July 2026

Fund Managers' Report

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For Dispute resolution/ Complaints handling

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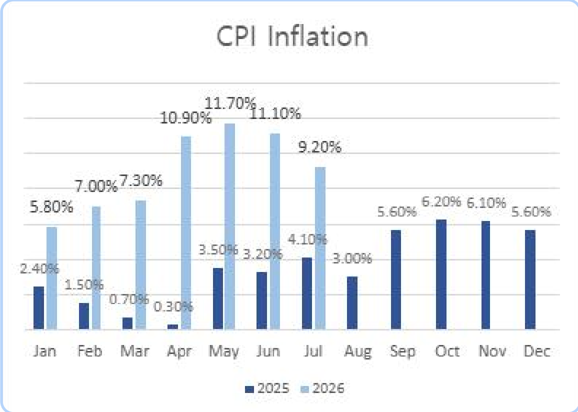
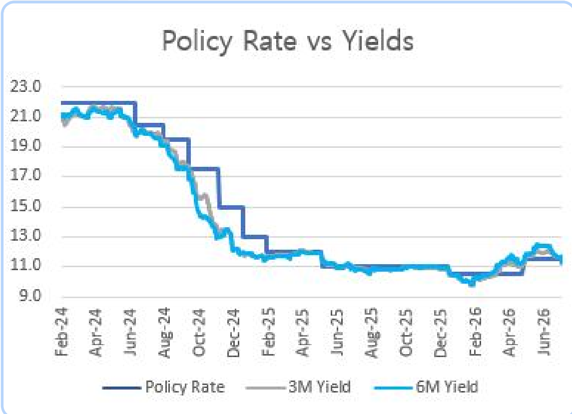
Dear Valued Client,

July 2026 reversed much of the optimism that had built through June. The resumption of US-Iran military airstrikes pushed Brent crude back above US$90 per barrel, and the KSE 100 Index gave up 2.3 percent, trimming its calendar year 2026 gain to approximately 1 percent. Two developments ran the other way: headline inflation fell back into single digits, and S&P Global Ratings upgraded Pakistan's sovereign credit rating for the first time in nine years.

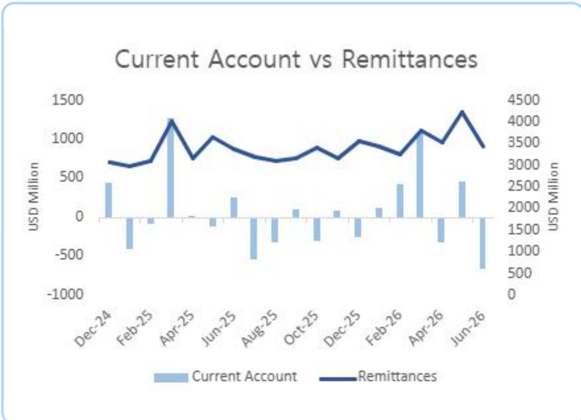
On the inflation front, headline CPI for June arrived at 11.1 percent year on year, and by the time of writing this report the July print had come in at 9.2 percent, the first single digit reading since March. The moderation reflects the pass through of the sharp June decline in international oil prices alongside a favourable base effect, and it restores a positive real interest rate of approximately 2.3 percentage points, having been marginally negative as recently as May. During July the government adopted a daily fuel price revision mechanism intended to track international prices more closely and minimise windfall gains across the energy supply chain. The immediate effect was an increase of 12 percent month on month in petrol prices and 26 percent month on month in diesel, and the mechanism means future moves in international oil prices will feed into domestic fuel costs faster and more completely than before.



In the money market, the MPC kept the policy rate unchanged at 11.5 percent at its July meeting, the second consecutive hold. The committee expressed confidence that inflation will continue to moderate over the coming months, projecting a decline towards approximately 7 percent by the end of the next fiscal year, while acknowledging that geopolitical developments remain the principal downside risk to that path. The hold is consistent with the framework set out in June, treating the current inflation episode as largely supply driven and looking through it.



Pakistan's full year FY26 current account settled at a deficit of US$139 million, reversing the surplus of US$1,838 million recorded in FY25. June alone accounted for a deficit of US$649 million, driven by a trade deficit that widened to US$3.55 billion, up 8 percent month on month and 46 percent year on year. In absolute terms the full year shortfall remains modest and well within manageable territory, but the direction of travel matters, and the energy import bill is once again the binding constraint. Against this, S&P Global Ratings upgraded Pakistan's long term sovereign credit rating to B from B minus, returning the country to that level for the first time in nine years and providing external validation of the fiscal consolidation achieved under the IMF programme.



