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# INVESTORS' OUTLOOK

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FOR THE MONTH OF SEPTEMBER 2015

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# Market Review

## September 2015

### Equity Market

The KSE100 Index slipped another 7.04% MoM in September to close at 32,287 points, reducing the CY to date return to only 0.49%. Average volumes also slowed considerably to 97.69m in September, against 161m a month earlier. Despite compelling fundamentals, investors remained on the sidelines amidst nervousness of a probable investigation on misappropriation of client assets by a few brokers. A reduction of 50bps in policy rate by the SBP during the month was also ignored by the investors. International equity markets also remained volatile during the month on speculation of FED's decision / timing of interest rate hike in the US. Foreign investors remained net sellers of US\$22m in September with a cumulative outflow of US\$180m since January 2015.



Amongst the major sectors, Oil & Gas, Autos, Banks, Chemicals, Personal Goods and General Industrials sectors saw market capitalization drop by 11.5%, 9.5%, 8.7%, 7.91%, 5.29% and 5.07%, respectively. Amongst the Index heavyweight companies, Hubco was the only company with a positive return of 1.5%. PSO, OGDC, INDU, KEL, PPL, DAWH, UBL were the major laggards with their prices falling more than 10% during the month.

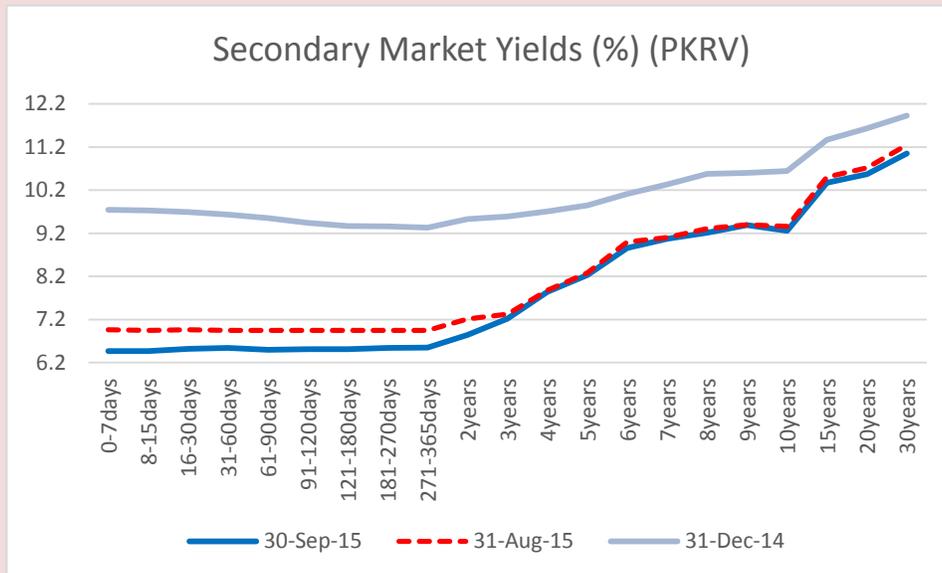
### Money Market

SBP cut the policy rate by another 50bps effective September 14, 2015, citing reduced inflation, and continued high real lending rates (around 4% since Dec 2014) as the main reason for the decision.

Three T-Bill Auctions were conducted during the month, with the last two being post the monetary policy announcement. Average yields in the 3-, 6-months papers reduced by 47bps to 6.47% and 6.48%, respectively, while bids for the 12-month paper were rejected in the last two auctions. Cumulative bids of Rs. 417.5b were received in these auctions, considerably lower than the target of Rs. 525b. A total of Rs. 403b was picked up by the Government.

A PIB Auction was conducted on September 9, 2015. Cut-offs yields for 3-year, 5-year and 10-year PIBs reduced 25bps, 18bps and 6bps to 7.35%, 8.33% and 9.34%, respectively. No bids were received for 20-year paper. An amount of Rs. 94.6b was accepted against target of Rs. 50b and bids of Rs. 271b.

