

IGI | Life

Funds Performance Report

April 2019



IGI Life Insurance Limited

Macro Review and Outlook:

Headline inflation at +8.8%

Domestic inflation continued to creep with latest Apr-19 headline inflation printing a +8.8%YoY growth compared to +3.7% last year, bringing 10MFY19 +6.98% (+3.77% last year same period). Key price drivers during the month are; a) food prices up by +1.80%MoM driven by rising prices of perishable food items prior to Ramadan; and b) +1.80%MoM increase in education index

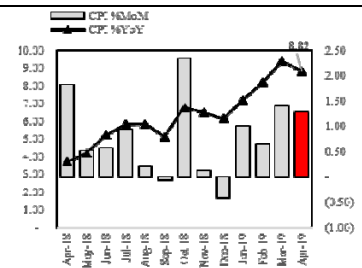
C/a deficit finally started to recede imports growth slows down

On external front, country's current account (C/a) deficit final receded with USD 0.82bn for the month of Apr-19 (USD 0.28bn in Feb-19), bringing down 9MFY19 C/a deficit to USD 9.6bn from USD 13.6bn last year; a 29% decline. A closer look reveal country's export registered a meagre 1% decline to USD 18.01bn during 9M compared to sharper decline in country's imports by 4.9% to USD 39.31bn, restricting overall trade deficit position to USD 21.31bn compared to USD 23.10bn, a 7.8% decline. Remittances for the month of Mar-19 declined 3.3% to USD 1.75bn. However, cumulatively for 9M are up by +8.7%YoY to USD 16.10bn, key contributing countries during the period under review are KSA, UK, UAE and USA. In addition, country's foreign direct investments (FDI) during the period declined by 51% to USD 1.3bn while on a monthly basis FDI are up by +5%.

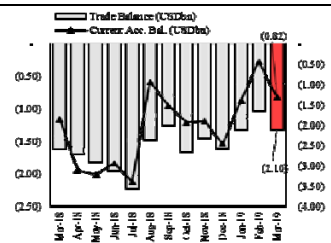
Policy rate increased by 50bps to 10.75%; discount rate 11.25%

In its recently announced Monetary Policy Statement (MPS), the State Bank of Pakistan (SBP) has increased policy rate by +50bps in-line with market consensus of 25-50bps, taking policy rate to 10.75% and discount rate to 11.25%. Moreover, the SBP has again revised its growth target from previous (Jan-19) GDP growth target of 4.0% to 3.5% (6.2% FY19 budget target), while inflation target remains unchanged. The monetary policy committee acknowledges gradual improvement in key macroeconomic data points in particularly current account balance (C/a), however it remains sceptical of elevated levels fiscal deficit for FY19 and core inflation. As per the statement, the rate increase decision came amid elevated level of a) current account deficit, b) core inflation and c) fiscal deficit.

CPI Inflation



External Account



Equity Market Review and Outlook:

Wait on IMF decision and Macroeconomic weakness kept bourse performance edgy

During Apr-19 local bourse (KSE100) observed a drop of 1,865 points, marking a negative return of 4.8% MoM as against neagive return of 1%MoM witnessed in Mar-19. This took the CY19TD / FY19TD return to -0.76% / -12.23%. Factors attributed to dismal performance of the market pertained to a) interest rate hike (+50bps) by SBP, b) high inflation (9.41%), c) uncertainty over delay in IMF program and d) GDP growth forecast cut down by ADB, IMF and World Bank. In addition, delay in amnesty scheme and proposal to create a Treasury Single Account (TSA) also kept market underpressure.

Volumes picked up pace during April-19

Average volumes during the month increased by +33% MoM to 142mn shares along with average valued traded which witnessed an increase of +10% to USD 50mn. On the local front, Companies, Banks and individuals remained the largest domestic accumulators with net buy if USD 16.1mn, 13.5mn and USD 7.5mn, respectively. On the flip side, foreign investors accumulated stocks worth USD 4mn in Pakistan vs. outflows of USD 18mn in Mar 2019. This was led by a) Cements (USD 5.5mn), b) Commercial Banks (USD 2.1mn) and c) all other sectors (USD 1.3mn).

