

OCTOBER
2018
PERFORMANCE
TRACKER

FUND MANAGERS'
REPORT

ADAMJEE LIFE ASSURANCE COMPANY LIMITED

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Equity Market Analysis

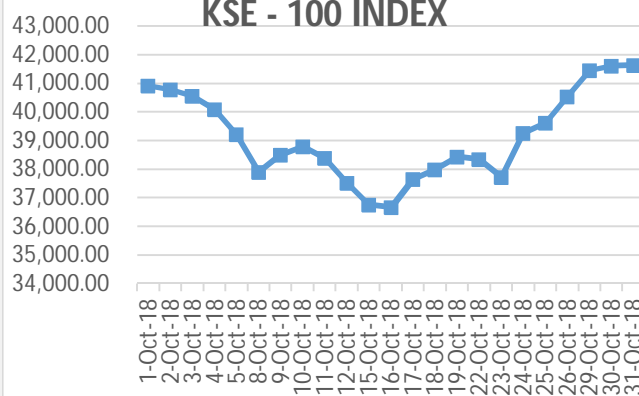
The KSE-100 Index finally rebounded during the latter half of the month after Premier successfully negotiated a bailout package worth USD 6 billion from Saudi Arabia. The benchmark generated a positive return of ~1.4% during the month, reducing the cumulative loss of 4MFY19 to ~-0.8%. Foreign selling continued during the month, offloading USD ~86 Mn worth of equities, most of which was absorbed by Companies, Mutual Funds and Insurance companies whom bought USD 33.2/20.6/13.1 Mn respectively. During the month, volumes and values averaged around 219 Mn shares/ PKR 8 Bn, depicting a considerable increase of ~58%/~43% MoM.

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.

KSE 100 Index



KSE - 100 INDEX

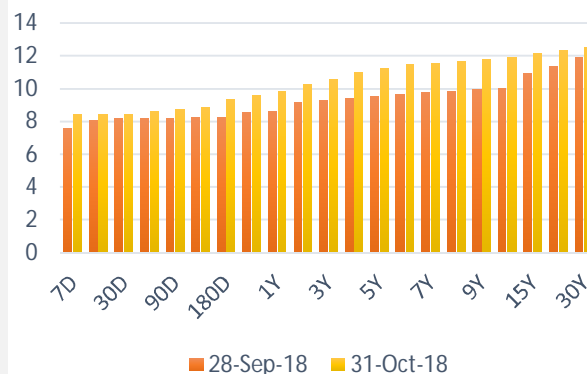


Money Market Analysis

CPI for the month of Oct'18 clocked in at 7.0% majorly due to effect of recent increase in gas prices and low base of last year. Higher international oil prices, weaker currency and upward revision in domestic electricity and gas prices is expected to jack up overall inflation figure in FY19, which is expected to average ~7.5% compared to last year inflation of 3.8%. Meanwhile, core inflation is expected to jump above 8.5%.

Contractionary policies, external pressures and rising gas and electricity prices have taken their toll on large scale manufacturing which posted a decline of 1.45% YoY in the first two months of FY19. Given initial plans of the ruling government some sense of policy steps can be expected, but given the precarious economic conditions, we think term measures to address twin deficits are critical. The government has cleared the air by going for an IMF program, which we believe was the need of the hour. Alongside, the government will have to address the key structural issues to tread on the path of long term sustainable economic growth.

PKRV RATES



INVESTMENT MULTIPLIER FUND (IMF)



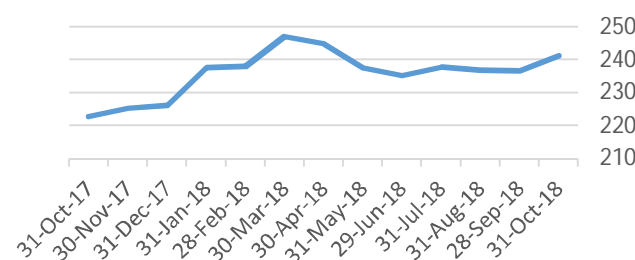
Fund Objective:

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 (31 Oct 2018) | PKR 241.2066 |
| 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



