



# INVESTORS' OUTLOOK

FOR THE MONTH OF SEPTEMBER 2016



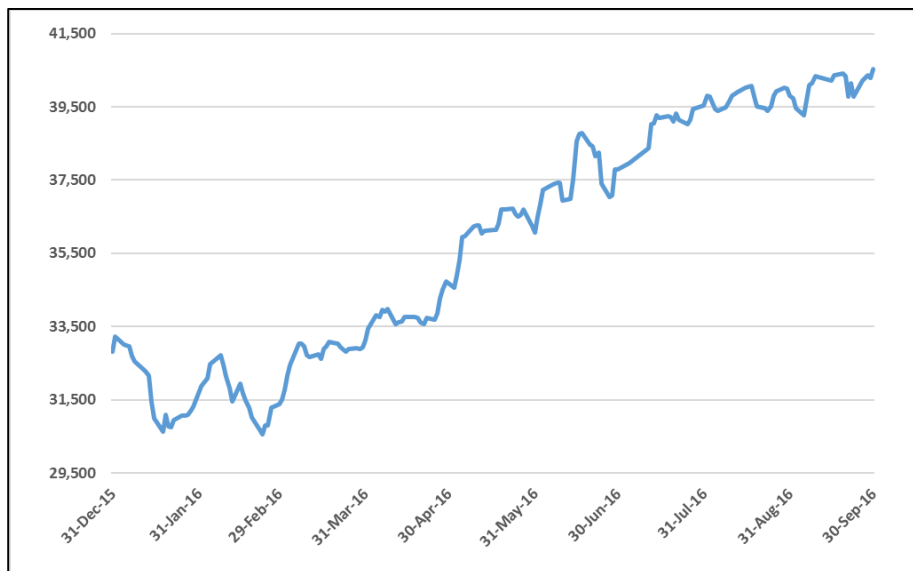
# TABLE OF CONTENTS

REVIEW .....	3
MANAGED FUND.....	5
CAPITAL GROWTH FUND.....	6
MEESAQ FUND .....	7
YAQEEEN GROWTH FUND.....	8
MANAGED GROWTH TAKAFUL FUND .....	9
CAPITAL GROWTH TAKAFUL FUND .....	10
EQUITY PORTFOLIO DETAILS .....	11

## Equity Market Review

The KSE 100 Index rose 1.84% in September 2016 to close at 40,542 points thereby posting a quarterly return of 7.30% and taking the Index's Calendar Year-to-Date (CYTD) return to 23.5%. Average trading volumes (of KSE100 Index) in September increased 43.4% to 172.58 million shares. However, participation in KSE100 as % of Average trading volumes in All Share declined to 31% compared to 47% in Aug'16 and 58% in 8MCY16. During the month under review, participation in the market was heavily concentrated in second and third tier stocks. Besides low interest rates, increased regulatory oversight of the real estate market has caused diversion of some flows to the equity market, aided by news flows and rumors pertaining to acquisition/sale of stake/re-structuring of the volume leaders. Subsequently, share of individuals in market participation increased to 63% in September vs overall quarter average of 56%.

Foreign investors remained net sellers in the market with a sizeable net outflow of USD40.6mn, 2.0x higher than net outflow of USD20.4mn in the preceding month. Cumulatively, 9MCY16 total net FIPI outflow (excluding one offs) now stands at ~USD185mn. Sector wise break-up reveals that majority of selling during Sep'16 was witnessed in Cements and Food Producers with net outflows of USD28.1mn and USD14.6mn, respectively while marginal inflow was witnessed in Banks & OMCs. The outflows were mainly absorbed by NBFCs (+USD18.7mn) and Companies (+USD16.3mn).



### Sector Performance:

The upside in index was mainly concentrated in the last week of Sep'16 with KSE100 up 1.9%WoW, primarily driven by Oil & Gas (on 6%-8%WoW increase in oil prices), Autos (depreciating yen) and Textiles (news flow on incentive package for exporters). Though a surprising decision from OPEC provided impetus to the index heavyweight E&P sector, the upside in overall market was contained by cross border tensions on Pak-India border on 29th Sept'16 where the market lost ~566 points from its intraday high on the said date.

