



# INVESTORS' OUTLOOK

FOR THE MONTH OF JANUARY 2016



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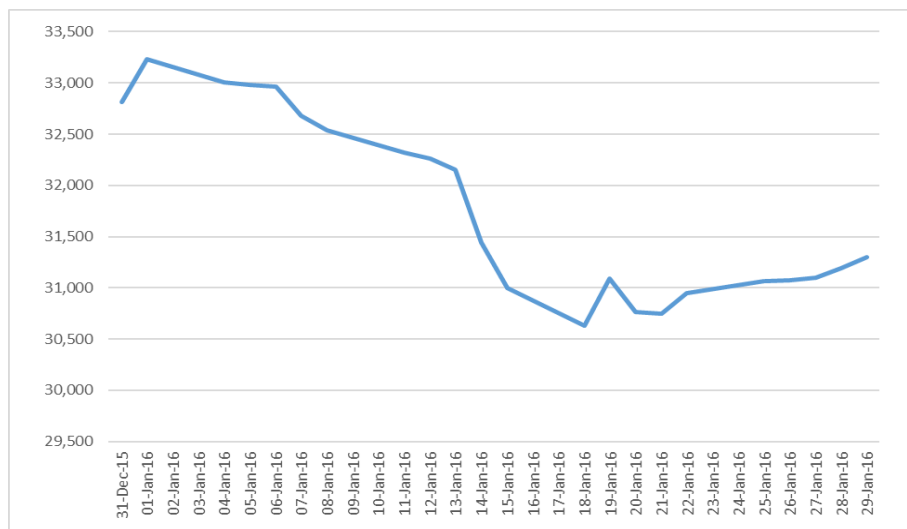
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## Overview

All investors have generally witnessed a downside in their returns in January 2016, the reasons for which are explained in our Equity Market Review as well as the review of the Monetary Policy/Money Market. As insurer, we invest with a longer term view and, therefore, the five and ten year returns of each Fund that has been available to our policyholders should be examined for performance purposes. Our objectives are to invest according to the risk choices selected by our policyholders, but within this context also ensure steady and good performance. We place immense value on the trust reposed in Jubilee Life by our policyholders. In the commentary that follows, we have summarized the broad issues that have affected the short-term performance of our Funds.

## Equity Market

KSE100 Index started the Calendar year with a drop of 4.62% in January to 31,299. Average volume also reduced 7% MoM to only 82.5m shares. Market sentiments were mainly driven by declining international commodity prices, which, if sustained, could affect profitability of Index heavy-weight sectors.



As sanctions were lifted from Iran towards the mid of January, international oil prices made new lows with expectations of additional oil flow, falling to levels last seen in 2003. International fertilizer prices have also been falling making investors nervous about local fertilizer company profit margins. With import-local urea price differential already low, the fertilizer sector may find it difficult to pass on the increased cost pressures, if the government decides to increase gas (its main cost component) prices, unless the farmers are offered subsidies to buy from local market. Furthermore, declining commodity prices also raised expectations of another discount rate cut in the January monetary policy, which affected banking sector spreads and hence their attractiveness to the investors.

During the latter half of the month, however, a recovery in oil prices on expectations of a collective production cut by OPEC and Russia, arrested a decline in the stock market.

Foreign portfolio investors remained net sellers in the local market with an outflow of US\$50m in January. Mutual Funds, individuals and brokers were also on the selling side. The selling was mainly absorbed by Banks, NBFCs, other companies and individuals.