Secondary market yield up to 2 years tenor reduced between 37-49bps while for higher tenors, reduction was a maximum of 20bps during the month. Benchmark 6-month KIBOR decreased 46bps to 6.62%.



# Managed Fund

## Fund Objective

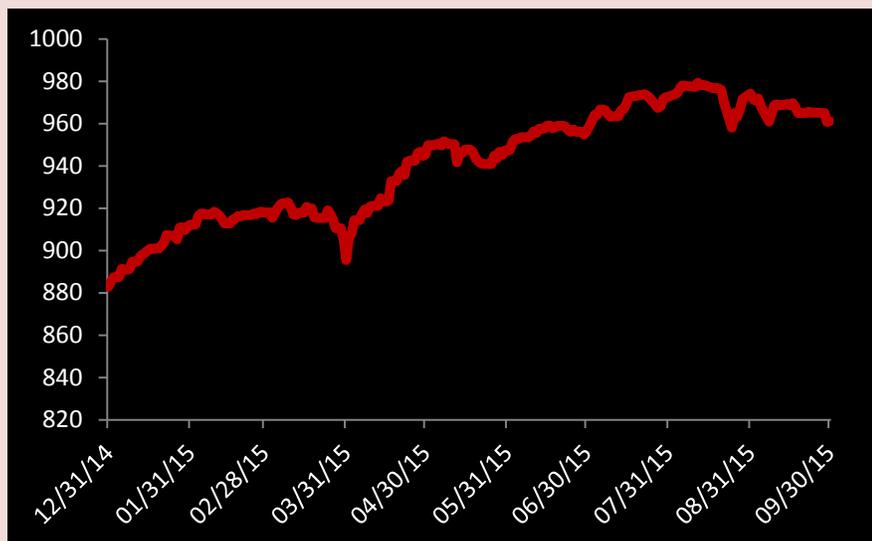
To maximize capital appreciation by investing in a balanced portfolio of wide range of shares, Government and other fixed income securities and bank deposits.

## Fund Information

Description	Information
<b>Fund Name</b>	Managed Fund
<b>Fund Size</b>	PKR 43,666 Million
<b>Launch date</b>	31.12.1996
<b>Bid Price (31.12.1996)</b>	PKR 99.50
<b>Bid Price (30.09.2015)</b>	PKR 961.13
<b>Category</b>	Balanced Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

During the month of September 2015, Managed Fund's (MF) Unit Price decreased by PKR 13.06 (-1.34%) net of fund management fee. On YTD basis unit price has increased 8.54% (not-annualized).



