

IGI | Life

Funds Performance Report June 2017



IGI Life Insurance Limited

FUND MANAGER REPORT

For the month of June 2017



Macro Review and Outlook:

Inflation eases by 0.4%MoM in Jun-17

For the month of Jun-17, CPI was down by 0.4%MoM (+3.9%YoY) compared to +0.0%MoM (+5.0%YoY) recorded in May-17. 15.3% decline in prices of Alcoholic Bev & Tobacco items and downward adjustment of fuel prices pushed the monthly inflation figure into negative territory. At the same time, food basket failed to put any meaningful inflationary pressure on the index during the aforementioned month. However, on a yearly basis, house rent index (HRI) and food basket kept the 12MFY17 average inflation at 4.16%YoY.

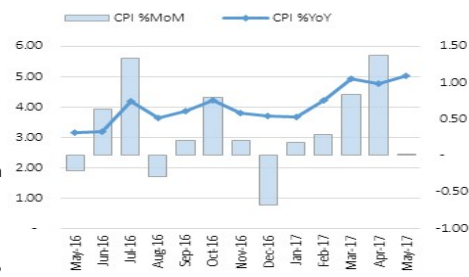
Current account balance records a deficit of USD 10.6bn

For the period ending 11MFY17, Current account balance recorded a deficit of USD 10.6bn, compared to USD 4.6bn in the corresponding period last year. Over the last year's c/a deficit of USD 4.6bn, these numbers translate into a staggering 132%YoY growth. In 3QFY17 alone, c/a deficit reached USD 3.2bn, which is the highest level recorded in a single quarter since last balance of payment crisis witnessed in FY08. Primary factors responsible in deterioration of the c/a are trade deficit, that reached USD 23.7bn, showing a growth of +38.2%YoY, wherein, imports advanced by +16.7% to USD 43.5bn (leaving roughly 4months of import cover) and exports declined by 1.6% to USD 19.8bn. On the exports side, textile sector performed the worst, whereby, textile exports fell by 2.4%YoY. On the imports side, petroleum products showed the greatest impact with a growth of 25.4%YoY. Country's remittances also showed a decline of 2.1%YoY to USD 17.5bn, owing to slowdown in remittances receipt from the Middle East. Furthermore, receipts under

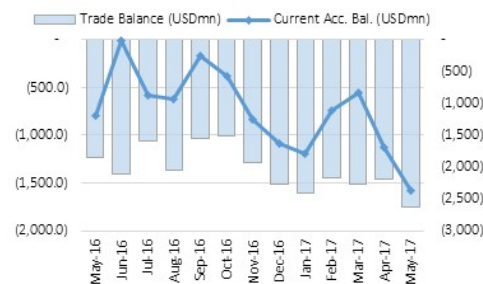
FX Reserves deteriorate

FX reserves by Jun-17 increased to USD 21.4bn as compared to USD 21.2bn in May-17 (up by 177mn). Structural weakness on external account such as widening c/a deficit, upcoming debt repayments and pressure on FX reserves still persist, which is unlikely to keep PKR stronger in the long run. From a market perspective, PKR depreciation is widely anticipated. Hence, to keep PKR stable we will witness pressure on FX reserves in the near future.

CPI Inflation



External Account



Equity Market Review and Outlook:

KSE100 index posted a decrease of 8.0% M/M in Jun-17

For the month of Jun-17, the benchmark KSE100 index decreased shaply by 4026 points (8.0%MoM), to close at 46565 points. This was primarily due to exit of frontier funds as well as prevailing political instability. Average trading volumes of the market were recorded at 190mn shares, down by 44%MoM as compared to average 340mn shares registered in May-17. The aforesaid dismal performance has been brought about by i) disappointing MSCI-EM related flows, ii) rising political uncertainty surrounding ongoing investigation regarding the Panama case that poses risks for the current political setup & a iii) discouraging taxation regime for the capital markets in contrast to the recommendations of PSX.

The prime outperformers in the market during the month of Jun-17 were Tobacco, Synthetic & Rayon, while top laggard sectors were Oil & Gas marketing companies, Oil & Gas Exploration Companies and Automobile Assemblers followed by Pharmaceutical, Fertilizers and Cements.

Key domestic news during the month

The Pakistan Stock Exchange (PSX) launched initial public offering (IPO) for 20 percent of its stakes during the month of Jun-17.

Nawaz Sharif is set to become the first sitting prime minister to appear before any investigating agency. Fed Raises Rates, Policy makers agreed to raise their benchmark lending rate for the third time in six months, while maintaining their outlook for one more hike in 2017

KSE 100

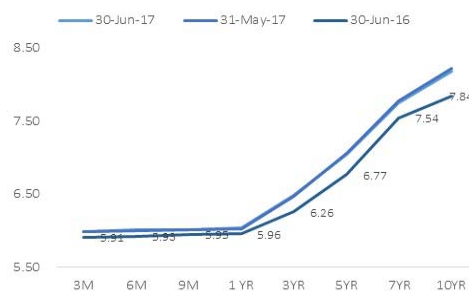


Money Market Review and Outlook:

Markets remain well-liquid

During Jun-17, there were frequent liquidity injections by central bank with a sizable OMO of PKR1.51tn. T-bill auction gathered cumulative participation of PKR687 billion mainly concentrated in 3 and 6 months papers, whereas, SBP accepted total bid worth PKR512bn. On the PIBs front, total participation stood at PKR92bn, while SBP accepted bid worth PKR76bn. The cut off yields for 12 months tenors came off by 1 basis points while 3 and 6 months bill yields remain unchanged.

