



**AUGUST 2018**

**PERFORMANCE  
TRACKER**

**FUND MANAGERS'  
REPORT**

**ADAMJEE LIFE ASSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS**

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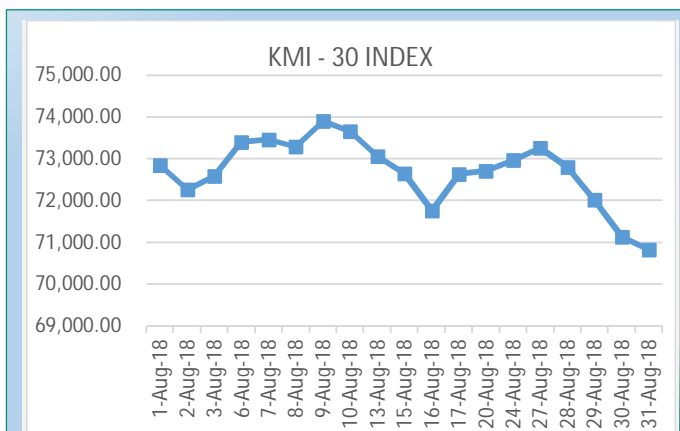
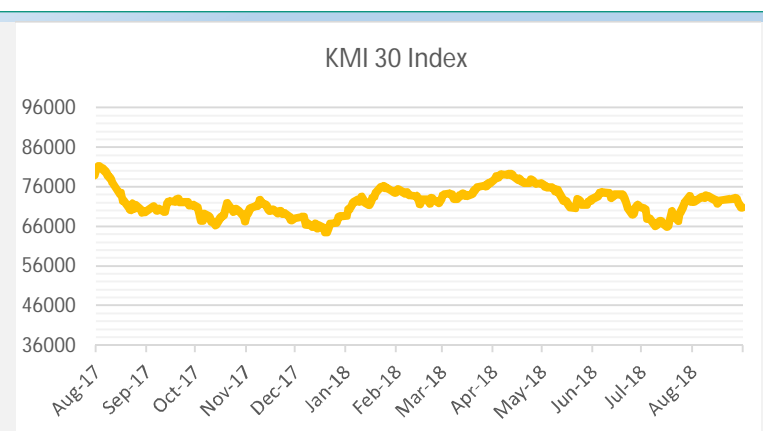
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# Equity Market Analysis

While market was exuberant and generated a return of ~3.3% in the week after elections (last 5 days of July), it retreated in the month of August. KSE-100 index lost ~2.2% to close at 41,742 points at the month end. The trigger provided by election results proved to be short-lived and market's attention turned again towards macroeconomic realities. Foreigner selling continued amounting to local equities worth USD ~67 Mn, most of which was absorbed by individuals who bought ~USD 27 Mn. During the month, volumes and values averaged around 189.5 Mn shares/ PKR 8.58 Bn depicting a growth of 3.5% and 10.14%, respectively.

Refineries and Banks were the major contributors towards index's decline posting a negative return of ~6.8% and ~4.1% MoM respectively. Both sectors dragged the index down due to below-expected earnings. Fertilizers retreated by ~2% due to fear of gas price increase lurking around. The major sectors that surged were Autos and Textiles gaining ~5% and 1.5% respectively. Textiles surged due to favorable stance of the newly-elected government geared towards input cost reduction and export promotion for the sector

Going forward, Stocks offer long term investment opportunity with rewards for patient investors. We continue to track trends in the economic indicators of the country and adjust our portfolio accordingly. Our Top-Down analysis favors sectors that benefit from currency depreciation and higher interest rates; however, we cannot ignore the individual company dynamics along with their prices that can play an important role in security selection.

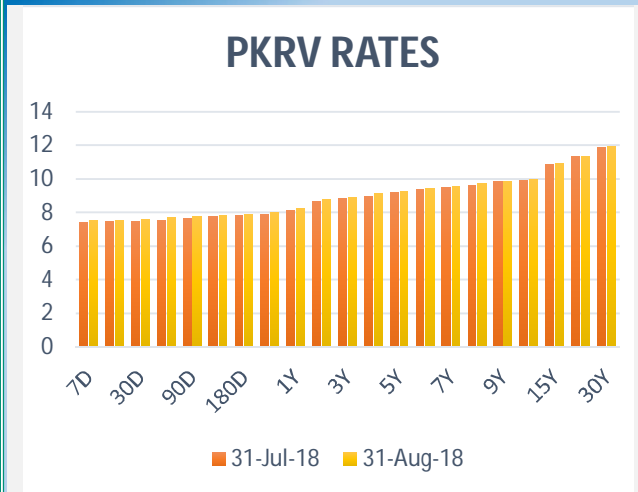


# Money Market Analysis

During the month long term yield curve showed an upward trajectory as market players owing to external vulnerabilities are expecting further increase in policy rate. Most of the activity in bond market was witnessed in floater PIB's. SBP conducted auction for Floater 10 years bond on August 08, 2018 in which a total participation of PKR 151.5 billion was witnessed, out of which bids worth PKR 101.5 billion were accepted at a cut off rate of benchmark + 70 bps.

Auction for fixed coupon PIB bonds was also held on same date but on the contrary not a lot interest was witnessed in it.