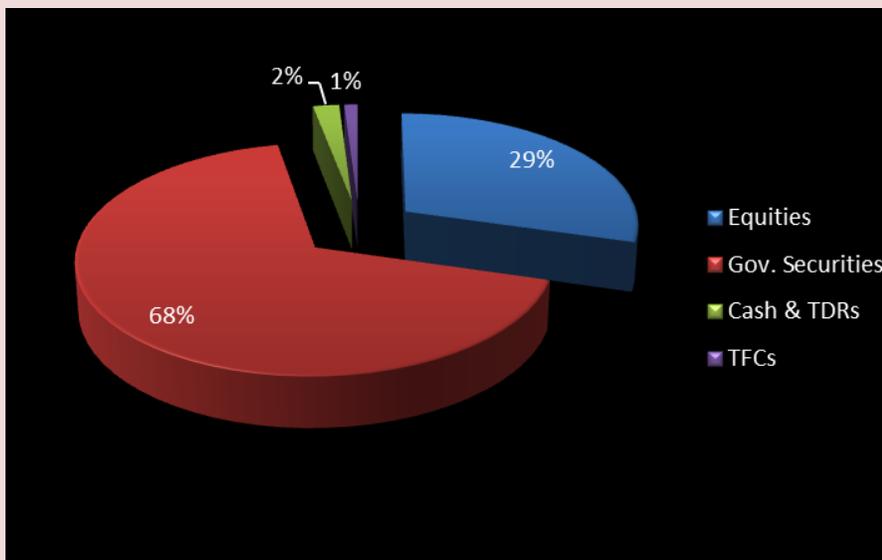
## Investment Committee Members

<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member

Assets	September 2015	August 2015
<b>Government Securities</b>	<b>67.49%</b>	<b>67.28%</b>
<b>Term Finance Certificates</b>	<b>1.02%</b>	<b>1.04%</b>
<b>Cash &amp; Short Term Deposits</b>	<b>2.03%</b>	<b>0.75%</b>
<b>Stocks &amp; Mutual Funds</b>	<b>29.46%</b>	<b>30.93%</b>

## Fund Returns

Period	Rate of Return
<b>1 month</b>	-1.34%
<b>3 months</b>	0.26%
<b>12 months</b>	15.85%
<b>Calendar YTD</b>	8.54%
<b>Since Inception</b>	865.96%
<b>Since Inception (annualized)</b>	12.85%



## Fund Size

September 2015	August 2015
PKR 43,666 Million	PKR 43,640 Million

# Capital Growth Fund

## Fund Objective

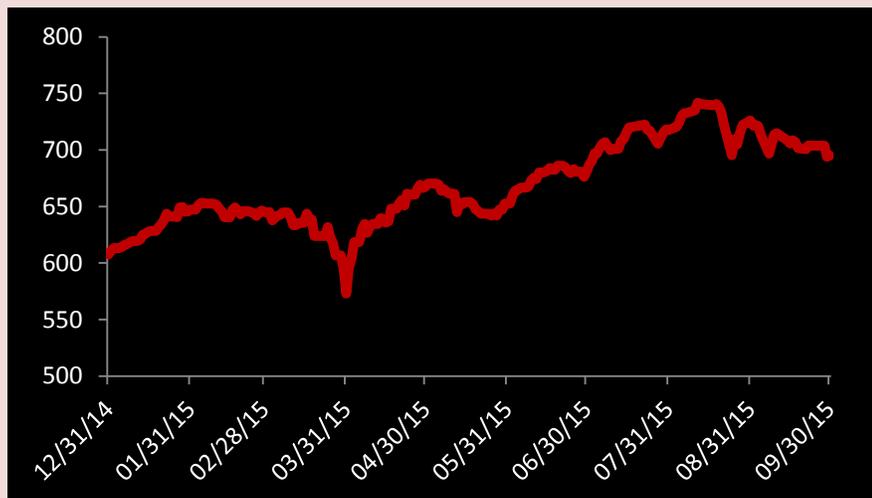
The objective of the fund is to maximize returns to policyholders by investing mainly in equity portfolio and partly in Government securities, Term Finance Certificates and bank deposits.

## Fund Information

Description	Information
<b>Fund Name</b>	Capital Growth Fund
<b>Fund Size</b>	PKR 2,009 Million
<b>Launch date</b>	28.07.2004
<b>Bid Price (28.07.2004)</b>	PKR 100.00
<b>Bid Price (30.09.2015)</b>	PKR 695.15
<b>Category</b>	Equity Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

During the month of September 2015, Capital Growth Fund's (CGF) Unit Price decreased by PKR 30.80 (-4.24%) net of fund management fee. On YTD basis unit price has increased 13.77% (not-annualized).



