



# INVESTMENT MATTERS

## JULY 2016

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



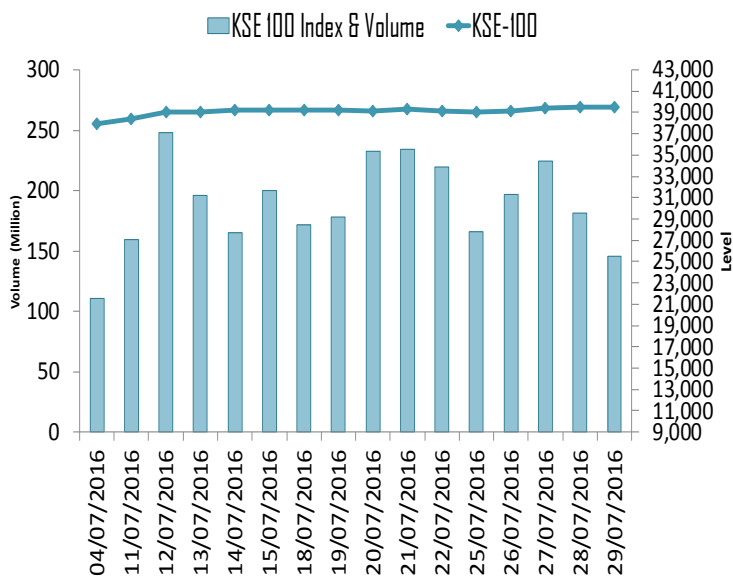
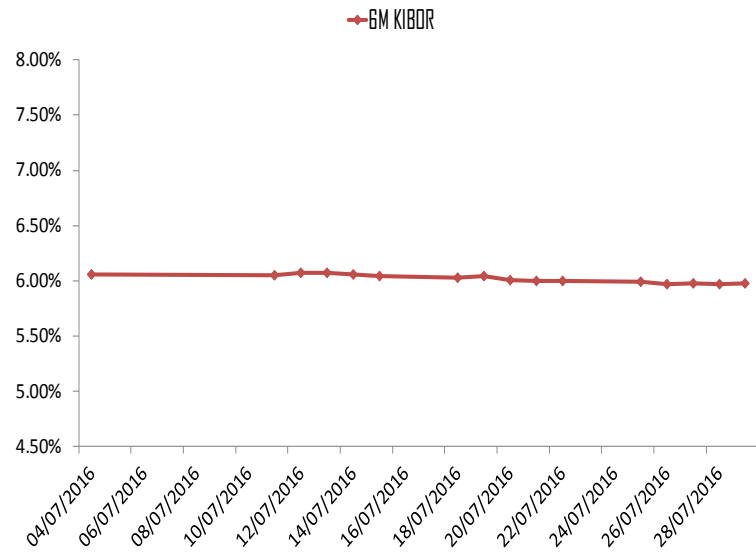
**LIFE**

*Zaroori Hai*

### Market Review

#### Debt Market Review:

- Benchmark lending rate - 6m KIBOR - decreased 0.08% over the month closing at 5.98%. The latest weighted average yields for T-Bills stand at 5.7873%, 5.8214% and 5.8370% for 3m, 6m and 12m tenors respectively.
- Inflation for the outgoing month was 4.1% compared to 3.2% for the previous month.



#### Equity Market Review:

- During the month KSE-100 Index increased to end at 39,528.82 while average daily volume increased over the month to 189.33m shares traded against 172.47m last month. Foreign buying of about US\$23.3m (net) was witnessed over the month.
- The KSE-100 index closed the month at an all time high due to interest from both local and foreign investors that can largely be attributed to Pakistan's reclassification as an Emerging Market and a recovery in global equity markets as fears over Brexit gradually recede.

#### Currency & Commodity Review:

- The USD continued to be stable over the month closing at 104.6, a slight increase from the preceding month.
- Oil prices remained under pressure due to persistent oversupply in the global market; average crude prices (Brent and WTI) decreased approximately 8% from the previous month.