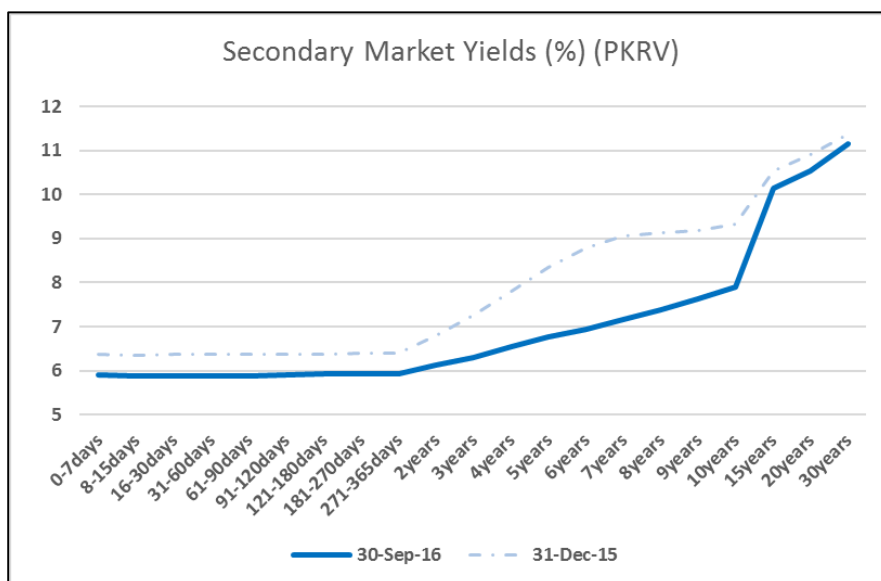
- Auto sector gained 23.1% MoM, where INDU (↑34%) and HCAR (↑33%) gained the most due to depreciating Yen on the back of FED decision, new model launch of HILUX and success of new Civic model
- Steel & Engineering sector also saw a hefty rise (↑14%) with INIL (↑24%), ISL (↑20%) and ASTL (↑14%) gaining the most as increase in economic growth and auto sales is expected to benefit this sector while expectation of levy of increased antidumping duty in the near future has led to investors' interest

- Telecom was the next best performer in the month posting a return of 13.8%
- Banking sector inched up around 2.4% on the back of increased positive FIPI ~ USD 5.6mn, with BOP (↑51%), HMB (↑7.3%), HBL (↑1.5%), MCB (↑5.3%) and MEBL (↑3.7%) being the major gainers
- Pharma sector marginally managed to remain in green on the back of gains from SAPL (↑25.4%) and ABOT (↑ 6.7%)
- Cement sector saw a correction in the outgoing month as investors digest the news flow of hefty capacity addition announcement that have come recently, it was down 1.9% in the month
- Power sector prices were down by 3.2% during the month as the circular debt of the sector reached over Rs 650 bn. Profit taking was witnessed in HUBC (-4.2%) & KAPCO (-4.3%) while KEL (0%) remained in the dull as the effect of acquisition announcement by Shanghai Electric fizzled out
- Fertilizer sector nosedived for the second consecutive month as imported urea prices were reduced by PkR100/bag to PkR1,200/bag, increasing pressure on local manufacturers already suffering from a supply glut. Subsequently EFERT (↓9%), FFC (↓6%) were the major losers

## Money Market Review

In the PIB auction held during the month, the SBP picked up around Rs. 219bn against a target of Rs. 100bn and bids of around Rs. 296bn. The cut-off yields for 3-year, 5-year and 10-year bonds remained almost unchanged at 6.197%, 6.701% and 7.799% respectively.