Yield Curve



IGI Takaful Aggressive Fund-TAF

For the month of June 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.

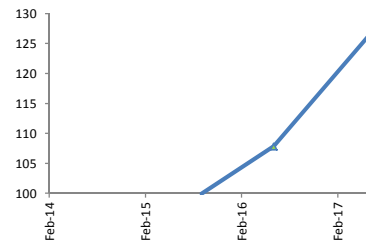
FUND INFORMATION:

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 -6.29% against its last month absolute return of 2.83%.

Value of 100 Rupees invested since inception

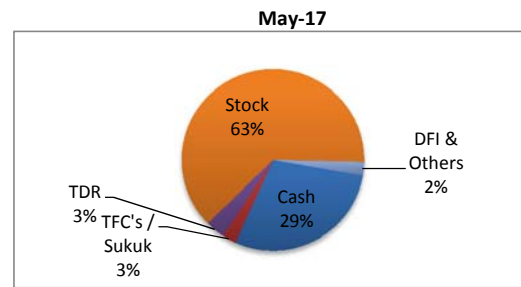
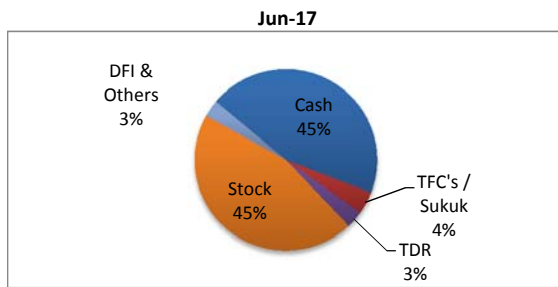


ASSETS UNDER MANAGEMENT:

	Jun-17	May-17	MoM %
NAV per Unit (PKR)	126.5	134.9	-6.29%
Net Assets Value (PKR '000)	111,403	108,387	2.78%

Note: Fund returns are gross of management fee.

ASSET ALLOCATION *:

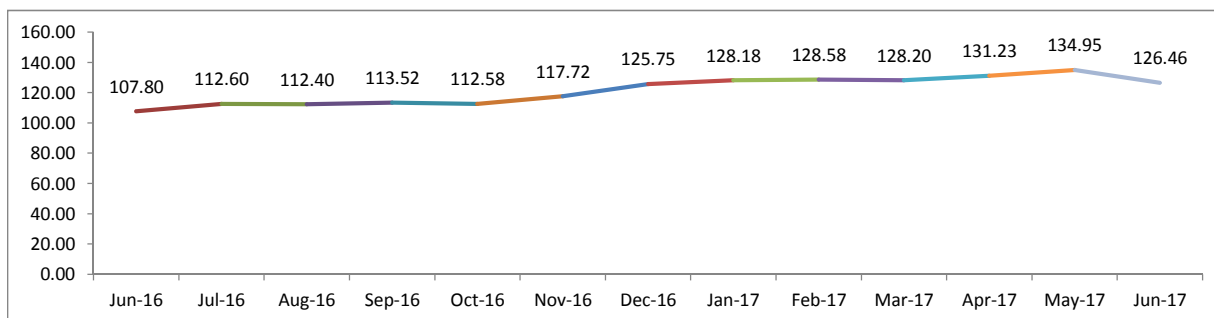


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	-6.29%	-3.63%	-1.36%	0.56%	17.31%	1.13%	14.11%

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 June 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

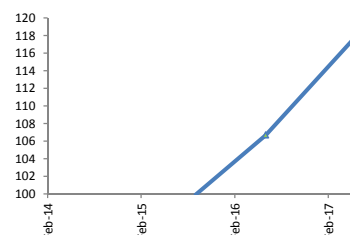
RETURNS:

During the month the fund generated an absolute return of -3.63% against its last month absolute return of 1.90%.

ASSETS UNDER MANAGEMENT:

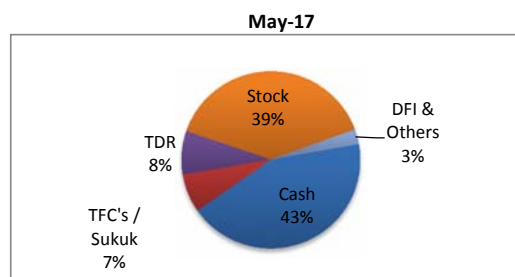
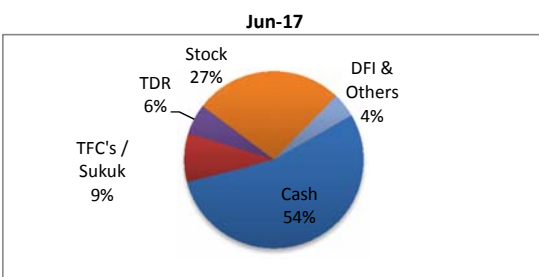
	Jun-17	May-17	MoM %
NAV per Unit (PKR)	118.2	122.7	-3.63%
Net Assets Value (PKR '000)	248,552	221,651	12.14%

Value of 100 Rupees invested since inception



Note: Fund returns are gross of management fee.