### 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 82.33 billion
Launch Date	18/03/1994
Bid Price At Inception	95.00
Bid Price (Current)	1,568.86
Category	Balanced
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Low to Moderate

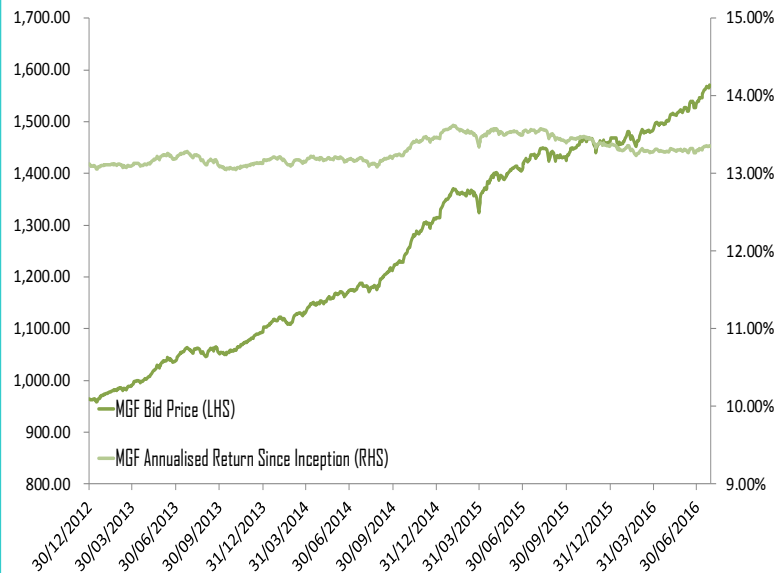
#### Fund Performance:

One-Year Return	9.44%
Three-year Annualised Return	13.98%
Five-Year Annualised Return	14.55%

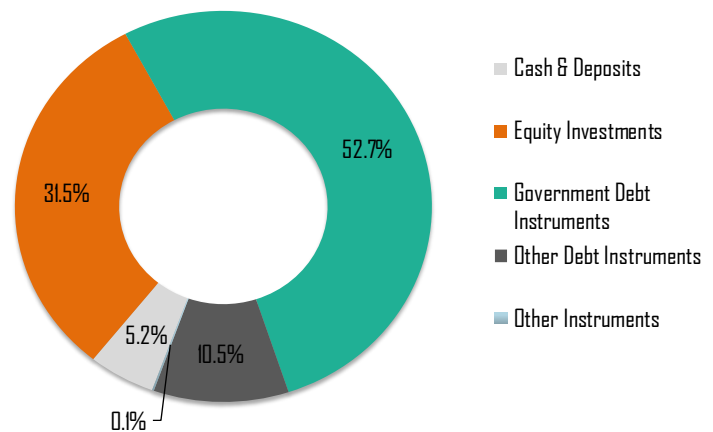
Cumulative Return Since Inception	1551.43%
Annualised Return Since Inception	13.35%

All returns above are net of fund management charge

#### MGF Bid Price and Returns:



#### Asset Allocation:



#### Equity Investments:

Oil & Gas Sector	17.08%
Construction & Materials Sector	15.40%
Banking Sector	12.42%
Chemicals Sector	9.97%
Electricity Sector	9.05%
Other Sectors	36.07%

### 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:

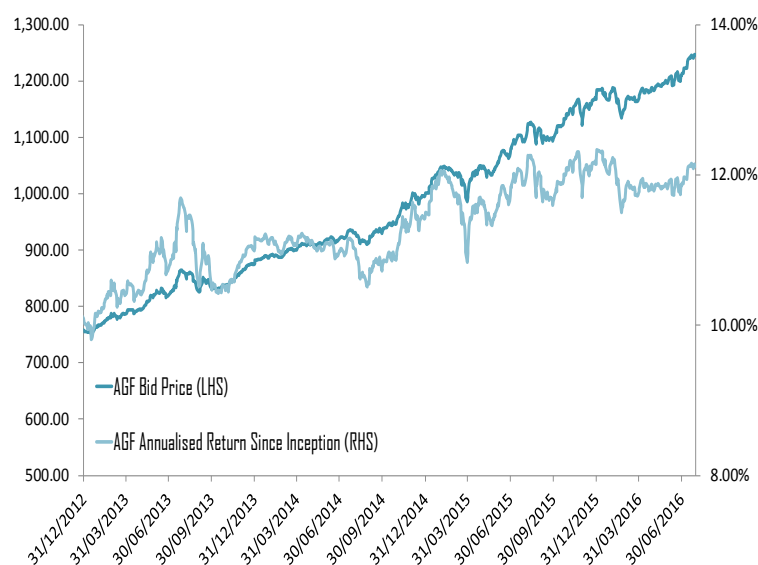
Assets Under Management	PKR 2.25 billion
Launch Date	22/02/2008
Bid Price At Inception	475.00
Bid Price (Current)	1,245.15
Category	Balanced
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Moderate

