

**DECEMBER  
2018  
PERFORMANCE  
TRACKER**

**FUND MANAGERS'  
REPORT**

**ADAMJEE LIFE ASSURANCE COMPANY LIMITED**

The Forum, 3rd Floor, Suite # 301, Plot G-20, Block 9, Clifton, Karachi.

Tel: +92-21-111-11-LIFE (5433) | Fax: +92-21-35362621 | Website: [www.adamjeelife.com](http://www.adamjeelife.com)

# Equity Market Analysis

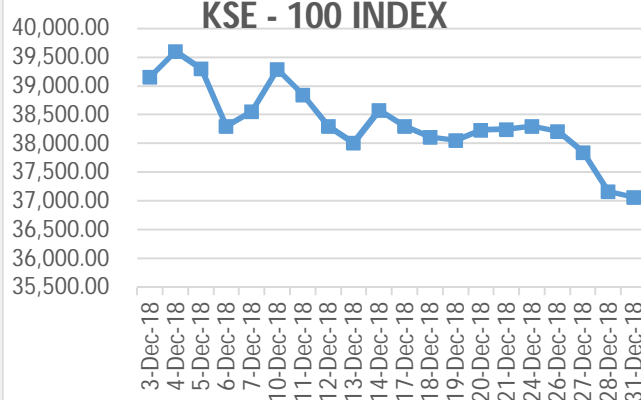
CY18 closed itself on a negative note for the consecutive second year, as the benchmark Index KSE100 posted a loss of 8.4%. The month of Dec'18 was the worst month of the year as KSE100 retreated by 8.5%, as unexpected monetary tightening by 150 bps during the last month created a negative environment for equities. Even support of USD 3 billion by UAE could not come to rescue as overall uncertainty continued to linger towards the economy. Once again, foreign selling continued during the month with foreigners offloading USD ~28 Mn worth of equities, most of which was absorbed by Insurance Companies and Individuals who bought USD ~21/23 Mn respectively. During the month, volumes and values averaged around 135 Mn shares/ PKR 6,36 Bn, depicting a considerable decrease of ~32/~33% MoM.

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

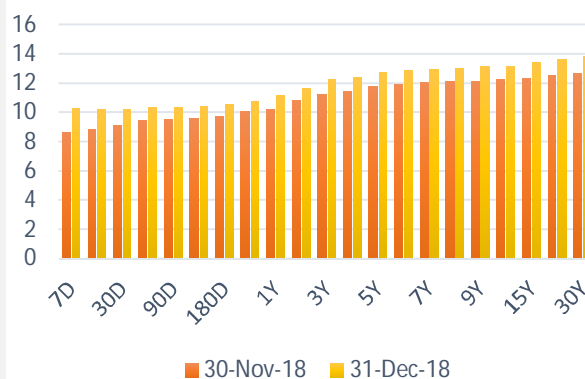


# Money Market Analysis

SBP increased policy rate above the market expectation in last MPS announced at November 2018 end majorly owing to rising inflation, high fiscal deficit and low foreign exchange reserves. In anticipation of further monetary tightening the yield curve during the month showed an upward trajectory. Whereas, little or no activity was witnessed in the longer tenor bond market and all major activity was seen in shorter tenor T-bills. Overnight market and short term T-bill market yield witnessed an increase towards year end due to scarcity of liquidity in the market as banks were borrowing at a very attractive rate due to banking year end.

Auction for fixed coupon PIB bonds was held on December 26, 2018, and market remained pessimistic towards participating in it. Total participation of PKR 24 billion was witnessed in this auction out of which 3, 5 & 10 years' tenor received bids worth PKR 9.2 billion, PKR 3.35 billion & 11.4 billion respectively. Out of total Participation 19.6bn was accepted out of which 6.68bn was accepted in 3 years, 1.75bn in 5 years and 11.23bn in 10 years at cut off yield of 12.25%, 12.70% & 13.15% in 3, 5 & 10 years respectively.