In the month of September, one T-bill auction was conducted. With the status quo prevailing in the Monetary Policy Review, the yields remained flat. The yields for 3 months, 6-months and 12-months clocked at 5.857%, 5.904% and 5.915% respectively. A total of Rs. 27.57bn was picked up in the auction against Rs. 100bn target with bids received of Rs. 81.5bn



# MANAGED FUND

## Fund Objective

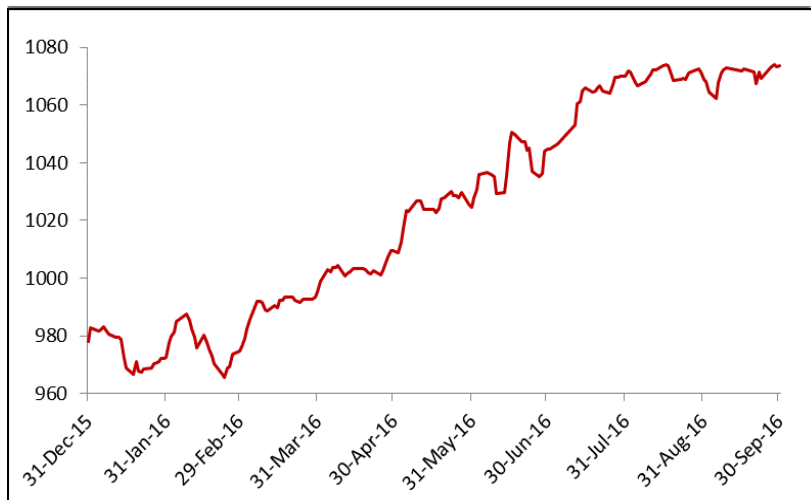
To maximize capital appreciation by investing in a balanced portfolio of wide range of shares, Government and other fixed income securities and bank deposits.

## Fund Information

Description	Information
<b>Fund Name</b>	Managed Fund
<b>Fund Size</b>	PKR 59,455 Million
<b>Launch date</b>	31.12.1996
<b>Bid Price (31.12.1996)</b>	PKR 99.50
<b>Bid Price (30.09.2016)</b>	PKR 1073.50
<b>Category</b>	Balanced Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

During the month of September 2016, Managed Fund's (MF) Unit Price increased by PKR 4.64 (0.43%) net of fund management fee.



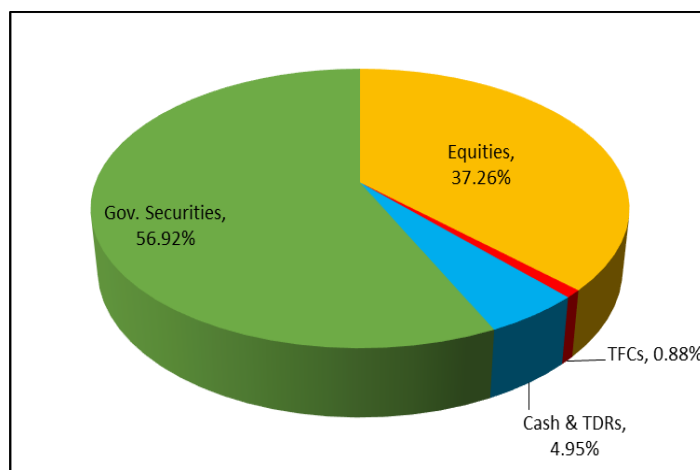
## Investment Committee Members

<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Rafiuddin Zakir Mahmood</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

## Fund Returns

Period	Rate of Return
<b>1 month</b>	0.43%
<b>3 months</b>	2.75%
<b>12 months</b>	11.69%
<b>Calendar YTD</b>	9.75%
<b>Since Inception</b>	978.90%
<b>Since Inception (annualized)</b>	12.79%
<b>5 years</b>	86.95%
<b>10 years</b>	194.95%

Assets	September 2016	August 2016
<b>Government Securities</b>	56.92%	57.10%
<b>Term Finance Certificates</b>	0.88%	0.89%
<b>Cash &amp; Short Term Deposits</b>	4.95%	4.63%
<b>Stocks &amp; Mutual Funds</b>	37.26%	37.38%



