

**FEBRUARY  
2019  
PERFORMANCE  
TRACKER**

**FUND MANAGERS'  
REPORT**

**ADAMJEE LIFE ASSURANCE COMPANY LIMITED**

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# Equity Market Analysis

After a positive start for CY19, the benchmark Index KSE100 dived into the negative territory posting a loss of ~4.3% in the month. In the later half of the month, the market suffered the brunt of Indo-Pak tensions after the Pulwama incident. Locals shyed away from equities while foreigners bought USD ~32 mn worth of equities. Volumes and values traded increased MoM averaging ~151 mn shares/ PKR ~7 bn respectively.

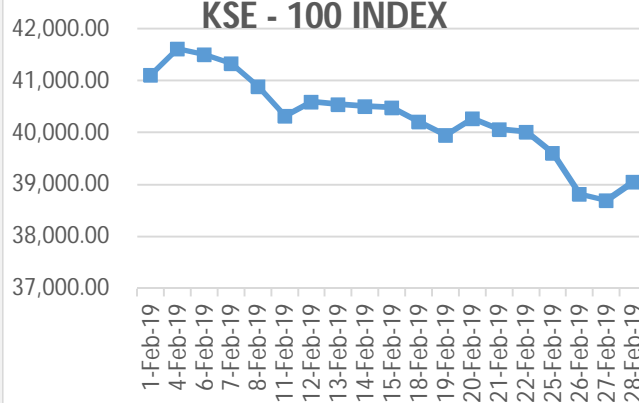
Refineries and OMCs were the major laggards generating negative returns of 18.9%/10.4% respectively. Refineries plummeted due to disappointing quarterly results and weak international margins of petroleum products. Oil & Marketing Companies declined due to dismal volumes of petroleum products, particularly High Speed Diesel which declined by 24% YoY. OMCs and Power sectors also depicted a decline due to below than expected results. Specifically, two of the largest listed power companies did not pay dividends.

We believe equity markets generally preempt the economic conditions and as such it is important to consider whether all the economic developments are priced in or not. Therefore, overall valuations and fundamentals of universe companies do play an important role. The overall strategy should tilt towards defensive sectors (E&P's, Power, Fertilizers) while sector which will benefit from changing dynamics on macro front such as rising interest rates (Commercial Banks) should be overweight. In addition to that, government's strong focus on reviving exports should provide a boost to the outlook of export oriented sectors such as Textiles & IT. Despite being negative on cyclicals, we believe there will be distressed assets and quality companies which should be looked into as they have a tendency to provide abnormal returns.

### KSE 100 Index



### KSE - 100 INDEX

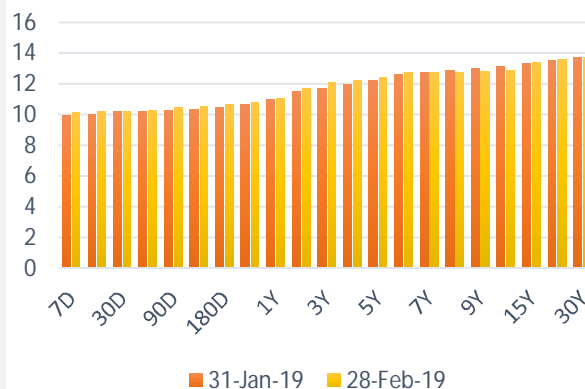


# Money Market Analysis

State Bank of Pakistan conducted Treasury bill auction on February 27, 2019. The auction had a total maturity of PKR 2.063 trillion against which a total participation of PKR 528.92 billion was witnessed in 3 months. Whereas, no participation was witnessed in 6 & 12 months Treasury bill. SBP accepted bids worth PKR 472.57 billion at a cut-off yield of 10.55%. Coming months are quite critical as Pakistan would be taking key decisions with regards to funding sources and policy actions to fund the external account. With the government exploring various options to manage its external account, an actual materialization of explored plans shall be critical in setting the economic direction.

