

IGI | Life

Funds Performance Report May 2017



IGI Life Insurance Limited

Macro Review and Outlook:

Deflating food prices soften May-17 Headline Inflation

For the month of May-17, headline inflation printed a growth of +5.0%YoY (+0.01%MoM) compared to +4.8%YoY (+1.4%MoM) recorded in Apr-17. Core inflation during the month increased by +0.2%MoM led by increase in Clothing and Footwear index, up by 0.5%MoM, whereas deflating food prices during the month kept overall growth in headline inflation rather muted. Food price index was down by 0.17%MoM while up +4.9%YoY compared to +1.7%MoM and +4.3%YoY in Apr-17. For FY17, we expect headline CPI inflation to remain tepid and average ~4.3%YoY.

Current account balance recorded a deficit of USD 7.3bn in 10MFY17

For the period ending 10MFY17, Current account balance recorded a deficit of USD 7.3bn, compared to USD 2.4bn in the corresponding period last year. Country export during the period stood at USD 17.9bn down by 1%YoY, whereas import bill increased to USD 37.8bn, up by +15.5%YoY. Resultantly, country's trade terms further deteriorated to a deficit of USD 19.9bn compared to USD 14.6bn recorded in same period last year. Worker's remittances during the period also slowdown and decreased to 15.6bn compared to USD 16.0bn in corresponding period last year, showing a decline of 2.8%YoY.

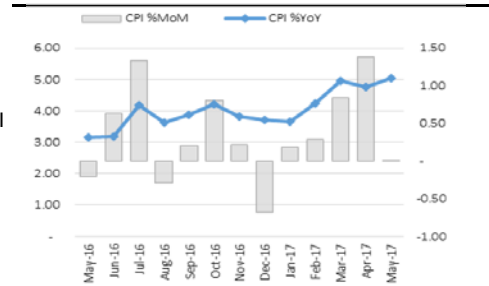
FX Reserves deteriorates

FX reserves as of Apr-17, declined to USD 21.0bn (down by 600mn) recorded in Mar-17. With increasing import bill and lowering FX reserves, country's import cover also reduced to 4.0 months, compared to a FY17 high of 5.9months witnessed in Jul-16.

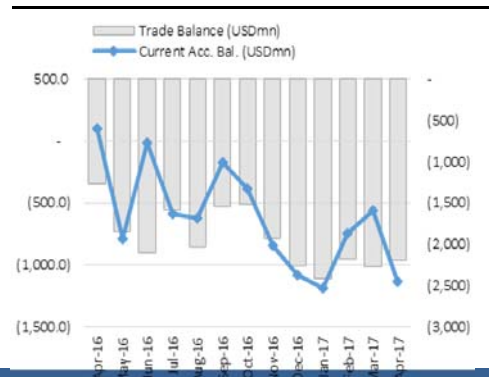
Tax Collection clocked in at PKR 2,860bn in 11MFY17

FBR managed to collect PKR 340bn in month of May-17. As a result, overall tax collection for 11MFY17 clocked in at PKR 2,860bn, reflecting an increase of +14% YoY. Despite this growth in tax collection, it seems unlikely for FBR to achieve its FY17 revised target of PKR 3,500bn.

CPI Inflation



External Account



Equity Market Review and Outlook:

KSE100 index posted an increase of +2.6% MoM in May-17

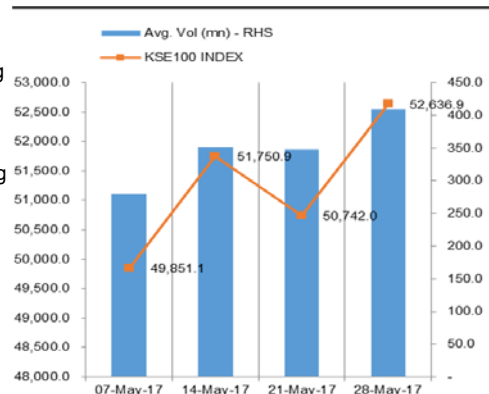
During the month of May-17, the benchmark KSE100 index posted a return of 2.6%MoM by increasing ~1,291 points, to close at 50,592 points. Average trading volumes of the market were recorded at 338mn shares, up by 0.4%MoM as compared to average 241mn shares registered in Apr-17. Equity rallied during May-17, owing to MSCI reclassification & Federal budget FY18, however outcomes of federal budget turn the market toward a downward trend.

