Fund Managers' Report
April 2022

UBL Liquidity Plus Fund

10.23%

(Annualized return for Feb-April'22)

Benchmark: 10.45%

- √ Instant encashability*
- √ Very low risk
- √ Daily returns

*T&C's apply as per Consolidated Offering Document.

Fund Rated 'AA+(f)' by VIS | AMC Rated 'AM1' by VIS

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Risk profile: Very Low/ very low risk of principal erosion

Type/Category of Fund: Open end Money Market Fund

Benchmark: 70% Average of 3M PKRV rates + 30% 3M average deposit rate of three 3 AA rated scheduled Banks as selected by MUFAP.

Disclaimer: All investments in Mutual Funds are subject to market risk. Past performance is not necessarily indicative of the future results. Please read the consolidated offering document to understand the investment policies and risk involved. Last 5 year's performance: FY'21: ULPF-7.0%, BM-6.7%, FY'20: ULPF-12.6%, BM-11.7%, FY'19: ULPF-8.7%, BM-8.7%, FY'18: ULPF-5.5%, BM-5.4%, FY'17: ULPF-6.2%, BM-5.2%. Since inception Year wise (Absolute): FY'21: ULPF-172.9%, BM-156.1%, FY'20: ULPF-155.1%, BM-140%, FY'19: ULPF-126.4%, BM-114.8%, FY'18: ULPF-108.4%, BM-97.5%, FY'17: ULPF-97.4%, BM-87.5%, FY'16: ULPF-85.9%, BM-78.1%, FY'15: ULPF-76.2%, BM-68.9%, FY'14: ULPF-62.3%, BM-56.8%, FY'13: ULPF-50.3%, BM-44.9%,. Returns calculated on basis of NAV to NAV with dividends reinvested. No sales load applicable. Use of name and logo of UBL Bank Ltd as given above does not mean that it is responsible for the liabilities/obligations of UBL Fund Managers or any investment scheme managed by it.

Market Review & Outlook

From the CIO's Desk

Fund Managers Report - April 2022

The euphoria created after the change in political setup proved short lived. The benchmark KSE 100 Index, after initially rising by 3.7%, ended April on a flattish note as the new government's hesitancy in taking tough, but urgently warranted, policy measures to address an increasingly precarious macroeconomic situation subsequently dampened investor sentiments. However, due to higher retail participation, trading activity improved with daily turnover averaging USD 31.5mn as compared to USD 25.4mn in the previous month. Foreign selling continued, amounting to USD5.1mn during the month, while domestic retail investors mopped up shares worth USD48.6mn.

April headline inflation came above consensus at 13.4%Y/Y. The M/M inflation (+1.6%) was mainly driven by higher perishable food item prices (+20.4%). Going forward, we expect further spike in inflation over the next few months when the government increases retail fuel prices and utility tariffs. Deterioration in inflation outlook and rising risks to external stability prompted the central bank to call an emergency monetary policy review meeting during the month wherein it announced to increase the policy rate by 250bp to 12.25%. However, T-bill yields have continued to rise, approaching 15% mark due to tightening domestic liquidity conditions though SBP has indicated that monetary tightening is largely over. Going forward, the direction of FX reserves and visibility on politics and economic policy measures should dictate money market yields.

The current account deficit swelled to USD1.03bn in March almost twice that of February, as the trade deficit expanded by 41% M/M owing to 21% rise in imports. However, SBP's forex reserves declined by nearly USD5.0bn during the month due to debt maturities and a delay in debt rollover from China. The above has taken a toll on exchange rate as reflected in 5-6% PKR depreciation against USD during the last two months. On the fiscal front, though FBR has collected net revenue of PKR 4,858bn during 10MFY22, exceeding the target by PKR 239bn, the momentum has started decelerating due to abolition of all taxes on retail POL products. Further, fiscal deficit is likely to widen significantly due to unsustainable subsidies currently being doled out on fuel and energy.