# CAPITAL GROWTH FUND

## Fund Objective

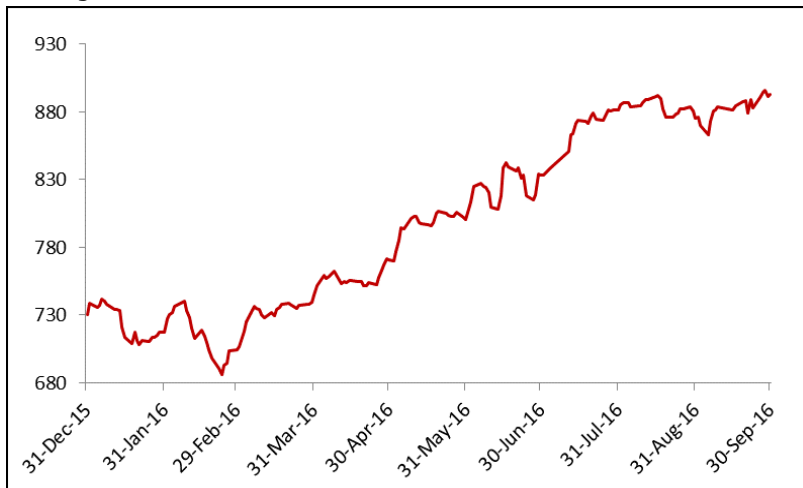
The objective of the fund is to maximize returns to policyholders by investing mainly in equity portfolio and partly in Government securities, Term Finance Certificates and bank deposits.

## Fund Information

Description	Information
<b>Fund Name</b>	Capital Growth Fund
<b>Fund Size</b>	PKR 6,177 Million
<b>Launch date</b>	28.07.2004
<b>Bid Price (28.07.2004)</b>	PKR 100.00
<b>Bid Price (30.09.2016)</b>	PKR 893.26
<b>Category</b>	Equity Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

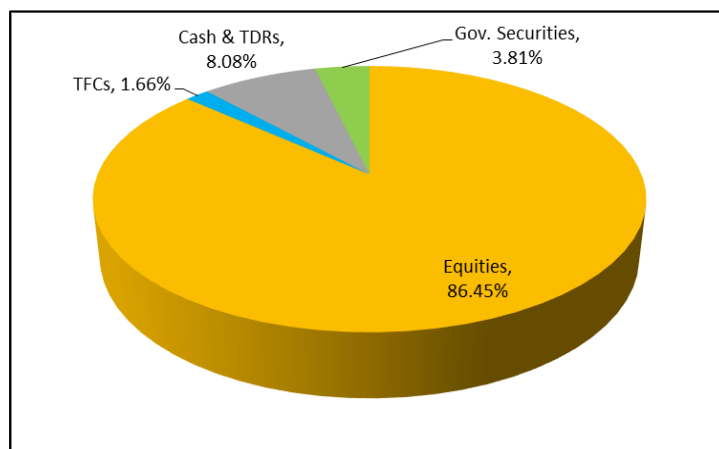
During the month of September 2016, Capital Growth Fund's (CGF) Unit Price increased by PKR 17.64 (2.01%) net of fund management fee.



Investment Committee Members	
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Rafiuddin Zakir Mahmood</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

Assets	September 2016	August 2016
<b>Government Securities</b>	3.81%	4.22%
<b>Term Finance Certificates</b>	1.66%	1.78%
<b>Cash &amp; Short Term Deposits</b>	8.08%	8.23%
<b>Stocks &amp; Mutual Funds</b>	86.45%	85.78%

Fund Returns	
Period	Rate of Return
<b>1 month</b>	2.01%
<b>3 months</b>	7.17%
<b>12 months</b>	28.50%
<b>Calendar YTD</b>	22.31%
<b>Since Inception</b>	793.26%
<b>Since Inception (annualized)</b>	19.69%
<b>5 years</b>	268.70%
<b>10 years</b>	405.09%





