

IGI | Life

Funds Performance Report

July 2019



IGI Life Insurance Limited

FUND MANAGER REPORT

For the month of July 2019



Macro Review and Outlook:

Jul-19 inflation clocked in at 10.3%YoY (+2.3% m/m)

Jul-19, monthly inflation crept to a double digit growth of +10.34% (+2.3% m/m) from +9.0% y/y (+0.5% m/m) in previous month, highest reading in more than 5-yr's years.

Inflation print reflects recent budgetary measures

The outturn was in line with the market consensus (Bloomberg median: 10.3%, mean 10.37%). The rise follows i) government's decision to increase utility prices (gas and electricity), ii) +15% GST on domestic supplies of clothing, iii) increase in POL prices during the start of the month (HSD +12.3% y/y, MS +18.3% y/y) and iv) quarterly revision in house rental index. Subsequently, the largest impact came from Housing, Water, Electricity, Gas & Fuels (HWEG&F) head whereby monthly inflation rose by +1.1% m/m or +3.5% y/y. The breakdown shows that inflation increased across almost all goods and services last month. The only exception was perishable food items inflation, which decelerated by 0.06% m/m to 8.1%.

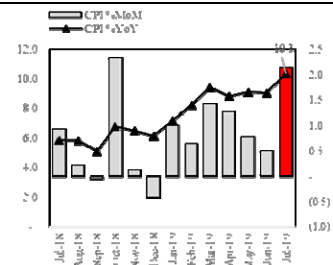
Core inflation continue to rise on account of rise in HRI and exchange rate

Core inflation (NFNE) inched up by +1.7% m/m to +7.8% reflecting the underlying price increase of mainly house rental index and recent budgetary measures. The wholesale price index (WPI) a proxy index to exchange rate movements is up by +13.5% y/y (+3.1% m/m).

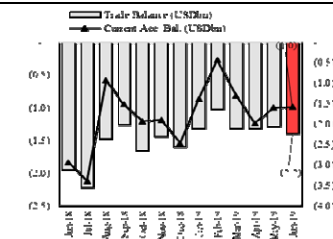
C/a deficit finally receding, down to 4.8% of GDP from 6.3% in 2018

For the month of Jun-19, C/a deficit clocked in at USD 0.995bn (USD 1.97bn in Jun-18). C/a deficit for FY19, declined by ~32% to USD 13.6bn. or 4.8% of GDP, compared to 6.3% of GDP during FY18. Trade deficit during the period reduced by ~11% y/y to USD 28.2bn, thanks to a faster slowdown in import bill 7% y/y to USD 52.4bn compared to exports 2% y/y to USD 24.2bn. Moreover, net services deficit also improved to USD 4.3bn down from USD 6.0bn last year and so has income surplus improved to USD 18.9bn from USD 17.9bn. up by +5% y/y.

CPI Inflation



External Account

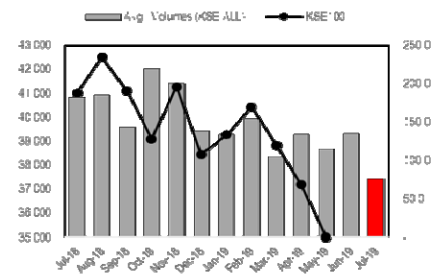


Equity Market Review and Outlook:

KSE-100 index performance remained lackluster in the month of Jul-19, declining by 1,963.1pts m/m (down by 5.8%).

Several positives in the month including formalization of Extended Fund Facility program (EFF) with the IMF and much awaited US visit by Imran Khan failed to attract volumes. Post IMF growth, exchange rate and interest rates outlook kept investors nervous Major attrition in the local bourse came from Power Generation (-270pts MoM) followed by Oil & Gas Exploration Companies (-231pts MoM), and Cements (-187.5pts). On the contrary, expected resolution of GIDC issue kept Fertilizer sector (+41pts) in limelight. Monthly volumes stood at 76mm (135mm previous month).

