

AUGUST 2025

Fund Manager Report





CIO's Note

Mubashir Zuberi, CFA

Chief Investment Officer

Dear Valued Client,

August 2025 saw continued positive momentum in Pakistan's economy, underpinned by stable macroeconomic fundamentals and improving external accounts. By the time of writing, inflation for August came in at 3.0% which is below street estimates of 4%, reflecting ongoing price stability. However, the recent floods across several areas in Pakistan are expected to create temporary upward pressure on food and commodity prices in the coming months. These floods have disrupted supply chains and are expected to have some impact on agricultural output, which could lead to a modest uptick in CPI as markets adjust to the supply shortfall.

On the current account front, despite a deficit of \$254 million in July 2025, Pakistan's external balances remained resilient, supported by strong remittances, double digit export growth, and continued management of the trade deficit. These inflows have helped maintain FX reserves above the US\$14.5 billion mark, providing a buffer against external shocks and supporting market confidence. The external position received further validation with Moody's credit rating upgrade in August 2025, as the agency upgraded Pakistan's sovereign rating to Caa1 from Caa2 with a stable outlook, citing improved external buffers, fiscal consolidation, and progress on reforms under the IMF program. This upgrade follows similar moves by S&P and Fitch earlier in 2025, with all three major rating agencies now having upgraded Pakistan with stable outlooks.

The Monetary Policy Committee (MPC) continues to project FY26 GDP growth in the range of 3.25%-4.25%, with the current account expected to remain between 0%-1% of GDP, contingent on stable remittances and controlled import growth.

The KSE100 Index maintained its positive trajectory during August, supported by robust corporate earnings and investor confidence following favorable macroeconomic and policy developments. Market sentiment remains constructive, though geopolitical risks and seasonal factors, including the recent floods, are being closely monitored.

On the fund performance front, the MICF delivered strong returns, staying ahead of its benchmark and peers, reflecting continued stability in the fixed income space, while the MIETF maintained its position as a high performing equity product, benefiting from positive corporate earnings and sectoral momentum.

Looking ahead, while the economy has shown resilience, the impact of the floods on agricultural output, commodity prices, and supply chains will be important to monitor. Additionally, macroeconomic stability, continued fiscal discipline, and successful IMF engagements will remain key drivers for market performance and investor confidence in the coming months.

Our Investment Philosophy

At Mahaana, we have a vision to create a sustainable and financially rewarding future for our clients by leveraging technology to deliver superior returns at a fraction of the costs charged by traditional investment managers. Mahaana's investment philosophy is focused on building portfolios that offer long-term value to clients through two guiding principles. The first is to personalize asset allocation based on each client's unique risk profile, goals, and objectives, while minimizing risk and volatility. The second principle involves using data analytics to analyse market trends, identify investment opportunities, and optimize portfolios to generate consistent returns while adhering to clients' risk profiles. The combination of these principles creates portfolios that are tailored to clients' needs, offer strong risk-adjusted returns, and are constructed using a disciplined, data-driven approach. All of which, is transparent and secure.

As your digital wealth managers, we provide a mere advisory role and no way in your investment journey do we have access to your funds which are held by the CDC as the custodian. Your funds directly flow between your investment account and your personal bank account.



About Mahaana

Mahaana Wealth is your one stop solution to invest and grow your savings. In the most basic sense, we are your digital asset managers who help you along your investment journey. When you begin you will be asked a series of questions to determine your financial goals, risk tolerance, and investment preferences. Based on your answers, our platform will recommend a diversified investment portfolio that is tailored to your needs. Our platform uses algorithms and artificial intelligence to help clients to automatically rebalance their portfolio in order to maintain their desired asset allocation.

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**Mahaana is an urdu
term for monthly**

We believe you should save monthly
to secure your financial future

Mahaana Islamic Cash Fund



Mahaana Islamic Cash Fund (MICF)

MICF is a Shariah-compliant fund that primarily invests in cash and cash equivalents, such as short-term government bonds and money market instruments.

Fund Commentary

The fund reduced its' WAM keeping in view expectation of status quo in SBP's upcoming policy decision while capitalizing on higher yielding investment avenues.

