

OCTOBER 2025

Fund Manager Report





CIO's Note

Mubashir Zuberi, CFA

Chief Investment Officer

Dear Valued Client,

October 2025 witnessed a more measured tone in market activity, as institutional investors adopted a cautious stance and engaged in profit-taking after several months of strong performance. Consolidation dominated sentiment, with market participants awaiting new triggers and clarity on geopolitical and macroeconomic developments.

On the macroeconomic front, conditions remained broadly stable. Pakistan recorded a current account surplus of US\$110 million in September 2025, a significant turnaround from the US\$325 million deficit in August. The improvement was supported by a 5% MoM rise in exports, stable imports, and an encouraging 18% increase in services exports alongside a 13% decline in services imports. Remittance inflows continued to provide a key buffer, consistently outpacing the trade deficit and maintaining external stability.

The State Bank of Pakistan (SBP) maintained the policy rate at 11% in its October Monetary Policy Committee (MPC) meeting, emphasizing that the current stance remains sufficiently tight to anchor inflation expectations and support macroeconomic stability. The central bank cited expected increases in food inflation due to post flood supply disruptions and a possible widening of the current account deficit in FY26. The MPC reiterated its inflation target of 5%–7% over the medium term, while projecting the current account deficit to remain within 0%–1% of GDP.

Inflation dynamics reflected some upward movement. Following September's CPI of 5.6% YoY, October CPI rose to 6.2% YoY, mainly due to a resurgence in food inflation driven by flood-related supply pressures. While this uptick was expected, inflation remains within the SBP's comfort range, and the real interest rate continues to offer adequate cushion to maintain price stability.

In a major policy milestone, Pakistan reached a staff level agreement with the IMF for the second review under the Extended Fund Facility (EFF) and the first review under the Resilience and Sustainability Facility (RSF). Following approval by the IMF Executive Board, Pakistan is set to receive US\$1.2 billion, including US\$200 million under the RSF, by December 2025. The IMF lauded Pakistan's commitment to fiscal and energy sector reforms and its focus on maintaining a tight monetary policy to contain inflation and sustain macroeconomic discipline.

The KSE-100 Index reflected consolidation during the month, correcting 7% from its recent peak and closing 2.3% lower MoM, its first monthly decline after five months of consecutive gains. The correction was primarily driven by profit taking from institutional investors, including insurance companies, mutual funds, and foreign investors, who collectively recorded net selling of US\$104 million. Geopolitical tensions along the Afghan border weighed on sentiment, though markets partially recovered following a ceasefire. Despite strong corporate earnings and the IMF staff level agreement, external political concerns temporarily overshadowed these positive developments.



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On the fund performance front, the MICF continued to deliver positive alpha, earning a 9.93% return during October 2025, outperforming its benchmark despite challenging market conditions. Meanwhile, the MIETF declined by 5.81%, in line with broader equity market trends.

In summary, October 2025 marked a phase of consolidation after months of strong gains, reflecting a healthy market correction amid cautious investor participation. While external factors such as geopolitical developments and flood-related inflation remain in focus, macroeconomic stability, steady remittance flows, and IMF program continuity continue to anchor investor confidence. As markets look ahead, clarity on upcoming policy actions, IMF disbursements, and global developments will play a key role in determining near-term direction, with long-term fundamentals remaining supportive.

Our Investment Philosophy

At Mahaana, we strive to build a sustainable and rewarding financial future for our clients by leveraging technology to deliver smarter, cost-efficient investing. Our philosophy blends personalization with data driven insights, creating portfolios tailored to each client's goals and risk profile for consistent, risk adjusted returns.

As your digital wealth managers, we act solely as advisors, your funds stay fully under your control, securely held by the CDC.



About Mahaana

Mahaana Wealth is your one-stop digital solution to invest and grow your savings. We act as your digital asset manager, guiding you through every step of your investment journey. By understanding your financial goals, risk tolerance, and preferences, our platform recommends a diversified portfolio tailored to your needs. Using advanced algorithms and AI, it continuously rebalances your portfolio to maintain your ideal asset mix – helping you stay on track toward your financial goals.