## Fund Objective

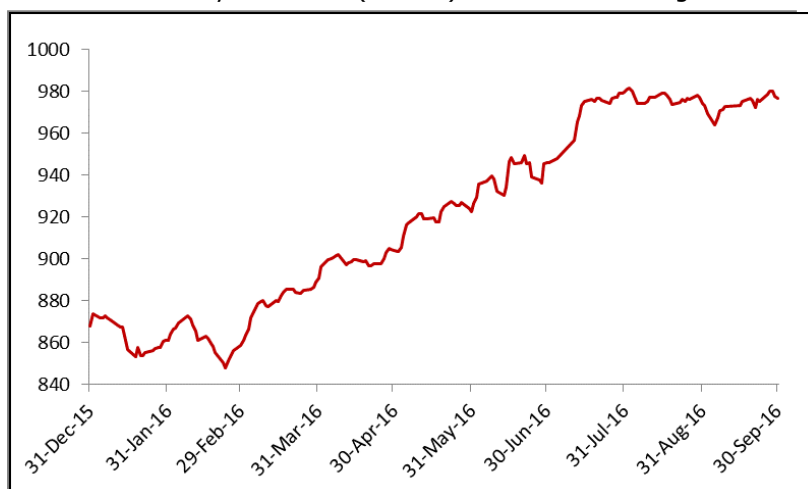
The objective of the Meesaq fund is to provide an opportunity to investors who want interest free returns. The instruments in which the Meesaq fund invests are selective stocks, sukuk, short term deposits in Islamic banks / Islamic bank branches, Islamic mutual funds and other valid interest-free investments.

## Fund Information

Description	Information
<b>Fund Name</b>	Meesaq Fund
<b>Fund Size</b>	PKR 8,227 Million
<b>Launch date</b>	27.03.2008
<b>Bid Price (27.03.2008)</b>	PKR 475.00
<b>Bid Price (30.09.2016)</b>	PKR 976.92
<b>Category</b>	Non-interest bearing Investment portfolio
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

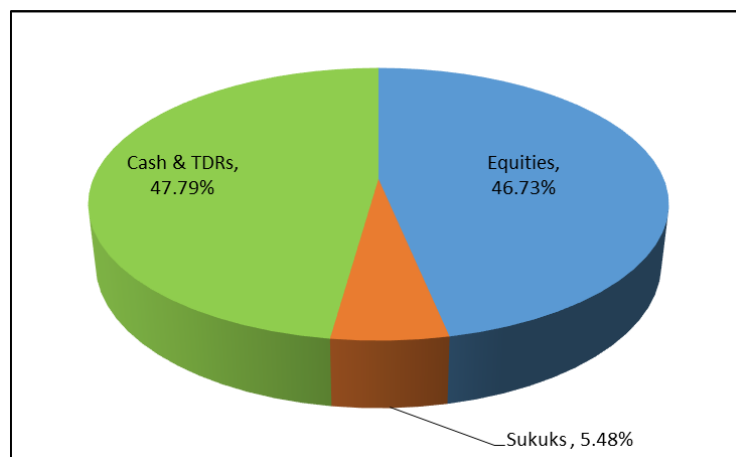
During the month of September 2016, Meesaq Fund's (MEF) Unit Price increased by PKR 2.43 (0.25%) net of fund management fee.



Investment Committee Members	
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Rafiuddin Zakir Mahmood</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

Fund Returns	
Period	Rate of Return
<b>1 month</b>	0.25%
<b>3 months</b>	3.30%
<b>12 months</b>	14.47%
<b>Calendar YTD</b>	12.57%
<b>Since Inception</b>	105.67%
<b>Since Inception (annualized)</b>	8.83%
<b>5 years</b>	78.36%

Assets	September 2016	August 2016
<b>Sukuks</b>	5.48%	5.51%
<b>Cash &amp; Short Term Deposits</b>	47.79%	45.49%
<b>Stocks &amp; Mutual Funds</b>	46.73%	49.00%



# YAQEEEN GROWTH FUND

## Fund Objective

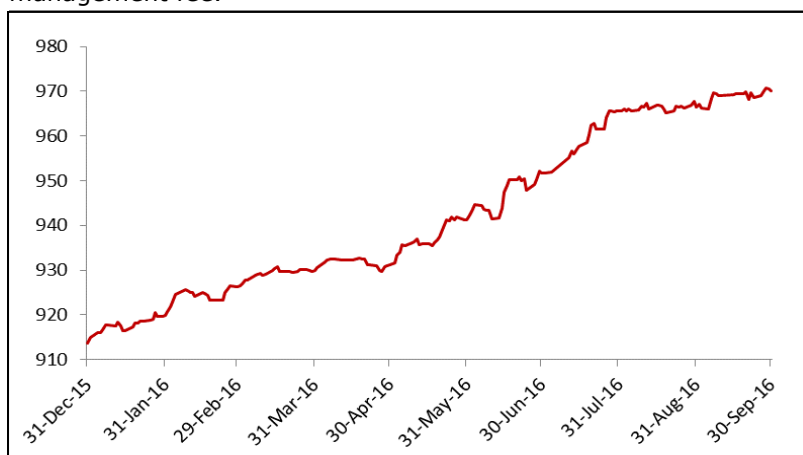
This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum risk of capital erosion.

