



**MARCH  
2019**

# **PERFORMANCE TRACKER**

**FUND MANAGERS'  
REPORT**

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

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)

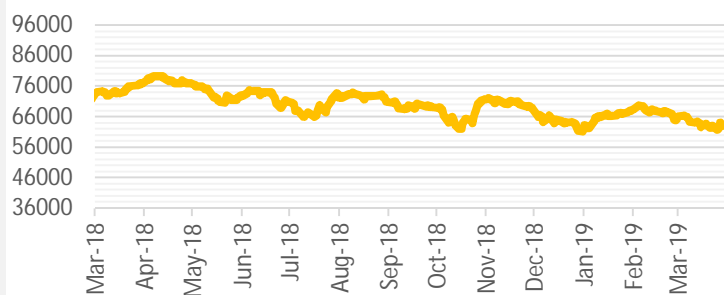
# Equity Market Analysis

The benchmark Index KSE100 remained flattish and retreated by ~1% during the month. Foreigners turned net sellers after tensions escalated on the border side, offloading USD 17.8 million of equities. Volumes and values traded decreased MoM averaging ~103 mn shares/ PKR -4.7 bn respectively.

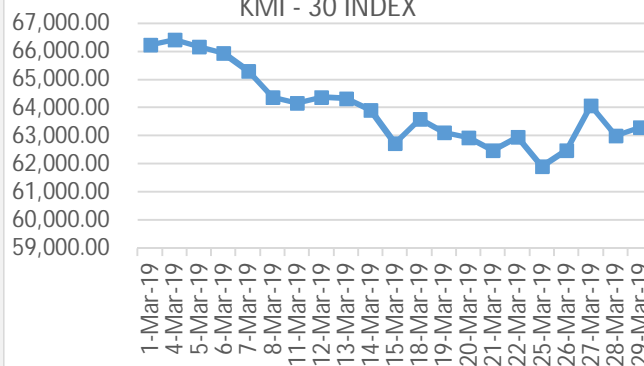
Almost all the major sectors remained in the red zone. Cements, Power and Refineries were the major laggards generating negative returns of 7.95%/7.74%/7.55% respectively. Cements plummeted due to lackluster economic growth and declining cement dispatch numbers. Refineries declined due to persistently weak international margins of petroleum products. Automobiles outperformed primarily due to lifting of ban on non-filers on purchase of vehicles.

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



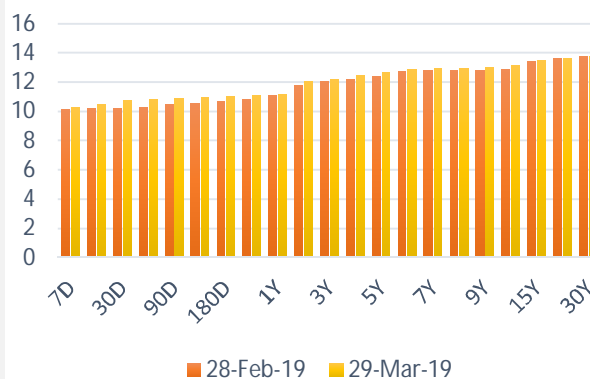
# Money Market Analysis

In its latest monetary policy SBP increased policy rate by 50bps, while citing Increasing twin deficits, enormous government borrowing from SBP and persistent pressure on core inflation as the main reasons behind the decision.

State Bank of Pakistan conducted Treasury bill auction on March 27, 2019. The auction had a total maturity of PKR 590 billion against which a participation of PKR 10 billion was witnessed. Out of total participation all the bids were received in 3 months Tenor while no participation was witnessed in 6 months and 12-month tenor. SBP accepted bids worth PKR 380mn at a cut-off yield of 10.55% in 3 months. The lack of participation was due to the Monetary Policy announcement which was due on 29th March 2019, where most of the market was expecting an increase in Policy Rate.

The upcoming period is quite critical as Pakistan would be taking key decisions with regards to its external financing and policy actions to manage the external account. With rising inflation along with continuous pressure on the external side, any further tightening cannot be ruled out.

