062	4.81%
First Capital Investments Limited	90	108	-16.15%
HBL Asset Management Limited	149,129	150,817	-1.12%
JS Investments Limited	28,704	32,209	-10.88%
Lakson Investments Limited	22,198	22,518	-1.42%
MCB-Arif Habib Savings and Investments Limited	154,501	152,044	1.62%
National Investment Trust Limited	80,424	80,198	0.28%
NBP Fullerton Asset Management Limited	219,448	211,368	3.82%
Pak Oman Asset Management Company Limited	9,455	7,836	20.66%
Pak-Qatar Asset Management Company Limited	6,398	5,668	12.89%
Pak-Qatar Family Takaful Limited*	31		N/a
UBL Fund Managers Limited	157,222	150,071	4.77%
786 Investments Limited	889	875	1.48%
	1,500,883	1,469,112	2.16%

AMC SHARE IN AUM (%)

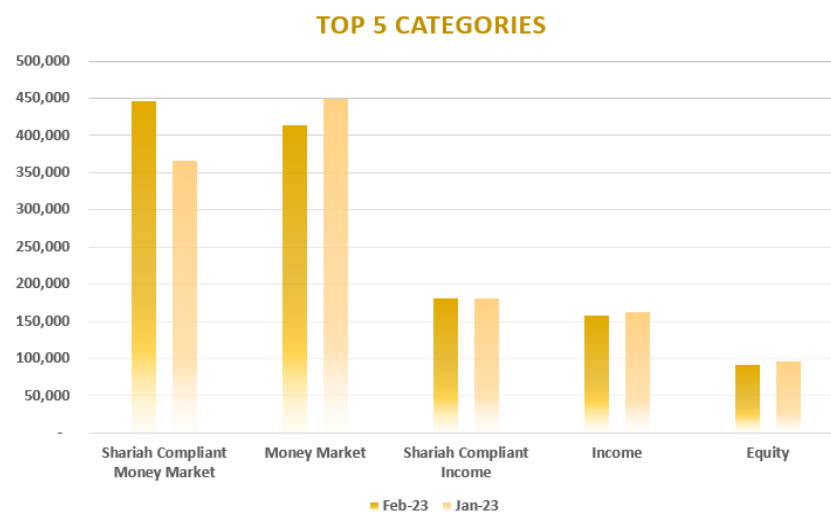
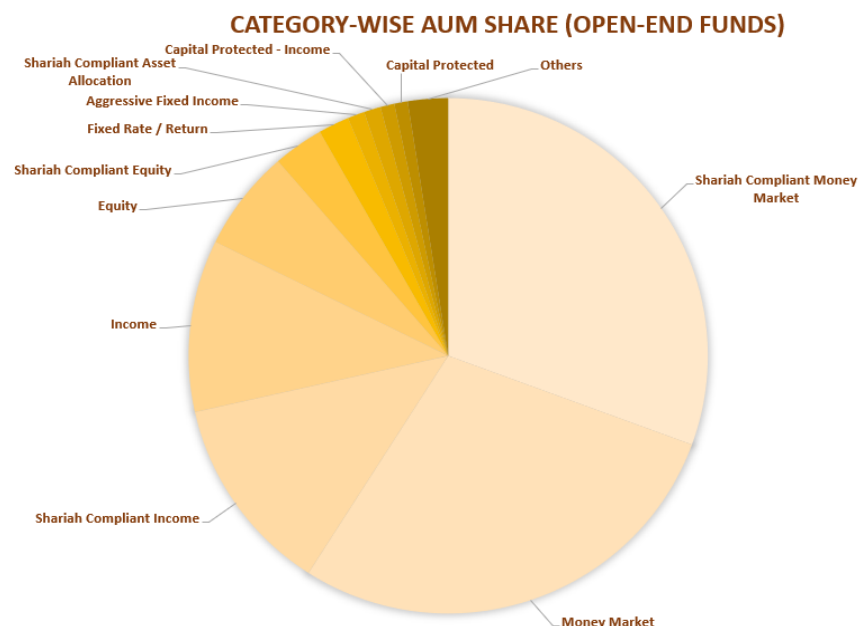


