

# IGI | Life

## Funds Performance Report

June 2019



IGI Life Insurance Limited

**Macro Review and Outlook:**

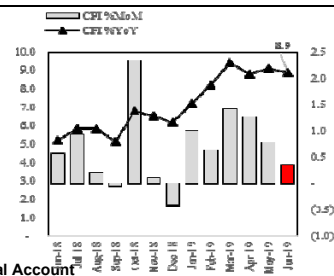
**Year end inflation Headline inflation at +8.9%**

Domestic inflation continued to creep with latest Jun-19 headline inflation printing a +8.9%YoY growth compared to +5.2% last year, bringing FY19 +7.32% (+3.93% last year same period). Key price drivers during the month are; a) transport index up by +15%YoY; b) house rent index up by +6.35%YoY and b) +5.5%YoY increase in education index

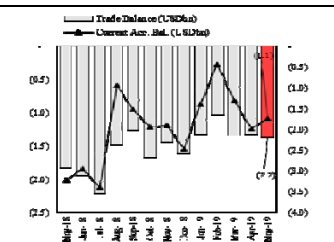
**C/a deficit finally started to recede imports growth slows down**

On external front, country's current account (C/a) deficit narrowed to USD 1.1bn for the month of May-19 (USD 1.2bn in Apr-19), taking 11MFY19 C/a deficit to USD 11.9bn from USD 15.5bn last year; a 30% decline. A bifurcation of current deficit shows country's export remained static at USD 2.1 bn, while on a cumulative basis inched down by a mere 1% to USD 2.4bn. Imports, however, dropped by 14% YoY to USD 4.2bn for the month of May-19, taking total imports for 11MFY19 to USD 53bn, depicting a decline of 4%YoY. Hence, trade deficit squeezed by 7%YoY to USD 28.7bn. Remittances for the month of May-19 increased by +30%MoM to USD 2.3bn, adding up to USD 21bn (+10%YoY) for the 11-month period. In addition, country's foreign direct investments (FDI) during the period declined by 16% to USD 2.53 bn while on a monthly basis are up by +3.01xYoY.

**CPI Inflation**



**External Account**



**Equity Market Review and Outlook:**

**Macroeconomic weakness kept bourse performance edgy**

During Jun-19 local bourse (KSE100) observed a drop 5.8%MoM (2,075 points) with the index closing at 33,900. This took the CY19TD / FY19TD return to -16.9% / -20.6%. Factors attributed to dismal performance of the market pertained to a) volatility in exchange rate (7.4%), b) high inflation (8.82%) and c) proposed budgetary measures (FY19-FY20)

**Volumes declined during Jun-19**

Average volumes during the month jumped up by +19% MoM to 135mn shares along with average valued traded which witnessed an increase of meager 1% to USD 45.8mn. Sector wise major foreign outflow was witnessed in Oil and Gas Exploration (USD 10.9mn), followed by fertilizers (USD 2.5mn). Banks and Cements received net inflow of USD 5.7mn and 3.1mn, respectively.

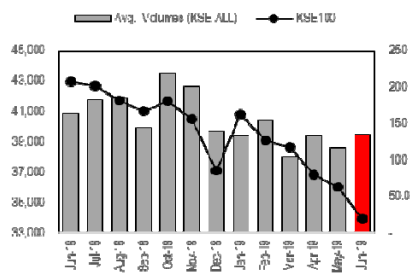
**Sectoral Performance**

Sector wise Oil and Gas Exploration, Refineries, Fertilizers, Cements & Banks were the major laggards generating negative returns of 7.8%/22.1%/14.4%/4.17%/6.3%/7% respectively. Fertilizers declined due to proposal of gas price hike while weak pricing dynamics pushed Cements in the negative territory. Banks also showed dismal performance with the implementation of Treasury Single Account as per the Finance Act (FY19-20). Moreover, inventory losses stemming from increase in international oil prices and PKR depreciation portrayed negatively for OMCs.