Key Facts

Item	Details
Net Assets	PKR 2570.6mn
Launch Date	March 29, 2023
Fund Type	Open-end
Fund Category	Shariah Compliant Money Market Fund
Investment Objective	Investment objective is to provide competitive returns with maximum possible capital preservation by investing in low risk and liquid Shariah-compliant authorized instruments.
Fund Auditors	BDO Ebrahim & Co.
Benchmark	90% three (3) month PKISRV rates+10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic banks or Islamic Windows of Conventional Banks as selected by MUFAP
Front End Load/Back End Load	NIL
Cut-off timing	Monday-Friday (4:00 p.m)
Pricing Mechanism	Backward
Custodian	Central Depository Company of Pakistan Limited
Shariah Advisors	Al Hilal Shariah Advisors
Fund Stability Rating	AA+
Fund Manager	Mubashir Zuberi, CFA
Management Fee	0.55% per annum
Total Expense Ratio	0.86% (MTD) 0.82% (YTD)
Total Expense Ratio (without Govt. levy)	0.69% (MTD) 0.66% (YTD)
Valuation and Redemption Days	Daily (Monday to Friday) except public holiday
Risk/Risk of Principal Erosion	Low
Weighted Average Time to Maturity (Days)	58

Performance

As of 31st Aug 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception *
MICF Return (annualized)	9.86%	9.87%	10.02%	10.28%	12.18%	N/A	20.61%
Benchmark Return (annualized)	9.66%	9.99%	9.85%	10.28%	10.15%	N/A	10.90%
Peer Average (annualized)	9.32%	9.70%	N/A	N/A	N/A	N/A	N/A

* Since Mar 2023 - MICF launch date Returns are computed on the basis of NAV to NAV with dividends reinvested

Asset Allocation

Type	July 25	Aug 25
Bank Deposits	2.92%	2.96%
GoP Ijarah Sukuks	19.56%	15.40%
Short Term Sukuk	15.69%	12.66%
Placements with Banks/ DFI	0.00%	0.00%
Bai Muajjal	24.93%	36.40%
Cash	36.3%	31.99%
Other assets	0.60%	0.59%

Ratings

Type	Percentage %
AAA	40.21%
AA+	14.65%
AA	32.14%
A1	12.69%

Distributions

Payout Date	Payout (Per Unit)	Ex - NAV	Yield
13-Jun-23	2.375	101.5469	2.34%
26-Jun-23	2.290	100.0038	2.29%
12-Dec-23	10.700	100.3250	10.67%
7-Jun-24	5.500	105.0288	5.24%
13-Jun-25	14.250	106.2402	13.41%

Sukuk Holdings

Instrument	Percentage %
Aspin Pharma Pvt Ltd STS 2	2.98%
Masood Spinning Mills Limited STS 1	2.01%
Mughal Industries STS 4	2.01%
Select Technologies Limited STS 2	1.99%
Airlink Limited STS 6	1.89%
At Tahur Limited STS 2	1.81%

Mahaana Islamic Index ETF



Mahaana Islamic Index ETF

MIETF is a Shariah-compliant equity index fund that primarily invests in the top 30, free float weighted Islamic stocks that have an annual average turnover of more than PKR 10 million. MIETF provides investors the long term benefits of equity markets.

Fund Commentary

The fund continued its' strong performance in line with the broader index. The fund's exposure to cements and other cyclical stocks kept the interest in the fund high allowing it to grow net assets by 15% during the month.

Key Facts

Item	Details
Net Assets	PKR 514.2 mn
Launch Date	March 11, 2024
Fund Type	Open-end
Fund Category	Shariah Compliant Equity ETF
Investment Objective	Investment objective is to provide competitive equity market returns with maximum coverage of the broader Islamic index at lowest possible cost.
Benchmark	Mahaana Islamic Index
Pricing Mechanism	Backward
Listing	Pakistan Stock Exchange (PSX)
Valuation Days	As per PSX
Subscription Redemption Days	As per Market hours
Ticker	MIETF
Front End Load/Back End Load	NIL
Authorized Participant	JS Global Capital Limited
Management Fee	0.5% per annum
Total Expense Ratio	1.00% (MTD) 0.99% (YTD)
Total Expense Ratio (without govt. levy)	0.82% (MTD) 0.81% (YTD)
Trustee	Central Depository Company Pakistan Limited (CDC)
Risk Profile/Risk of Principal Erosion	High
Fund Auditors	BDO Ebrahim & Co.
Fund Manager	Mahaana Wealth Limited

Performance

As of 31st Aug 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception *
MIETF Return	7.45%	14.62%	17.52%	26.19%	67.47%	N/A	87.94%
MII30 Return	7.60%	14.69%	18.24%	28.01%	71.21%	N/A	95.47%
KMI30 Return	7.85%	14.87%	17.57%	27.09%	70.19%	N/A	90.76%

* Since 11 Mar 2024 - MIETF launch date. Returns are computed on the basis of NAV to NAV with dividends reinvested

Asset Allocation

Type	July 25	Aug 25
Equity	98.89%	99.87%
Cash	1.00%	1.03%
Other Assets	0.11%	0.10%

Sector Allocation

Sector	Percentage %
OIL & GAS EXPLORATION COMPANIES	21.30%
CEMENT	18.50%
COMMERCIAL BANKS	9.76%
INVESTMENT BANKS/ COMPANIES	8.74%
FERTILIZER	7.15%
OTHERS	34.56%

