

IGI | Life

Funds Performance Report December 2018



IGI Life Insurance Limited

FUND MANAGER REPORT

For the month of December 2018



Macro Review and Outlook:

CPI for the month of Dec-18 up by 6.16%YoY:

For the month of Dec-18, headline inflation leaped up to +6.16%YoY as against +4.57%YoY recorded in the same period last year. On a monthly basis inflation witnessed a drop of 0.42%. Key contributors to this uptick were Utility index (HWEGF) (up +9.1%YoY), transport index (up +18.2%YoY) and education index (up +10.4%YoY).

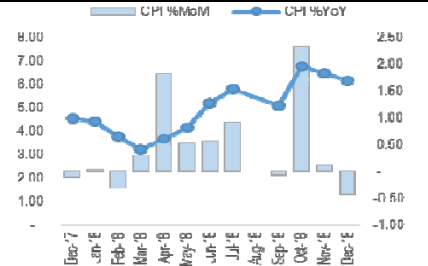
Food basket as a whole registered a meagre +0.95%YoY inflation due to seasonal effect while non-food inflation continued its robust upward trend, up +9.8%YoY, on the back of HRI index, education index and motor fuel prices. At the same time, during the month, core inflation remained at +7.9%YoY.

Current account balance reached a deficit of USD 1.3bn in month of Nov-18

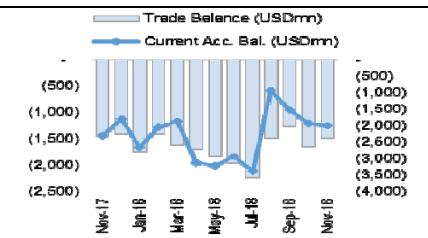
During the month of Nov-18, Current account deficit decreased by 13%YoY to USD 1.3bn. For 5MFY19 collectively, current account deficit inched down by 3.1%YoY to USD 6.1bn, due to increase in remittances, up by +12.6%YoY and a slight uptick in exports (+0.44%YoY). However, this was partially countered by increase in imports, up by +4.62%YoY.

On sequential basis, for the month of Nov-18, Country's exports and imports decreased by 8%/11%MoM to USD 1.9/4.3bn. Resultantly, trade deficit for the month reached USD 2.4bn, decreasing by 11%MoM.

CPI Inflation



External Account



Equity Market Review and Outlook:

Economic uncertainty unsettled the market in Dec-18

Following an increasing trend till the mid of Nov-18, reaching 41,662 the market started to decline in the later half wherein KSE-100 recorded a level of 40,496 points at month end. The market continued to follow decreasing trend during Dec-18 with index dropping by 8%MoM to close at 37,167 points, a decrease of 3,330 points. The activity in the market can be attributed to, a) uncertainty over IMF bailout package, b) declining crude oil prices and c) above expected increase in policy rate by 150bps.

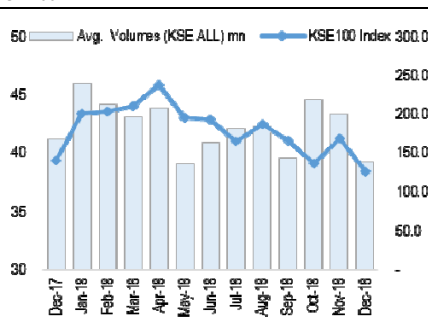
Leaders and Laggards

Major positive contribution was led by Textile Weaving (+49.5%MoM), Transport (+12.8%MoM), followed by sugar and allied industries (+5.2%MoM). On the contrary, Commercial Banks witnessed a decline of 7.2%MoM despite increase in policy rate. Similarly, Oil & Gas Exploration Companies performed negatively by 11%MoM owing to decrease in crude oil prices. Likewise, Cements came as laggards as well with 11%MoM drop, attributed to expected decline in profitability following increase in policy rate and PKR depreciation.

Key domestic/international news

- Uncertainty over IMF bailout package
- Decrease in crude oil prices with USA having buildup inventories
- Increase in policy rate by 150bps
- Domestic political unrest

KSE 100



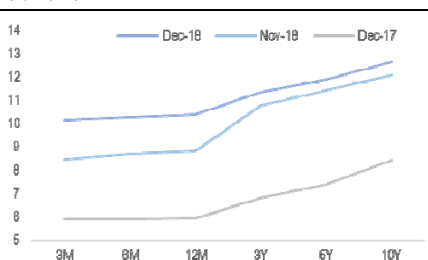
Money Market Review and Outlook:

Money Market Review

The SBP conducted two T-bill auctions during the month of Dec-18 with a cumulative target of PKR 200bn against maturity of PKR 44bn. The total accepted amount was PKR 2.02bn all of which were for 3M tenor. For 3M T-Bill, the cut-off yields increased by 150bps to 10.30%. During the last week of Dec-18, PIB auction was conducted with a target of PKR 50bn against maturity of PKR 14.9bn. Cumulative participation of PKR 20bn was received across all tenors. The cutoff yields for 3Y, 5Y and 10Y were 12.3%, 12.7% and 13.2%.