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Mahaana is an urdu term for monthly

We believe you should save monthly to secure your financial future

Overview

*Data as of 31st October 2025

Peer Performance – MICF

Fund	Jun	Jul	Aug	Sep	Oct
Mahaana Islamic Cash Fund (MICF)	10.02%	9.8%	9.86%	9.76%	9.93%
NBP Islamic Money Market Fund	9.50%	9.70%	9.36%	9.70%	9.80%
Al Ameen Islamic Cash Fund	9.71%	9.36%	9.52%	9.79%	9.97%
Alhamra Islamic Money Market Fund	9.13%	10.01%	9.48%	9.60%	9.45%
Meezan Cash Fund	9.67%	9.16%	9.05%	9.09%	9.09%
Meezan Rozana Amdani Fund	9.62%	9.02%	8.93%	9.13%	9.13%
Faysal Islamic Cash Fund	9.14%	9.13%	8.89%	8.69%	8.74%

MIETF vs Active Funds*

Fund	MTD	FYTD
KMI-30 Index	-5.51%	25.86%
Mahaana Islamic Index ETF	-5.81%	23.91%
HLB Islamic Equity Fund	-5.07%	20.99%
Meezan Islamic Fund	-5.16%	22.28%
Atlas Islamic Stock Fund	-6.38%	21.43%
Al Ameen Shariah Stock Fund	-5.64%	21.76%
Al Habib Islamic Stock Fund	-6.21%	20.72%
NBP Islamic Stock Fund	-5.70%	21.00%
Alhamra Islamic Stock Fund	-4.68%	18.78%

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

MICF continued to reduce its WAM in anticipation of yield curve movements. The fund increased its allocation in high yielding instruments.

Key Facts

Item	Details
Net Assets	PKR 2588.1mn
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	0.85% (MTD) 0.81% (YTD)
Total Expense Ratio (without Govt. levy)	0.68% (MTD) 0.65% (YTD)
Valuation and Redemption Days	Daily (Monday to Friday) except public holiday
Risk/Risk of Principal Erosion	Low
Weighted Average Time to Maturity (Days)	26

Performance

As of 31st Oct 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception *
MICF Return (annualized)	9.93%	9.96%	9.87%	10.25%	10.83%	N/A	20.24%
Benchmark Return (annualized)	9.37%	9.65%	9.75%	10.08%	10.05%	N/A	10.92%
Peer Average (annualized)	9.57%	N/A	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	Sep 25	Oct 25
Bank Deposits	0.89%	4.65%
GoP Ijarah Sukuks	10.98%	0.00%
Short Term Sukuk	18.72%	18.35%
Placements with Banks/ DFI	0.00%	0.00%
Bai Muajjal	37.72%	35.50%
Cash	30.07%	40.36%
Other assets	1.62%	1.14%

Ratings

Type	Percentage %
AAA	33.15%
AA+	14.26%
AA	33.63%
A1	18.35%

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 %
Sadaqat Limited STS 1	3.72%
Aspin Pharma Pvt Ltd STS 2	3.01%
Select Technologies Limited STS 2	2.02%
Mughal Industries STS 4	2.01%
Masood Spinning Mills Limited STS 1	2.01%
Airlink Limited STS 6	1.92%
Airlink Limited STS 7	1.83%
At Tahir Limited STS 2	1.82%

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

MIETF continued to attract investor interest despite a rangebound market momentum. The net assets of the fund increased by 10.6% during the month.

Key Facts

Item	Details
Net Assets	PKR 708.9 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 Adam Securities
Management Fee	0.75% per annum
Total Expense Ratio	1.21% (MTD) 1.17% (YTD)
Total Expense Ratio (without govt. levy)	0.99% (MTD) 0.91% (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 Oct 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception *
MIETF Return	-5.81%	23.91%	16.16%	32.97%	68.20%	N/A	103.18%
MII30 Return	-5.69%	24.50%	16.80%	35.15%	69.46%	N/A	112.19%
KMI30 Return	-5.51%	25.86%	18.18%	36.44%	74.03%	N/A	109.02%

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

Asset Allocation

Type	Sep 25	Oct 25
Equity	98.68%	97.99%
Cash	1.17%	1.66%
Other Assets	0.15%	0.35%

Sector Allocation

Sector	Percentage %
OIL & GAS EXPLORATION COMPANIES	20.58%
CEMENT	17.42%
COMMERCIAL BANKS	10.50%
POWER GENERATION & DISTRIBUTION	8.80%
INVESTMENT BANKS/ COMPANIES	8.30%
OTHERS	34.39%

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 %
Meezan Bank Limited	9.07%
The Hub Power Company Limited	8.80%
Lucky Cement Limited	8.62%
Engro Holdings Limited	8.30%
Mari Energies Limited	7.62%
Oil & Gas Development Company Limited	7.62%
Systems Limited	6.34%
Pakistan Petroleum Limited	5.67%
Engro Fertilizers Limited	5.27%
Pakistan State Oil Company Limited	4.07%

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. The NAV based prices of units and any dividends/ returns thereon are dependent on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