KSE 100

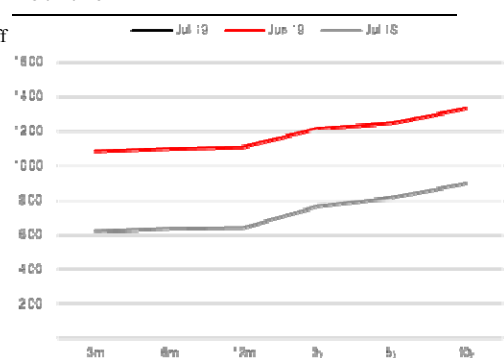


Money Market Review and Outlook:

A healthy participation in Jul-19

During the month of Jul-19, SBP conducted two T-bill auctions with a cumulative target of PKR 1.3trn against the maturity of PKR 1.094trn. The total accepted amount was PKR 2.308trn with a majority chunk in 3m tenure. The cut-off yields were 13.75% / 13.95% and 14.10% for the 3m, 6m and 12m tenure respectively. SBP conducted fixed PIB auction on July 24, 2019 with a target of PKR100bn against the maturity of PKR 83.1bn. the auction received a cumulative participation of PKR 566.8bn (5.6x) in all, 3/5 and 10 yrs tenure, however, SBP accepted PKR 172.4bn, (PKR 107 / 46 / 19bn for 3/5 and 10yrs). The cut-off yields and coupon rates were 14.25% / 7.5%, 13.80% / 8.0% and 13.55% / 8.75% respectively for 3/5 and 10 yrs bond. In the floating bond auction SBP accepted PKR 84.2bn and set spread at a cut-off of 75bps over the benchmark.

Yield Curve



Source: SBP, PBS, Bloomberg

IGI Takaful Aggressive Fund For the month of July 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.

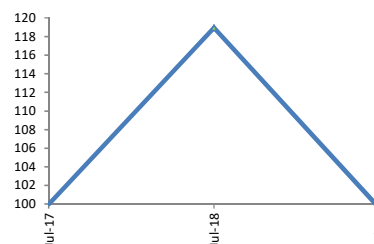
FUND INFORMATION:

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 -4.16% against its last month absolute return of -4.19%.

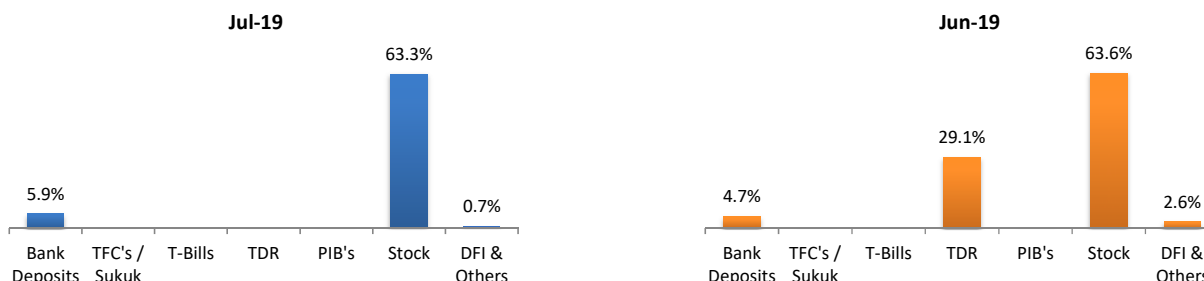
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Jul-19	Jun-19	MoM %
NAV per Unit (PKR)	99.6	103.9	-4.16%
Net Assets Value (PKR '000)	385,687	402,858	-4.26%

ASSET ALLOCATION *:

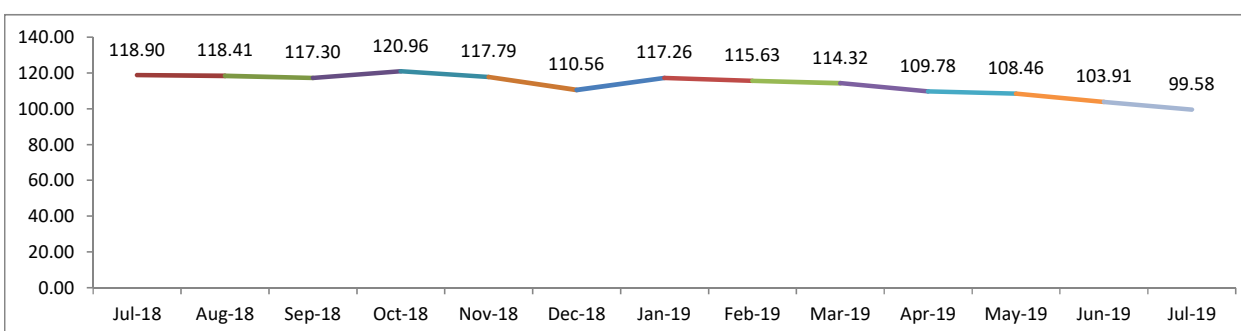


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Aggressive Fund - IAF	-4.16%	-8.18%	-9.29%	-15.07%	-16.25%	-17.09%	-0.11%

IGI Talaful 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 For the month of July 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.

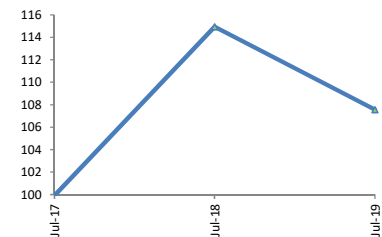
FUND INFORMATION:

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 -1.82% against its last month absolute return of -1.90%.

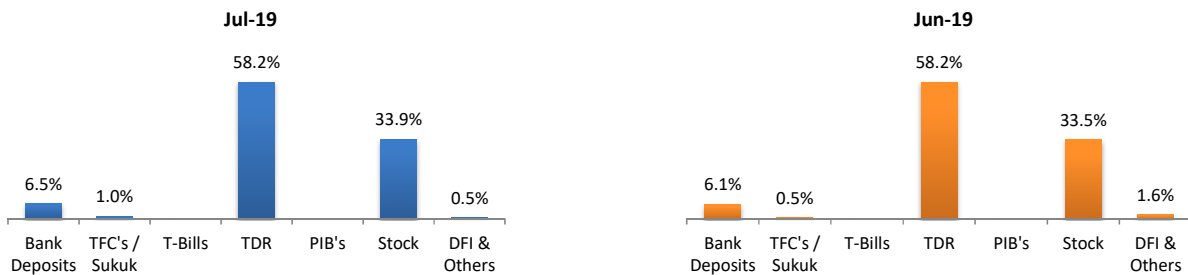
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Jul-19	Jun-19	MoM %
NAV per Unit (PKR)	107.5	109.5	-1.82%
Net Assets Value (PKR '000)	1,178,884	1,189,580	-0.90%

ASSET ALLOCATION *:

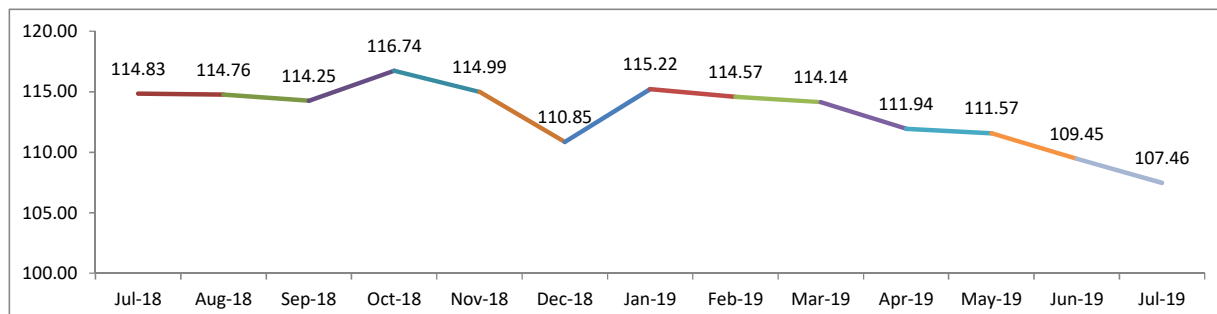


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Balanced Fund - IBF	-1.82%	-3.69%	-4.00%	-6.73%	-6.42%	-5.27%	1.88%

IGI Takaful Balanced Fund - IBF BID PRICE:



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IGI Takaful Conservative Fund For the month of July 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.