Distributions

Payout Date	Payout (Per Unit)	Ex - NAV	Yield
24-Jun-24	0.500	10.9000	4.59%
19-Jun-25	2.250	12.8400	17.52%

Top Holdings

Instrument	Percentage %
Engro Holdings Limited	8.74%
Lucky Cement Limited	8.67%
Meezan Bank Limited	8.44%
Oil & Gas Development Company Limited	8.13%
Mari Energies Limited	7.37%
The Hub Power Company Limited	7.20%
Systems Limited	6.12%
Pakistan Petroleum Limited	5.80%
Engro Fertilizers Limited	5.57%
Pakistan State Oil Company Limited	3.93%g

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Mahaana IGI Islamic Retirement Fund

Mahaana IGI Islamic Retirement Fund (MIIRF) is a Shariah-compliant voluntary pension scheme primarily invests across three sub-funds: Equity, Debt, and Money Market, offering diverse allocation options to suit different risk preferences. It is a long-term investment vehicle for individuals seeking to build wealth for their retirement. Through MIIRF, participants gain exposure to a range of Islamic assets, including equities, sukuks, and money market instruments, providing them with a reliable source of income during retirement.

Key Facts

Item	Details
Launch Date	May 26, 2025
Fund Type	Open Ended Fund
Fund Category	Shariah Compliant Voluntary Pension Scheme
Investment Objective	Investment objective is to provide secure retirement savings and regular income after retirement, by investing in a diversified portfolio of Shariah-compliant assets, with a focus on long-term growth and risk mitigation.
Risk Profile	Investor Dependent
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	.3% each for MIIRF - ESF & MMSF, and 0.5% for MIIRF-DSF
NAV per unit at launch date	10
Month End Date	31-Aug-25
Trustee	Central Depository Company Pakistan Limited
Auditor	A.F. Ferguson & Co.
Fund Manager	IGI Life Insurance Limited
Weighted Avg. Time to Maturity (Days)	535 (MIIRF-DSF) 150 (MIIRF-MMSF)

Expense Ratio | Government Levy

Item	ESF	DSF	MMSF
Monthly Total Expense Ratio	2.05%	1.04%	1.05%
Monthly Total Expense Ratio (without govt. levy)	1.78%	0.93%	0.94%
Yearly Total Expense Ratio	1.67%	0.72%	0.78%
Yearly Total Expense Ratio (without govt. levy)	1.45%	0.62%	0.67%

Net Assets Value (PKR '000)

Fund	Aug 25
MIIRF-ESF	100.0 mn
MIIRF-DSF	58.3 mn
MIIRF-MMSF	56.3 mn

Performance

As of 31st Aug 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception
MIIRF-MMSF	8.81%	9.69%	9.85%	N/A	N/A	N/A	10.57%
Benchmark	9.66%	9.86%	9.99%	N/A	N/A	N/A	10.01%
Peer average	9.37%	9.41%					
MIIRF-DSF	9.20%	11.68%	12.40%	N/A	N/A	N/A	12.91%
Benchmark	9.62%	9.74%	10.00%	N/A	N/A	N/A	10.04%
Peer average	8.78%	9.29%					
MIIRF-ESF	6.43%	12.64%	12.03%	N/A	N/A	N/A	12.88%
Benchmark	7.85%	14.87%	17.57%	N/A	N/A	N/A	19.60%
Peer average	8.43%	12.85%					

Asset Allocation

MIIRF-ESF	Aug 25	MIIRF-DSF	Aug 25	MIIRF-MMSF	Aug 25
Islamic Equity	78.38%	GoP Ijarah Sukuks	48.40%	Islamic Bank Deposits	49.50%
Islamic Bank Deposits	20.26%	Islamic Bank Deposits	37.56%	GoP Ijarah Sukuks	42.42%
Others	1.36%	Short Term Sukuk	3.48%	Others	8.08%
		Others	10.56%		

Top Holdings (MIIRF-ESF)

Instrument	Percentage %
Mahaana Islamic Index Exchange Traded Fund	13.9%
Lucky Cement Limited	8.3%
Systems Limited	7.5%
Oil & Gas Development Company Limited	5.7%
Meezan Bank Limited	5.2%
Engro Holdings Limited	4.2%
Pakistan Petroleum Limited	4.1%
Mari Energies Limited	3.9%
The Hub Power Company Limited	3.4%
Engro Fertilizers Limited	1.9%

Sector Allocation

Sector	Percentage %
CEMENT	14.31%
OIL & GAS EXPLORATION COMPANIES	13.73%
TECHNOLOGY & COMMUNICATION	7.51%
COMMERCIAL BANKS	6.99%
OIL & GAS MARKETING COMPANIES	5.83%
OTHERS	51.62%

Top Holdings (MIIRF-DSF)

Sector	Percentage %
Airlink Limited STS 6	3.48%

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