The prime outperformers in the market during the month of May-17 were Oil & Gas sector, Oil & Marketing Companies and Banks, while cements were the key laggard during the month.

Key domestic news during the month

- Pakistan Formally made part of MSCI Emerging Market Index. Pakistan's entry into MSCI Emerging Market (EM) index effective from 1st Jun-17, from MSCI Frontier Market (FM).
- Federal budget FY18 has been announced with outlay is set at PKR 5.10trn, up by +4.3%YoY from last year budget. Tax revenues are targeted at PKR 4.33trn, up by +13.2%YoY.

KSE 100

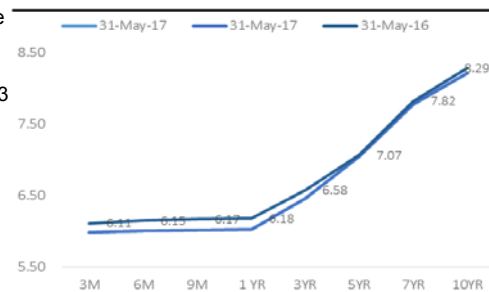


Money Market Review and Outlook:

Markets remain well-liquid

Money market remained stable amid frequent liquidity injections by central bank with a sizable OMO in the month of May-17. As a result, OMO maturity size also increased to PKR 1,350bn at month end compared to PKR 1,190bn last month. Investors remained subjected towards short term bills as evident by a massive cumulative participation of PKR 816bn in T-bills auctions which was mainly concentrated toward 3 and 6 months papers.

Yield Curve



IGI Takaful Aggressive Fund-TAF

For the month of May 2017



INVESTMENT OBJECTIVE:

To provide investors with an opportunity to earn long-term capital appreciation optimizing through broad mix of asset classes largely driven by Shariah compliant equity with a proportion of Shariah compliant fixed income & money market instruments.

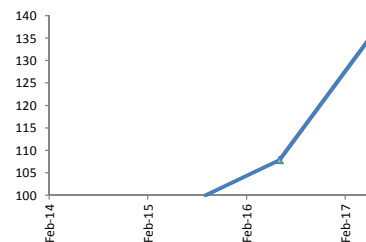
FUND INFORMATION:

Strategy	Fixed Income / Equity
Risk Profile	High
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	1.5%
Launch Date	21-Sep-15

RETURNS:

During the month the fund generated an absolute return of 2.83% against its last month absolute return of 2.36%.

Value of 100 Rupees invested since inception

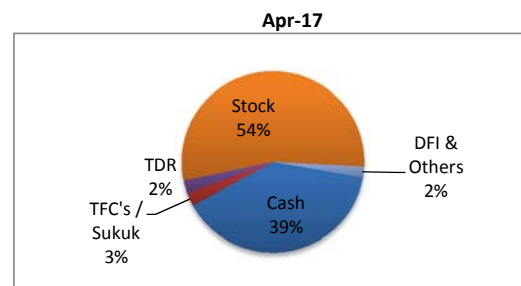
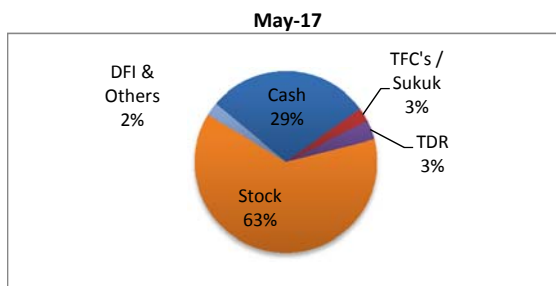


ASSETS UNDER MANAGEMENT:

	May-17	Apr-17	MoM %
NAV per Unit (PKR)	134.9	131.2	2.83%
Net Assets Value (PKR '000)	108,387	87,454	23.94%

Note: Fund returns are gross of management fee.