## Fund Information

Description	Information
<b>Fund Name</b>	Yaqeen Growth Fund
<b>Fund Size</b>	PKR 1,350 Million
<b>Launch date</b>	01.06.2009
<b>Bid Price (01.06.2009)</b>	PKR 475.00
<b>Bid Price (30.09.2016)</b>	PKR 970.08
<b>Category</b>	Capital Protected Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

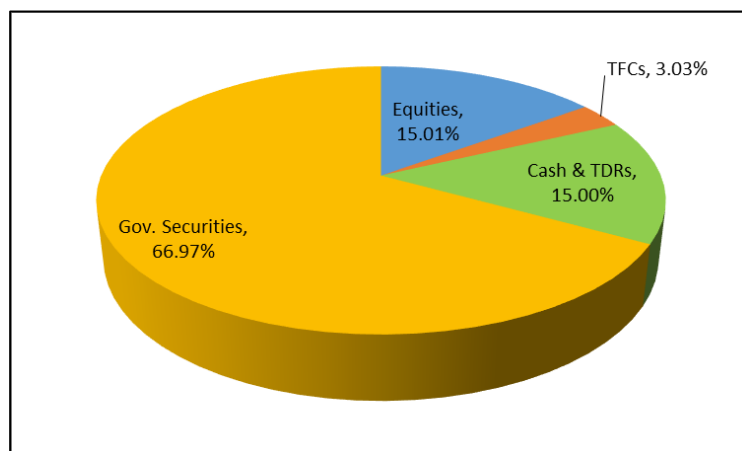
During the month of September 2016, Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 3.61 (0.37%) net of fund management fee.



Investment Committee Members	
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Rafiuddin Zakir Mahmood</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

Assets	September 2016	August 2016
<b>Government Securities</b>	66.97%	70.12%
<b>Stocks &amp; Mutual Funds</b>	15.01%	15.12%
<b>Term Finance Certificates</b>	3.03%	3.04%
<b>Cash &amp; Short Term Deposits</b>	15.00%	11.72%

Fund Returns	
Period	Rate of Return
<b>1 month</b>	0.37%
<b>3 months</b>	1.93%
<b>12 months</b>	7.91%
<b>Calendar YTD</b>	6.17%
<b>Calendar YTD (annualized)</b>	8.22%
<b>Since Inception</b>	104.23%
<b>Since Inception (annualized)</b>	10.22%
<b>5 years</b>	63.72%







# MANAGED GROWTH TAKAFUL FUND

## Fund Objective

To optimize aggregate long term risk adjusted return through capital appreciation, dividend and profit income by investing in a Balanced Portfolio comprising of Shariah compliant equities, equity mutual funds, Sukuks (Government and Corporate), deposits with Islamic Banks and Windows or any other approved Shariah compliant avenues.

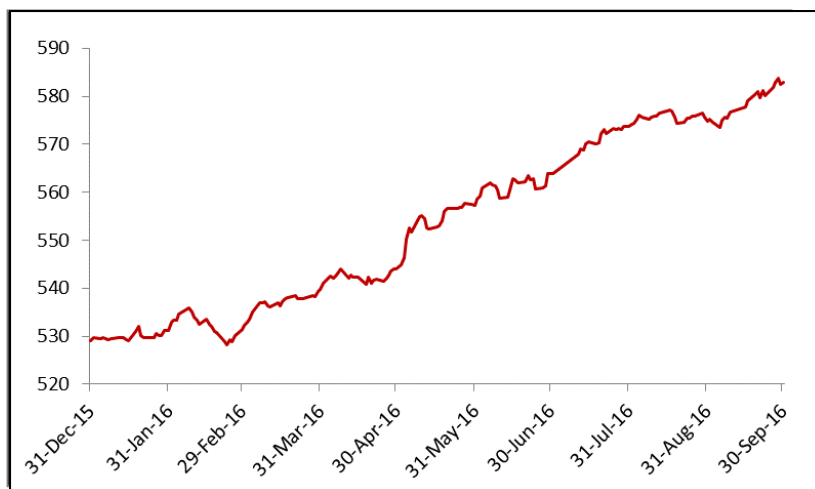
The Fund was launched on July 7, 2015.