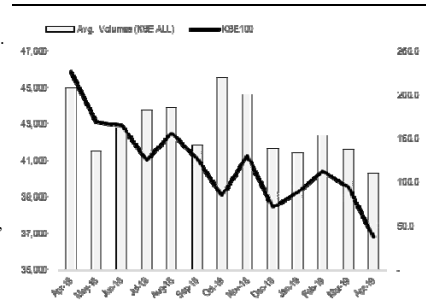
Sectoral Performance

Sector wise, Oil & Gas Exploration Companies added negative 336points on the back of foreign selling, followed by Cement adding -321points amid price cuts by manufacturers, c) Pharmaceuticals added -239 points given the government reluctance on price hike. Lastly, Commercial Banks added -220points with government proposing Treasury Single Account (TSA).

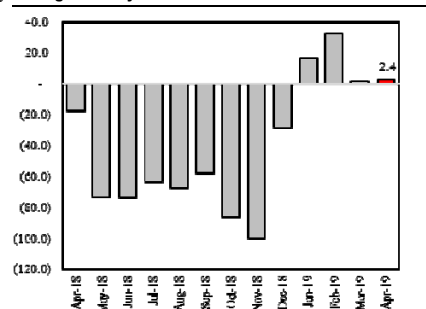
Other key developments during the month includes

- Petrol prices increases by PKR 6/litre
- Government mulls revision in fuel price adjustment for coal-fired plants
- Government and Pharma industry agree on 75% hike in drug prices

KSE 100



Foreign Activity

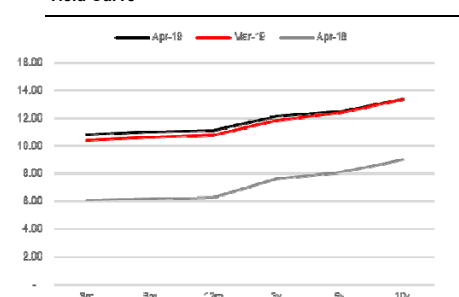


Money Market Review and Outlook:

A healthy participation post rate hike in Policy Rate in Mar-19

During the month of Apr-19, SBP conducted two T-bill auctions with a cumulative target of PKR 500bn against maturity of PKR 397bn. The total accepted amount was PKR 1.01trn. Overall participation improved in the T-Bill auctions after increase in interest rate of 50bps in the March MPS. SBP conducted Fixed PIB auction on 18th April 2019 with a target of PKR 100bn against maturity of PKR 414bn. Cumulative participation of PKR 488bn was received in 3Y, 5Y and 10Y tenors. The government accepted only PKR 147bn in the 3 year tenor while all other bids were rejected. The cut off yield was 12.2%, which was 3bps lower compared to last successful auction. In the floating PIB auction the government accepted PKR 65bn at a spread of 70bps over benchmark. In the last week of the month, the Government mopped up PKR 546bn @ 10.7% p.a through Open Market Operations.

Yield Curve



IGI Takaful Aggressive Fund-TAF

For the month of April 2019



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.

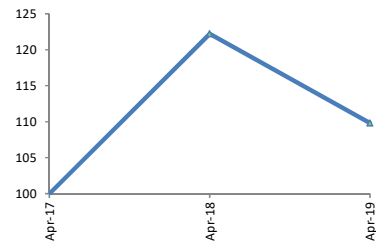
FUND INFORMATION:

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 -3.97% against its last month absolute return of -1.13%.

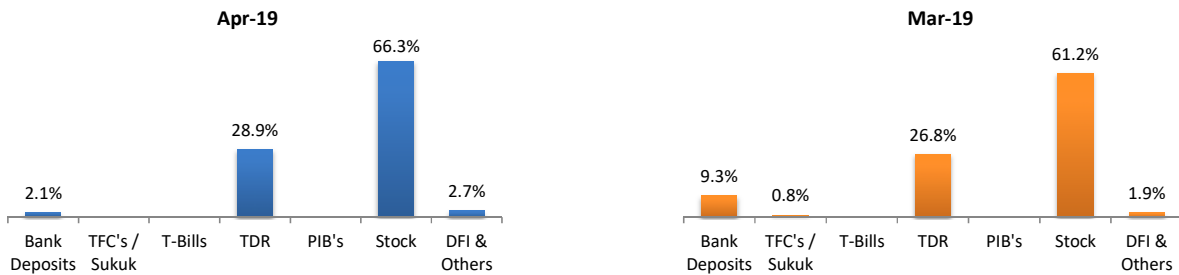
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Apr-19	Mar-19	MoM %
NAV per Unit (PKR)	109.8	114.3	-3.97%
Net Assets Value (PKR '000)	421,267	451,556	-6.71%