*VPS fund manager only



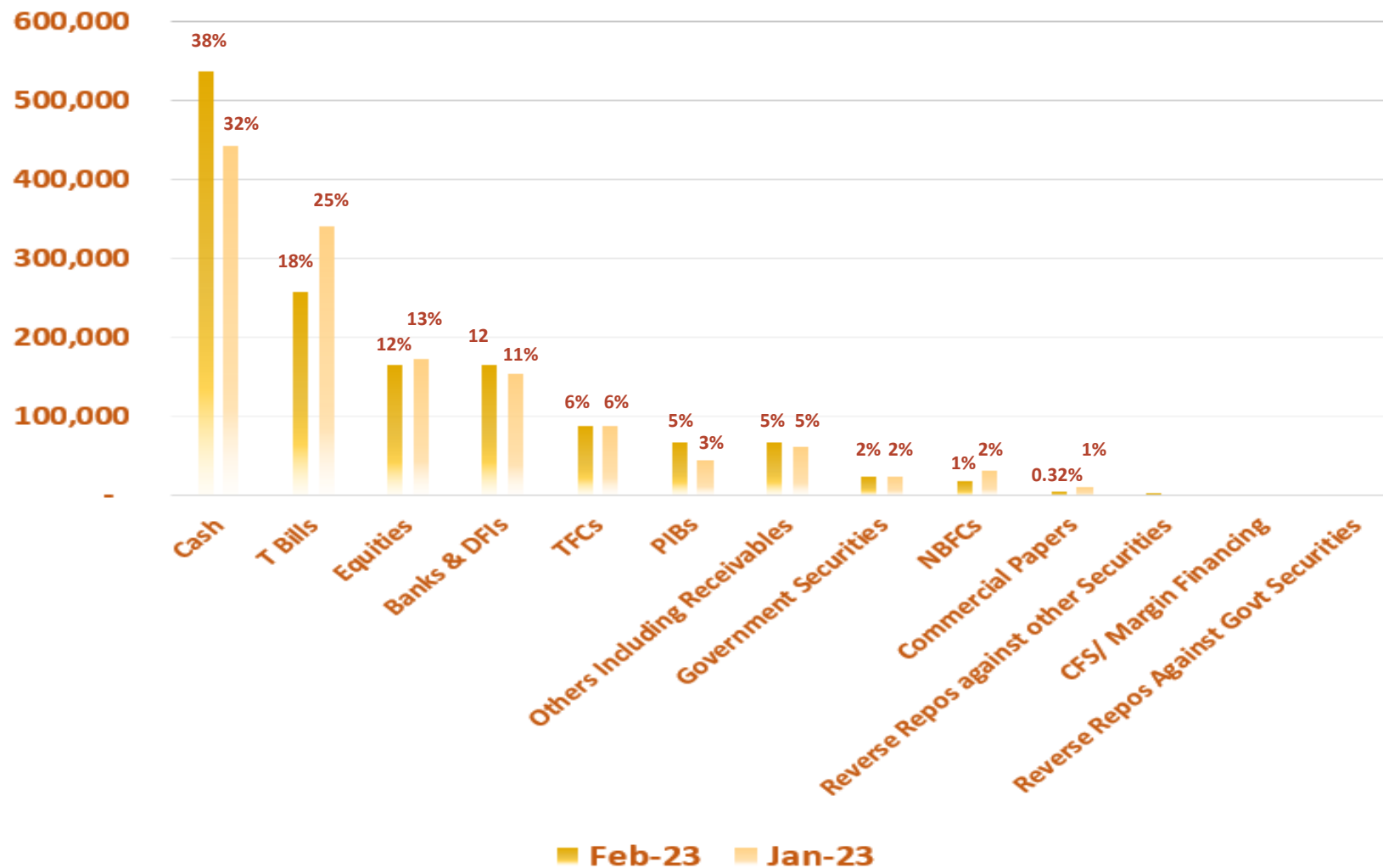
Asset Under Management — Category wise

Name of AMC	Feb 2023	Jan 2023	MoM
	Rs. In Million	In %	
Shariah Compliant Money Market	445,630	366,567	21.57%
Money Market	414,180	449,408	-7.84%
Shariah Compliant Income	181,261	181,314	-0.03%
Income	157,170	162,166	-3.08%
Equity	92,163	96,559	-4.55%
Shariah Compliant Equity	45,812	47,627	-3.81%
Fixed Rate / Return	28,077	28,591	-1.80%
Aggressive Fixed Income	15,342	14,251	7.66%
Shariah Compliant Asset Allocation	15,222	15,334	-0.73%
Capital Protected - Income	12,684	11,973	5.94%
Capital Protected	12,117	13,322	-9.04%
Shariah Compliant Fund of Funds - CPPI	9,422	10,202	-7.64%
Asset Allocation	6,935	6,991	-0.80%
Shariah Compliant Fund of Funds	4,225	4,393	-3.83%
Shariah Compliant Fixed Rate / Return	4,173	4,175	-0.06%
Shariah Compliant Index Tracker	2,604	2,678	-2.75%
Shariah Compliant Aggressive Fixed Income	2,508	2,513	-0.22%
Shariah Compliant Balanced Fund	2,238	2,282	-1.90%
Balanced	2,039	2,127	-4.16%
Fund of Funds	1,062	1,211	-12.27%
Shariah Compliant Commodities	865	876	-1.21%