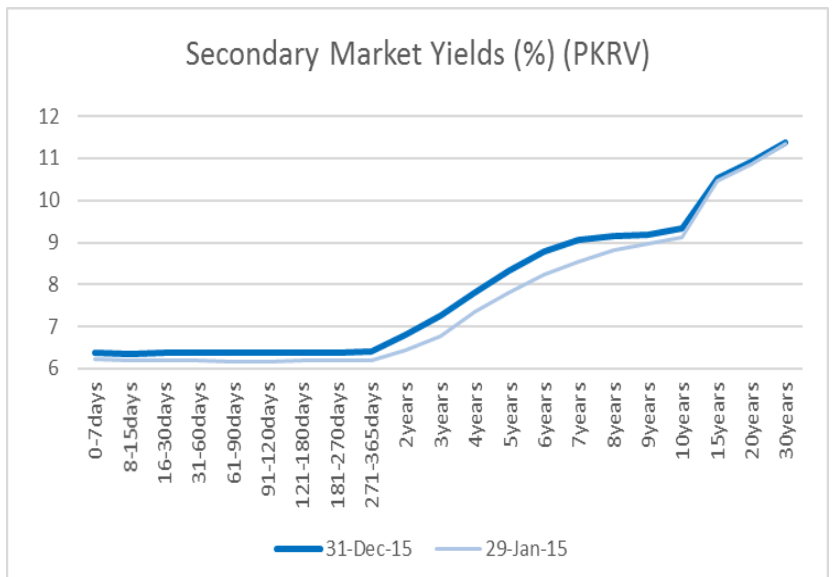


## Monetary Policy

SBP kept the discount rate unchanged at 6.0% in its January 2016 review. The Central Bank expects the average inflation in FY16 to remain in the range of 3-4%, despite a reversal in CPI trend in the recent months. The SBP also noted the improvement in the economy, particularly higher growth rate of 4.4% in Large-scale manufacturing (LSM) for the Jul-Nov FY16, strengthening of the Balance of Payment position, contained fiscal deficit at 1.1% of GDP in 1Q FY16.

## Money Market

Three factors, namely, international oil prices, inflation outlook and concerns on the exchange rate continued to be the focal points in driving secondary market rates during the month. With the continuous drop in international oil prices and removal of sanctions on Iran, investors started not only anticipating another policy rate cut in the up-coming Monetary Policy review, but also that the interest rates could stay low for an extended period of time. Activity was seen in the longer tenor T-bills and bond. T-bill yields dropped 20-21 bps, while PIB yields dropped 33-55 bps in tenors of 2-8 years.



# 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 48,233 Million
<b>Launch date</b>	31.12.1996
<b>Bid Price (31.12.1996)</b>	PKR 99.50
<b>Bid Price (31.01.2016)</b>	PKR 972.40
<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

## Investment Committee Members

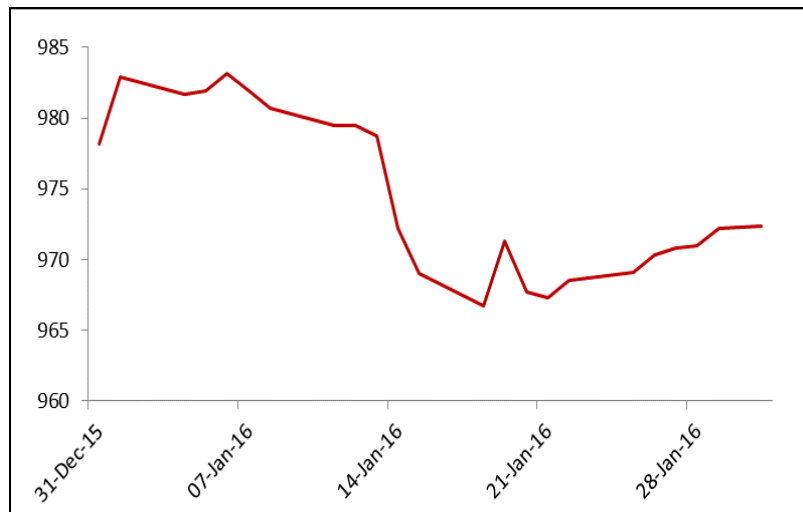
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