## Fund Information

Description	Information
<b>Fund Name</b>	Managed Growth Takaful Fund
<b>Fund Size</b>	PKR 203.9 Million
<b>Launch date</b>	07.07.2015
<b>Bid Price (07.07.2015)</b>	PKR 500.00
<b>Bid Price (30.09.2016)</b>	PKR 582.79
<b>Category</b>	Shariah Compliant Balanced Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

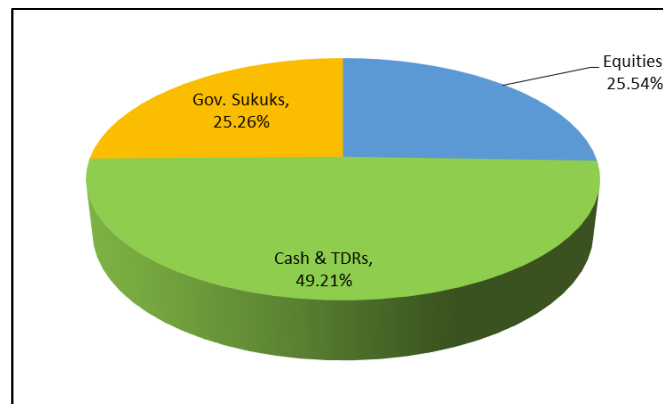
During the month of September 2016, Managed Growth Takaful Fund's (MGTF) Unit Price increased by PKR 8.11 (1.41%) net of fund management fee.



Investment Committee Members	
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Rafiuddin Zakir Mahmood</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

Fund Returns	
Period	Rate of Return
<b>1 month</b>	1.41%
<b>3 months</b>	3.37%
<b>12 months</b>	12.10%
<b>Calendar YTD</b>	10.16%
<b>Since Inception</b>	16.56%

Assets	September 2016	August 2016
<b>Government Sukuks</b>	25.26%	29.68%
<b>Cash &amp; Short Term Deposits</b>	49.21%	50.87%
<b>Stocks</b>	25.54%	19.45%



# CAPITAL GROWTH TAKAFUL FUND

## Fund Objective

To optimize aggregate long term risk adjusted return through capital appreciation, dividend and profit income by investing in an Aggressive Portfolio primarily comprising of Shariah compliant equities and equity mutual funds with any excess liquidity being invested in Sukuks (Government and Corporate) or deposits with Islamic Banks and Islamic Windows of Conventional Banks.

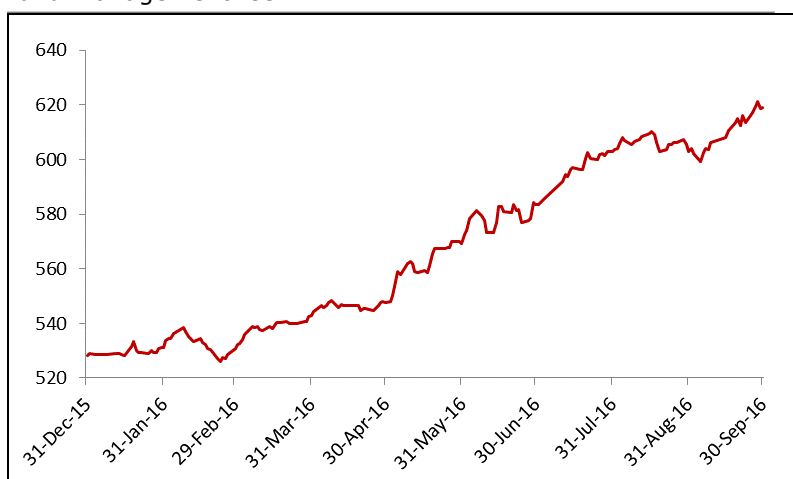
The Fund was launched on July 7, 2015.