Index Tracker	424	386	9.90%
Open-end funds	1,456,154	1,424,945	2.19%
Voluntary Pension Schemes	44,019	43,455	1.30%
Exchange Traded Funds	710	712	-0.28%



Asset Allocation - Open-End Funds

ASSET ALLOCATION (%)



Asset Allocation - Open-End Funds (AMC Wise)

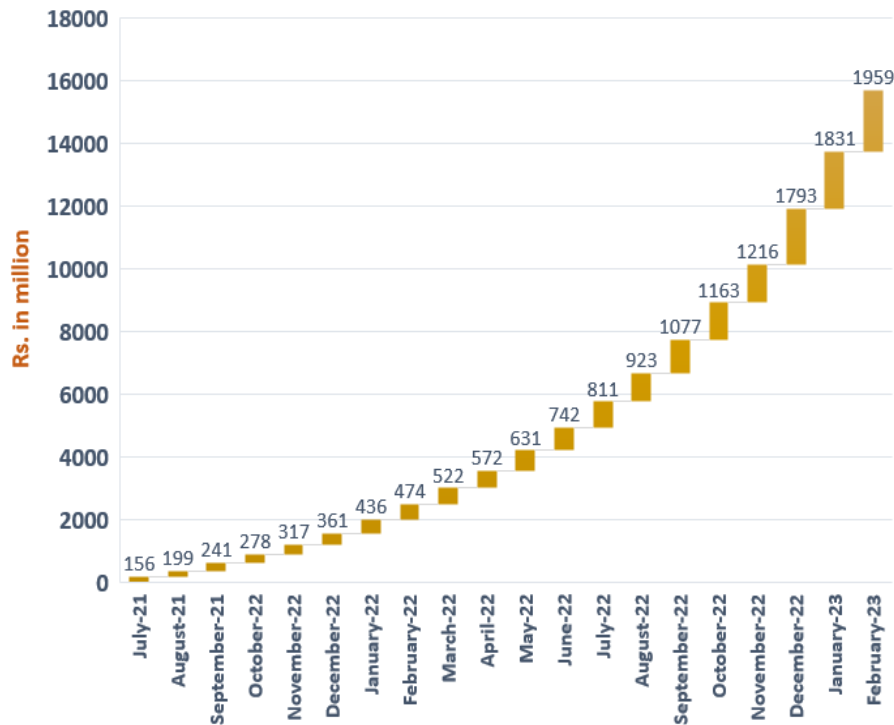
AMC Name	Cash	Banks & DFIs	TFCs	Govt. Sec.	Equities	PIBs	TBILLS	NBFCs	Comm. Papers	Others Incl. Rec.	Total
	----- Rs. In million -----										
ABL Asset Management Company Limited	21,814	13,922	7,853	68	5,953	15,029	28,268	-	11	2,797	95,715
AKD Investment Management Limited	823	-	570	-	3,003	-	1,229	-	713	99	6,436
AL Habib Asset Management Limited	27,542	-	872	4,139	333	511	19,811	-	-	668	53,877
Al Meezan Investment Management Limited	132,647	71,420	23,013	12,956	32,609	-	-	-	-	24,589	297,233
Alfalah Investment Management Limited	29,073	5,730	7,355	2	3,182	9,052	17,180	3,394	861	1,578	77,407
Atlas Asset Management Limited	2,810	860	477	538	12,845	1,177	20,581	1,137	973	6,591	47,988
AWT Investments Limited	-	1,027	422	49	191	346	861	533	229	437	4,096