## Fund Returns

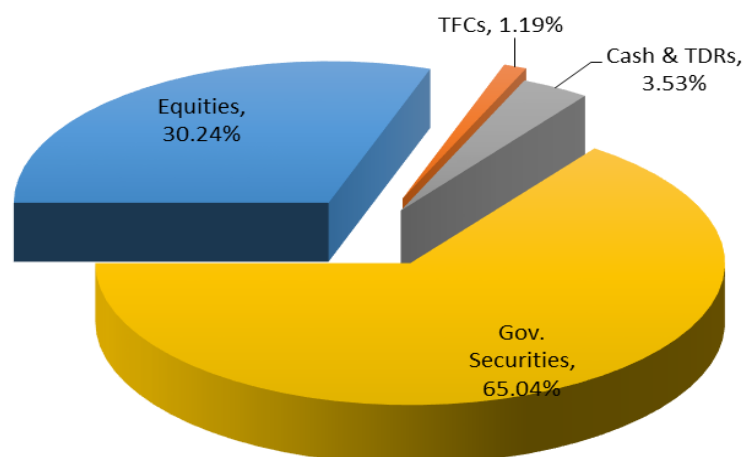
Period	Rate of Return
<b>1 month</b>	-0.59%
<b>3 months</b>	-1.04%
<b>12 months</b>	9.81%
<b>Calendar YTD</b>	-0.59%
<b>Since Inception</b>	877.29%
<b>Since Inception (annualized)</b>	12.68%
<b>5 years</b>	80.88%
<b>10 years</b>	178.54%

## Fund Returns

During the month of January 2016, Managed Fund's (MF) Unit Price decreased by PKR 5.74 (-0.59%) net of fund management fee.



Assets	January 2015	December 2015
<b>Government Securities</b>	65.04%	65.97%
<b>Term Finance Certificates</b>	1.19%	1.24%
<b>Cash &amp; Short Term Deposits</b>	3.53%	2.13%
<b>Stocks &amp; Mutual Funds</b>	30.24%	30.67%



# 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 3,035 Million
<b>Launch date</b>	28.07.2004
<b>Bid Price (28.07.2004)</b>	PKR 100.00
<b>Bid Price (31.01.2016)</b>	PKR 717.75
<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

## Investment Committee Members

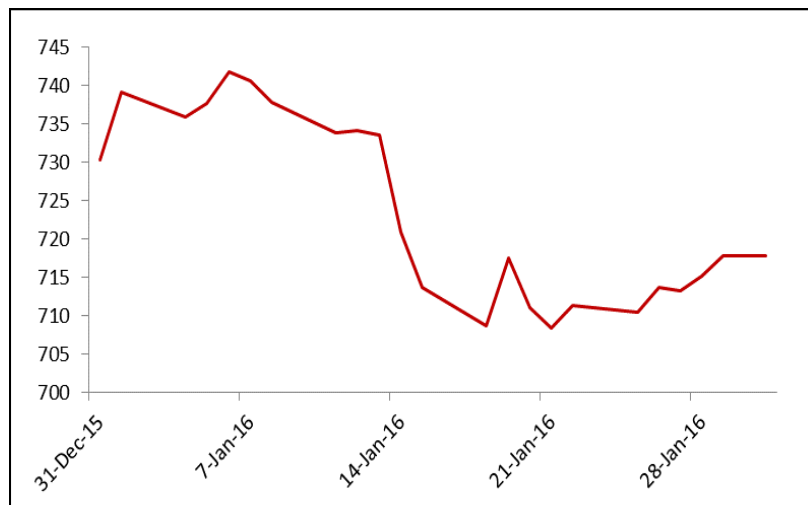
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