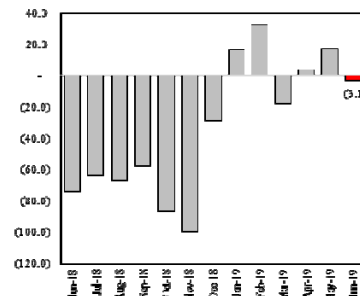
**Other key developments during the month includes**

- Proposal of electricity and gas price hike (170%)
- Govt expected to float PKR 200bn Sukuk bond to curb circular debt
- Qatar to deposit USD 3bn for direct investments

**KSE 100**



**Foreign Activity**

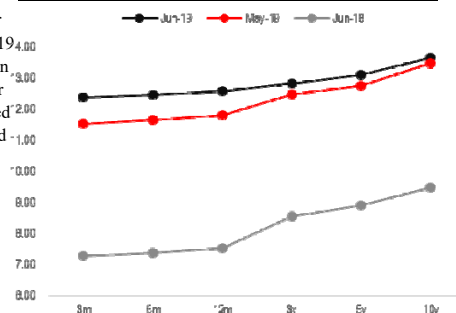


**Money Market Review and Outlook:**

**A healthy participation in Jun-19**

During the month of Jun-19, SBP conducted two T-bill auctions with a cumulative target of PKR 1.1trn against maturity of PKR 26bn. The total accepted amount was PKR 103.9bn. The cut-off yields remained flat at 12.75% for the 3M tenor against the accepted amount of PKR 103.5bn. SBP also conducted Fixed PIB auction on 26th Jun 2019 with a target of PKR 100bn against maturity of PKR 18.6bn. Cumulative participation of PKR 190bn was received in 3Y, 5Y and 10Y tenors. The government accepted PKR 2.1bn, PKR 23.3bn and PKR 70.3bn in the 3, 5 and 10 year tenors respectively. The cut off yields for the tenors were 13.7%, 13.8% and 13.7% respectively showing an inverted yield curve due to demand from the corporates in 10 years. In the floating rate PIB auction the government accepted PKR 15bn and set spread at cut-off of 75bps over benchmark which was 5bps higher than the previous cut-off. During the last week there was a net injection of PKR 796.2bn through Open market operations.

**Yield Curve**



# IGI Takaful Aggressive Fund-TAF

## For the month of June 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:

<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

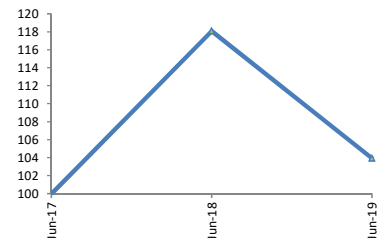
### RETURNS:

During the month the fund generated an absolute return of -4.19% against its last month absolute return of -1.21%.

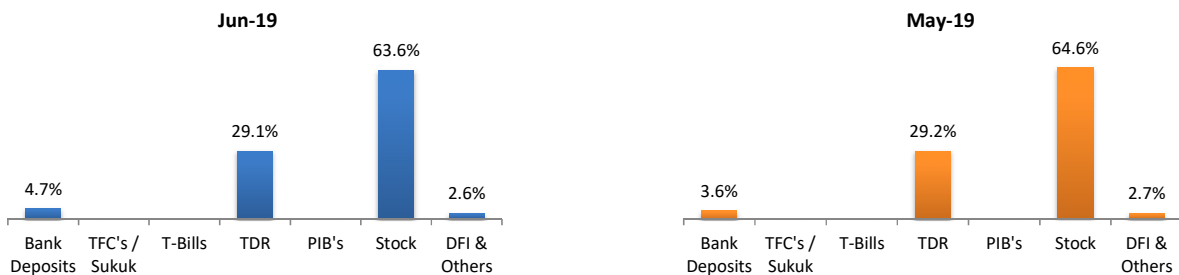
### ASSETS UNDER MANAGEMENT:

	Jun-19	May-19	MoM %
<b>NAV per Unit (PKR)</b>	103.9	108.5	-4.19%
<b>Net Assets Value (PKR '000)</b>	402,858	401,125	0.43%