In the last week of the month, Government injected PKR 950bn through an OMO. The yields across all tenors increased by 66-116bps due to increase of 150bps in policy rate.

Yield Curve



Source: SBP, PBS, Bloomberg

IGI Takaful Aggressive Fund-TAF

For the month of December 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.

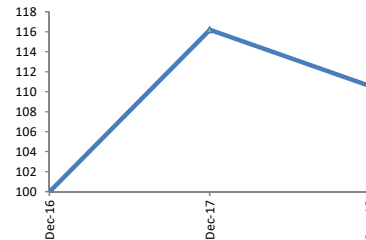
FUND INFORMATION:

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 -6.14% against its last month absolute return of -2.63%.

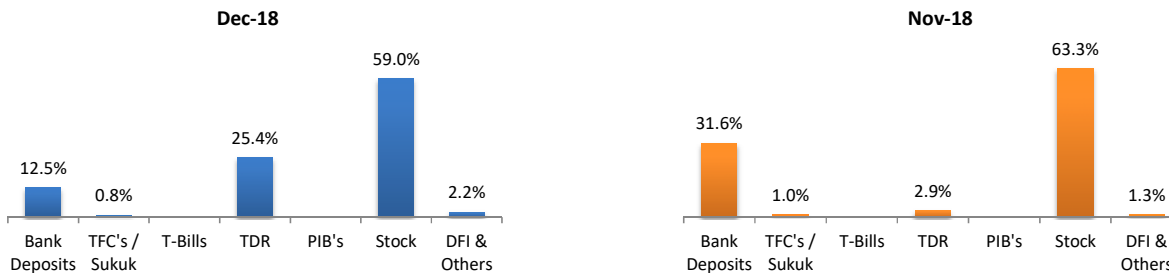
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Dec-18	Nov-18	MoM %
NAV per Unit (PKR)	110.6	117.8	-6.14%
Net Assets Value (PKR '000)	423,135	440,390	-3.92%

ASSET ALLOCATION *:

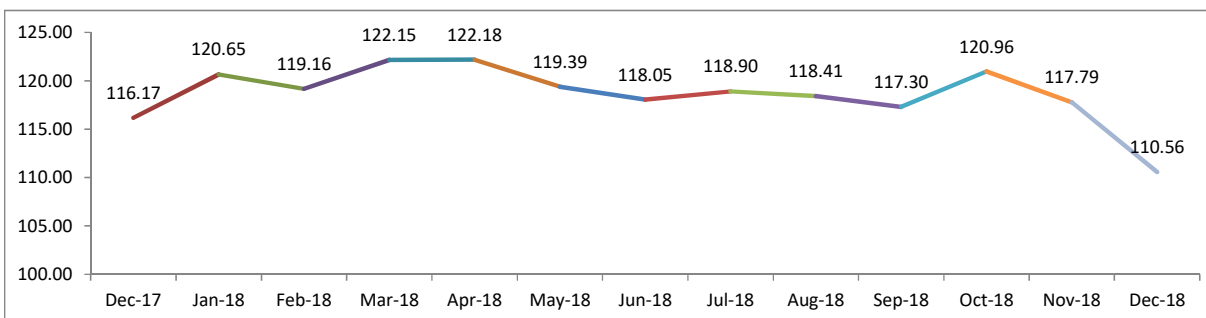


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	-6.14%	-8.60%	-5.75%	-6.34%	-4.83%	-4.83%	3.11%

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 December 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:

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

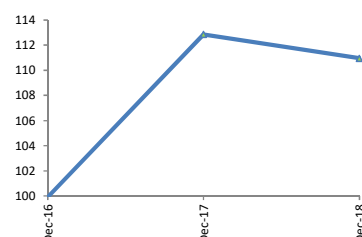
RETURNS:

During the month the fund generated an absolute return of -3.60% against its last month absolute return of -1.50%.

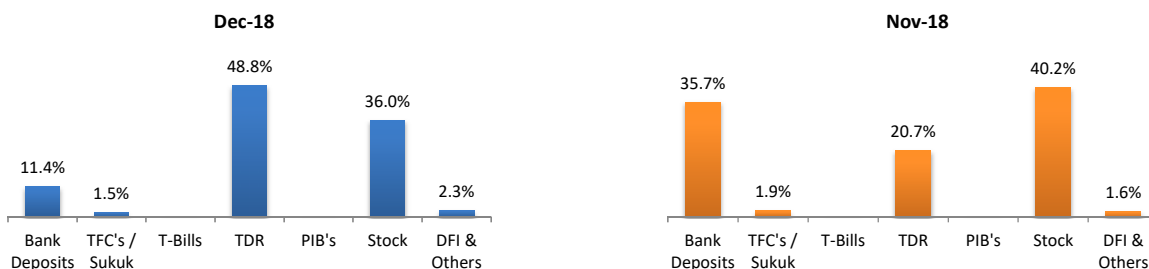
ASSETS UNDER MANAGEMENT:

	Dec-18	Nov-18	MoM %
NAV per Unit (PKR)	110.9	115.0	-3.60%
Net Assets Value (PKR '000)	1,135,313	1,135,522	-0.02%

Value of 100 Rupees invested since inception



ASSET ALLOCATION *:

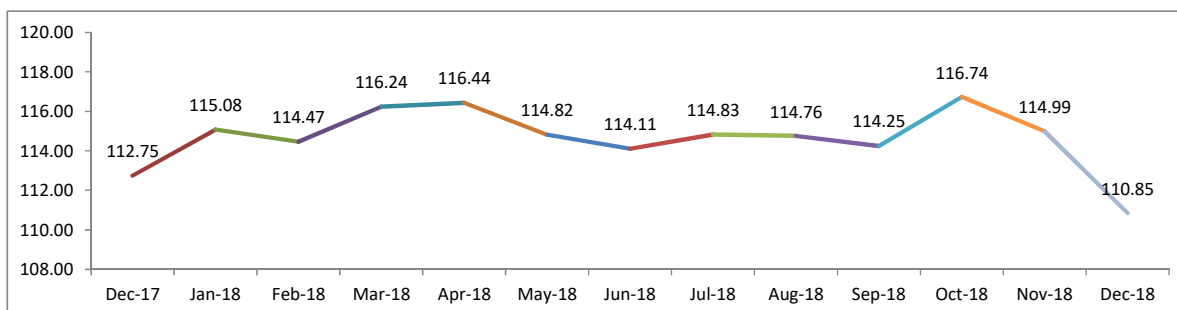


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Balanced Fund - IBF	-3.60%	-5.04%	-2.97%	-2.85%	-1.68%	-1.68%	3.19%

IGI Balanced Fund - IBF BID PRICE:



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IGI Takaful Conservative Fund - TCF

For the month of December 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:

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

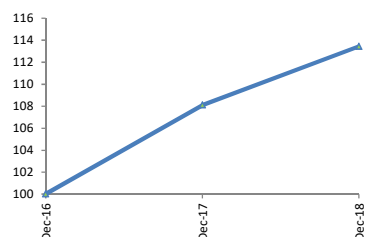
RETURNS:

During the month the fund generated an absolute return of 0.36% against its last month absolute return of 0.39%.

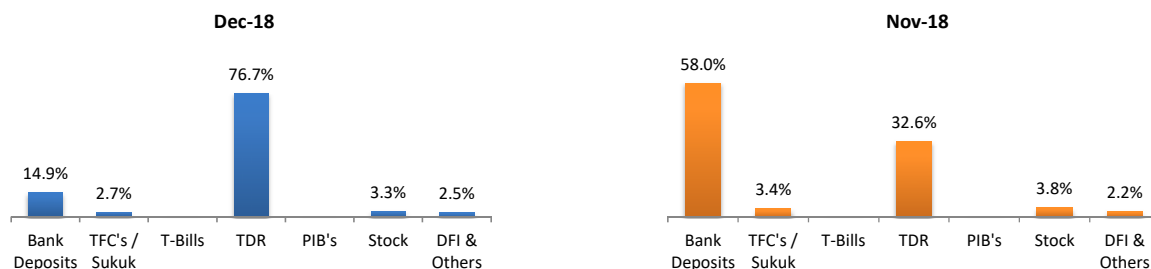
ASSETS UNDER MANAGEMENT:

	Dec-18	Nov-18	MoM %
NAV per Unit (PKR)	113.5	113.0	0.36%
Net Assets Value (PKR '000)	68,904	66,061	4.30%

Value of 100 Rupees invested since inception



ASSET ALLOCATION *:

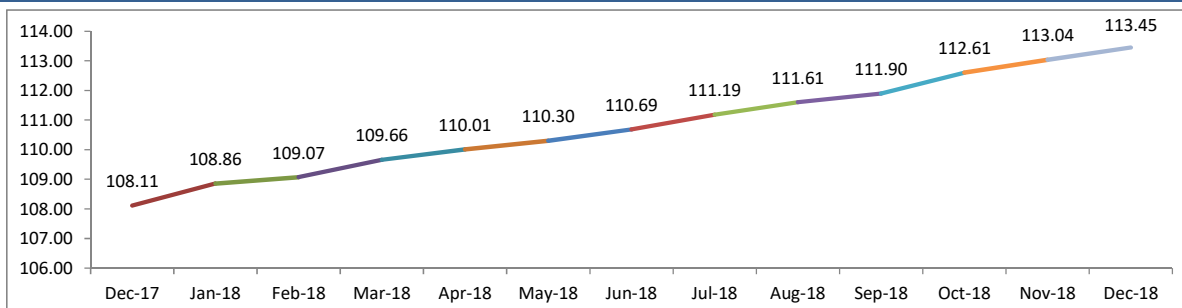


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FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	0.36%	0.75%	1.39%	2.50%	4.94%	4.94%	3.92%

IGI Conservative Fund - ICF BID PRICE:



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