## Investment Committee Members

<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoj</b>	Member

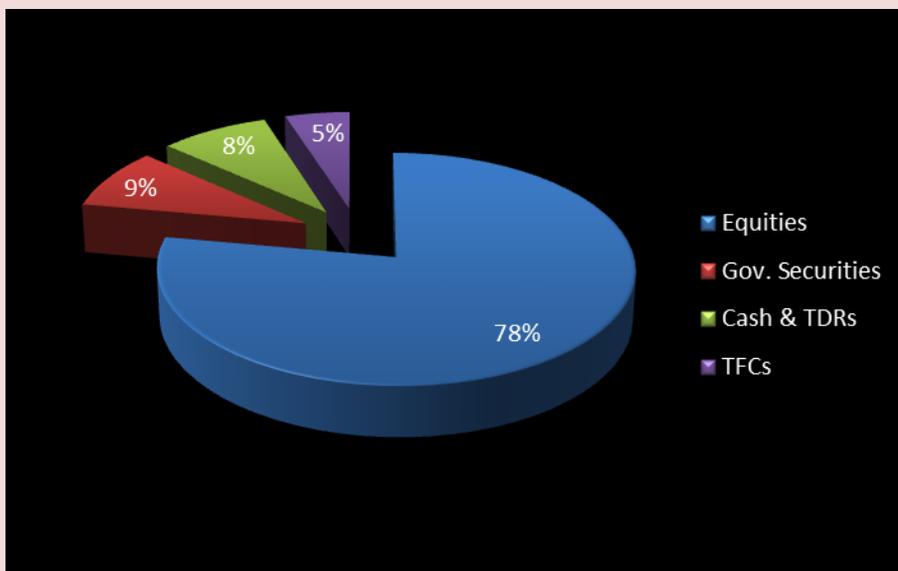
Assets	September 2015	August 2015
<b>Government Securities</b>	8.74%	0.99%
<b>Cash &amp; Short Term Deposits</b>	8.44%	9.94%
<b>Term Finance Certificates</b>	4.98%	5.24%
<b>Stocks &amp; Mutual Funds</b>	77.84%	83.83%

## Fund Returns

Period	Rate of Return
<b>1 month</b>	-4.24%
<b>3 months</b>	1.20%
<b>12 months</b>	18.28%
<b>Calendar YTD</b>	13.77%
<b>Since Inception</b>	595.15%
<b>Since Inception (annualized)</b>	18.94%

## Fund Size

September 2015	August 2015
PKR 2,009 Million	PKR 1,963 Million



# Meesaq Fund

## Fund Objective

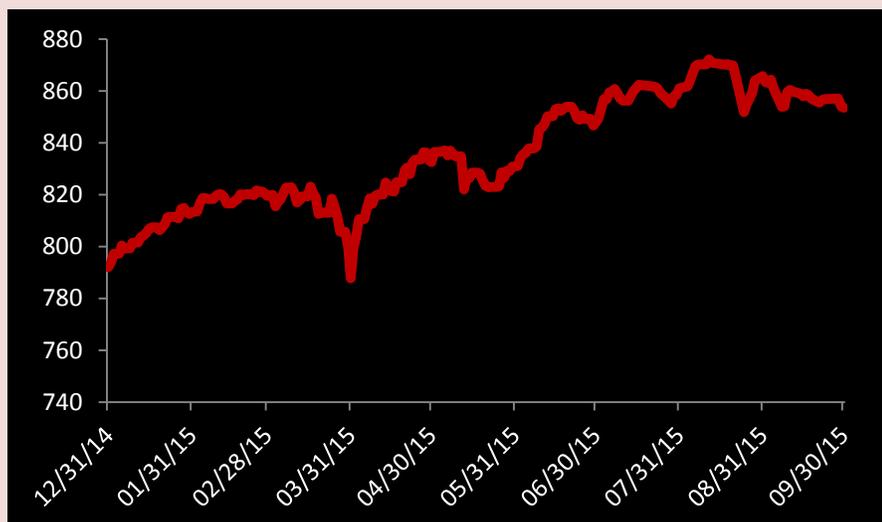
The objective of the Meesaq fund is to provide an opportunity to investors who want interest free returns. The instruments in which the Meesaq fund invests are selective stocks, sukuk, short term deposits in Islamic banks / Islamic bank branches, Islamic mutual funds and other valid interest-free investments.