### PKRV RATES



# INVESTMENT MULTIPLIER FUND (IMF)



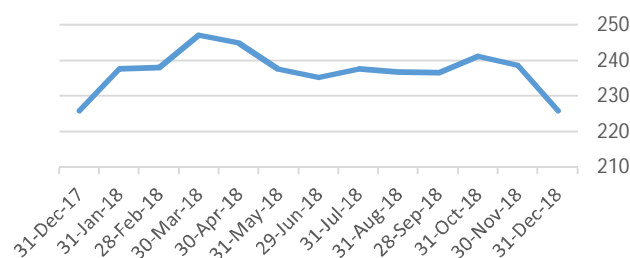
## Fund Objective:

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 16 Billion
Launch Date	June 9, 2011
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2018)	PKR 226.0309
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



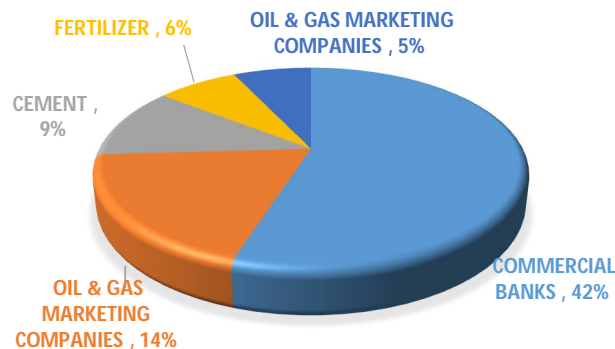
## Asset Mix

Asset	December 2018	November 2018
Bank Balance	6.24%	0.31%
Term Deposits	26.39%	12.70%
Equities	40.67%	39.72%
Mutual Funds	15.86%	16.56%
Fixed Income Securities	2.70%	2.59%
Government Securities	0.61%	21.08%
Real Estate	5.28%	5.02%
Other Asset	2.25%	2.02%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-5.28%	-62.15%
180 Days Return	-3.91%	-7.71%
CYTD	0.02%	0.02%
Since Inception	126.03%	16.66%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of December 2018, the NAV per unit has been Decreased by PKR 12.5968 (-5.28%) from November.

# INVESTMENT SECURE FUND (ISF)

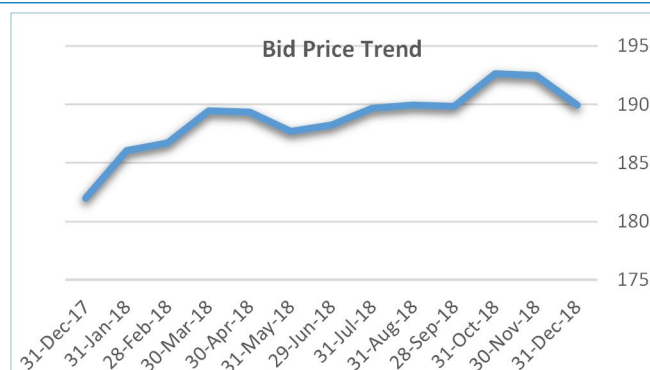


## Fund Objective:

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 7.8 Billion
Launch Date	June 9, 2011
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2018)	PKR 189.9788
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%]



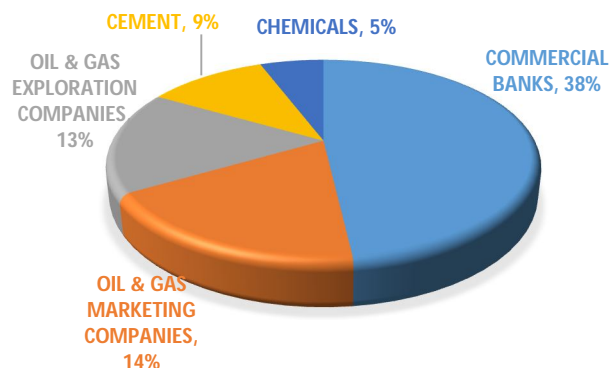
## Asset Mix

Assets	December 2018	November 2018
Bank Balances	5.64%	1.12%
Term Deposits	51.80%	27.80%
Equities	16.24%	15.58%
Mutual Funds	7.51%	7.80%
Fixed Income Securities	13.94%	14.03%
Government Securities	3.56%	31.88%
Other Asset	1.31%	1.79%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-1.29%	-15.16%
180 Days Return	0.93%	1.83%
CYTD	4.39%	4.37%
Since Inception	89.98%	11.89%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of December 2018, the NAV per unit has been Decreased by PKR 2.4781 (-1.29%) from November.