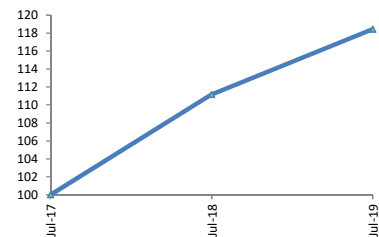
FUND INFORMATION:

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 0.31% against its last month absolute return of 0.56%.

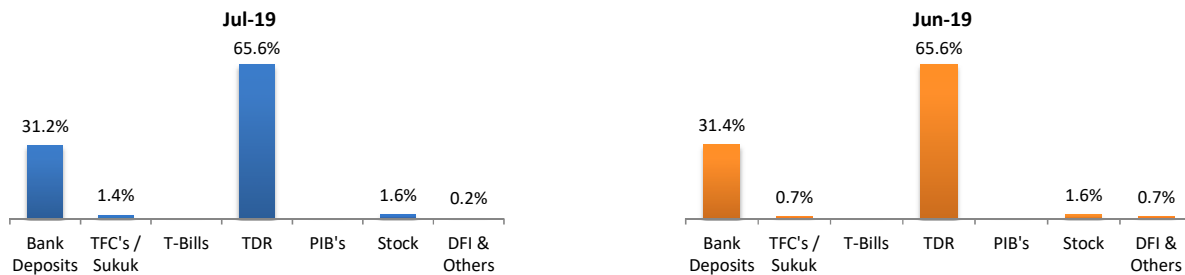
Value of 100 Rupees invested since inception



ASSETS UNDER MANAGEMENT:

	Jul-19	Jun-19	MoM %
NAV per Unit (PKR)	118.4	118.1	0.31%
Net Assets Value (PKR '000)	111,134	104,431	6.42%

ASSET ALLOCATION *:

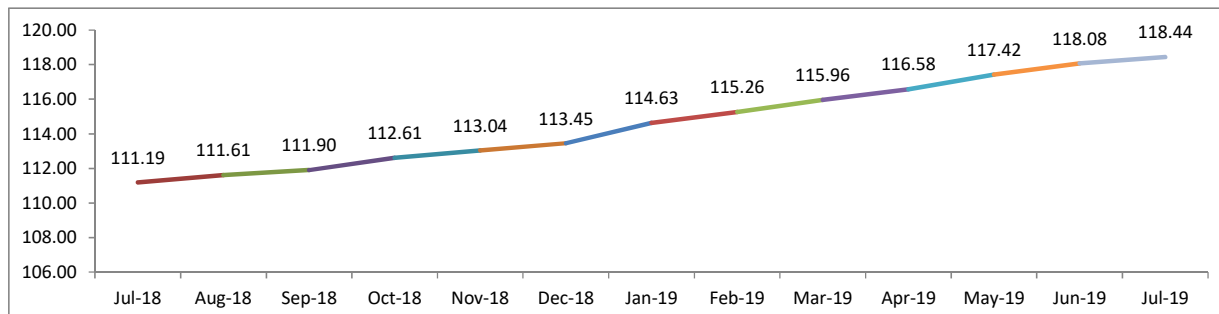


* Asset Allocation have been developed by looking through the underlying assets of mutual funds investments.

FUND PERFORMANCE:

	Absolute Return					Annualized Return	
	30 Days	60 Days	90 Days	180 Days	365 Days	CYTD	Since Inception
IGI Conservative Fund - ICF	0.31%	0.87%	1.60%	3.32%	6.52%	7.57%	4.48%

IGI Takaful Conservative Fund - ICF BID PRICE:



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