Market Outlook

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The KSE 100 Index declined 2.3 percent month on month in July, reducing its calendar year 2026 gain to approximately 1 percent. The weakness was regional rather than idiosyncratic, with weakness across Asian markets over the month, reflecting the combination of renewed Middle East instability and a correction in the global technology sector. Beneath the index level, dispersion was notable. Banking and refinery stocks outperformed, supported by the commencement of the corporate earnings season and progress on the refinery policy, indicating that domestic catalysts continue to find buyers even in a risk off tape.

Looking ahead, the macro environment remains favourable, the key risk is a sustained move higher in energy prices. Should Brent hold above US$100 per barrel through a full quarter, the arithmetic that produced only a modest FY26 current account deficit would deteriorate materially into FY27, and the projected path towards 7 percent inflation would require revision. The trajectory of the US-Iran conflict remains the single variable that matters most, and it is not one that can be forecast with any confidence. Until there is greater clarity on the durability of any renewed ceasefire, we expect participants to remain selective, with a preference for shorter duration in fixed income and for earnings visibility over beta in equities.

Mubashir Zuberi, CFA

Chief Investment Officer

Who We Are

Mahaana Wealth

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

Explore Investment Solutions

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. Through MICF, our clients gain direct exposure to government Sukuks at a fraction of the cost compared to banks.

Low Risk

Risk Profile

PKR 3844.0 mn

The AUM

Money Market

Fund Category

Mahaana Islamic Index ETF (MIIETF)

MIIETF 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. MIIETF provides investors the long term benefits of equity markets.

High Risk

Risk Profile

PKR 1897.3 mn

The AUM

ETF

Fund Category

Mahaana IGI Islamic Retirement Fund (MIIRF)

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.

Low to High Risk

Risk Profile

PKR 747.7 mn

The AUM

Pension Fund

Fund Category

Mahaana Islamic Cash Fund (MICF)

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Fund Commentary

During the month the fund capitalized on stabilizing yield curving by increasing allocation in GoP Ijarah Sukuks and Treasury placements.

Investment Philosophy

Investment objective is to provide competitive returns with maximum possible capital preservation by investing in low risk and liquid Shariah-compliant authorized instruments.

Key Information

Fund type	Open-end
Fund category	Shariah Compliant Money Market Fund
Net Assets (PKR mn)	3844.0
NAV (PKR)	108.1230
Name of Trustee	Central Depository Company of Pakistan Limited
Name of Auditor	BDO Ebrahim & Co.
Management fee	0.60% per annum
Front-end Load	Upto 1.5%
Back-end Load	NIL
Total Expense Ratio	0.92% (MTD) | 0.92% (YTD)
Total Expense Ratio (without Govt. levy)	0.74% (MTD) | 0.74% (YTD)
Launch Date	March 29, 2023
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
Dealing Days & Cut-off time	Monday-Friday (4:00 p.m)
Pricing Mechanism	Backward
Fund Stability Rating	AA+
Risk Profile	Low
Leverage	NIL
Shariah Advisors	Al Hilal Shariah Advisors

Investment Committee Members

Muhammad Shamoon Tariq	Chief Executive Officer
Mubashir Zuberi	Chief Investment Officer
Tariq Sultan	Chief Operating Officer
Qurat ul Ain Ali	Manager Compliance & Operations

Quantitative Measures & Ratio

Weighted Average Time to Maturity (Days)	36

Performance (%)

Annualized performance*

	MTD	YTD	90 D	180 D	1Y	3Y	LAUNCH
Fund	10.36%	10.36%	10.41%	9.98%	10.22%	17.79%	19.15%
Benchmark	10.36%	10.36%	10.23%	9.59%	9.91%	11.54%	11.32%
Peer Average	10.32%						

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

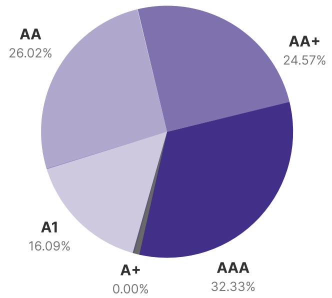
Asset Allocation (% age of total assets)

	JUL'26	JUN'26
Bank Deposits	26.36%	35.65%
Musharaka	37.51%	26.50%
Govt Securities (GoP Ijarah)	19.06%	16.44%
Short Term Sukuk	16.09%	20.38%
Bai Muajjal	0.00%	0.00%
Other Assets	0.98%	1.02%

