



# INVESTMENT MATTERS

## MAY 2016

Prepared on 6<sup>th</sup> June, 2016



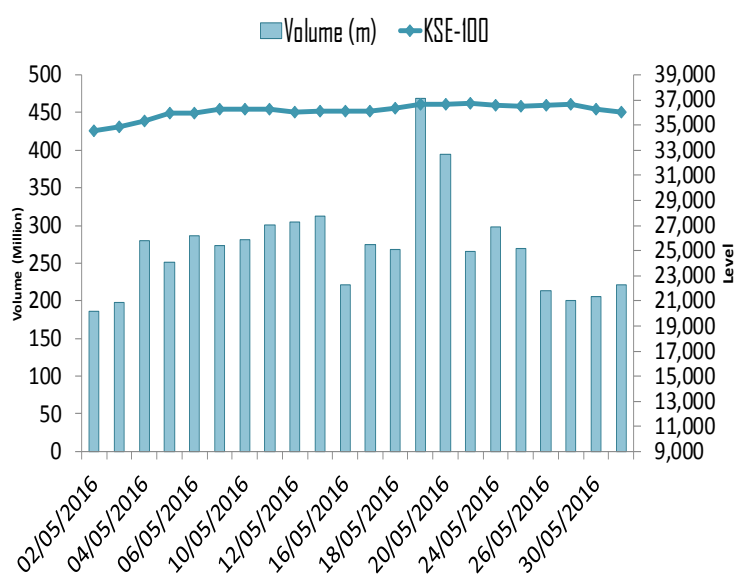
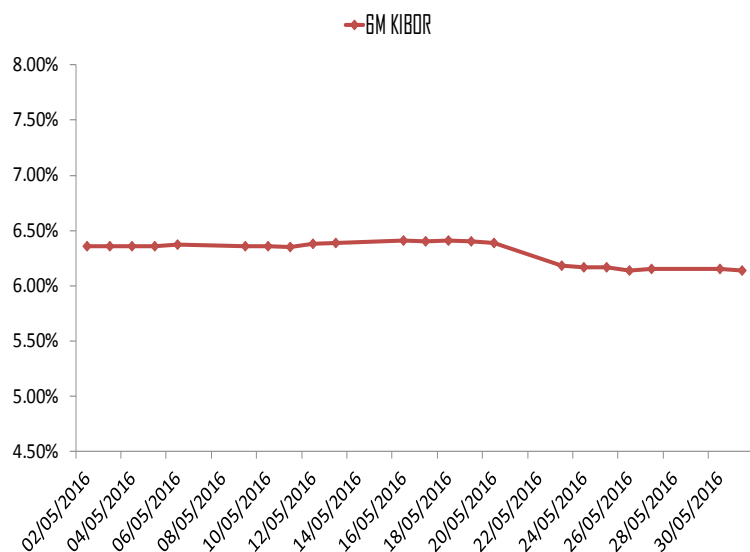
**LIFE**

*Zaroori Hai*

### Market Review

#### Debt Market Review:

- Benchmark lending rate - 6m KIBOR - decreased 0.22% over the month closing at 6.14%. The latest weighted average yields for T-Bills stand at 5.9875%, 5.9992% and 6.0162% for 3m, 6m and 12m tenors respectively.
- Inflation decreased over the outgoing month as CPI for May came in at 3.2%, compared to 4.2% in April.
- The policy rate was reduced from 6% to 5.75% in the latest monetary policy announcement.



#### Equity Market Review:

- During the month KSE-100 Index increased to end at 36,061.56 while average daily volume increased over the month to 271.42m shares traded against 235.28m last month. Foreign buying of about US\$3.6m (net) was witnessed over the month.
- The market continued to perform well during the month as the likelihood of an upgrade to emerging markets status in the ongoing MSCI review bolstered the market. A sustained interest in the oil sector due to recovery in international oil prices also played a major role as the sector continued to perform well relative to the market.

#### Currency & Commodity Review:

- The USD remained largely flat over the month closing at 104.9 as the PKR was able to hold firm during the month despite strong demand for the dollar.
- Oil prices continued to be resilient over the month due to supply disruptions in Canada and Nigeria. Oil prices ended the month 7% higher on average (WTI and Brent crude).

### Managed Growth Fund (MGF)

#### Fund Objective:

MGF aims to provide stable returns with low volatility and a low to moderate risk profile.