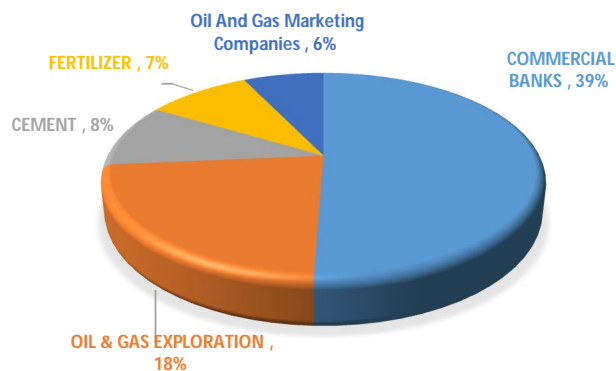
Asset Mix

| Asset | October 2018 | September 2018 |
|-------------------------|--------------|----------------|
| Bank Balance | 0.64% | 1.99% |
| Term Deposits | 10.45% | 30.40% |
| Equities | 37.23% | 36.89% |
| Mutual Funds | 16.96% | 16.91% |
| Fixed Income Securities | 2.56% | 2.61% |
| Government Securities | 24.05% | 4.18% |
| Real Estate | 5.00% | 5.06% |
| Other Asset | 3.11% | 1.96% |

Fund Returns:

| | Absolute | Annualized |
|---------------------|----------|------------|
| Month to Date (MTD) | 1.97% | 21.80% |
| 180 Days Return | -1.54% | -3.06% |
| CYTD | 6.73% | 8.03% |
| Since Inception | 141.21% | 19.08% |

SECTOR WISE ALLOCATION



Managers' Comments:

During the month of October 2018, the NAV per unit has been Increased by PKR 4.6621 (1.97%) from September.

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 7.7 Billion |
| Launch Date | June 9, 2011 |
| Bid Price (Inception) | PKR 100 |
| Bid Price (31 Oct 2018) | PKR 192.6198 |
| 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%] |



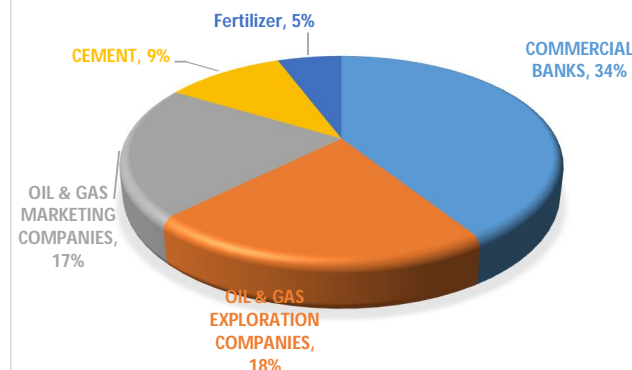
Asset Mix

| Assets | October 2018 | September 2018 |
|-------------------------|--------------|----------------|
| Bank Balances | 0.60% | 1.89% |
| Term Deposits | 28.67% | 55.14% |
| Equities | 14.63% | 15.58% |
| Mutual Funds | 7.93% | 7.97% |
| Fixed Income Securities | 14.10% | 14.10% |
| Government Securities | 30.35% | 2.83% |
| Other Asset | 3.72% | 2.49% |

Fund Returns:

| | Absolute | Annualized |
|---------------------|----------|------------|
| Month to Date (MTD) | 1.46% | 16.14% |
| 180 Days Return | 1.73% | 3.44% |
| CYTD | 5.84% | 6.97% |
| Since Inception | 92.62% | 12.52% |

SECTOR WISE ALLOCATION



Managers' Comments:

During the month of October 2018, the NAV per unit has been Increased by PKR 2.7699 (1.46%) from September.

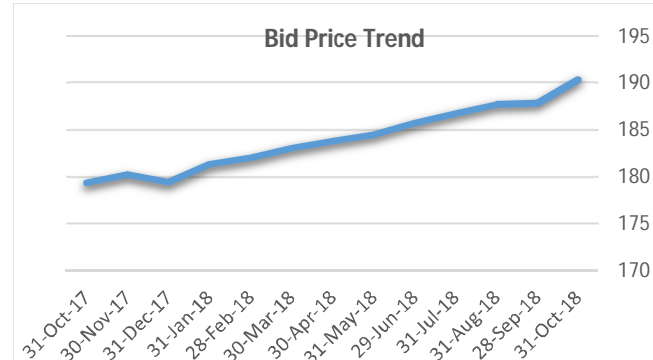
INVESTMENT SECURE FUND II (ISF II)

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 2.5 Billion |
| Launch Date | December 1, 2011 |
| Bid Price (Inception) | PKR 100 |
| Bid Price (31 Oct 2018) | PKR 190.3572 |
| 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%] |