CPI for the month of February'19 clocked in at 7.2% after which average for 8MFY19 rose to 6.3%. Inflation is expected to further jack up during the last four months of FY19 as the impact of lagged depreciation kicks in. The government is yet to fully adjust electricity prices because the gap between base tariff and actual cost of generation has widened significantly. We expect CPI to average around 7.5% in FY19.

### PKRV RATES



# INVESTMENT MULTIPLIER FUND (IMF)



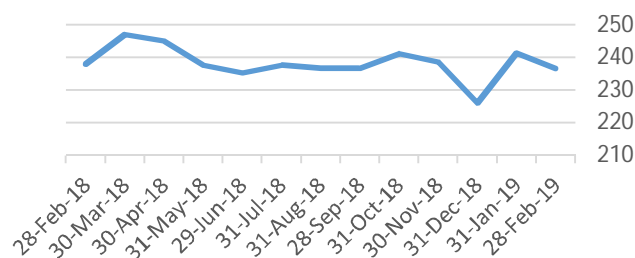
## Fund Objective:

A well-diversified portfolio with the aim to maximize the returns by taking exposure in equities while balancing out the risk profile by investing in Government and fixed income securities and real estate.

## Fund Information:

Fund Name	Investment Multiplier Fund
Fund Size	PKR 17 Billion
Launch Date	June 9, 2011
Bid Price (Inception)	PKR 100
Bid Price (28 Feb 2019)	PKR 236.5975
Fund Type	Asset Allocation Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	1.6% p.a. , 1.75% p.a. , 2% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. through a discretionary portfolio management agreement
Benchmark	40% [six (6) months PKRV rate (T-Bills rate)] + 50% [KSE-100 Index Return] + 10% minimum Bank Deposit rate on saving accounts – currently at 5%].

## Bid Price Trend



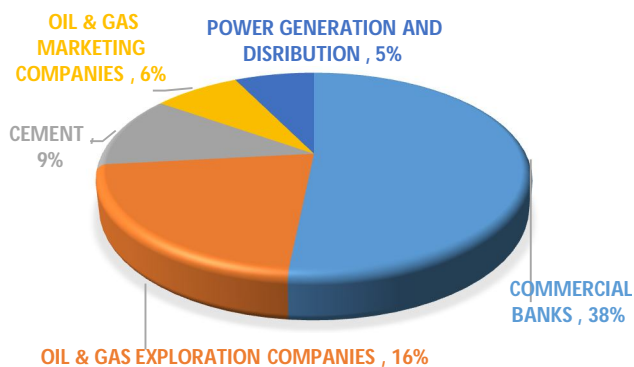
## Asset Mix

Asset	February 2019	January 2019
Bank Balance	0.44%	5.23%
Term Deposits	8.19%	5.15%
Equities	37.13%	40.23%
Mutual Funds	18.63%	16.08%
Fixed Income Securities	2.54%	2.49%
Government Securities	25.03%	24.03%
Real Estate	5.00%	4.89%
Other Asset	3.04%	1.90%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-1.97%	-25.70%
180 Days Return	-0.05%	-0.11%
CYTD	4.67%	28.92%
Since Inception	136.60%	17.67%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of February 2019, the NAV per unit has been Decreased by PKR 4.7588 (-1.97%) from January.

# INVESTMENT SECURE FUND (ISF)



## Fund Objective:

To offer regular and steady returns from investment in wide variety of fixed income securities and Government Securities with minimum exposure to equities.

## Fund Information:

Fund Name	Investment Secure Fund
Fund Size	PKR 8 Billion
Launch Date	June 9, 2011
Bid Price (Inception)	PKR 100
Bid Price (28 Feb 2019)	PKR 194.8627
Fund Type	Predominantly Fixed Income Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	1.6% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. through a discretionary portfolio management agreement
Benchmark	70% [six (6) months PKRV rate (T-Bills rate)]+[20% [KSE-100 Index Return] +[10% minimum bank rate on saving account - currently at 5%]



