



**JANUARY
2019**

PERFORMANCE TRACKER

**FUND MANAGERS'
REPORT**

ADAMJEE LIFE ASSURANCE COMPANY LIMITED - WINDOW TAKAFUL OPERATIONS

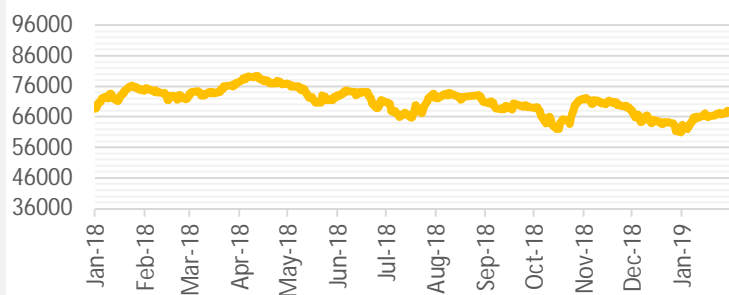
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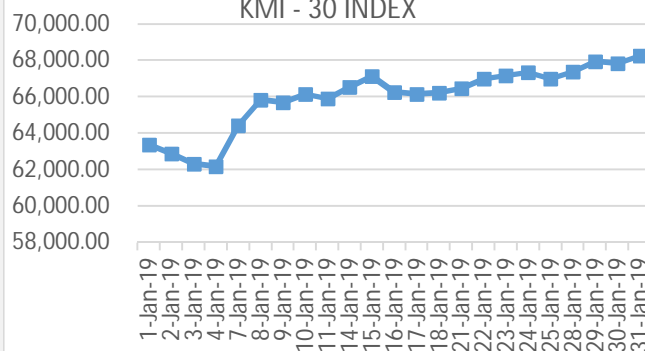
Equity Market Analysis

CY19 started itself on a positive note as the benchmark Index KSE100 posted a gain of ~10% in the month of January. Long-awaited foreign buying was seen in the market with foreigners buying USD ~16 mn worth of equities, most of the selling was absorbed by Insurance Companies and Individuals who bought USD ~19/9 mn respectively. Volumes and values remained flattish MoM averaging ~137 mn shares/ PKR ~6.1 bn. Major sectors such as E&Ps, Fertilizers and Commercial Banks outperformed the market generating positive returns of 17.82%/10.19%/9.97% respectively. E&Ps surged due to start of drilling in Indus Basin which is a high potential zone capable of drilling significant flows. Fertilizer sector moved back and forth on expected GIDC reduction/removal in the favor of fertilizer companies; however, generated overall positive return on market expectation of fertilizer companies retaining the benefit. The only major sector contributing negatively to index's return was Chemicals that retreated on margins' contraction. Another reason was price correction as Chemicals had been witnessing a continuous rally in previous months. 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.

KMI 30 Index



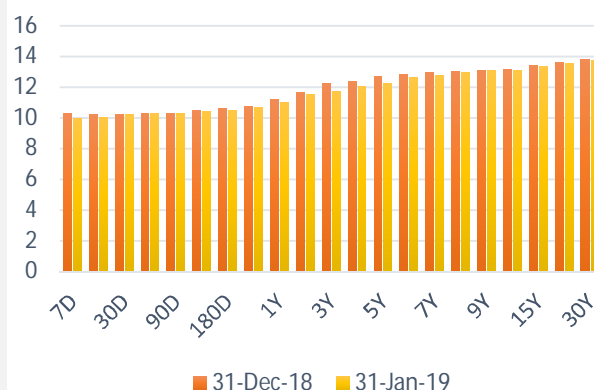
KMI - 30 INDEX



Money Market Analysis

Auction for fixed coupon PIB bonds was held on January 23, 2019. Total participation of PKR 345.1 billion was witnessed out of which 3, 5 & 10 years' tenor received bids worth PKR 149.29 billion, PKR 53.47 billion & 137.33 billion respectively. Bid of worth PKR 5 billion were also received in 20 years PIB out of which total PIBs only worth PKR 53.80 billion were accepted. PKR 28.92 billion worth PIBs were accepted in 3 years & PKR 24.87 billion in 5 years at cut off yield of 12.2401% & 12.70% respectively. During the month long term yield curve showed downward trajectory as most market players were not in favor of any increase in policy rate. This anticipation resulted in healthy activity in longer tenor bonds with most activity taking place in 3 years bond while little to no activity was witnessed in Floater Rate Bonds. For the purpose of liquidity management all other major activity was seen in shorter tenor T-bills. State Bank of Pakistan conducted Treasury bill auction on January 30, 2019. The auction had a total maturity of PKR 11.56 billion against which a participation of PKR 104.80 billion was witnessed. Out of total participation 3 months' tenor received bids worth PKR 104.4 billion while a meager participation of PKR 380 million was in 6 months whereas, no participation was witnessed in 12 months' bill. SBP accepted bids worth PKR 101.49 billion at a cut-off yield of 10.3013% in 3 months' tenor whereas, bids in 6 months T-bill were rejected.