#### Fund Performance:

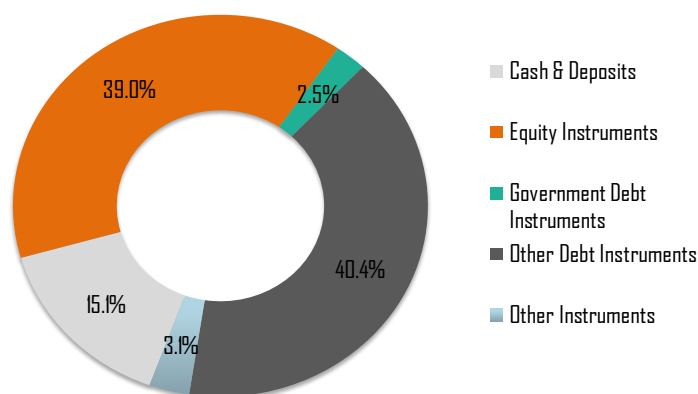
One-Year Return	13.81%
Three-year Annualised Return	12.95%
Five-Year Annualised Return	14.03%
Cumulative Return Since Inception	162.14%
Annualised Return Since Inception	12.12%

All returns above are net of fund management charge

#### AGF Bid Price and Returns:



#### Asset Allocation:



Cash & Deposits	15.1%
Equity Investment Instruments	39.0%
Government Debt Instruments	2.5%
Other Debt Instruments	40.4%
Other Instruments	3.1%

### 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:

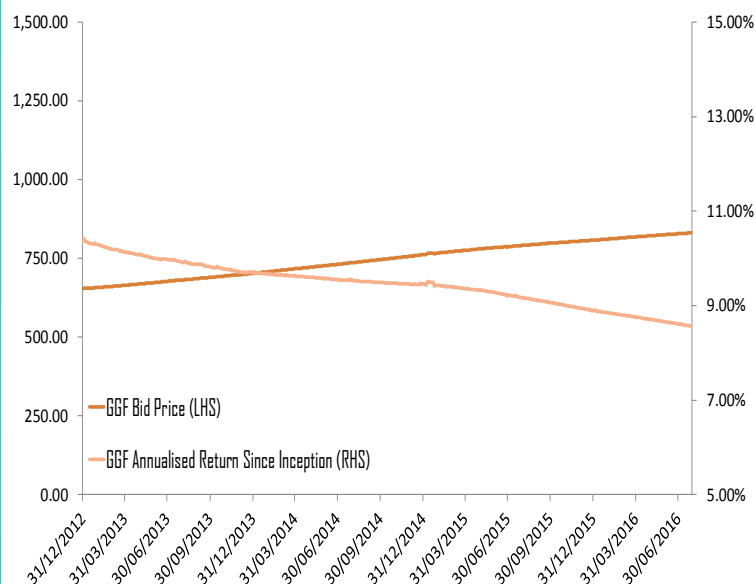
Assets Under Management	PKR 1.43 billion
Launch Date	07/10/2009
Bid Price At Inception	475.00
Bid Price (Current)	831.28
Category	Capital Protection with
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Low

#### Fund Performance:

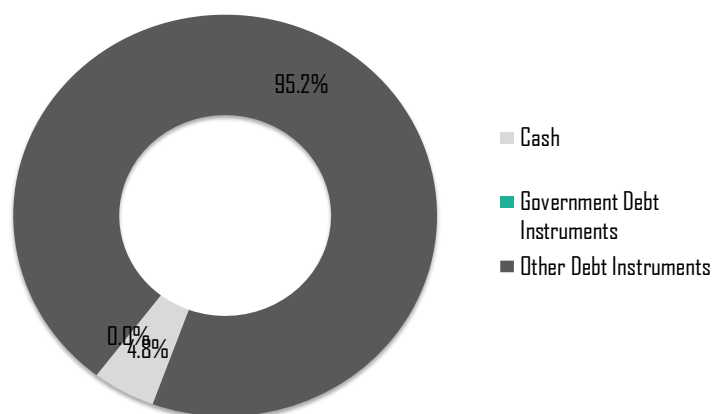
One-Year Return	5.11%
Three-year Annualised Return	6.86%
Cumulative Return Since Inception	75.01%
Annualised Return Since Inception	8.57%

All returns above are net of fund management charge

#### GGF Bid Price and Returns:



#### Asset Allocation:



\*Figure above is based on data as of 29.06.2016

Cash & Deposits	4.8%
Equity Investments	0.0%
Government Debt Instruments	0.0%
Other Debt Instruments	95.2%