It holds a diversified asset mix that includes government securities, bank deposits, and corporate debt securities, as well as equities with strong fundamentals, attractive yields, and sustainable growth.

#### Fund Information:

Assets Under Management	PKR 79.39 billion
Launch Date	18/03/1994
Bid Price At Inception	95.00
Bid Price (Current)	1,517.26
Category	Balanced
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Low to Moderate

#### Fund Performance:

One-Year Return	8.48%
Three-year Annualised Return	13.66%
Five-Year Annualised Return	13.95%

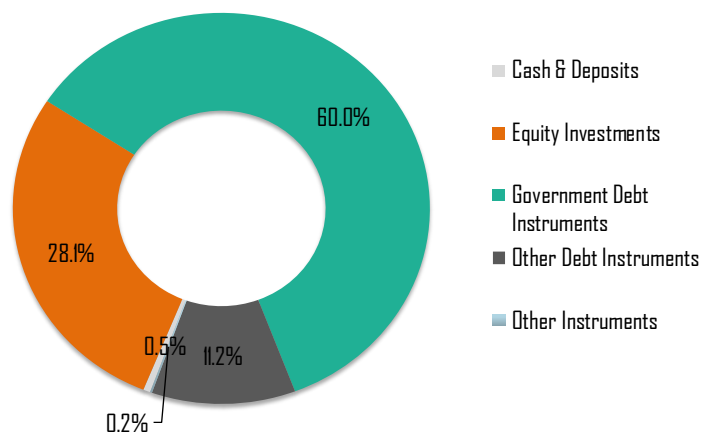
Cumulative Return Since Inception	1497.12%
Annualised Return Since Inception	13.28%

All returns above are net of fund management charge

#### MGF Bid Price and Returns:



#### Asset Allocation:



#### Equity Investments:

Construction & Materials Sector	15.72%
Oil & Gas Sector	14.62%
Banking Sector	12.61%
Automobile & Parts Sector	10.17%
Electricity Sector	9.65%
Other Sectors	37.23%

### Aitemad Growth Fund (AGF)

#### Fund Objective:

AGF aims to provide reasonable total returns with a moderate risk target.

AGF invests in Shariah-compliant deposits, Certificates of Investment (COI), government and corporate sukuk, and equities.

#### Fund Information:

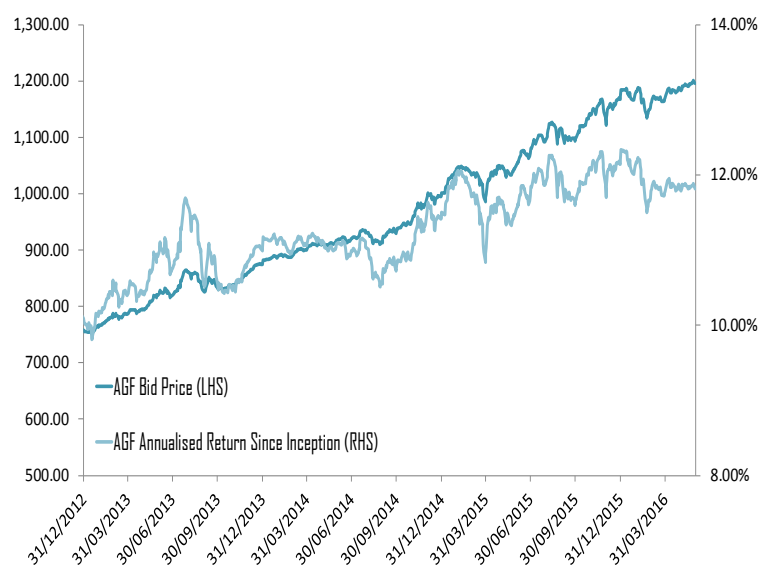
Assets Under Management	PKR 2.07 billion
Launch Date	22/02/2008
Bid Price At Inception	475.00
Bid Price (Current)	1,195.22
Category	Balanced
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Moderate

