



## KEY INFORMATION

**Currency**..... USD  
**Fund Inception date**..... March 20, 2019  
**Available Class**..... Class C Share  
**ISIN**..... AEDFXA3CN117  
**Bloomberg Ticker**..... AZIPAKC UH  
**Fund Domicile**..... DIFC  
**Asset Class**..... Islamic Pakistan Equities  
**Investment Strategy**..... Flexible approach with possibility to hold Sharia Compliant Pakistan Equities and / or Fixed Income between 0% and 100%.  
**Minimum Investment**..... USD 1,000  
**Management Fees**..... 2.0% per annum  
**NAV publication**..... Daily  
**Subscriptions / Redemptions**..... Daily  
**Target Distribution**..... 6% p.a. (quarterly)  
**Deferred Service Fee (DFS)**..... Redemptions will be subject to a decreasing DFS as follows:  
 - **3.0%** if occurring under 12 months of subscription ;  
 - **2.0%** if occurring between 12 and 24 months of subscription ;  
 - **1.0%** if occurring between 24 and 36 months of subscription.  
**Sharia Board**..... Amanie Advisors  
**Investment Manager**..... Azimut (DIFC) Limited (Azimut)  
**Investment Advisor**... Alfalah GHP Investment Management Limited (Alfalah Investments)  
**Custodian**..... Linear Investments Limited  
**Fund Administrator** ..... APEX Fund Services (Dubai) Limited  
**Auditor**..... Grant Thornton

## KEY OBJECTIVES

Capital appreciation by investing on a Shari'a-compliant basis, directly or indirectly, in listed equities and equity related securities of companies that are domiciled in Pakistan and/or, entities which have at least 50% of their total turnover generated in Pakistan. The manager can invest in fixed income Sharia compliant securities to reduce the exposure to equities and manage volatility at his own discretion.

## IMPORTANT NOTICE

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Subscriptions to shares of the Fund can only be made on the basis of the current Prospectus of the Fund and any supporting fund information. The value of shares in the Fund can go down as well as up, and investors may not get back the full amount invested. Past performance is not an indicator or a guarantee of future performance. Currency fluctuations may affect the value of overseas investments. When investing in a fund denominated in a foreign currency, your performance may also be affected by currency fluctuations.

In emerging markets, the risks can be greater than in developed markets. Investments in derivative instruments entail specific risks that may increase the risk profile of the fund and are more fully described in the Fund's Prospectus. If the fund invests in a specific sector or geographical area, the returns may be more volatile than a more diversified fund.

The investment activities will be undertaken in accordance with the Shariah Guidelines. As a consequence, the performance of a Fund may possibly be lower than other investment funds that do not seek to strictly adhere to the Islamic investment criteria. The Shariah Supervisory Board of Amanie Advisors LLC has certified that the Fund is in compliance with the requirements of the Shariah principles.

No shares of the Fund may be directly or indirectly offered or sold to residents of the United States of America. Shares of the Fund are not available for distribution in all jurisdictions and prospective investors should confirm availability with their local Azimut (DIFC) Limited and / or AZ Funds S.A. representative before making any plans to invest. Any research and analysis contained in this document has been procured by Azimut (DIFC) Limited for its own purposes and is provided to you only incidentally. References to particular industries, sectors or companies are for general information and are not necessarily indicative of a fund's holding at any one time. Issued by Azimut (DIFC) Limited, authorized and regulated by the Dubai Financial Services Authority.

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*This document has not been reviewed by, approved by or filed with the DFSA. If you are interested in any investment discussed, please request a copy of the relevant offering document. This document is not an offer to invest in any investment. Please read the offer document carefully before investing.*

## Market Comment

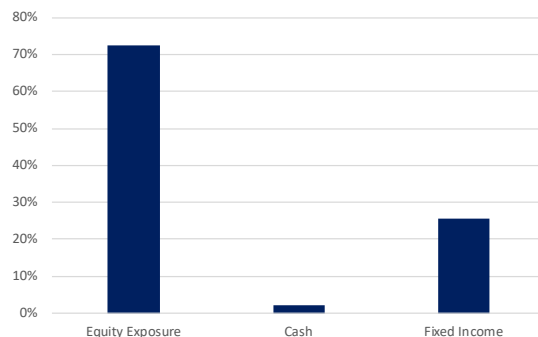
International equity markets suffered their worst weekly decline in over a decade as investors reacted to the global spread of the Covid19 virus. All major indexes fell into "correction" territory - down more than 10% from their recent peaks just a week earlier.