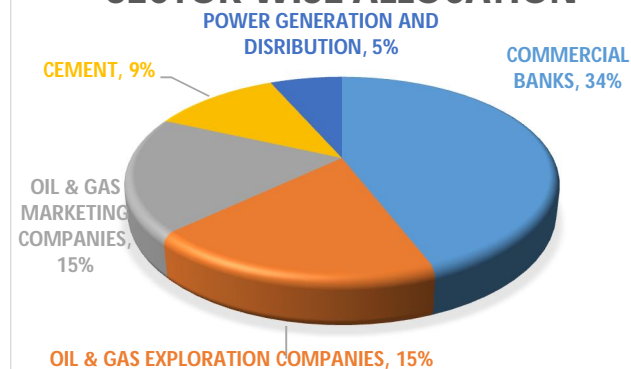
## Asset Mix

Assets	February 2019	January 2019
Bank Balances	1.21%	2.85%
Term Deposits	24.62%	24.64%
Equities	14.80%	16.29%
Mutual Funds	9.00%	7.59%
Fixed Income Securities	13.38%	13.41%
Government Securities	35.50%	33.87%
Other Asset	1.49%	1.35%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-0.29%	-3.81%
180 Days Return	2.59%	5.22%
CYTD	2.57%	15.90%
Since Inception	94.86%	12.27%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of February 2019, the NAV per unit has been Decreased by PKR 0.5719 (-0.29%) from January.

# INVESTMENT SECURE FUND II (ISF II)

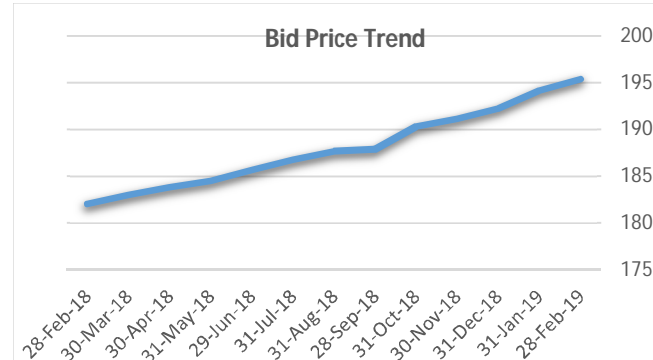


## Fund Objective:

To offer regular and steady returns from investment in wide variety of fixed income securities and Government Securities without taking excessive risks.

## Fund Information:

Fund Name	Investment Secure Fund II
Fund Size	PKR 2.3 Billion
Launch Date	December 1, 2011
Bid Price (Inception)	PKR 100
Bid Price (28 Feb 2019)	PKR 195.4050
Fund Type	Predominantly Fixed Income Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	1.6% p.a. - 1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. through a discretionary portfolio management agreement
Benchmark	80% [six (6) months PKRV rate (T-Bills rate)] + 10% [KSE-100 Index Return] + [10% minimum bank deposit rate on saving account - currently at 5%]



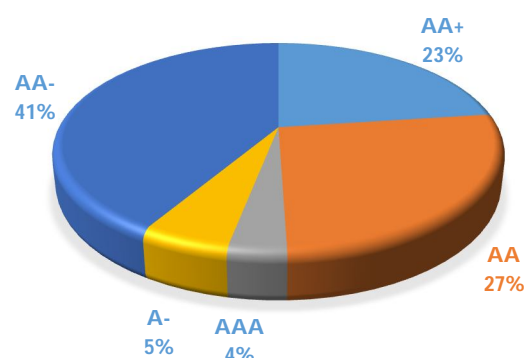
## Asset Mix

Assets	February 2019	January 2019
Bank Balances	1.90%	3.90%
Term Deposits	24.15%	23.33%
Equities	1.61%	1.80%
Mutual Funds	0.0%	0.0%
Fixed Income Securities	26.98%	26.11%
Government Securities	36.73%	39.89%
Other Asset	8.63%	4.97%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.62%	8.11%
180 Days Return	4.11%	8.29%
CYTD	1.62%	10.03%
Since Inception	95.41%	13.16%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

