

# IGI | Life

## Funds Performance Report

October 2018



IGI Life Insurance Limited

# FUND MANAGER REPORT

## For the month of October 2018



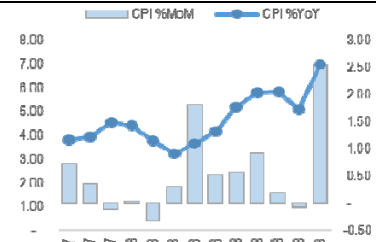
### Macro Review and Outlook:

#### CPI for the month of Oct-18 up by 7.0%YoY:

For the month of Jul-18, headline inflation leaped up to +7.0%YoY as against +3.8%YoY recorded in the same period last year. On a monthly basis inflation rose up by a substantial +2.6%MoM. Key contributors to this uptick were Utility index (HWEFG) (up +9.9%YoY), transport index (up +18.6%YoY), food index (up +2.0%YoY) and education index (up +11.5%YoY).

Food basket as a whole registered a meagre +2.7%YoY inflation due to slowdown in growth of perishables' prices while non-food inflation continued its robust upward trend, up 8.7%YoY, on the back of HRI index, education index and motor fuel prices. At the same time, during the month, core inflation remained at +8.0%YoY.

#### CPI Inflation

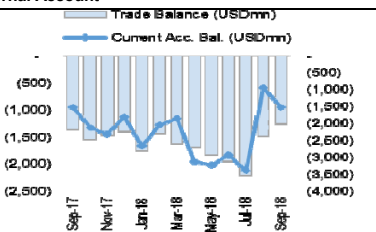


#### Current account balance reached a deficit of USD 0.9bn in month of Sep-18

During the month of Sep-18, Current account deficit decreased by a mere 0.4%YoY to USD 0.9bn. For 3MFY19 collectively, current account deficit struck at USD 3.7bn, rising by +3%YoY due to growth in imports, up by +7%YoY, decrease in FDI by 15% YoY(0.59bn)

During the month of Sep-18, Country's exports decreased by 14%MoM to USD 1.8bn, while import bill witnessed a decrease of 15%MoM to USD 3.8bn . Resultantly, trade term for the month reached USD 2.0bn, decreasing by 15%MoM.

#### External Account



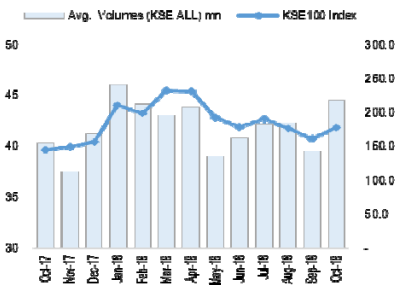
### Equity Market Review and Outlook:

#### Economic uncertainty unsettled the market in Oct-18

Following declining trend in Sep-18, wherein KSE-100 recorded a level of 40,852 points, the market recovered during the last weeks of Oct-18 with index closing at 40,998 points, depicting an increase of 1000 points (2%MoM). The activity in the market can be attributed to, a) uncertainty over IMF bailout package , b) worries over removal of heavyweights scrips from MSCI large cap index and c) Saudi Arabia guarantee to provide financial assistance to Pakistan.

Average daily volumes surged by 58%MoM to 218 mn shares while average traded value came up by +23%MoM to USD 83mn.

#### KSE 100



#### Leaders and Laggards

Major positive contribution was led by Power generation (+5%MoM) on the back of currency depreciation while fertilizer sector also performed positively with a return of 5.8% as manufacturers passed on the impact of increased gas price hike. Similarly cement sector contributed with a return of +4.6%, as valuations seemed attractive . Automobiles, however remained laggards (-6%) on the back of PKR depreciation and decrease in volumes.

#### Key domestic/international news

- Uncertainty over IMF bailout package
- US-China escalating trade wars
- Decrease in crude oil prices with USA having buildup inventories and waivers being granted to nations for importing oil from Iran

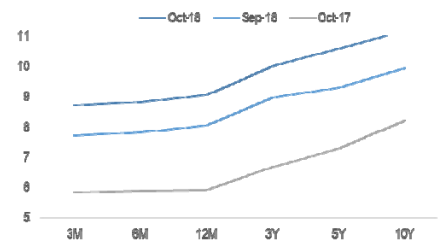
### Money Market Review and Outlook:

#### Money Market Review

The SBP conducted two T-bill auctions during the month of Sep-18 with a cumulative target of PKR 3,950bn against maturity of PKR 4,254bn. The total accepted amount was PKR 3,168.8bn out of which PKR 3,168 bn was for 3M tenor (excluding non-competitive bids). The cut-off yields yield increased following interest rate hike of 100bps. Within different periods of maturity, the cut off yield for 3M Tbill increased by 105 bps to 8.8% while for 6M tenor the yield increase was 100 bps. Similar trend was also witnessed in PIB

Similar trend was also witnessed in PIB auction where cumulative participation of just PKR 7.3bn was received in 3Y, 5Y and 10Y tenor. In the last week of the month, Government injected PKR 1,024bn at 8.45% p.a through an OMO.