ASSET ALLOCATION *:

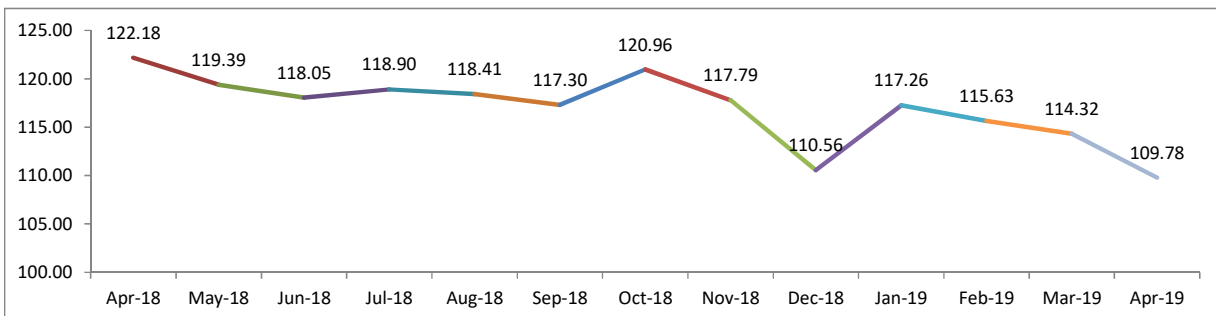


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	-3.97%	-5.06%	-6.37%	-9.24%	-10.14%	-2.13%	2.62%

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 April 2019



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

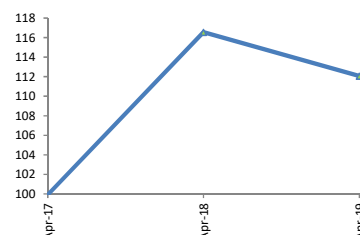
RETURNS:

During the month the fund generated an absolute return of -1.93% against its last month absolute return of -0.38%.

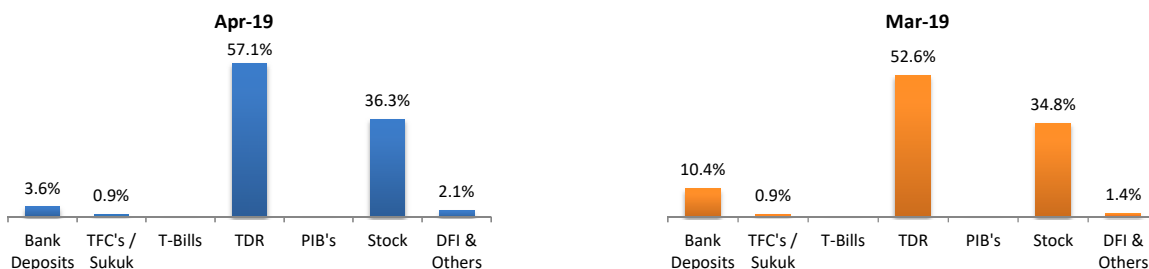
ASSETS UNDER MANAGEMENT:

	Apr-19	Mar-19	MoM %
NAV per Unit (PKR)	111.9	114.1	-1.93%
Net Assets Value (PKR '000)	1,193,927	1,218,244	-2.00%

Value of 100 Rupees invested since inception



ASSET ALLOCATION *:

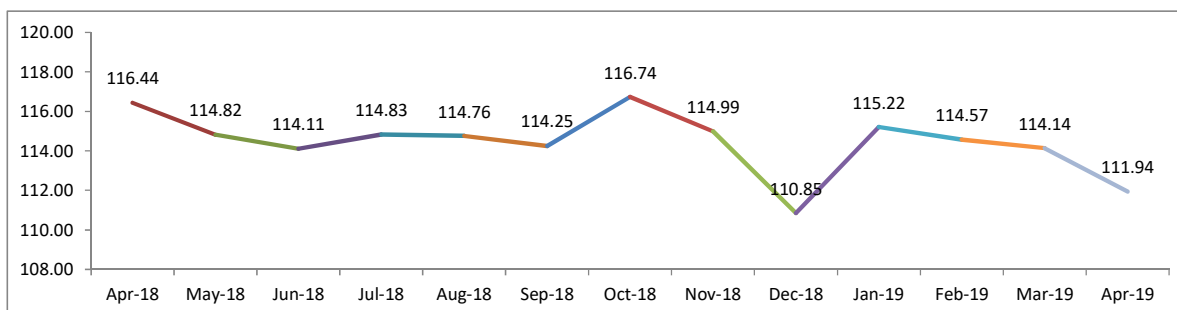


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Balanced Fund - IBF	-1.93%	-2.30%	-2.85%	-4.11%	-3.87%	2.97%	3.17%

IGI Balanced Fund - IBF BID PRICE:



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IGI Takaful Conservative Fund - TCF

For the month of April 2019



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

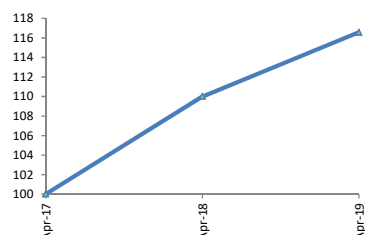
RETURNS:

During the month the fund generated an absolute return of 0.53% against its last month absolute return of 0.60%.

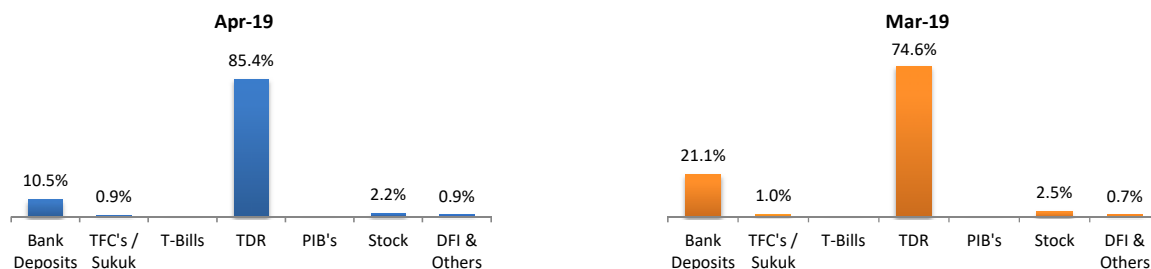
ASSETS UNDER MANAGEMENT:

	Apr-19	Mar-19	MoM %
NAV per Unit (PKR)	116.6	116.0	0.53%
Net Assets Value (PKR '000)	79,517	74,606	6.58%

Value of 100 Rupees invested since inception



ASSET ALLOCATION *:

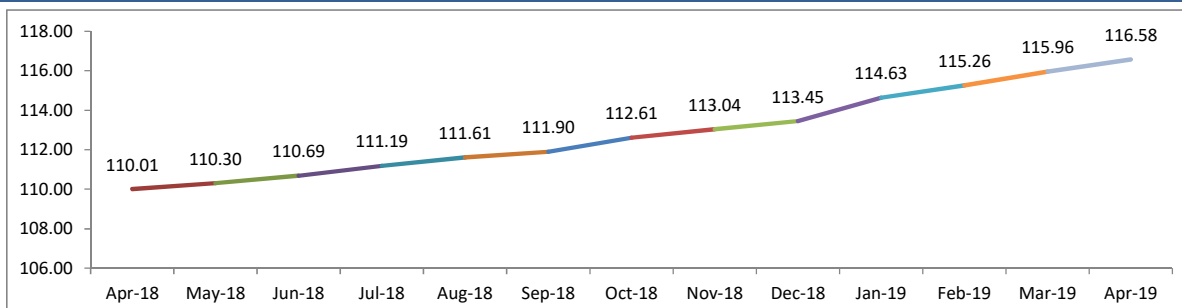


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	0.53%	1.14%	1.70%	3.53%	5.97%	8.38%	4.34%

IGI Conservative Fund - ICF BID PRICE:



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