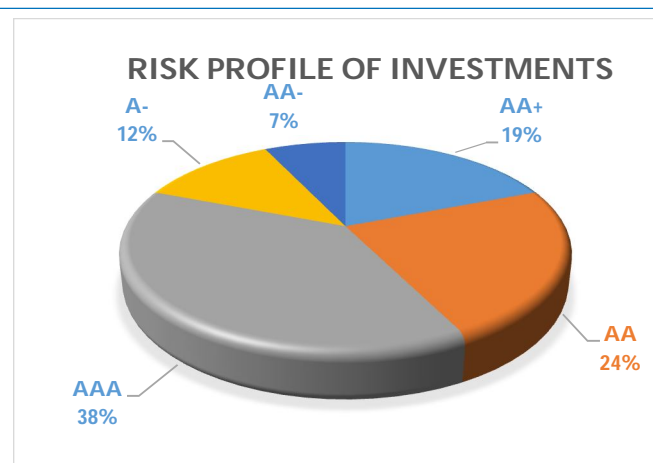


Asset Mix

| Assets | October 2018 | September 2018 |
|-------------------------|--------------|----------------|
| Bank Balances | 1.57% | 6.52% |
| Term Deposits | 30.25% | 45.00% |
| Equities | 1.85% | 1.97% |
| Mutual Funds | 0.0% | 0.0% |
| Fixed Income Securities | 24.92% | 26.68% |
| Government Securities | 37.22% | 15.38% |
| Other Asset | 4.19% | 4.45% |

Fund Returns:

| | Absolute | Annualized |
|---------------------|----------|------------|
| Month to Date (MTD) | 1.32% | 14.60% |
| 180 Days Return | 3.55% | 7.03% |
| CYTD | 6.07% | 7.24% |
| Since Inception | 90.36% | 13.06% |



Managers' Comments:

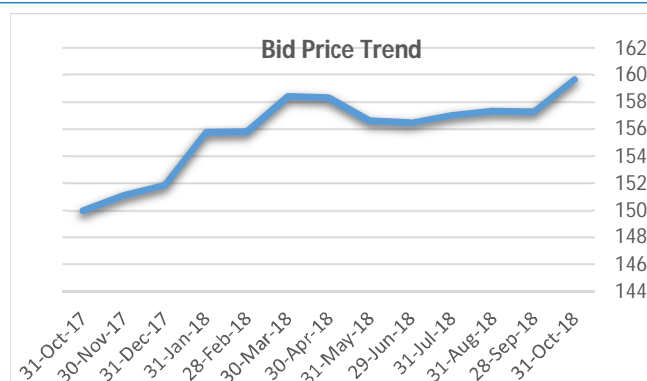
During the month of October 2018, the NAV per unit has been Increased by PKR 2.4805 (1.32%) from September.

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 625 Million |
| Launch Date | November 15, 2012 |
| Bid Price (Inception) | PKR 100 |
| Bid Price (31 Oct 2018) | PKR 159.6801 |
| 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-)] |



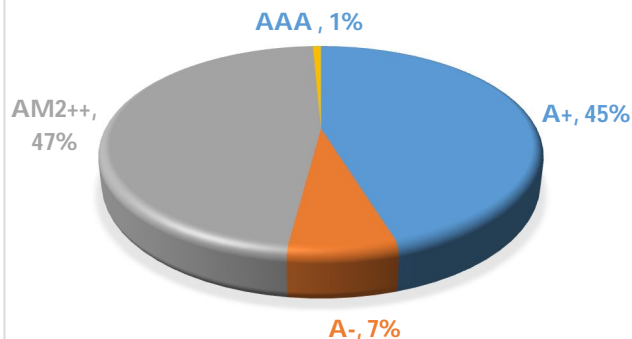
Asset Mix

| Assets | October 2018 | September 2018 |
|-------------------------|--------------|----------------|
| Bank Balances | 3.36% | 21.54% |
| Term Deposits | 23.98% | 24.57% |
| Equity | 0.0% | 0.0% |
| Mutual Funds | 29.74% | 28.86% |
| Fixed Income Securities | 6.27% | 6.38% |
| Government Securities | 27.51% | 11.84% |
| Other Asset | 9.14% | 6.81% |

Fund Returns:

| | Absolute | Annualized |
|---------------------|----------|------------|
| Month to Date (MTD) | 1.53% | 16.97% |
| 180 Days Return | 0.87% | 1.73% |
| CYTD | 5.15% | 6.14% |
| Since Inception | 59.68% | 10.01% |

RISK PROFILE OF INVESTMENTS



Managers' Comments:

During the month of October 2018, the NAV per unit has been Increased by PKR 2.4130 (1.53%) from September .