While Central bankers stepped in to reassure markets via future expected interest rate cuts, global recession fears will continue to be stoked until the full impact of the virus spread can be estimated. What is clear is that Chinese output will take some time to come back on line and this in itself will curtail global demand and growth.

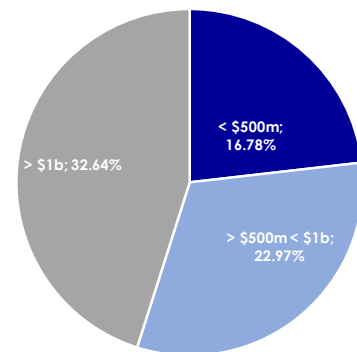
The situation was not different on the Pakistan stock exchange, as the benchmark KMI-30 index declined by 6.50% during the last week of February with the bulk of selling coming from foreign investors. Local institutions remained net buyers as three cases of the virus were reported in the port city of Karachi. Again it is too early to comment on fallout; however release of lower than expected inflation numbers earlier in February indicate economic stability continues to progress as expectations for a rate cut have increased to end March 2020. The general sentiment with respect to Pakistan's economy's improving health remains positive.

Amid the global fear, a slew of positive economic numbers came through this week - inflation at 12.4% (lower than expected), exports up by 8% in Feb on a MoM basis (higher than expected), manufacturing growth rebounding by 9.7% YoY in Dec (higher than expected) and relative control on the fiscal deficit (0.7% primary deficit) - all pointing to a bottoming out of fundamental weaknesses and paving the way for future growth. Oil prices falling due to global growth fears has always been a boon for Pakistan and with the recent drop in fuel prices, the State Bank could be induced to cutting rates as soon as end March - a quarter earlier than our previous expectations. The market is presently trading at a forward P/E of 6.5x and we advocate remaining overweight on the equities segment of the fund. We will however, reshuffle some portfolio positions based on earnings announcements and lift more towards cyclical sectors as opposed to defensives over the next three months.

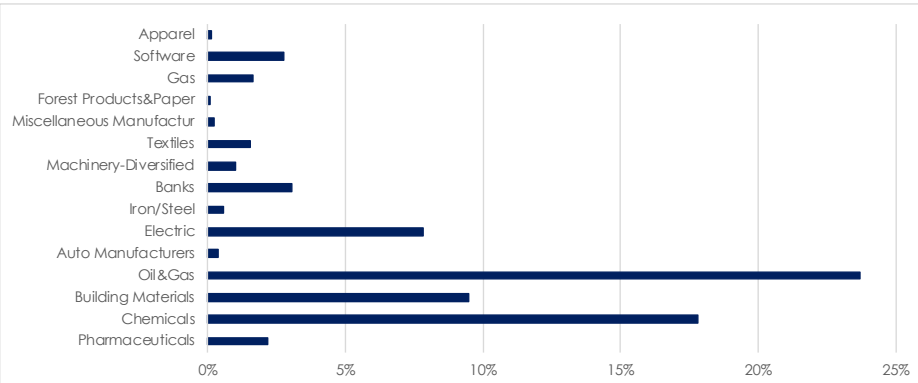
## Asset Allocation



## Market Cap



## Sector Allocation



## Top 10 Holdings

Engro Corporation Ltd.	9.00%	Mari Petroleum Co Ltd	4.87%
The Hub Power Co. Ltd.	7.84%	Engro Fertilizers Ltd.	3.78%
Lucky Cement Ltd.	6.56%	Pakistan State Oil Company Ltd.	3.31%
Oil & Gas Development Co. Ltd.	6.36%	Pakistan Oil Fields Ltd.	3.28%
Pakistan Petroleum Ltd.	5.85%	Meezan Bank Ltd.	3.05%

Source: All Fund data, Azimut and Bloomberg

Azimut (DIFC) Limited ("Azimut") is a DIFC registered Company Limited by Shares and is regulated by the Dubai Financial Services Authority ("DFSA").