ASSET ALLOCATION *:

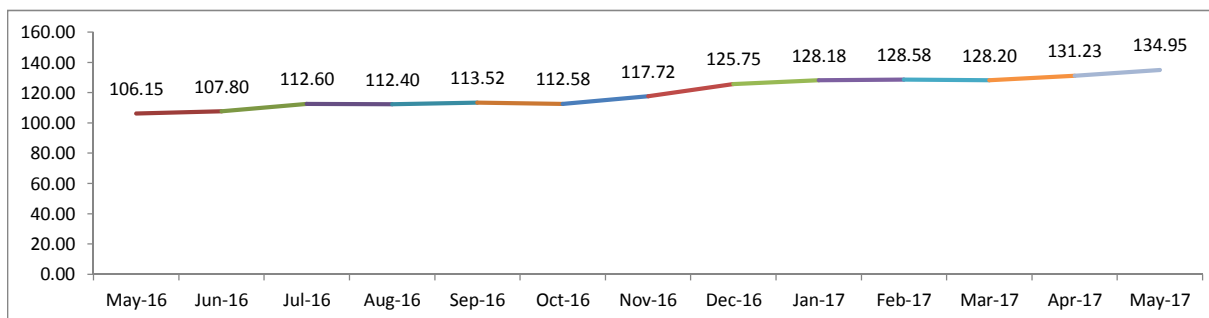


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	2.83%	5.26%	4.96%	14.64%	27.13%	17.67%	19.33%

IGI Aggressive Fund - IAF BID PRICE:



Disclaimer: Past performance is not indicative of future performance. Market volatility can significantly affect short-term performance. The value of investment can fall as well as rise.

IGI Takaful Balanced Fund-TBF

For the month of May 2017



INVESTMENT OBJECTIVE:

The investment objective of the Fund is to earn competitive long term return by investing in mix of Shariah compliant equity, fixed income and money market instruments. This fund is suited for investors with moderate risk tolerance.

FUND INFORMATION:

Strategy	Fixed Income / Equity
Risk Profile	Moderate
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	1.5%
Launch Date	21-Sep-15

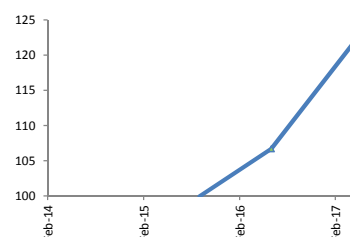
RETURNS:

During the month the fund generated an absolute return of 1.90% against its last month absolute return of 1.63%.

ASSETS UNDER MANAGEMENT:

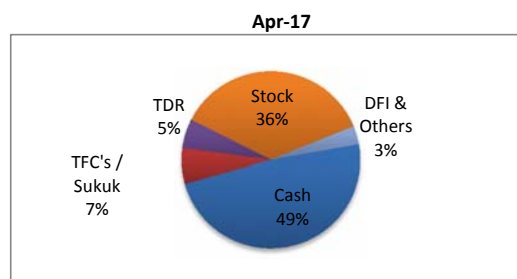
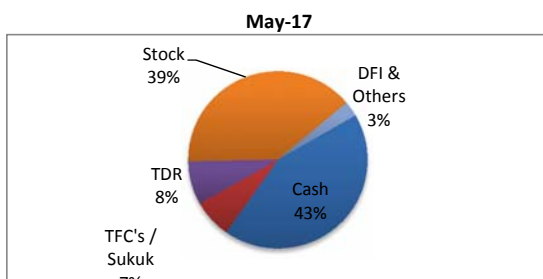
	May-17	Apr-17	MoM %
NAV per Unit (PKR)	122.7	120.4	1.90%
Net Assets Value (PKR '000)	221,651	192,112	15.38%

Value of 100 Rupees invested since inception



Note: Fund returns are gross of management fee.

ASSET ALLOCATION *:

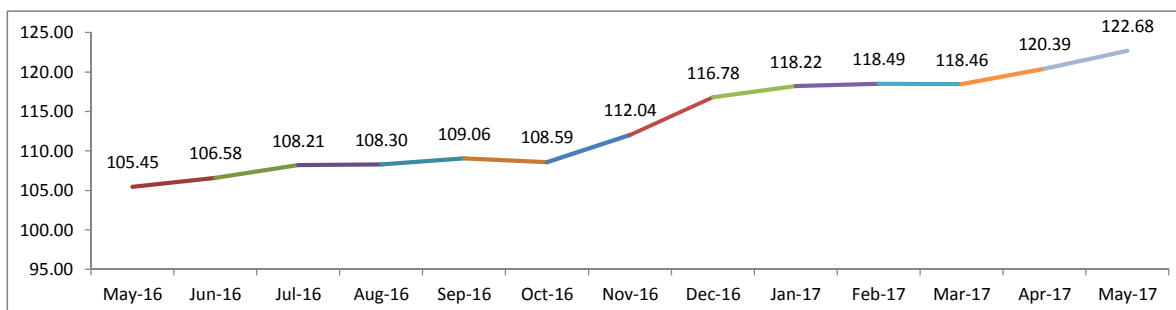


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Balanced Fund - IBF	1.90%	3.56%	3.54%	9.50%	16.34%	12.20%	12.81%

IGI Balanced Fund - IBF BID PRICE:



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IGI Takaful Conservative Fund - TCF

For the month of May 2017



INVESTMENT OBJECTIVE:

To provide stable and competitive returns in line with the money markets exhibiting low volatility consistent with capital preservation by constructing a liquid portfolio of low risk short term Shariah compliant investments yielding competitive returns.

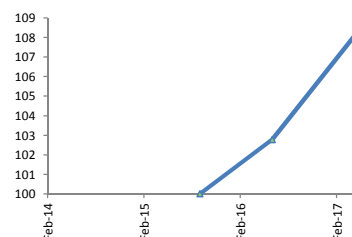
FUND INFORMATION:

Strategy	Fixed Income
Risk Profile	Low
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	1.5%
Launch Date	21-Sep-15

RETURNS:

During the month the fund generated an absolute return of 0.65% against its last month absolute return of 0.71%.

Value of 100 Rupees invested since inception

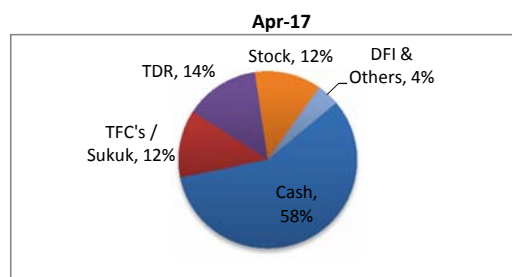
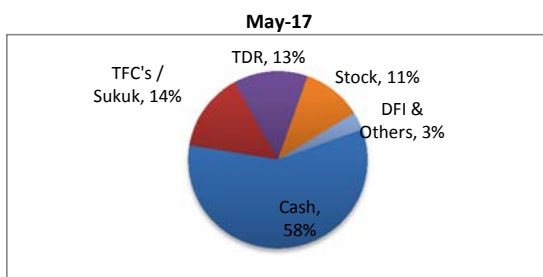


ASSETS UNDER MANAGEMENT:

	May-17	Apr-17	MoM %
NAV per Unit (PKR)	108.5	107.8	0.65%
Net Assets Value (PKR '000)	30,639	26,487	15.68%

Note: Fund returns are gross of management fee.

ASSET ALLOCATION *:

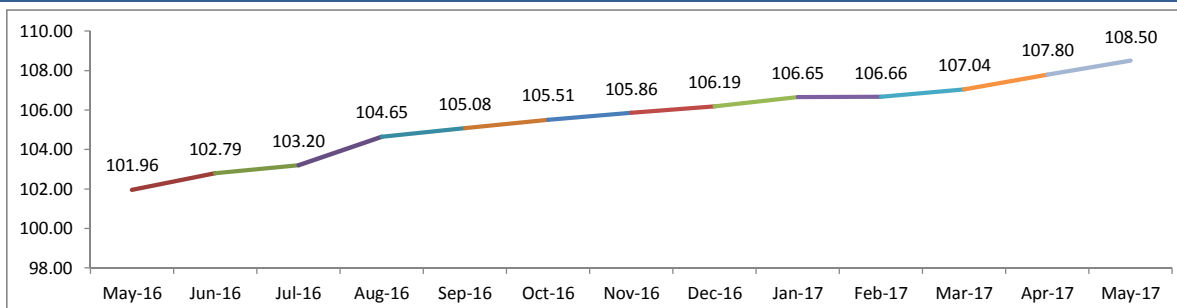


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	0.65%	1.36%	1.72%	2.49%	6.41%	5.25%	4.93%

IGI Conservative Fund - ICF BID PRICE:



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