## Fund Returns

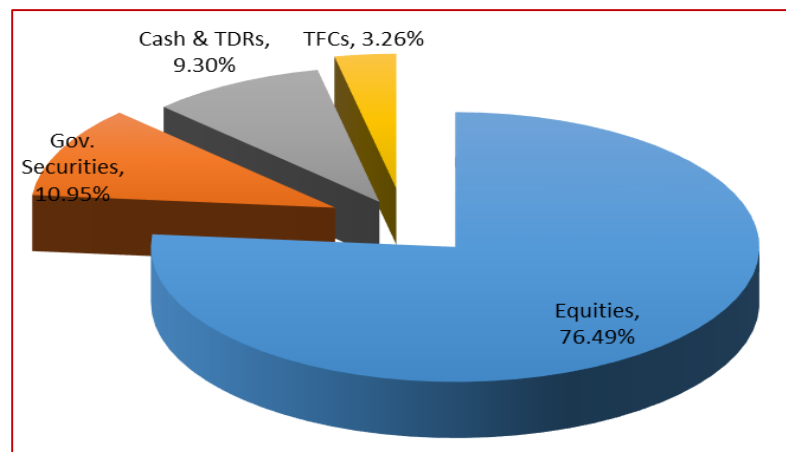
Period	Rate of Return
<b>1 month</b>	-1.72%
<b>3 months</b>	-1.49%
<b>12 months</b>	17.47%
<b>Calendar YTD</b>	-1.72%
<b>Since Inception</b>	617.75%
<b>Since Inception (annualized)</b>	18.66%
<b>5 years</b>	170.85%
<b>10 years</b>	323.13%

## Fund Returns

During the month of January 2016, Capital Growth Fund's (CGF) Unit Price decreased by PKR 12.59 (-1.72%) net of fund management fee.



Assets	January 2016	December 2015
<b>Government Securities</b>	10.95%	13.12%
<b>Term Finance Certificates</b>	3.26%	3.54%
<b>Cash &amp; Short Term Deposits</b>	9.30%	7.43%
<b>Stocks &amp; Mutual Funds</b>	76.49%	75.91%





## Fund Objective

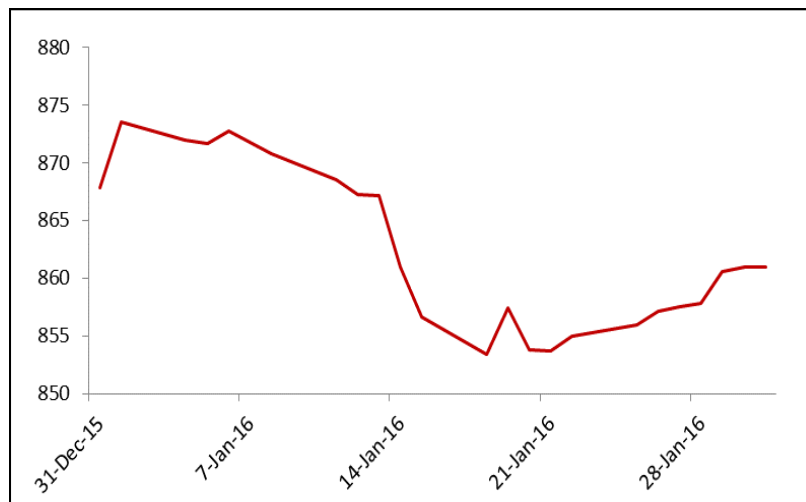
The objective of the Meesaq fund is to provide an opportunity to investors who want interest free returns. The instruments in which the Meesaq fund invests are selective stocks, sukuk, short term deposits in Islamic banks / Islamic bank branches, Islamic mutual funds and other valid interest-free investments.

## Fund Information

Description	Information
<b>Fund Name</b>	Meesaq Fund
<b>Fund Size</b>	PKR 6,698 Million
<b>Launch date</b>	27.03.2008
<b>Bid Price (27.03.2008)</b>	PKR 475.00
<b>Bid Price (31.01.2016)</b>	PKR 860.98
<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 January 2016, Meesaq Fund's (MEF) Unit Price decreased by PKR 6.83 (-0.79%) net of fund management fee.