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 41.5 Million |
| Launch Date | July 19, 2016 |
| Bid Price (Inception) | PKR 100 |
| Bid Price (31 Oct 2018) | PKR 118.8323 |
| 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-)] |



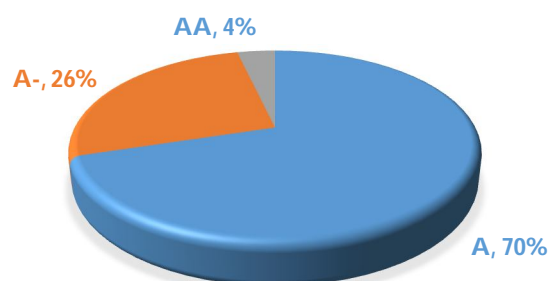
Asset Mix

| Assets | October 2018 | September 2018 |
|-------------------------|--------------|----------------|
| Bank Balances | 21.29% | 24.05% |
| Term Deposits | 48.14% | 43.07% |
| Mutual Funds | 0.00% | 5.95% |
| Fixed Income Securities | 25.21% | 22.35% |
| Government Securities | 0% | 0% |
| Real Estate | 0% | 0% |
| Other Assets | 5.36% | 4.58% |

Fund Returns:

| | Absolute | Annualized |
|---------------------|----------|------------|
| Month to Date (MTD) | 0.99% | 10.99% |
| 180 Days Return | 4.05% | 8.03% |
| CYTD | 6.58% | 7.85% |
| Since Inception | 18.83% | 8.24% |

RISK PROFILE OF INVESTMENTS



Managers' Comments:

During the month of October 2018, the NAV per unit has been Increased by PKR 1.1693 (0.99%) from September.

DYNAMIC GROWTH FUND (DGF)



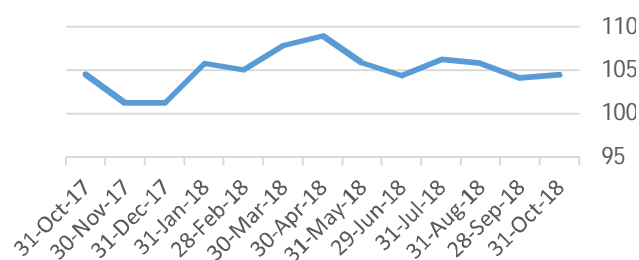
Fund Objective:

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

Fund Information:

| | |
|-------------------------|---|
| Fund Name | Dynamic Growth Fund |
| Fund Size | PKR 351 Million |
| Launch Date | July 19, 2016 |
| Bid Price (Inception) | PKR 100 |
| Bid Price (31 Oct 2018) | PKR 104.4526 |
| 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



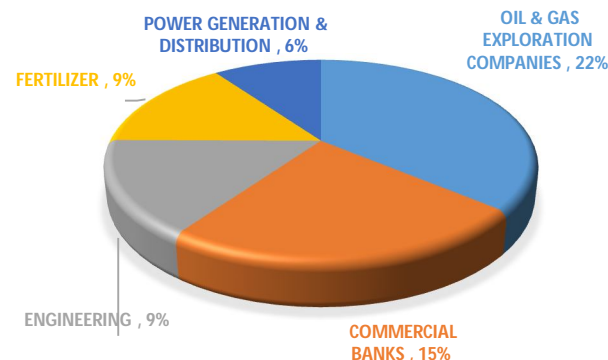
Asset Mix

| Assets | October 2018 | September 2018 |
|-------------------------|--------------|----------------|
| Bank Balances | 26.92% | 6.29% |
| Term Deposits | 8.55% | 25.87% |
| Equities | 52.62% | 58.92% |
| Mutual Funds | 0.00% | 0.00% |
| Fixed Income Securities | 5.97% | 5.97% |
| Government Securities | 0% | 0% |
| Other Asset | 5.94% | 2.95% |

Fund Returns:

| | Absolute | Annualized |
|---------------------|----------|------------|
| Month to Date (MTD) | 0.33% | 3.61% |
| 180 Days Return | -4.14% | -8.20% |
| CYTD | 3.19% | 3.80% |
| Since Inception | 4.45% | 1.95% |

SECTOR WISE ALLOCATION



Managers' Comments:

During the month of October 2018, the NAV per unit has been Increased by PKR 0.3394 (0.33%) from September.

DISCLAIMER

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