At present, the economy is facing unprecedented challenges on the fiscal and external account. The government needs to urgently roll back subsidies on retail fuels, refinance maturing external debt and create further external buffers. In the coming weeks, the market will take direction from any economic stabilization measures undertaken by the incumbent government, progress on currently stalled IMF program, Federal Budget FY23 related news flow and movement in international commodity prices. With the local bourse trading at a P/E of 4.8x, valuations already capture much of the aforesaid risks. For patient investors, potential catalysts should eventually unlock enormous value in the stock market.

We recommend our investors to invest in our equity funds as per their risk appetite and return expectations. For instance, our UBL Asset Allocation Fund (UAAF) offers an appropriate strategy for investors with low to moderate risk tolerance. This fund invests in a diversified portfolio of stocks, bonds, and money market instruments. It has the potential to earn returns well above those on offer in Money Market and Income Funds, while limiting risk by investing no more than 40% of its assets in stocks at any point in time. For those, with higher risk tolerance and return expectations, we have UBL Stock Advantage Fund which offers pure exposure to the domestic equity market.

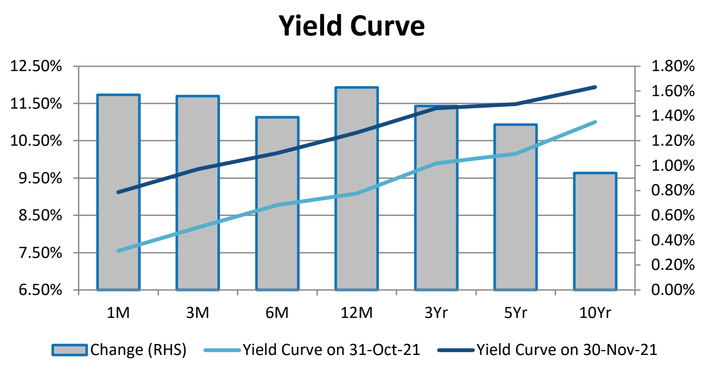
We strongly recommend our investors to also invest in our Voluntary Pension Scheme (UBL Retirement Savings Fund) in order to avail tax benefits, grow their long-term savings and achieve retirement security. For those with a longer investment horizon, we recommend a high exposure to Equity Sub-Fund of the Scheme. We have been following an aggressive investment strategy in this Sub-Fund considering its long time horizon and low liquidity/redemption pressures. The strategy has performed well and the Equity Sub-Fund has generated an absolute return of 707.50% (KSE100 Index: 340.53% since inception). This translates to an average annualized return of 19.04% p.a. (KSE-100 Index: 13.17% p.a.) - thus outperforming the KSE-100 Index by a significant margin.

Syed Suleman Akhtar, CFA | Chief Investment Officer | UBL Fund Managers

Market Review & Outlook

Fund Managers Report - April 2022

Money Market Review & Outlook



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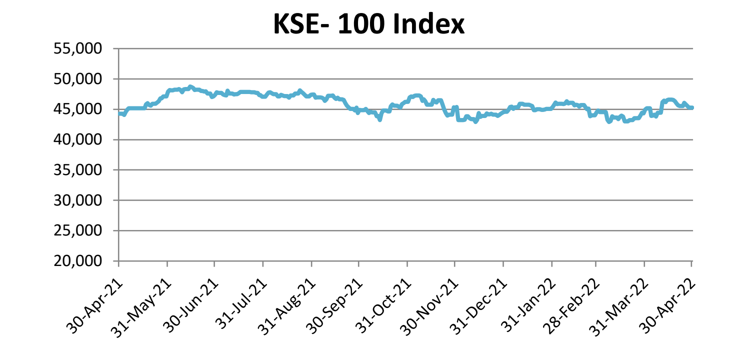
Equity Market Review & Outlook



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UBL Pakistan Enterprise Exchange Traded Fund

Fund Managers Report - April 2022

Investment Objective

UBL Pakistan Enterprise Exchange Traded Fund (UBLP-ETF) aims to track the performance of the benchmark index in order to provide long- term capital appreciation and dividend yields to its investors.