ASSET ALLOCATION *:

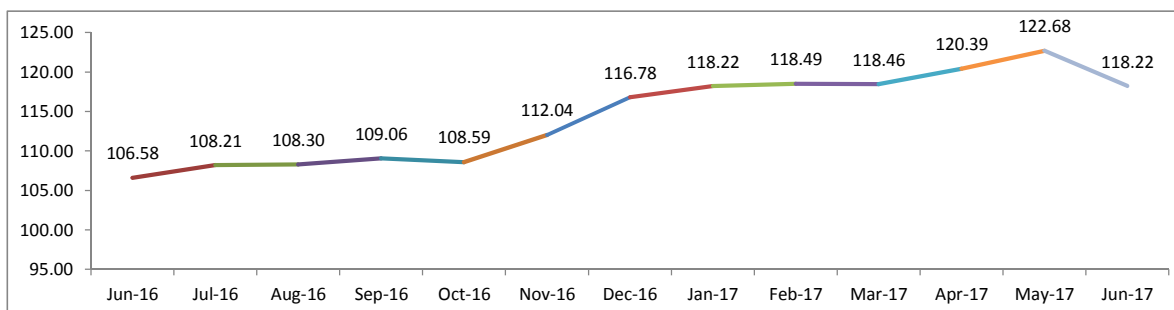


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Balanced Fund - IBF	-3.63%	-1.80%	-0.20%	1.23%	10.93%	2.49%	9.87%

IGI Balanced Fund - IBF BID PRICE:



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IGI Takaful Conservative Fund - TCF

For the month of June 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.

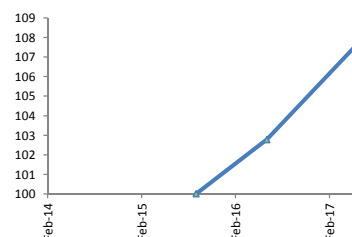
FUND INFORMATION:

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 -0.59% against its last month absolute return of 0.65%.

Value of 100 Rupees invested since inception

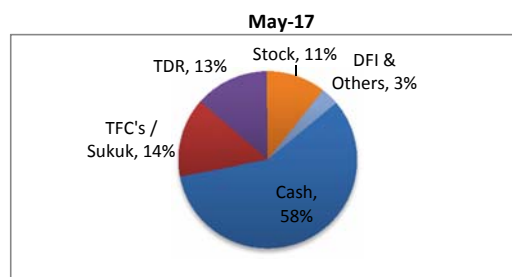
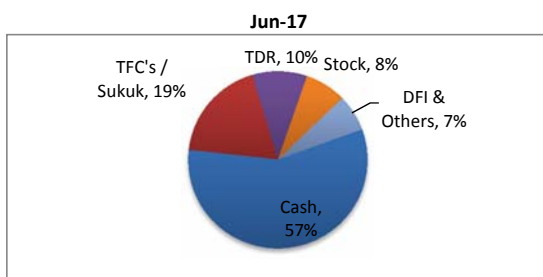


ASSETS UNDER MANAGEMENT:

	Jun-17	May-17	MoM %
NAV per Unit (PKR)	107.9	108.5	-0.59%
Net Assets Value (PKR '000)	30,912	30,639	0.89%

Note: Fund returns are gross of management fee.

ASSET ALLOCATION *:

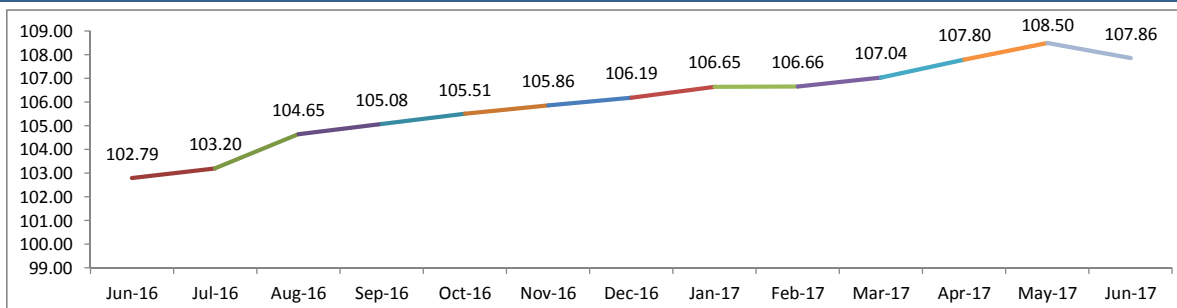


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	-0.59%	0.06%	0.77%	1.57%	4.93%	3.17%	4.35%

IGI Conservative Fund - ICF BID PRICE:



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