Total participation of only PKR 47.7 billion was witnessed out of which 3 and 5 years' tenor receive bids worth PKR 16 billion each whereas, 10 years PIB receive bids worth PKR 15 billion. Participation at much higher levels compel State Bank to reject 3 and 10 years' auction.



# MAZ'AF FUND (TAKAFUL)



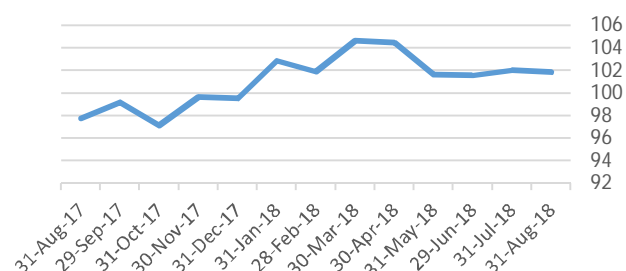
## Fund Objective:

A moderate to high-risk profile fund that generates higher returns over the long run in shariah compliant equities and Islamic mutual fund.

## Fund Information:

Fund Name	Maza'af Fund
Fund Size	PKR 1.3 Billion
Launch Date	July 26, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Aug 2018)	PKR 101.8586
Fund Type	Balanced Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	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	40% [six (6) month PKRV rate (T-Bill rate)] + 50% [KMI-30 Index Return] + 10% [minimum deposit rates on banks]

## Bid Price Trend



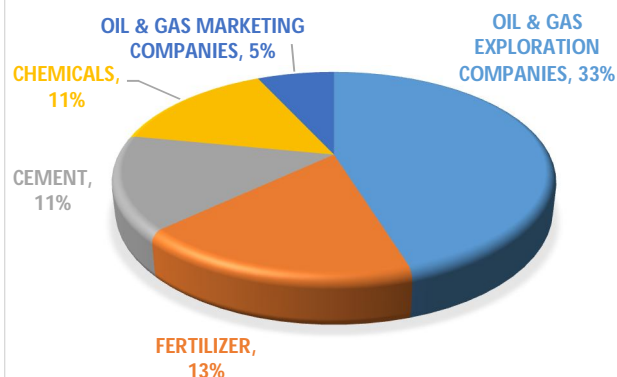
## Asset Mix

Assets	August 2018	July 2018
Bank Balances	9.12%	8.76%
Term Deposits	18.17%	19.03%
Equities	38.59%	31.56%
Mutual Funds	15.55%	16.41%
Fixed Income Securities	4.99%	5.22%
Government Securities	15.79%	16.55%
Other Assets	-2.21%	2.47%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-0.16%	-1.83%
180 Days Return	-0.05%	-0.10%
CYTD	2.33%	3.48%
Since Inception	1.86%	0.88%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of August 2018, the NAV per unit has been Decreased by PKR -0.1585 (-0.16%) from July.

# TAMEEN FUND (TAKAFUL)



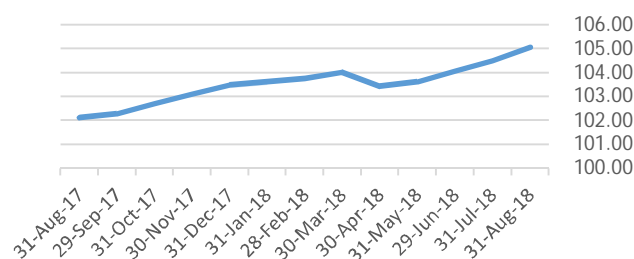
## Fund Objective:

A moderate to low risk profile fund that generates stable and secure returns by balancing the investment in long-term money market investments including term deposit in Islamic Banks and Sukuk Bonds.

## Fund Information:

Fund Name	Tameen Fund
Fund Size	PKR 70.5 Million
Launch Date	July 26, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Aug 2018)	PKR 105.0596
Fund Type	Fixed Income Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	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	90% [six (6) month PKRV rate (T-Bill rate)] + 10% [minimum deposit rates on banks]

## Bid Price Trend



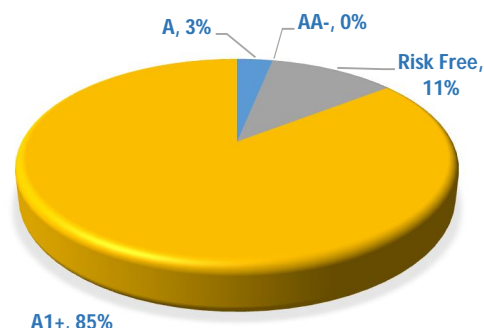
## Asset Mix

Assets	August 2018	July 2018
Bank Balances	3.15%	14.08%
Term Deposits	85.02%	73.58%
Mutual Funds	00.00%	00.00%
Fixed Income Securities	00.00%	00.00%
Government Securities	11.27%	11.49%
Real Estate	0%	0%
Other Assets	0.56%	0.85%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.53%	6.20%
180 Days Return	1.25%	2.48%
CYTD	1.52%	2.27%
Since Inception	5.06%	2.39%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

During the month of August 2018, the NAV per unit has been Increased by PKR 0.5499 (0.53%) from July.

**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.