Top Holdings - Sukuks (% age of total assets)

	JUL'26
Masood Spinning Mills Limited	2.59%
Sadaqat Limited STS2	2.59%
Alliance Sugar Mills Limited STS1	2.59%
Daewoo Pakistan Express Limited STS2	1.94%
Airlink Limited STS10	1.94%
Select Technologies (Pvt) Limited Short Term Sukuk 5	1.29%
Airlink Limited STS11	1.29%
RYK Mills Limited STS2	0.96%
Roomi Poultry Limited STS1	0.91%

Asset quality (% age of total assets)



Distributions

PAYOUT DATE	PAYOUT (PER UNIT)	EX - NAV	YIELD
13-Jun-23	2.375	101.5469	2.34%
26-Jun-23	2.29	100.0038	2.29%
12-Dec-23	10.7	100.325	10.67%
7-Jun-24	5.5	105.0288	5.24%
13-Jun-25	14.25	106.2402	13.41%
19-Jun-26	10.40	106.8196	9.74%

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Mahaana Islamic Index ETF (MIIETF)

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Fund Commentary

During the month the fund witnessed a decline in NAV in line with the broader equity market performance due to renewed regional conflict.

Investment Philosophy

Investment objective is to provide competitive equity market returns with maximum coverage of the broader Islamic index at lowest possible cost.

MII30 Description

The MII30 tracks performance of top 30 Shariah compliant stocks. Weights of these 30 constituents is based on the free float market capitalization of each stock.

Key Information

Fund type	Open-end
Fund category	Shariah Compliant Equity ETF
Net Assets (PKR mn)	1897.3
NAV (PKR)	16.45
Name of Trustee	Central Depository Company of Pakistan Limited
Name of Auditor	BDO Ebrahim & Co.
Management fee	0.75% per annum
Front-end Load	NIL
Back-end Load	NIL
Total Expense Ratio	1.15% (MTD) | 1.15% (YTD)
Total Expense Ratio (without Govt. levy)	0.93% (MTD) | 0.93% (YTD)
Launch Date	March 11, 2024
Benchmark	Mahaana Islamic Index
Dealing Days & Cut-off time	As per PSX
Pricing mechanism	Backward
Fund Stability Rating	N/A
Risk Profile	High
Leverage	NIL
Listing	Pakistan Stock Exchange (PSX)
Subscription & Redemption Days	As per Market hours
Ticker	MIIETF
Authorized Participant	JS Global Capital Limited Adam Securities

Investment Committee Members

Muhammad Shamoon Tariq	Chief Executive Officer
Mubashir Zuberi	Chief Investment Officer
Tariq Sultan	Chief Operating Officer
Qurat ul Ain Ali	Manager Compliance & Operations

Performance (%)

	MTD	YTD	90 D	180 D	1Y	3Y	LAUNCH
Fund	-4.50%	-4.50%	5.27%	-6.57%	20.74%	N/A	111.18%
MII30	-4.30%	-4.30%	6.93%	-4.85%	24.12%	N/A	125.49%
KMI30	-3.94%	-3.94%	5.60%	-5.31%	25.54%	N/A	122.04%

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

Asset Allocation (% age of total assets)

	JUL'26	JUN'26
Equity	99.89%	100.00%
Bank Deposits	0.10%	0.00%
Other Assets	0.01%	0.00%

Sector Allocation - Equity (% age of total assets)

	MIIETF	KMI30	WEIGHT
Fertilizer	21.39	16.90	4.49
Oil & Gas Exploration	17.83	20.44	-2.61
Cements	13.44	13.44	0.00
Commercial Banks	9.71	10.27	-0.56
Inv. Banks / Inv. Cos. / Securities Cos.	8.83	10.74	-1.91
Others	28.81	28.21	0.60

Top holdings - Equity (% age of total assets)

Fauji Fertilizer Company Limited	15.81%
Engro Holdings Limited	8.83%
Meezan Bank Limited	8.18%
Hub Power Company Limited	7.26%
Lucky Cement Limited	6.97%
Oil & Gas Development Company Limited	6.68%
Mari Energies	5.89%
Pakistan Petroleum Limited	5.26%
Engro Fertilizer Limited	3.89%
Systems Limited	3.81%

Distributions

PAYOUT DATE	PAYOUT (PER UNIT)	EX - NAV	YIELD
24-Jun-24	0.5	10.9	4.59%
19-Jun-25	2.25	12.84	17.52%
19-Jun-26	0.75	16.99	4.41%

Tracking Difference

PERIOD	MIIETF RETURN	BENCHMARK RETURN	TRACKING DIFFERENCE
1 Month	-4.50%	-4.30%	-0.20%
1 Year	20.74%	24.12%	-3.38%
Inception	111.18%	125.49%	-14.31%

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Mahaana IGI Islamic Retirement Fund (MIIRF)

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Investment Philosophy

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.