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	MIIRF: 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. MIIRF-MMSF: Investment objective is to provide stable returns with a high level of capital preservation, by investing in low-risk, liquid Shariah-compliant instruments, such as short-term government sukuks and money market instruments. MIIRF-DSF: Investment objective is to generate moderate returns with controlled risk exposure, by investing in Shariah-compliant fixed-income instruments, including sukuks and government bonds, aimed at providing income and preserving capital. MIIRF-ESF: Investment objective is to achieve long-term capital growth by investing in Shariah-compliant equity securities, with a focus on high-quality companies and industries, while managing risk through diversification.
Benchmark	MIIRF-MMSF: 90% three (3) months PKISRV +10% three (3) months average of highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP MIIRF-DSF: 75% twelve (12) months PKISRV +25% six (6) months average of highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP MIIRF-ESF: KMI-30
Risk Profile	Investor Dependent
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	0.3% each for MIIRF - DSF & MMSF, and 0.5% for MIIRF-ESF
NAV per unit at launch date	10
Month End Date	31-Oct-25
Trustee	Central Depository Company Pakistan Limited
Auditor	A.F. Ferguson & Co.
Fund Manager	IGI Life Insurance Limited
Shariah Advisors	Al Hilal Shariah Advisors
Weighted Avg. Time to Maturity (Days)	477 (MIIRF-DSF) 124 (MIIRF-MMSF)

Top Holdings (MIIRF-ESF)

Instrument	Percentage %
Mahaana Islamic Index Exchange Traded Fund	12.5%
Lucky Cement Limited	7.5%
Systems Limited	6.6%
Meezan Bank Limited	6.4%
Engro Holdings Limited	5.9%
Oil & Gas Development Company Limited	5.7%
The Hub Power Company Limited	5.2%
Mari Energies Limited	5.2%
Pakistan Petroleum Limited	4.3%
Pakistan State Oil Company Limited	4.3%

Sector Allocation(MIIRF-ESF)

Sector	Percentage %
OIL & GAS EXPLORATION COMPANIES	15.26%
CEMENT	14.36%
ETF	13.46%
COMMERCIAL BANKS	8.204%
TECHNOLOGY & COMMUNICATION	6.64%
OIL & GAS MARKETING COMPANIES	6.16%
INVESTMENT CO./ INVESTMENT BANK	5.90%
POWER GENERATION & DISTRIBUTION	5.21%
FERTILIZER	2.66%
OTHERS	10.68%

Top Holdings (MIIRF-DSF)

Sector	Percentage %
Sadaqat Limited STS 1	6.86%
Airlink Limited STS 7	4.07%
Airlink Limited STS 6	2.80%

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Expense Ratio | Government Levy

Item	ESF	DSF	MMSF
Monthly Total Expense Ratio	1.50%	0.97%	1.01%
Monthly Total Expense Ratio (without govt. levy)	1.30%	0.86%	0.90%
Yearly Total Expense Ratio	1.56%	0.79%	0.83%
Yearly Total Expense Ratio (without govt. levy)	1.36%	0.69%	0.72%

Net Assets Value (PKR '000)

Fund	Oct 25
MIIRF - Total	277.2 mn
MIIRF-ESF	146.4 mn
MIIRF-DSF	68.0 mn
MIIRF-MMSF	62.7 mn

Performance

As of 31st Oct 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception
MIIRF-MMSF	10.70%	9.95%	9.64%	N/A	N/A	N/A	10.48%
Benchmark	9.37%	9.64%	9.51%	N/A	N/A	N/A	9.78%
Peer average	8.99%	9.16%					
MIIRF-DSF	11.71%	11.50%	10.58%	N/A	N/A	N/A	12.36%
Benchmark	10.26%	9.92%	9.93%	N/A	N/A	N/A	10.06%
Peer average	8.36%	8.96%					
MIIRF-ESF	-5.07%	22.67%	28.42%	N/A	N/A	N/A	22.92%
Benchmark	-5.51%	25.86%	31.75%	N/A	N/A	N/A	31.05%
Peer average	-5.17%	22.44%					

Asset Allocation

MIIRF-ESF	Sep 25	Oct 25
Equity	81.24%	83.44%
Bank Deposits	7.56%	4.07%
Other assets	11.20%	12.49%

MIIRF-DSF	Sep 25	Oct 25
Bank Deposits	29.96%	37.80%
GoP Ijarah Sukuks	43.67%	38.90%
Short Term Sukuk	15.77%	13.73%
Certificate of Investments	0.00%	0.00%
Other assets	10.60%	9.57%

MIIRF-MMSF	Sep 25	Oct 25
Bank Deposits	52.47%	56.40%
GoP Ijarah Sukuks	38.77%	35.06%
Short Term Sukuk	0.00%	0.00%
Certificate of Investments	0.00%	0.00%
Other assets	8.76%	8.54%



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