## Fund Information

Description	Information
<b>Fund Name</b>	Meesaq Fund
<b>Fund Size</b>	PKR 6,222 Million
<b>Launch date</b>	27.03.2008
<b>Bid Price (27.03.2008)</b>	PKR 475.00
<b>Bid Price (30.09.2015)</b>	PKR 853.46
<b>Category</b>	Non-interest bearing Investment portfolio
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

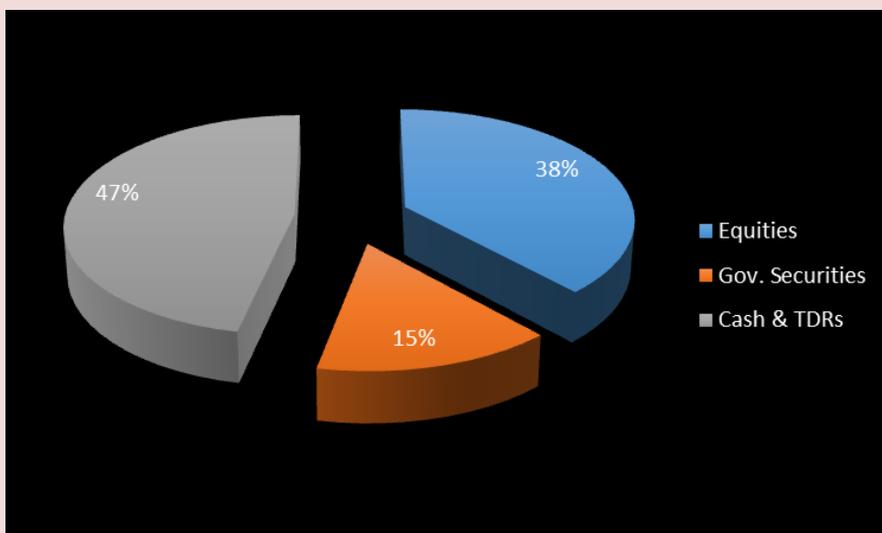
During the month of September 2015, Meesaq Fund's (MEF) Unit Price decreased by PKR 12.25 (-1.41%) net of fund management fee. On YTD basis unit price has increased 7.49% (not-annualized).



Investment Committee Members	
<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member

Assets	September 2015	August 2015
<b>Government Securities-Sukuk</b>	<b>15.02%</b>	<b>14.99%</b>
<b>Cash &amp; Short Term Deposits</b>	<b>46.77%</b>	<b>44.96%</b>
<b>Stocks &amp; Mutual Funds</b>	<b>38.21%</b>	<b>40.05%</b>

Fund Returns	
Period	Rate of Return
<b>1 month</b>	-1.41%
<b>3 months</b>	0.48%
<b>12 months</b>	11.77%
<b>Calendar YTD</b>	7.49%
<b>Since Inception</b>	79.68%
<b>Since Inception (annualized)</b>	8.11%



Fund Size	
September 2015	August 2015
PKR 6,222 Million	PKR 6,233 Million

# Yaqeen Growth Fund

## Fund Objective

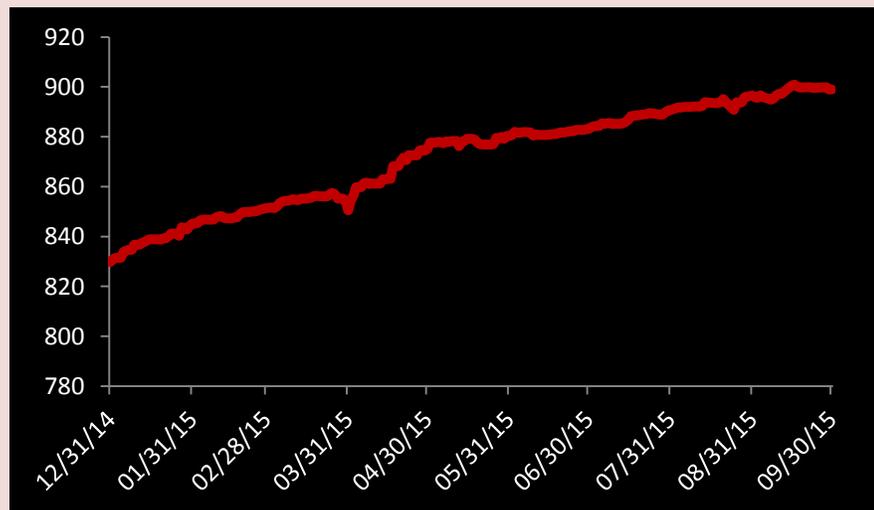
This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum risk of capital erosion.