Faysal Asset Management Limited	78,657	-	12,798	1,120	10,841	48	4,415	5,610	48	3,930	117,467
First Capital Investments Limited	26	-	-	-	80	-	-	-	-	5	111
HBL Asset Management Limited	-	-	-	-	-	-	-	-	-	-	-
JS Investments Limited	11,513	2,630	2,564	-	2,584	682	8,771	-	620	378	29,743
Lakson Investments Limited	2,889	-	888	240	2,366	24	15,743	-	-	271	22,422
MCB-Arif Habib Savings and Investments Limited	51,462	16,595	3,871	1,835	11,467	8,026	48,971	-	-	13,628	155,854
National Investment Trust Limited	21,899	3,100	4,347	234	46,931	1,422	4,205	-	-	603	82,741
NBP Fund Managers Limited	111,114	36,706	14,685	244	18,963	3,133	34,801	8,144	-	6,878	234,668
Pak Oman Asset Management Company Limited	-	3,655	370	108	69	3,028	2,042	-	-	235	9,507
Pak-Qatar Asset Management Company Limited	2,944	-	1,653	-	480	-	-	-	-	1,540	6,618
UBL Fund Managers Limited	42,518	9,237	5,951	1,742	13,961	25,637	51,478	-	973	7,341	158,838
786 Investments Limited	-	503	264	-	-	-	-	-	110	22	900
Total	537,731	165,386	87,954	23,275	165,859	68,114	258,357	18,818	4,538	71,589	1,401,619
% of total	38%	12%	6%	2%	12%	5%	18%	1%	0.3%	5%	100%