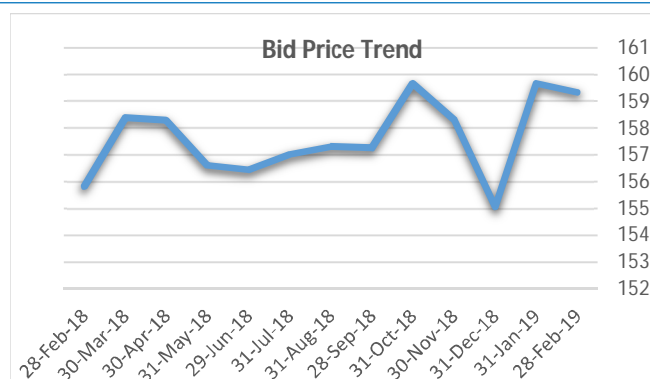
During the month of February 2019, the NAV per unit has been Increased by PKR 1.2082 (0.62%) from January.

## Fund Objective:

To offer an opportunity to invest in a diversified Shariah compliant equity and fixed income securities.

## Fund Information:

Fund Name	Amaanat Fund
Fund Size	PKR 623 Million
Launch Date	November 15, 2012
Bid Price (Inception)	PKR 100
Bid Price (28 Feb 2019)	PKR 159.3454
Fund Type	Islamic Asset Allocation Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	1.6% p.a. - 1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	This Fund is being managed by MCB ARIF Habib Saving & Investment Ltd. through a discretionary portfolio management agreement
Benchmark	70% [Three (3) months Islamic Bank TDR] + 25% [KMI - 30 Index Return] + 5% [Islamic Bank saving account return (minimum rating AA-)]



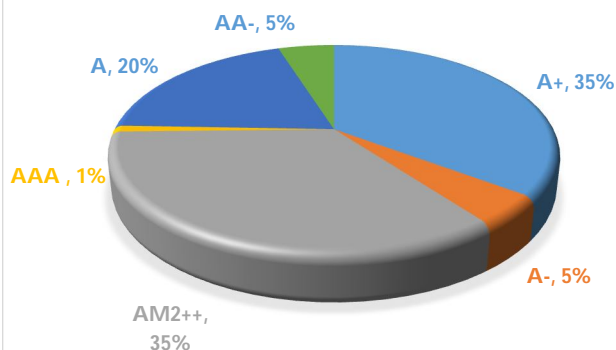
## Asset Mix

Assets	February 2019	January 2019
Bank Balances	2.06%	9.60%
Term Deposits	45.70%	45.47%
Equity	0.0%	0.0%
Mutual Funds	28.60%	27.82%
Fixed Income Securities	5.71%	5.90%
Government Securities	0%	0%
Other Asset	17.93%	11.21%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-0.22%	-2.80%
180 Days Return	1.28%	2.59%
CYTD	2.76%	17.10%
Since Inception	59.35%	9.43%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

During the month of February 2019, the NAV per unit has been Decreased by PKR 0.3435 (-0.22%) from January.

# DYNAMIC SECURE FUND (DSF)

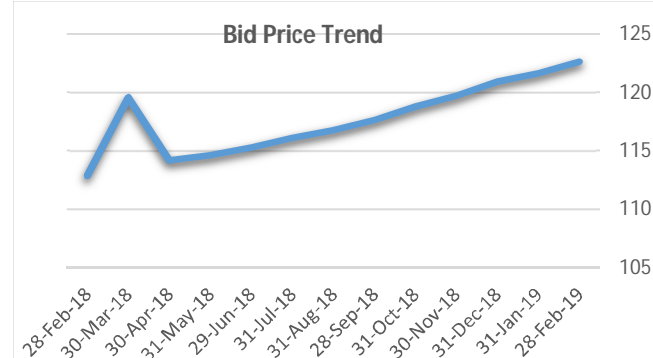


## Fund Objective:

To deliver regular and steady return primarily by investing in Government and fixed income securities.