#### Fund Performance:

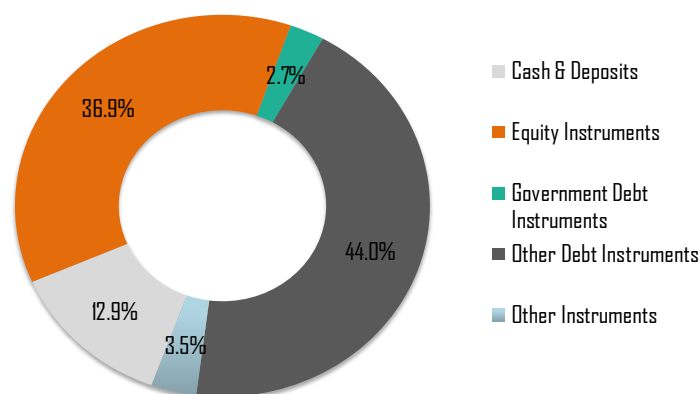
One-Year Return	14.34%
Three-year Annualised Return	13.41%
Five-Year Annualised Return	13.40%
Cumulative Return Since Inception	151.63%
Annualised Return Since Inception	11.81%

All returns above are net of fund management charge

#### AGF Bid Price and Returns:



#### Asset Allocation:



Cash & Deposits	12.9%
Equity Investment Instruments	36.9%
Government Debt Instruments	2.7%
Other Debt Instruments	44.0%
Other Instruments	3.5%

### Guaranteed Growth Fund (GGF)

#### Fund Objective:

GGF is a low-risk fund that offers capital protection along with growth preservation — GGF guarantees that bid price will not fall.

GGF invests only in short-term government and corporate debt Instruments, term deposits, and cash.

#### Fund Information:

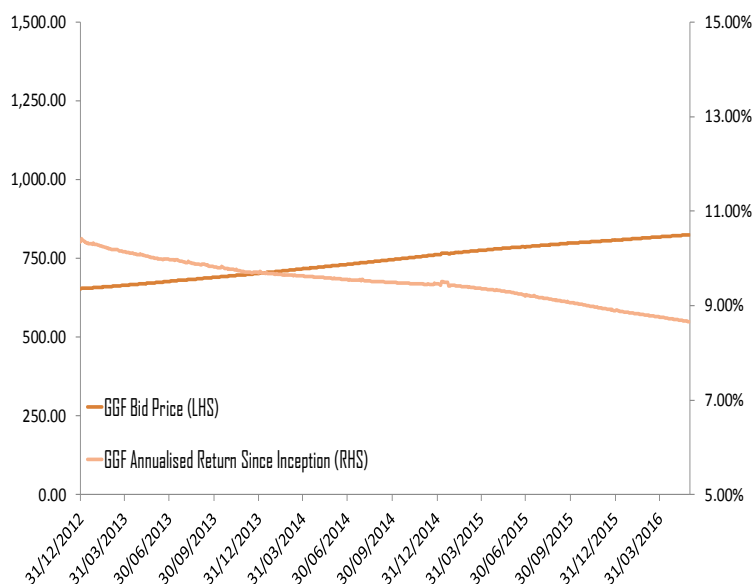
Assets Under Management	PKR 1.42 billion
Launch Date	07/10/2009
Bid Price At Inception	475.00
Bid Price (Current)	825.14
Category	Capital Protection with
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Low

#### Fund Performance:

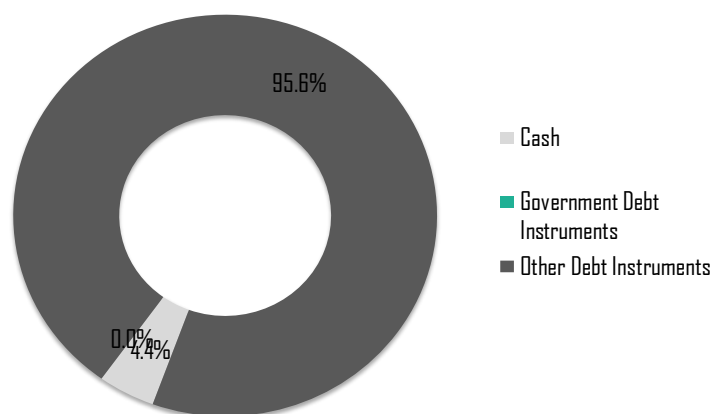
One-Year Return	5.26%
Three-year Annualised Return	7.05%
Cumulative Return Since Inception	73.71%
Annualised Return Since Inception	8.66%

All returns above are net of fund management charge

#### GGF Bid Price and Returns:



#### Asset Allocation:



Cash & Deposits	4.4%
Equity Investments	0.0%
Government Debt Instruments	0.0%
Other Debt Instruments	95.6%