### Value of 100 Rupees invested since inception



### ASSET ALLOCATION \*:

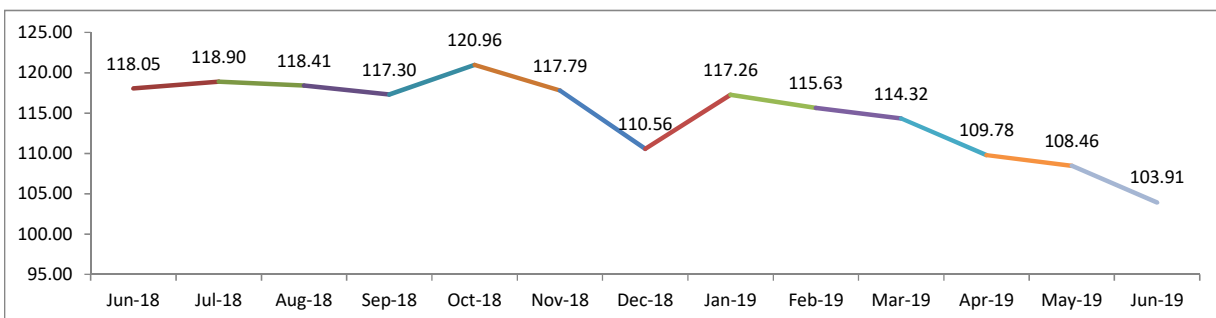


\* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

### FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	-4.19%	-5.35%	-9.11%	-6.01%	-11.98%	-12.12%	1.02%

### 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 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

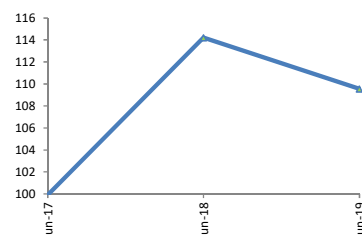
### RETURNS:

During the month the fund generated an absolute return of -1.90% against its last month absolute return of -0.33%.

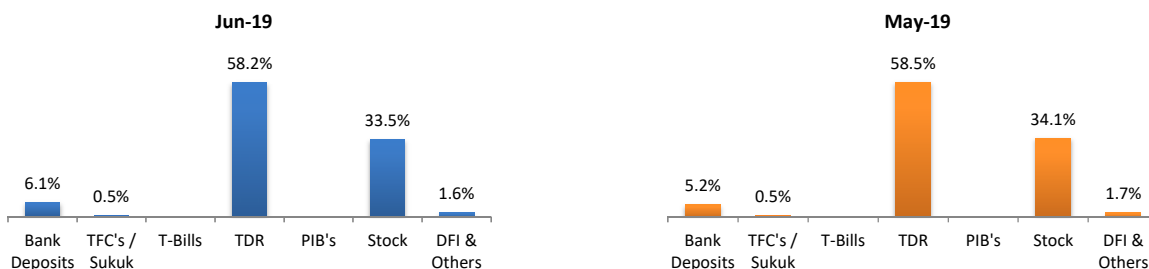
### ASSETS UNDER MANAGEMENT:

	Jun-19	May-19	MoM %
NAV per Unit (PKR)	109.5	111.6	-1.90%
Net Assets Value (PKR '000)	1,189,580	1,181,184	0.71%