PKRV RATES



MAZ'AF FUND (TAKAFUL)



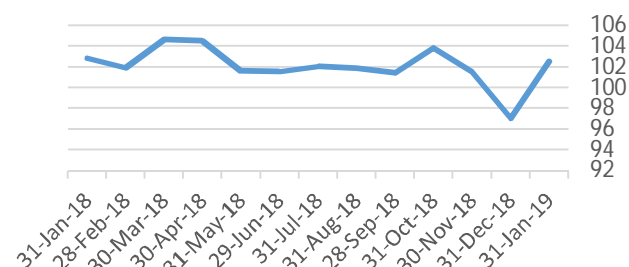
Fund Objective:

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 1.6 Billion
Launch Date	July 26, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Jan 2019)	PKR 102.5011
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



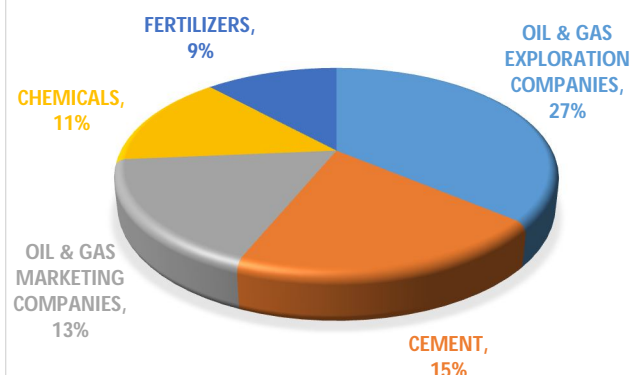
Asset Mix

Assets	January 2019	December 2018
Bank Balances	10.47%	8.34%
Term Deposits	22.06%	28.27%
Equities	39.31%	38.21%
Mutual Funds	20.45%	18.72%
Fixed Income Securities	4.06%	4.43%
Government Securities	0%	1.16%
Other Assets	3.65%	0.87%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	5.63%	66.25%
180 Days Return	0.47%	0.94%
CYTD	5.63%	66.25%
Since Inception	2.50%	0.99%

SECTOR WISE ALLOCATION



Managers' Comments:

During the month of January 2019, the NAV per unit has been Increased by PKR 5.4604 (5.63%) from December.

TAMEEN FUND (TAKAFUL)



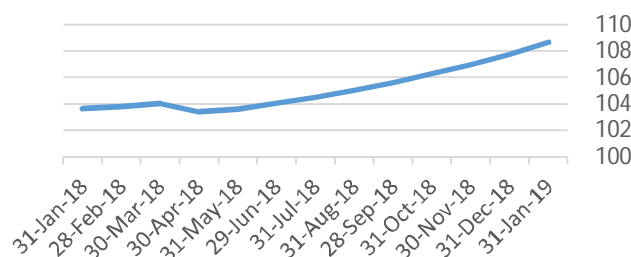
Fund Objective:

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 95 Million
Launch Date	July 26, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Jan 2019)	PKR 108.7076
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



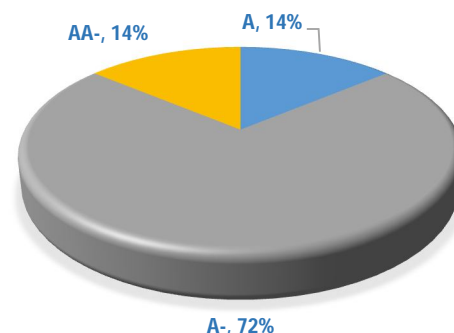
Asset Mix

Assets	January 2019	December 2018
Bank Balances	11.08%	7.50%
Term Deposits	75.82%	91.85%
Mutual Funds	5.27%	0%
Fixed Income Securities	0%	0%
Government Securities	0%	0%
Real Estate	0%	0%
Other Assets	7.83%	0.65%

Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.86%	10.07%
180 Days Return	4.02%	7.97%
CYTD	0.86%	10.07%
Since Inception	8.71%	3.43%

RISK PROFILE OF INVESTMENTS



Managers' Comments:

During the month of January 2019, the NAV per unit has been Increased by PKR 0.9218 (0.86%) from December.

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.