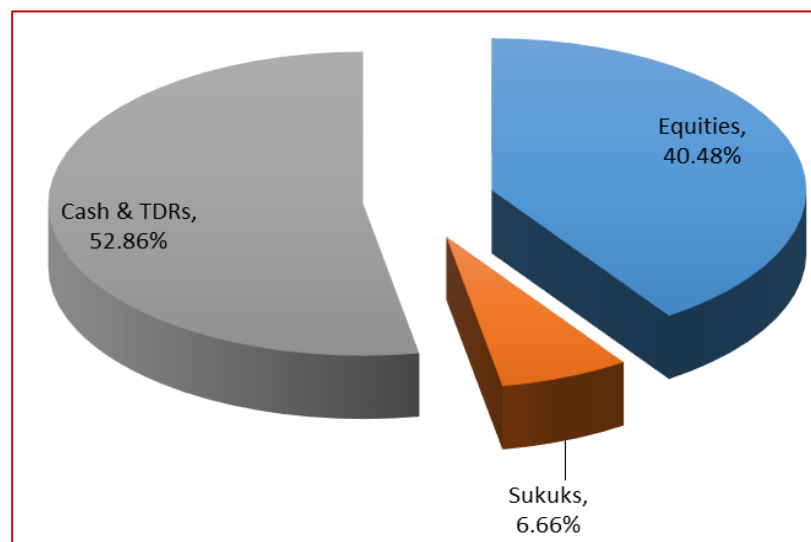
## Investment Committee Members

<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

## Fund Returns

Period	Rate of Return
<b>1 month</b>	-0.79%
<b>3 months</b>	-0.77%
<b>12 months</b>	8.43%
<b>Calendar YTD</b>	-0.79%
<b>Since Inception</b>	81.26%
<b>Since Inception (annualized)</b>	7.87%
<b>5 years</b>	66.95%
<b>10 years</b>	N/A

Assets	January 2016	December 2015
<b>Government Securities/Sukuks</b>	6.66%	3.62%
<b>Cash &amp; Short Term Deposits</b>	52.86%	55.56%
<b>Stocks &amp; Mutual Funds</b>	40.48%	40.82%



# YAQEEEN GROWTH FUND

## Fund Objective

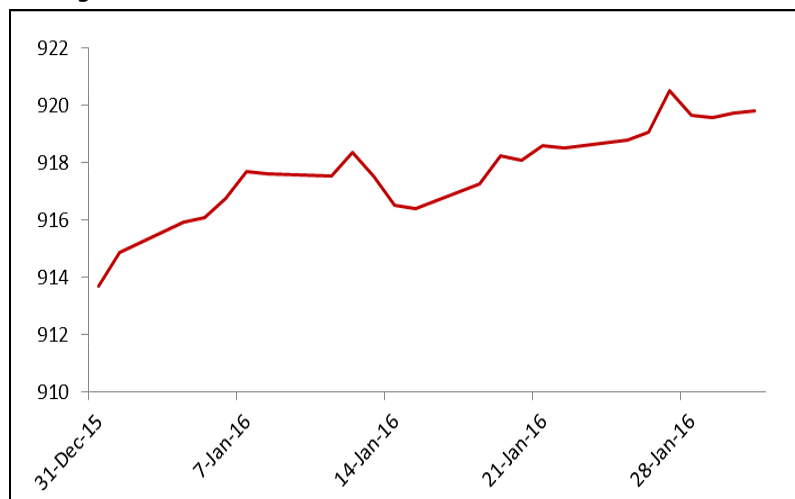
This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum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

## Fund Information

Description	Information
<b>Fund Name</b>	Yaqeen Growth Fund
<b>Fund Size</b>	PKR 1,195 Million
<b>Launch date</b>	01.06.2009
<b>Bid Price (01.06.2009)</b>	PKR 475.00
<b>Bid Price (31.01.2016)</b>	PKR 919.82
<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 January 2016, Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 6.14 (0.67%) net of fund management fee.