### Value of 100 Rupees invested since inception



### ASSET ALLOCATION \*:

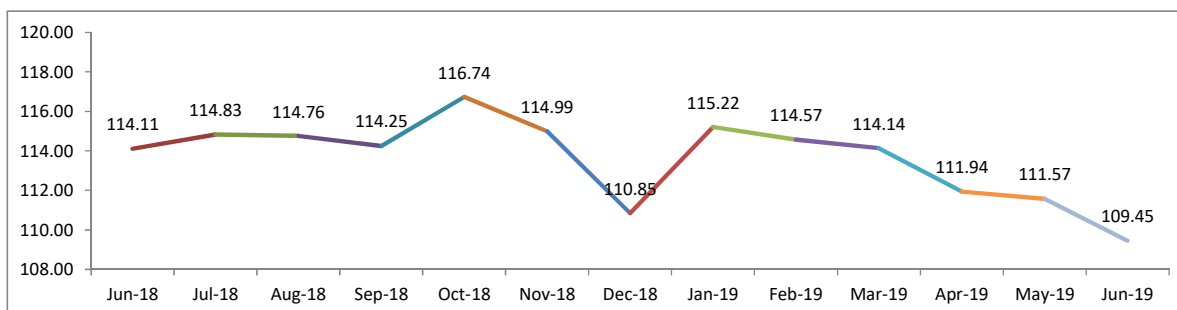


\* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

### FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Balanced Fund - IBF	-1.90%	-2.22%	-4.11%	-1.26%	-4.08%	-2.54%	2.42%

### IGI Balanced Fund - IBF BID PRICE:



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# IGI Takaful Conservative Fund - TCF

## For the month of June 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:

<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

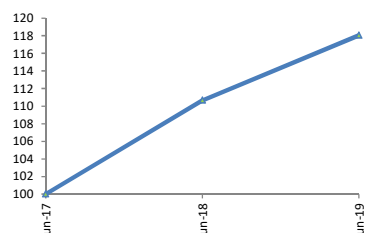
### RETURNS:

During the month the fund generated an absolute return of 0.56% against its last month absolute return of 0.72%.

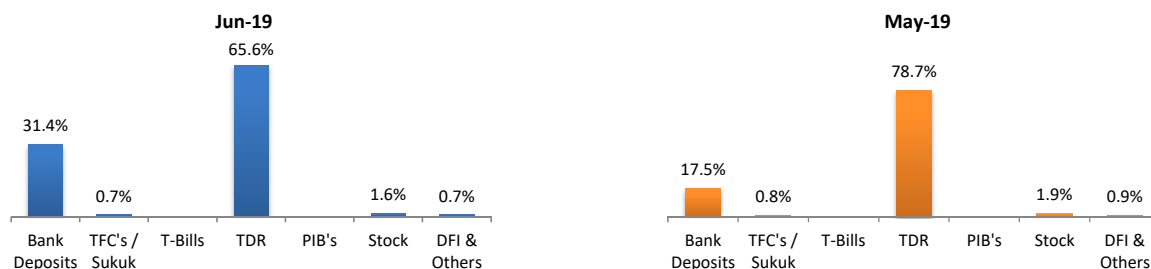
### ASSETS UNDER MANAGEMENT:

	Jun-19	May-19	MoM %
<b>NAV per Unit (PKR)</b>	118.1	117.4	0.56%
<b>Net Assets Value (PKR '000)</b>	104,431	86,521	20.70%

### Value of 100 Rupees invested since inception



### ASSET ALLOCATION \*:

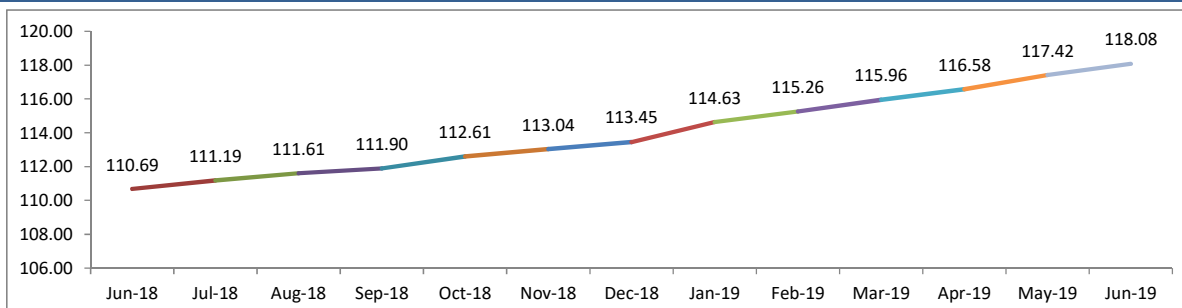


\* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

### FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	0.56%	1.29%	1.83%	4.08%	6.68%	8.22%	4.50%

### IGI Conservative Fund - ICF BID PRICE:



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