#### Yield Curve



Source: SBP, PBS, Bloomberg

# IGI Takaful Aggressive Fund-TAF

## For the month of October 2018



### 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.

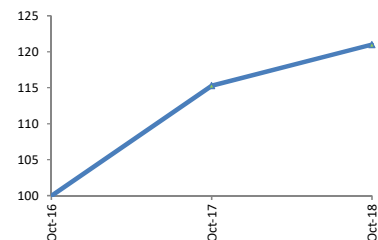
### FUND INFORMATION:

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

### RETURNS:

During the month the fund generated an absolute return of 3.12% against its last month absolute return of -0.93%.

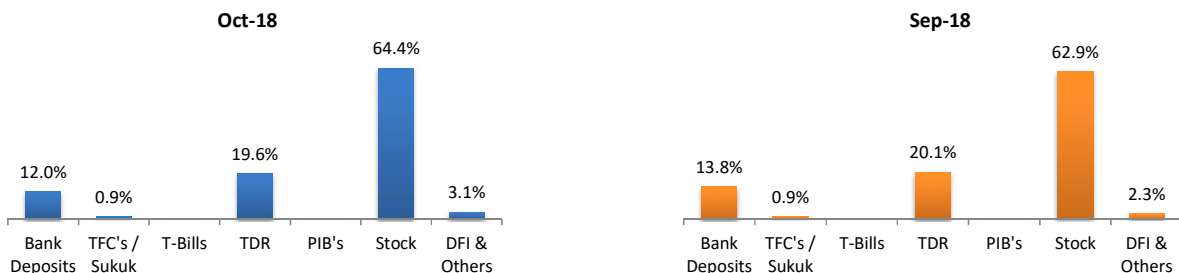
#### Value of 100 Rupees invested since inception



### ASSETS UNDER MANAGEMENT:

	Oct-18	Sep-18	MoM %
<b>NAV per Unit (PKR)</b>	121.0	117.3	3.12%
<b>Net Assets Value (PKR '000)</b>	444,075	433,169	2.52%

### ASSET ALLOCATION \*:

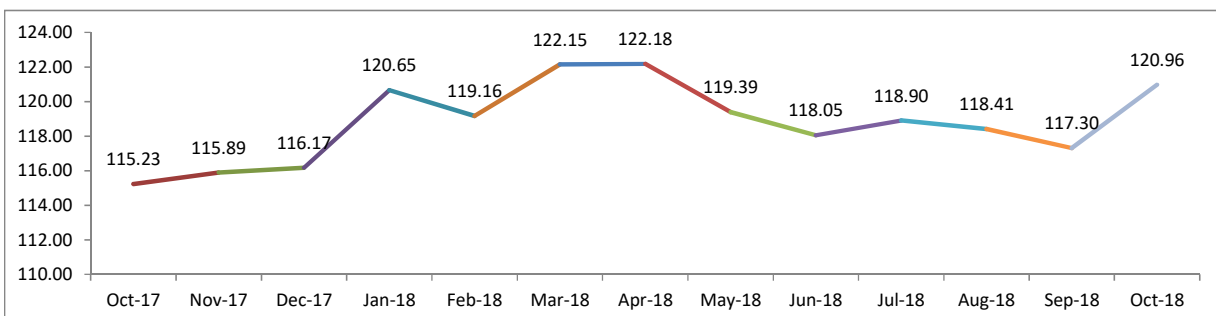


\* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

### FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	3.12%	2.16%	1.74%	-0.99%	4.98%	4.95%	6.30%

### 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 October 2018



## 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:

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

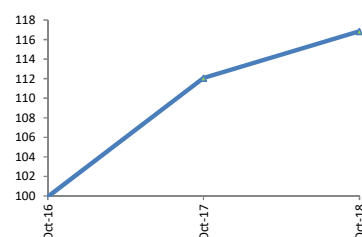
## RETURNS:

During the month the fund generated an absolute return of 2.18% against its last month absolute return of -0.45%.

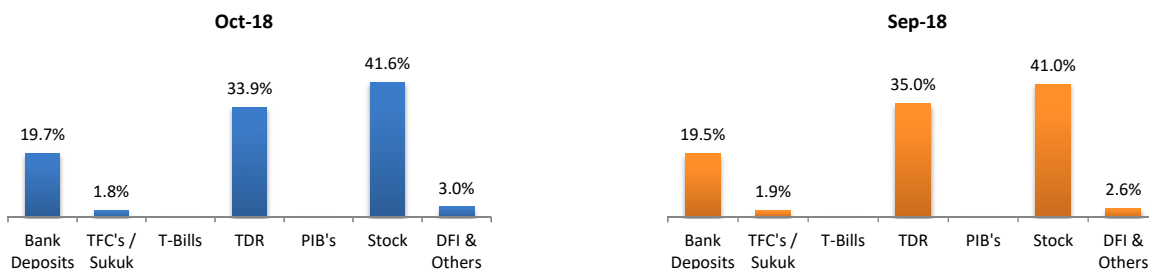
## ASSETS UNDER MANAGEMENT:

	Oct-18	Sep-18	MoM %
<b>NAV per Unit (PKR)</b>	116.7	114.3	2.18%
<b>Net Assets Value (PKR '000)</b>	1,123,874	1,086,650	3.43%

## Value of 100 Rupees invested since inception



## ASSET ALLOCATION \*:

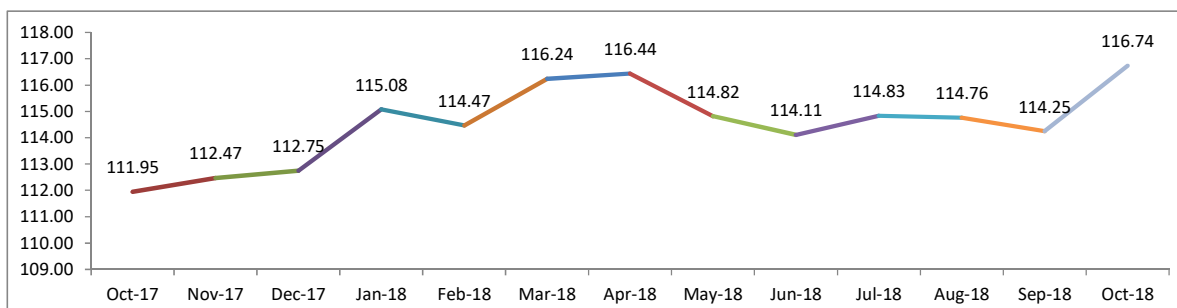


\* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

## FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
<b>IGI Balanced Fund - IBF</b>	2.18%	1.72%	1.66%	0.25%	4.28%	4.25%	5.09%

## IGI Balanced Fund - IBF BID PRICE:



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# IGI Takaful Conservative Fund - TCF

## For the month of October 2018



### 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:

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

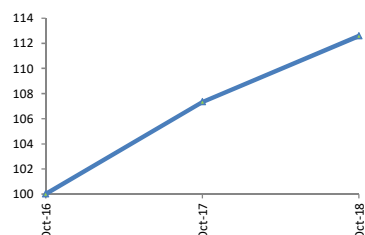
### RETURNS:

During the month the fund generated an absolute return of 0.63% against its last month absolute return of 0.26%.

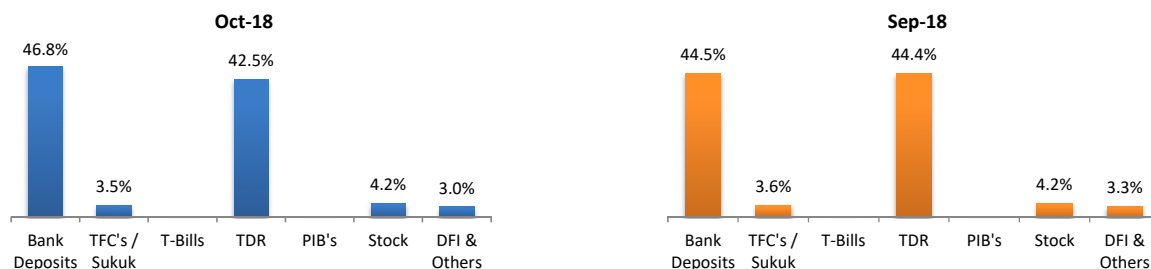
### ASSETS UNDER MANAGEMENT:

	Oct-18	Sep-18	MoM %
<b>NAV per Unit (PKR)</b>	112.6	111.9	0.63%
<b>Net Assets Value (PKR '000)</b>	61,392	58,704	4.58%

### Value of 100 Rupees invested since inception



### ASSET ALLOCATION \*:

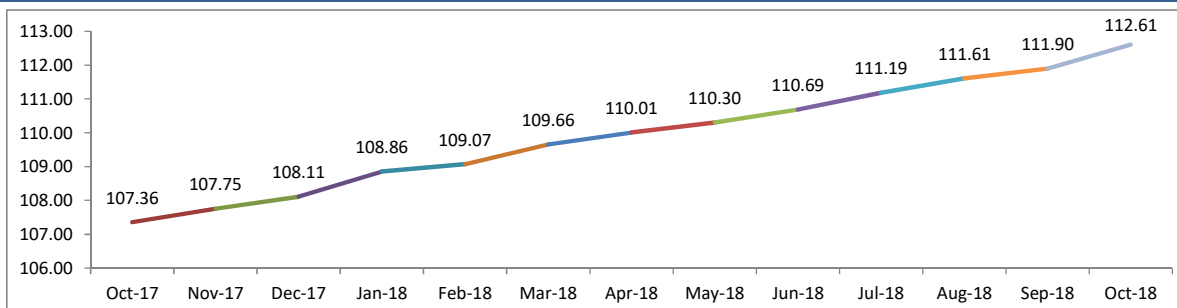


\* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

### FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	0.63%	0.89%	1.28%	2.36%	4.89%	4.99%	3.88%

### IGI Conservative Fund - ICF BID PRICE:



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