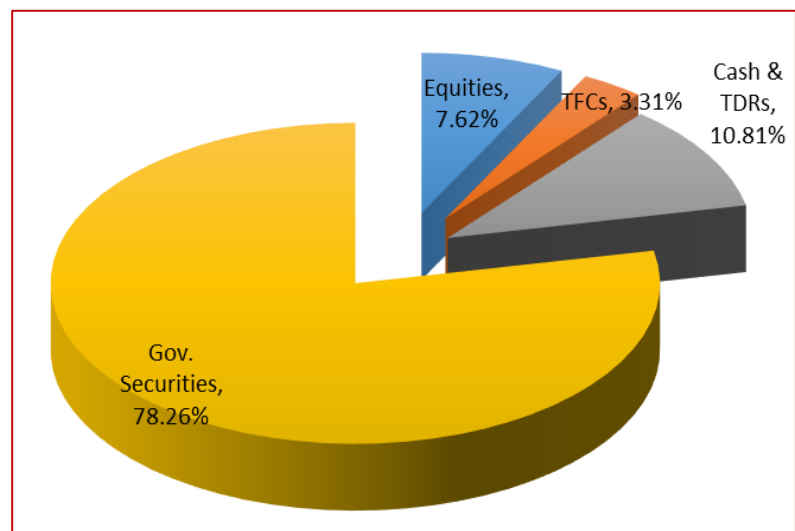
## Investment Committee Members

<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

## Fund Returns

Period	Rate of Return
<b>1 month</b>	0.67%
<b>3 months</b>	0.65%
<b>12 months</b>	10.70%
<b>Calendar YTD</b>	0.67%
<b>Calendar YTD (annualized)</b>	7.92%
<b>Since Inception</b>	93.65%
<b>Since Inception (annualized)</b>	10.41%
<b>5 years</b>	66.21%
<b>10 years</b>	N/A

Assets	January 2016	December 2015
<b>Government Securities</b>	<b>78.26%</b>	<b>80.32%</b>
<b>Stocks &amp; Mutual Funds</b>	<b>7.62%</b>	<b>8.31%</b>
<b>Term Finance Certificates</b>	<b>3.31%</b>	<b>3.55%</b>
<b>Cash &amp; Short Term Deposits</b>	<b>10.81%</b>	<b>7.81%</b>





# MANAGED GROWTH TAKAFUL FUND

## Fund Objective

To optimize return by investing in a balanced portfolio of Shariah compliant investment opportunities including Shariah Compliant stocks and mutual funds, sukuks, short term deposits in Islamic banks / Islamic bank branches and 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 21.25 Million
<b>Launch date</b>	07.07.2015
<b>Bid Price (07.07.2015)</b>	PKR 500.00
<b>Bid Price (31.01.2016)</b>	PKR 531.24
<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

## Investment Committee Members

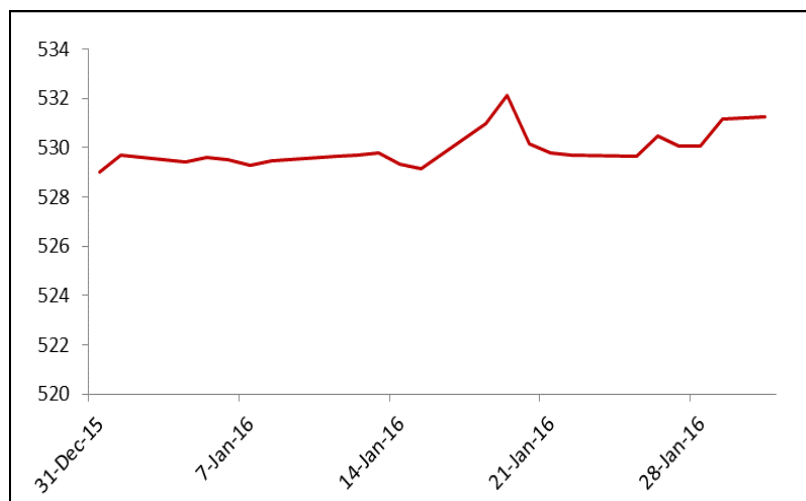
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