## Fund Information

Description	Information
<b>Fund Name</b>	Yaqeen Growth Fund
<b>Fund Size</b>	PKR 1,073 Million
<b>Launch date</b>	01.06.2009
<b>Bid Price (01.06.2009)</b>	PKR 475.00
<b>Bid Price (30.09.2015)</b>	PKR 898.99
<b>Category</b>	Capital Protected Fund
<b>Pricing Mechanism</b>	forward on daily basis
<b>Management fee</b>	1.50% p.a.
<b>Pricing days</b>	Monday to Friday
<b>Auditors</b>	KPMG
<b>Appointed Actuary</b>	Nauman Cheema, Nauman Associates, Lahore

## Fund Returns

During the month of September 2015, Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 2.47 (0.28%) net of fund management fee. On YTD basis unit price has increased 10.95% (annualized).



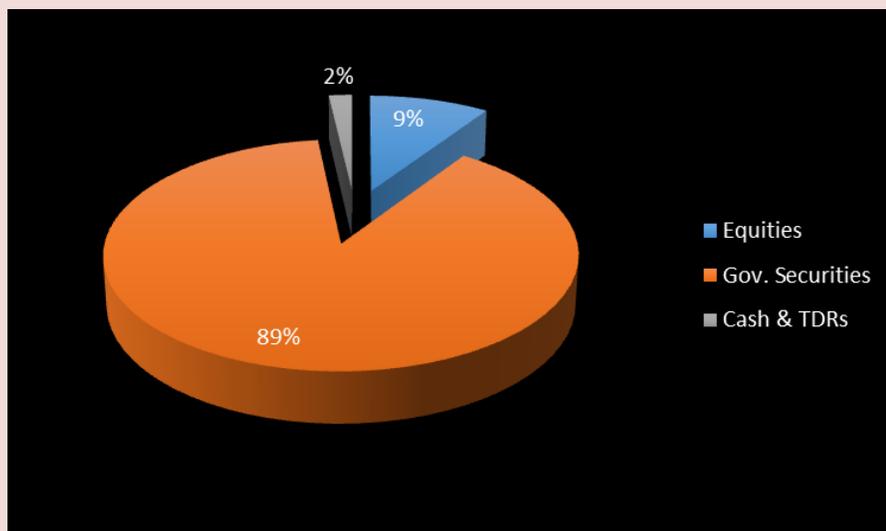
## Investment Committee Members

<b>Ayaz Ahmed</b>	Chairman
<b>Javed Ahmed</b>	Member / CEO
<b>Sultan Ali Akbar Allana</b>	Member
<b>John Joseph Metcalf</b>	Member
<b>Nurallah Merchant</b>	Member
<b>Lilly R. Dossabhoy</b>	Member

Assets	September 2015	August 2015
<b>Government Securities</b>	<b>88.79%</b>	<b>89.96%</b>
<b>Stocks &amp; Mutual Funds</b>	<b>9.40%</b>	<b>10.04%</b>
<b>Cash &amp; Short Term Deposits</b>	<b>1.82%</b>	<b>-</b>

## Fund Returns

Period	Rate of Return
<b>1 month</b>	0.28%
<b>3 months</b>	1.72%
<b>12 months</b>	14.32%
<b>Calendar YTD</b>	8.19%
<b>Calendar YTD (annualized)</b>	10.95%
<b>Since Inception</b>	89.26%
<b>Since Inception (annualized)</b>	10.60%



## Fund Size

September 2015	August 2015
PKR 1,073 Million	PKR 1,059 Million