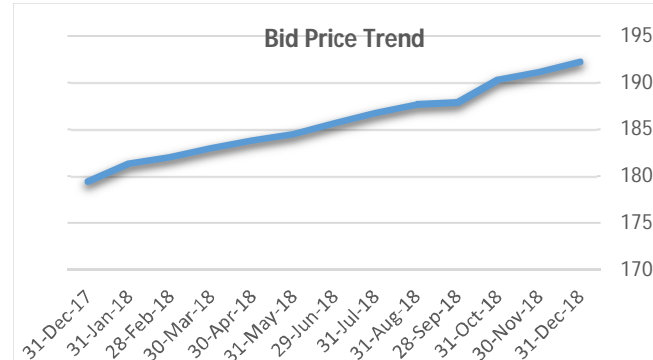
# INVESTMENT SECURE FUND II (ISF II)

## 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 2.4 Billion
Launch Date	December 1, 2011
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2018)	PKR 192.2869
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%]



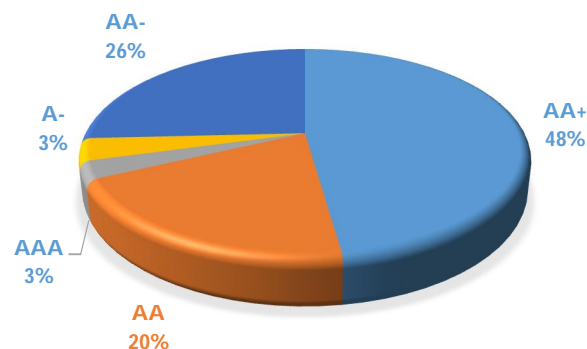
## Asset Mix

Assets	December 2018	November 2018
Bank Balances	5.22%	2.81%
Term Deposits	50.66%	39.42%
Equities	1.63%	1.85%
Mutual Funds	0.0%	0.0%
Fixed Income Securities	26.01%	28.70%
Government Securities	11.86%	22.23%
Other Asset	4.62%	4.99%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.60%	7.03%
180 Days Return	3.55%	7.00%
CYTD	7.15%	7.11%
Since Inception	92.29%	13.02%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

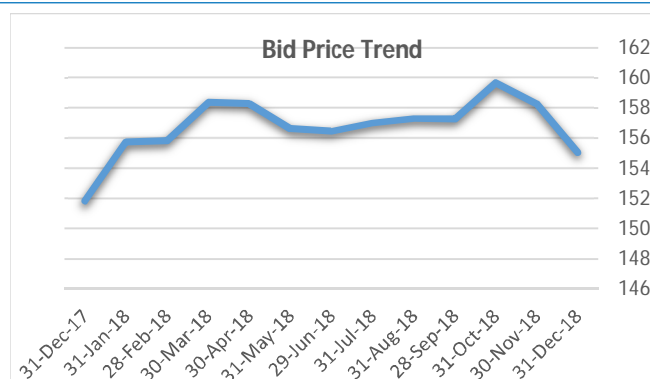
During the month of December 2018, the NAV per unit has been Increased by PKR 1.1417 (0.60%) from November.

## 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 594 Million
Launch Date	November 15, 2012
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2018)	PKR 155.0601
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-)]



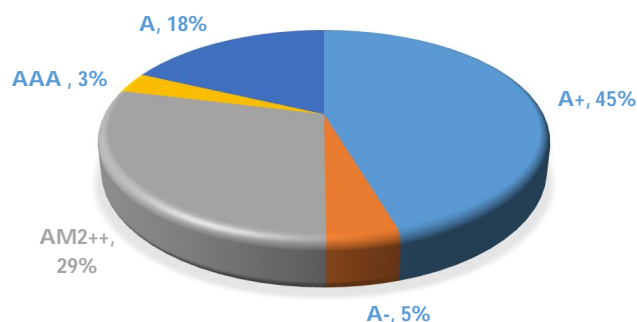
## Asset Mix

Assets	December 2018	November 2018
Bank Balances	12.22%	6.49%
Term Deposits	47.96%	21.16%
Equity	0.0%	0.0%
Mutual Funds	27.17%	29.90%
Fixed Income Securities	6.23%	6.27%
Government Securities	0%	29.16%
Other Asset	6.42%	7.02%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-2.05%	-24.17%
180 Days Return	-0.89%	-1.76%
CYTD	2.11%	2.10%
Since Inception	55.06%	8.98%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

During the month of December 2018, the NAV per unit has been Decreased by PKR 3.2504 (-2.05%) from November.