## Fund Information

Description	Information
<b>Fund Name</b>	Capital Growth Takaful Fund
<b>Fund Size</b>	PKR 196.1 Million
<b>Launch date</b>	07.07.2015
<b>Bid Price (07.07.2015)</b>	PKR 500.00
<b>Bid Price (30.09.2016)</b>	PKR 619.04
<b>Category</b>	Shariah Compliant Equity Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

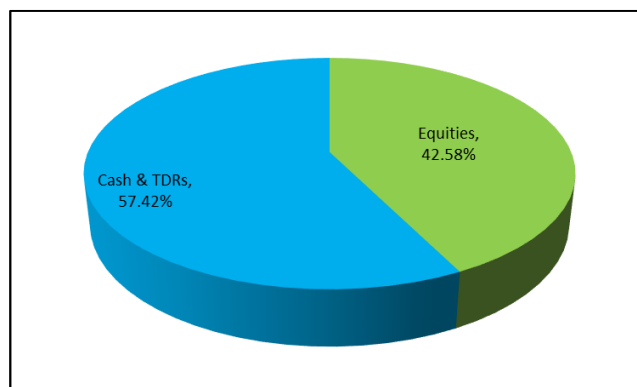
During the month of September 2016, Capital Growth Takaful Funds' (CGTF) Unit Price increased by PKR 16.18 (2.68%) net of fund management fee.



Investment Committee Members	
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Rafiuddin Zakir Mahmood</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

Assets	September 2016	August 2016
<b>Government Securities</b>	0.00%	0.00%
<b>Cash &amp; Short Term Deposits</b>	57.42%	55.42%
<b>Stocks</b>	42.58%	44.58%

Fund Returns	
Period	Rate of Return
<b>1 month</b>	2.68%
<b>3 months</b>	6.08%
<b>12 months</b>	19.29%
<b>Calendar YTD</b>	17.20%
<b>Since Inception</b>	23.81%



# EQUITY PORTFOLIO DETAILS

## MANAGED FUND

Sector Allocations	Percentage
Banks	8.1
Cement	6.8
Oil & Gas	4.9
Power	4.9
Chemicals	3.9
Others	8.6

Top Ten Holdings
FCCL
FFC
HASCOL
HBL
HUBC
KAPCO
KOHC
LUCK
SEARL
UBL

## CAPITAL GROWTH FUND

Sector Allocations	Percentage
Banks	13.2
Cement	12.9
Pharma	11.4
Gen. Industries	11.3
Chemicals	10.7
Others	26.9

Top Ten Holdings
CPPL
EFERT
HINOON
LUCK
MCB
MTL
OGDC
SEARL
THALL
UBL

## MEESAQ FUND

Sector Allocations	Percentage
Cement	9.1
Open End Mutual Fund	8.5
Pharma	7.1
Power	6.0
Oil & Gas	5.0
Others	11.1

Top Ten Holdings
FCCL
HINOON
HUBC
KAPCO
LUCK
MEBL
MIF
MTL
PIOC
SEARL

## YAQeen Growth Fund

Sector Allocations	Percentage
Power	5.1
Banks	3.0
General Industries	2.4
Cement	1.6
Pharma	1.5
Others	1.4

Top Ten Holdings
BAHL
EFERT
EPQL
HBL
HINOON
HUBC
KAPCO
KOHC
NCPL
THALL

## Managed Growth Takaful Fund

Sector Allocations	Percentage
Gen. Industries	6.7
Pharma	4.9
Steel	4.8
Chemicals	4.8
Oil & Gas	2.1
Others	2.2

Top Ten Holdings
APL
ASTL
CPPL
EFERT
FEROZ
HASCOL
HINOON
MTL
MUGHAL
THALL

## Capital Growth Takaful Fund

Sector Allocations	Percentage
Gen. Industries	11.0
Steel	8.9
Chemicals	8.2
Pharma	8.0
Oil & Gas	3.6
Others	2.9

Top Ten Holdings
APL
ASTL
CPPL
EFERT
FEROZ
HASCOL
HINOON
LUCK
MUGHAL
THALL