## Fund Information:

Fund Name	Dynamic Secure Fund
Fund Size	PKR 44 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (28 Feb 2019)	PKR 122.6488
Fund Type	Fixed Income Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	1.6% p.a. , 1.75% p.a. , 2% p.a.
Pricing Mechanism	Forward
Risk Profile	Low to Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	This Fund is being managed by Faysal Asset Management Co. Ltd. through a discretionary portfolio management agreement
Benchmark	90% [six (6) months T-Bills ] + [10% Bank saving account return (minimum rating AA-)]



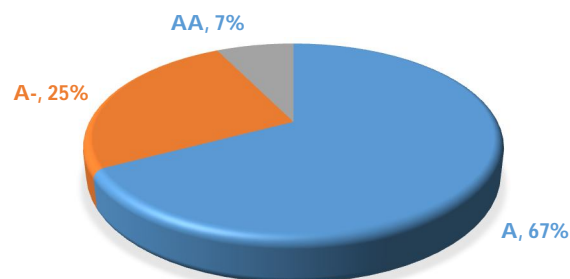
## Asset Mix

Assets	February 2019	January 2019
Bank Balances	36.17%	33.78%
Term Deposits	34.38%	35.81%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	24.09%	25.06%
Government Securities	0%	0%
Real Estate	0%	0%
Other Assets	5.36%	5.35%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.81%	10.55%
180 Days Return	5.01%	10.11%
CYTD	1.40%	8.64%
Since Inception	22.65%	8.67%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

During the month of February 2019, the NAV per unit has been Increased by PKR 0.9847 (0.81%) from January.

# DYNAMIC GROWTH FUND (DGF)



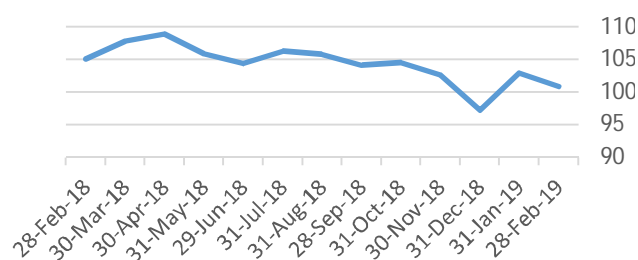
## Fund Objective:

To generate high returns through active allocation in fixed and equity securities.

## Fund Information:

Fund Name	Dynamic Growth Fund
Fund Size	PKR 341 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (28 Feb 2019)	PKR 100.8446
Fund Type	Asset Allocation Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	1.6% p.a. , 1.75% p.a. , 2% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium
Regulator	Securities and Exchange Commission of Pakistan
Investment Advisor	This Fund is being managed by Faysal Asset Management Co. Ltd. through a discretionary portfolio management agreement
Benchmark	50% [six (6) months PKRV rate (T-Bills rate)]+[40% of KSE-100 Index Return]+10% minimum bank deposit rate on saving accounts – currently at 5%]

## Bid Price Trend



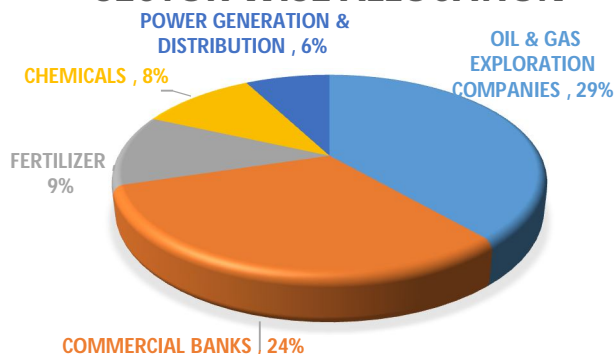
## Asset Mix

Assets	February 2019	January 2019
Bank Balances	30.95%	31.24%
Term Deposits	8.80%	8.62%
Equities	53.68%	51.43%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	6.17%	6.04%
Government Securities	0%	0%
Other Asset	0.40%	2.67%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-2.00%	-26.12%
180 Days Return	-4.69%	-9.46%
CYTD	3.71%	22.96%
Since Inception	0.84%	0.32%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of February 2019, the NAV per unit has been Decreased by PKR 2.0617 (-2.00%) from January.



**DISCLAIMER**

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in funds are subject to market risks. The NAV based prices of units and any returns thereon are dependent on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.