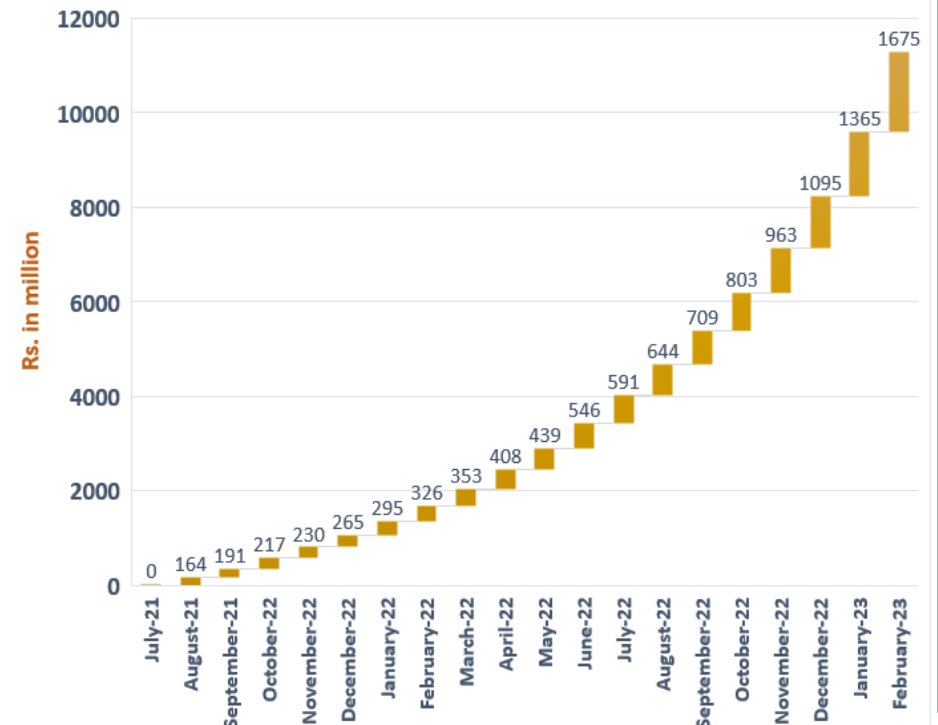
Roshan Digital Accounts

Digital Accounts

RDA Investment in Mutual Funds



Digital Accounts Investment in Mutual Funds



Regulatory Updates

SRO-1827

Notification modification in the effective date for applicability of IFRS-9 till June 30, 2024

Securities and Exchange Commission of Pakistan (SECP) in order to facilitate the Non-Banking Finance Companies and Modarabas, modified the effective date for applicability of International Financial Reporting Standard 9- Financial Instrument in place of International Accounting Standard 39 (Financial Instruments: Recognition and Measurement) as reporting period/year ending on or after June 30, 2024.

The notification can be accessed on the following link:

<https://www.secp.gov.pk/document/sro-1827-i2022-notification-modification-in-the-effective-date-for-applicability-of-ifs-9-till-june-30-2024/?wpdmdl=46801&refresh=64004acebcef51677740750>

Quote of the month

A graphic featuring a quote by Benjamin Graham. The background is a dark, textured image of a building's facade. The quote is written in white, sans-serif font. The author's name is in a small red box at the bottom right of the quote.

Successful investing is about
managing risk, not avoiding it.

Benjamin Graham



MUFAP Updates

Visit of Reforms and Resource Mobilization Commission (RRMC)

On March 11, 2023, the Minister of State and Chairman Reforms and Resource Mobilization Commission (RRMC) Mr. Ashfaq Tola and members of RRMC visited Mutual Funds Association of Pakistan (MUFAP) and held a detailed meeting with MUFAP to solicit their views on reforms and enhancing the tax & revenue base. MUFAP shared their views and highlighted measures to promote and issues hampering growth of savings in the documented sector.



MUFAP Updates

Visit to Tabani's School of Accountancy

The Mutual Funds Association of Pakistan (MUFAP) and Central Depository Company of Pakistan Limited (CDC) jointly visited Tabani's School of Accountancy to apprise the students about the investment opportunities in Mutual Funds and to present CDC's flagship platform Emlaak Financials, Pakistan's first digital aggregator of mutual funds. Students engaged actively with the teams to learn more about mutual funds and to leverage digital platforms such as Emlaak Financials to make smart investment decisions for combating inflation.



Why to invest in mutual funds?

What is mutual fund?

A mutual fund is a collective investment scheme, which specializes in investing a pool of money collected from investors for the purpose of investing in securities such as stocks, bonds, money market instruments and similar assets.

One of the main advantages of mutual funds is that they give small investors access to professionally managed, diversified portfolios of equities, debt instruments i.e., TFCs and Govt. Securities and other securities, which otherwise would be quite difficult (if not impossible) to create with a small amount of capital. The income earned through these investments and the capital appreciations realized are shared with its unit holders in proportion to the number of units owned by them.

Why to invest in Mutual Funds?

Mutual funds make saving and investing simple, accessible, and affordable. The advantages of mutual fund include the following: -

Accessibility

Mutual funds units are easy to buy.

Liquidity

Mutual fund unit holders can convert their units into cash on any working day. They will promptly receive the current value of their investment (after deducting applicable charges and taxes). Moreover, investors do not have to find a buyer to redeem the units as they may readily be redeemed by the respective fund managers.

Diversification

By investing the pool of unit holders' money across number of securities, a mutual fund diversifies its holdings. A diversified portfolio reduces the investors' risk. It would be difficult for an average investor to buy varied securities to achieve the same level of diversification as is available with investment in mutual fund.

Professional Management

Asset Management Company evaluates all the opportunities that arises in the market, carefully examines them, and then takes decision for investing the mutual fund's money whereas it is not an easy task for an individual and even for corporate company if investing is not their core business.



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