Key Information

Fund type	Open-end
Fund category	Shariah Compliant Voluntary Pension Scheme
Name of Trustee	Central Depository Company of Pakistan Limited
Name of Auditor	A.F. Ferguson & Co.
Management fee	1.0% each for MIIRF - DSF & MMSF, and 2.0% for MIIRF-ESF
Front-end Load	NIL
Back-end Load	NIL
Launch Date	May 26, 2025
Benchmark	**MIIRF-ESF:** KMI-30; **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
Dealing Days & Cut-off time	Monday to Friday
Pricing mechanism	Daily Forward Pricing
Shariah Advisor	Al Hilal Shariah Advisors
Risk Profile	Investor Dependent
Leverage	NIL
Weighted Average Time to Maturiy (Days)	72 (MIIRF-MMSF) | 120 (MIIRF-DSF)

Fund Manager

IGI Life Insurance Limited

Expense Ratio

	MMSF	DSF	ESF
Total Expense Ratio	1.62 MTD 1.62 YTD	1.66 MTD 1.66 YTD	2.79 MTD 2.79 YTD
Total Expense Ratio *(without govt. levy)*	1.41 MTD 1.41 YTD	1.44 MTD 1.44 YTD	2.40 MTD 2.40 YTD

Net Assets & NAV

	MMSF	DSF	ESF	TOTAL
Net Assets (PKR mn)	210.9	150.1	386.8	747.7
NAV (PKR)	11.1452	11.2773	12.5138	N/A

Performance (%)

Annualized performance*

	MTD	YTD	90 D	180 D	1Y	3Y	LAUNCH
MIIRF-MMSF*	10.06%	10.06%	9.43%	8.27%	9.19%	N/A	9.63%
Benchmark	10.36%	10.36%	10.09%	9.43%	9.41%	N/A	9.52%
Peer Average	10.22%						
	MTD	YTD	90 D	180 D	1Y	3Y	LAUNCH
MIIRF-DSF*	10.56%	10.56%	9.98%	8.30%	9.85%	N/A	10.79%
Benchmark	9.69%	9.69%	9.70%	9.67%	9.80%	N/A	9.86%
Peer Average	10.08%						
	MTD	YTD	90 D	180 D	1Y	3Y	LAUNCH
MIIRF-ESF	-4.15%	-4.15%	4.06%	-7.93%	17.88%	N/A	25.14%
Benchmark	-3.94%	-3.94%	5.60%	-5.31%	25.54%	N/A	39.21%
Peer Average	-3.84%						

Asset Allocation (% age of total assets)

MIIRF-MMSF	JUL'26	JUN'26
Bank Deposits	21.19%	72.94%
GoP Ijarah Sukuks	63.22%	18.53%
Short Term Sukuk	0.00%	0.00%
Certificate of Investments	13.51%	0.00%
Other assets	2.08%	8.54%
MIIRF-DSF	JUL'26	JUN'26
Bank Deposits	20.54%	58.18%
GoP Ijarah Sukuks	55.37%	29.60%
Short Term Sukuk	8.38%	11.37%
Certificate of Investments	13.54%	0.00%
Other assets	2.17%	0.85%
MIIRF-ESF	JUL'26	JUN'26
Equity	96.46%	96.55%
Bank Deposits	1.58%	1.11%
Other Assets	1.97%	2.34%

Sector Allocation - ESF (% age of total assets)

	JUL'26
Oil & Gas Exploration Companies	18.16%
Cement	17.60%
Fertilizer	10.91%
Commercial Bank	7.59%
Investment Co./ Investment Banks	7.29%
Others	38.46%

Top holding - ESF (% age of total assets)

MIIRF-ESF			JUL'26
MIIETF	10.3%	MARI	6.4%
FFC	7.8%	OGDC	6.0%
ENGROH	7.3%	HUBC	5.9%
LUCK	7.2%	PPL	5.7%
MEBL	6.8%	EFERT	3.2%
MIIRF-DSF			JUL'26
RYK Mills Limited STS 2	8.38%		

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Location

Office #4 NASTP 2, Silicon Valley, Building SG-3, Shahre-e-Faisal, Karachi

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