Fund Performance

		UBLP-ETF	Benchmark
FY-YTD		-8.77%	-7.86%
April 2022		-0.18%	-0.15%
Since Inception (CAGR)* **		9.37%	11.33%
Standard Deviation*		16.00%	16.76%
Sharpe Ratio**		-0.93%	-0.79%
Expense Ratio [1]		1.31%	

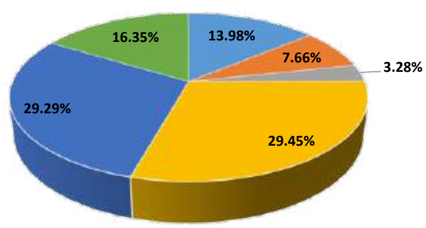
	Mar'22	Apr'22	%
Fund Size (PKR Mn)	35	35	-0.53%
NAV (PKR)	12.4929	12.4707	-0.18%

* 12m Trailing | ** 12m Trailing, 3M PKRV yield is used as a risk-free rate
***Returns have been annualized using Morningstar Methodology
1 This includes 0.10% representing government levy, SECP fee.
Selling & Marketing Expense PKR 0.00mn.

Fund Information

Fund Type	Open End Fund
Fund Categorization	Exchange Traded Fund
Risk Profile	High
Launch Date	24-Mar-2020
Benchmark	UBL PSX Pakistan Enterprise Index
Listing	Pakistan Stock Exchange (PSX)
Trustee	Central Depository Company Pakistan Limited
Auditor	EY Ford Rhodes
Management Co.Rating	AM1 (VIS) (31-Dec-2021)
Dealing Days	As per PSX
Cut off times	As per Market Hours
Pricing Mechanism	Backward
Management Fee	0.65% p.a.
Fund Manager	Mubashir Anis, CFA (Equity Specialist)

Equity Sector Allocation (% of Total Assets)



- Power Generation & Distribution, 12.91%
- Technology & Communication, 7.07%
- Others, 3.03%
- Commerical Banks, 27.20%
- Fertilizer, 27.05%
- Cement, 15.10%

Value of 100 Rupees invested 12 months ago

Disclosures regarding Sindh Workers Welfare Fund

During the month of August 2021, provisioning against Sindh Workers Welfare Fund by UBLP-ETF amounting to Rs. 0.05 million had been reversed on the basis of clarification received from Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan, received on August 13, 2021. This reversal of provision has contributed towards an unusual increase in NAV of the UBLP-ETF 0.11%. This is one-off event and is not likely to be repeated in the future.

Top Ten Equity Holdings (% of Total Assets)

Engro Corporation Ltd.	16.01%
Habib Bank Ltd.	14.18%
United Bank Ltd.	13.02%
The Hub Power Co. Ltd.	12.91%
Lucky Cement Ltd.	12.08%
Engro Fertilizers Ltd.	11.04%
Trg Pakistan Ltd.	7.07%
The Searle Co. Ltd.	3.03%
D.G. Khan Cement Co. Ltd.	3.02%

Return vs Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UBLP-ETF	-2.55%	-7.51%	-5.93%	-	-	20.75%
Benchmark	-2.38%	-7.00%	-4.32%	-	-	25.33%

Returns are on absolute basis

Tracking Error Risk

Tracking Error (Absolute)	0.04%

Asset Allocation (% of Total Assets)

	Feb'22	Mar'22	Apr'22
Equities	95.86%	94.50%	92.35%
Cash	1.79%	2.36%	3.89%
Others	2.35%	3.15%	3.76%
Leverage	Nil	Nil	Nil

Monthly Yield *

	May'21	Jun'21	Jul'21	Aug'21	Sep'21	Oct'21	Nov'21	Dec'21	Jan'22	Feb'22	Mar'22	Apr'22	CYTD
UBLP-ETF	7.49%	-4.07%	0.34%	-0.26%	-5.92%	4.76%	-5.55%	-0.15%	0.63%	-2.88%	0.52%	-0.18%	-1.93%
Benchmark	8.21%	-4.04%	0.47%	-0.15%	-6.04%	5.11%	-5.39%	-0.04%	0.73%	-2.86%	0.64%	-0.15%	-1.67%

For periodic returns as per SECP SCD Cirular No. 16 of 2014, refer to the end of this FMR

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