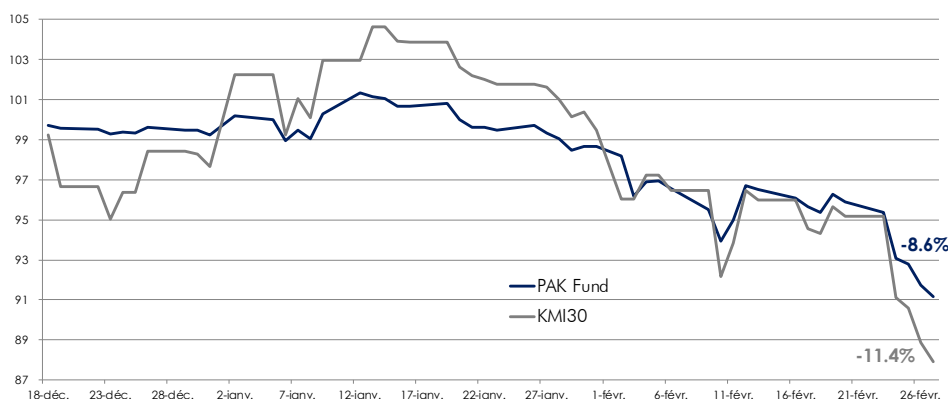




## Fund Facts

Total AuM	\$10.9 m
Number of holdings	28
YTD performance	-8.3%
MTD performance	-5.2%
Performance since inception	-8.7%
Volatility	N/A
Maximum Drawdown (Fund)	-11.9%
Maximum Drawdown (Index)	-9.0%

## Performance



Source: All Fund data, Azimut and Bloomberg

## About Azimut and Alfalah Investments

- Azimut is Italy's largest independent asset manager, with USD 60 billion of managed investors' money and a investment centers in 17 countries, including Developed (Europe, Australia) and Emerging countries, (LATAM, Middle East and Asia).
- Alfalah Investments has a 15 year track-record in managing Pakistan Equities and Fixed Income. It has a wide distribution reach pan-Pakistan via 8 investment centers and 300 branches. It manages 17 local open ended funds/pension schemes with over 25+ different client product offerings .
- Both Azimut and Alfalah Investments have a long track record managing Islamic investments: Azimut currently manages the largest USD Sukuk fund worldwide while Alfalah Investments has a considerable portfolio of Islamic equity funds, Sukuk funds and Shariah compliance structured products. Shariah investments at Alfalah are the fastest growing asset class for the company.

## Key investment themes

- Flexible approach with possibility to hold Sharia Compliant Pakistan Equities and/or Fixed Income between 0% and 100% to mitigate potential equity markets downfalls.
- Actively managed fund: the portfolio management team can dynamically shifts investments from cyclical to defensive sectors, based on economic cycle.
- Fund seeks to take advantage of Pakistan stabilizing macro-economic environment and extremely cheap valuations.
- The key drivers of Pakistan economy are young and populous demographics of 200 million people which are the key for a strong consumption and investment driven growth, with largely decouples underlying economic strength from the political cycle.
- The PKR is at very cheap levels following a 50%+ devaluation. The expectations are towards a stabilization or a mild depreciation as current account deficits have shrunk significantly and international foreign reserves are stable.
- With the interest rates easing cycle expected to start in 2020, we expect strong impetus on the stock market with a 17% earnings growth and 8%-9% dividend yield.

## Sharia Supervisory Board

Amanie Advisors, a leading Shariah advisory firm, acts as the Shariah Board of the Azimut Pakistan Equity fund. Its international Shariah Supervisory Board includes widely respected scholars with undisputed reputation:

- Dr Mohamed Ali Elgari (Chairman, KSA)
- Dr Mohd Daud Bakar (Malaysia)
- Dr Muhammad Amin Ali Qattan (Kuwait)
- Dr Osama Al Dereai (Qatar)

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