# DYNAMIC SECURE FUND (DSF)

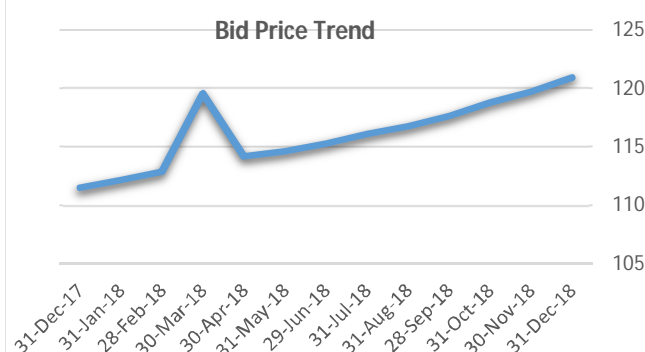


## Fund Objective:

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 42 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2018)	PKR 120.9599
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-)]



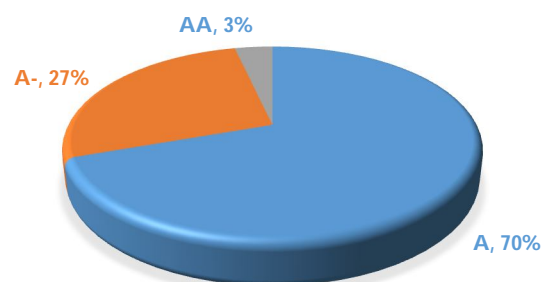
## Asset Mix

Assets	December 2018	November 2018
Bank Balances	21.42%	21.39%
Term Deposits	47.99%	47.66%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	25.48%	25.07%
Government Securities	0%	0%
Real Estate	0%	0%
Other Assets	5.11%	5.88%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	1.02%	12.06%
180 Days Return	4.89%	9.65%
CYTD	8.49%	8.44%
Since Inception	20.96%	8.55%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

During the month of December 2018, the NAV per unit has been Increased by PKR 1.2269 (1.02%) from November.

# DYNAMIC GROWTH FUND (DGF)



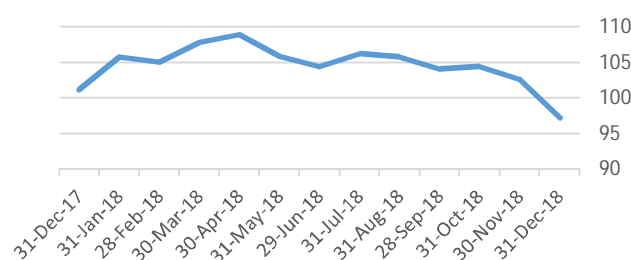
## Fund Objective:

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

## Fund Information:

Fund Name	Dynamic Growth Fund
Fund Size	PKR 328 Million
Launch Date	July 19, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Dec 2018)	PKR 97.2366
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



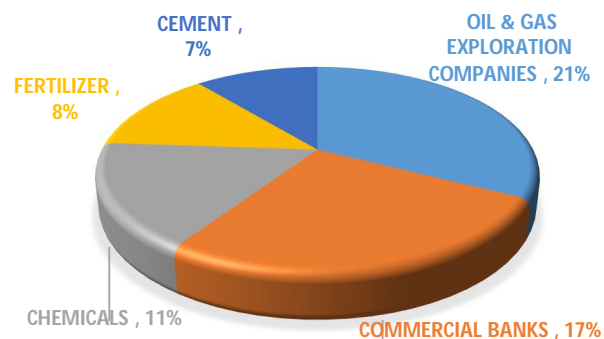
## Asset Mix

Assets	December 2018	November 2018
Bank Balances	25.49%	31.43%
Term Deposits	9.16%	8.63%
Equities	57.13%	54.90%
Mutual Funds	0.00%	0.00%
Fixed Income Securities	6.48%	6.05%
Government Securities	0%	0%
Other Asset	1.74%	-1.01%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-5.29%	-62.24%
180 Days Return	-6.88%	-13.58%
CYTD	-3.94%	-3.92%
Since Inception	-2.76%	-1.13%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of December 2018, the NAV per unit has been Decreased by PKR 5.4267 (-5.29%) from November.



**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.