## PKRV RATES



# MAZ'AF FUND (TAKAFUL)



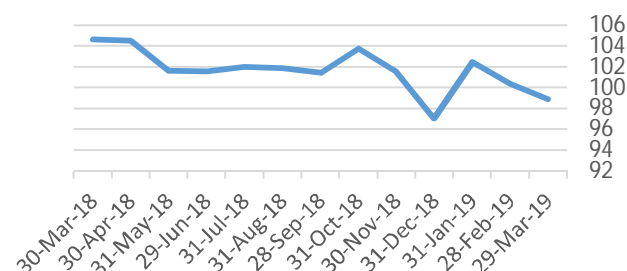
## Fund Objective:

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 Mar 2019)	PKR 98.8817
Fund Type	Balanced Fund
Auditors	KPMG Taseer Hadi and Co. Chartered Accountants
Management Fees	1.75% p.a.
Pricing Mechanism	Forward
Risk Profile	Medium to High
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



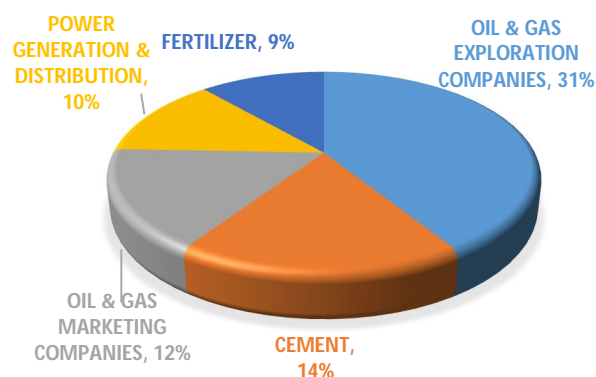
## Asset Mix

Assets	March 2019	February 2019
Bank Balances	5.17%	3.12%
Term Deposits	27.33%	27.08%
Equities	39.42%	38.79%
Mutual Funds	15.13%	16.11%
Fixed Income Securities	4.06%	4.08%
Government Securities	0%	0%
Other Assets	8.89%	10.82%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	-1.50%	-18.83%
180 Days Return	-2.51%	-5.02%
CYTD	1.90%	7.87%
Since Inception	-1.12%	-0.42%

## SECTOR WISE ALLOCATION



## Managers' Comments:

During the month of March 2019, the NAV per unit has been Decreased by PKR 1.5020 (-1.50%) from February.

# TAMEEN FUND (TAKAFUL)



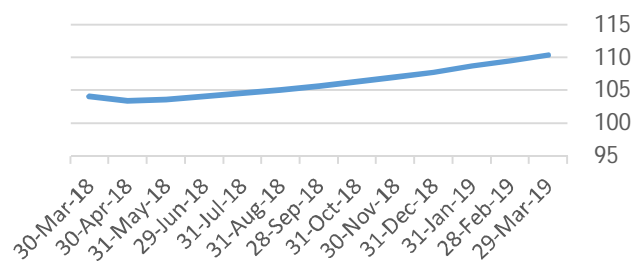
## Fund Objective:

A low to moderate 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 111 Million
Launch Date	July 26, 2016
Bid Price (Inception)	PKR 100
Bid Price (31 Mar 2019)	PKR 110.4183
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



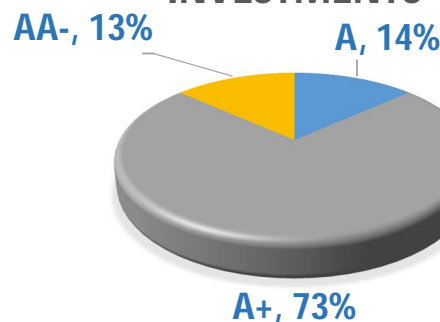
## Asset Mix

Assets	March 2019	February 2019
Bank Balances	13.97%	7.98%
Term Deposits	67.63%	71.89%
Mutual Funds	0%	0%
Fixed Income Securities	0%	0%
Government Securities	0%	0%
Real Estate	0%	0%
Other Assets	18.40%	20.13%

## Fund Returns:

	Absolute	Annualized
Month to Date (MTD)	0.79%	9.94%
180 Days Return	4.55%	9.12%
CYTD	2.44%	10.13%
Since Inception	10.42%	3.87%

## RISK PROFILE OF INVESTMENTS



## Managers' Comments:

During the month of March 2019, the NAV per unit has been Increased by PKR 0.8656 (0.79%) from February.

**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.