## Fund Returns

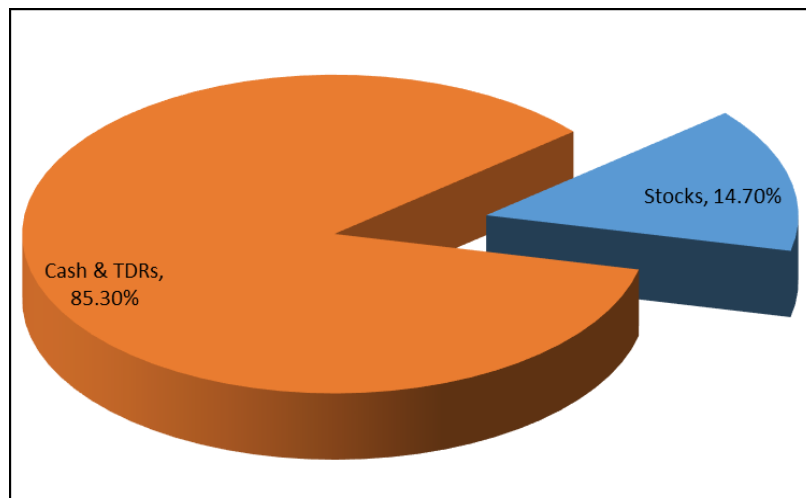
Period	Rate of Return
<b>1 month</b>	0.42%
<b>3 months</b>	1.16%
<b>12 months</b>	N/A
<b>Calendar YTD</b>	0.42%
<b>Since Inception</b>	6.25%
<b>5 years</b>	N/A
<b>10 years</b>	N/A

## Fund Returns

During the month of January 2016, Managed Growth Takaful Fund's (MGTF) Unit Price increased by PKR 2.22 (0.42%) net of fund management fee. Since inception unit price has increased 6.25% (not-annualized).



Assets	January 2016	December 2015
<b>Government Securities</b>	0.0%	0.0%
<b>Cash &amp; Short Term Deposits</b>	85.3%	94.92%
<b>Stocks</b>	14.70%	5.08%



# CAPITAL GROWTH TAKAFUL FUND

## Fund Objective

To optimize returns by investing primarily in Shariah Compliant equities and mutual funds, with excess liquidity being kept in Government and corporate sukuks, short term deposits in Islamic banks / Islamic bank branches.

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 21.24 Million
<b>Launch date</b>	07.07.2015
<b>Bid Price (07.07.2015)</b>	PKR 500.00
<b>Bid Price (31.01.2016)</b>	PKR 531.03
<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

## Investment Committee Members

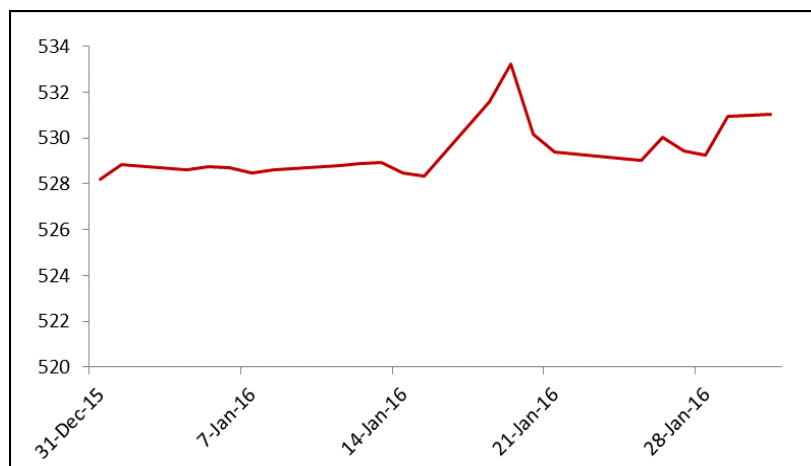
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<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member
<b>Shan Rabbani</b>	Member

## Fund Returns

Period	Rate of Return
<b>1 month</b>	0.54%
<b>3 months</b>	1.28%
<b>12 months</b>	N/A
<b>Calendar YTD</b>	0.54%
<b>Since Inception</b>	6.21%
<b>5 years</b>	N/A
<b>10 years</b>	N/A

## Fund Returns

During the month of January 2016, Capital Growth Takaful Funds's (CGTF) Unit Price increased by PKR 2.84 (0.54%) net of fund management fee. Since inception unit price has increased 6.21% (not-annualized).



Assets	January 2016	December 2015
<b>Government Securities</b>	0.00%	0.00%
<b>Cash &amp; Short Term Deposits</b>	78.84%	94.91%
<b>Stocks</b>	21.16%	5.09%

