

INVESTORS' OUTLOOK

FOR THE MONTH OF JULY 2015

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Market Review

July 2015

Equity Market

The KSE-100 Index remained volatile throughout the month, testing an all-time high of 36,116 (intra-day) on July 24, before closing the month at 35,741.52. The Index is up 3.90% MoM and 11.24% since the beginning of the Calendar year. Foreign portfolio investors were net sellers of US\$21.28m during the month. On the local front, companies, mutual funds, NBFCs and Individuals were buyers, while banks, brokers and others were net sellers.

Initial euphoria in the market was set by lower than expected inflation figure for the month of June (3.16%) and a delay in notification of an increase in gas prices by the Government until after Eid. This led to a cautious optimism in the market that there might be yet another downward adjustment in discount rate or target rate in the July monetary policy. However, during mid-month, the index took a breather as foreigner booked profit and local investors remained cautious of any spillover (into local equities) of jitters felt in the international equity and commodity markets.

The Index started rallying again ahead of the monetary policy announcement. However, the last week saw index fall WoW amidst disappointing result of FFC, unexpectedly low cement dispatches and due to rollover week. The month also saw activity and price increases in third tier stocks on company specific rumors. This led to the regulator stepping in to check the authenticity of these rumors, increase their vigilance and issue notices to investee companies, investors and brokers seeking clarifications. A major development taking place during the month was a Nuclear deal reached between Iran and six major powers which will lead to an eventual lifting of sanction on Iran. This resulted in expectations of an increase in global supply of oil, steering a fall in international oil prices, and weakening investor sentiment in the local oil stocks.

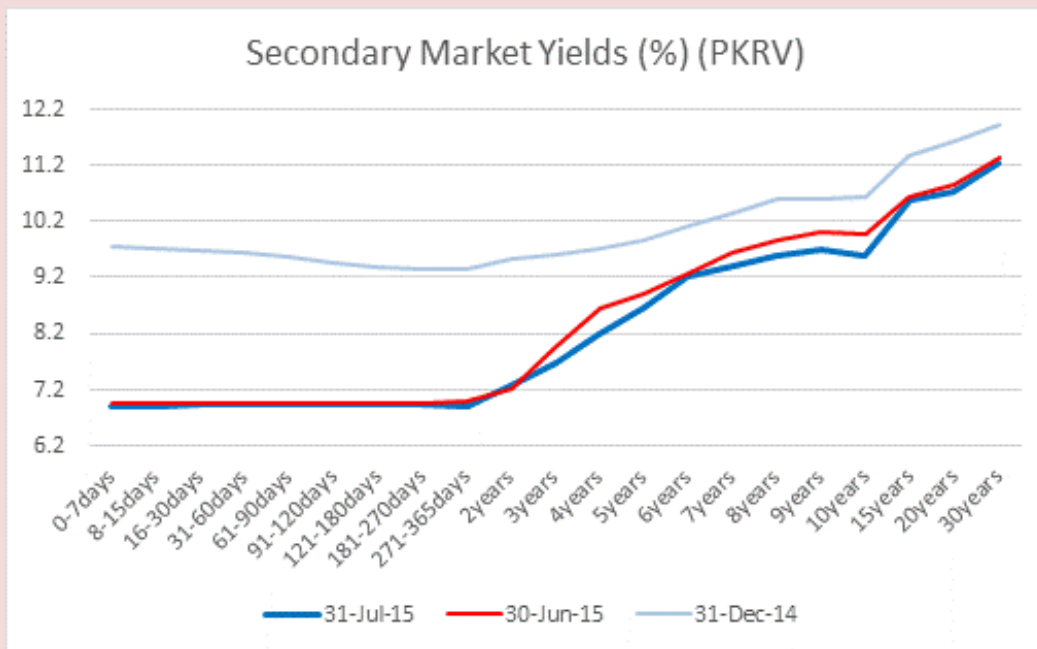


Money Market

Two T-Bill Auctions were conducted during the month. Average yields saw a marginal increase of 6bps and 1bp in 3- and 6- months papers to 6.92% and 6.95% and a decline of 3 bps in 12-month paper to 6.94%. A total of Rs. 332b was picked up in these auctions, which was higher than the target of Rs. 275b set for these auctions.

A PIB Auction was conducted on July 15, prior to the monetary policy announcement later in the month. Cut-offs yields were maintained at the previous auction levels of 8.09% and 9.00% in 3-year and 5-year tenors. Bids for 10-year paper were rejected, while no bids were received for 20-year paper. An amount of Rs. 54b was accepted, which was considerably lower than the auction target of Rs. 100b. About three-fourths of the acceptances were in the 3-year tenor.

Yield in the secondary market reduced marginally during the month. Benchmark 6-month KIBOR remained flat at 7.04%.



Monetary Policy

The SBP announced its first monetary policy of the new fiscal year FY2016, maintaining a status quo on its policy rate / target rate at 6.5%. Major reasons sighted for the decision included inflation, which is expected to inch up due to low base effect, a possible upward revision in energy tariffs and higher food prices due to recent floods. Further, impact of monetary easing in FY2015 is yet to trickle down to private sector in terms of credit expansion.

Managed Fund

Fund Objective

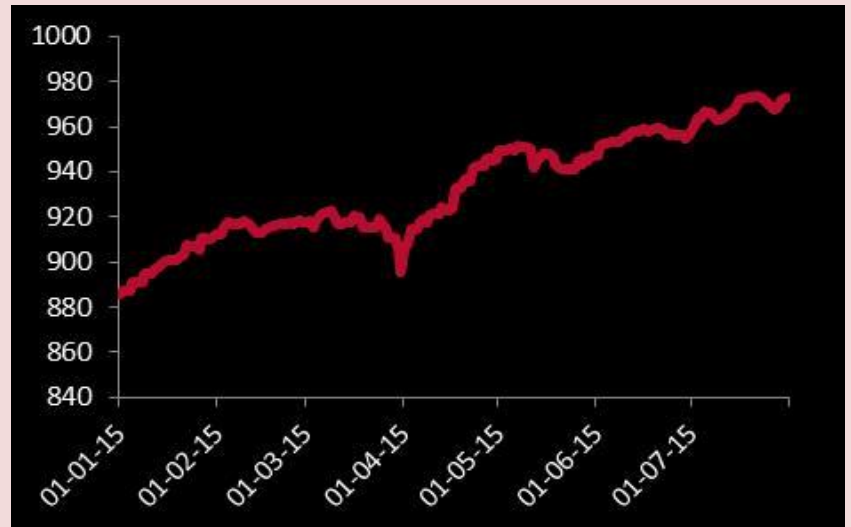
To maximize capital appreciation by investing in a balanced portfolio of wide range of shares, Government and other fixed income securities and bank deposits.

Fund Information

Description	Information
Fund Name	Managed Fund
Fund Size	PKR 43,042 Million
Launch date	31.12.1996
Bid Price (31.12.1996)	PKR 99.50
Bid Price (31.07.2015)	PKR 972.70
Category	Balanced Fund
Pricing Mechanism	forward on daily basis
Management fee	1.50% p.a.
Pricing days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

Fund Returns

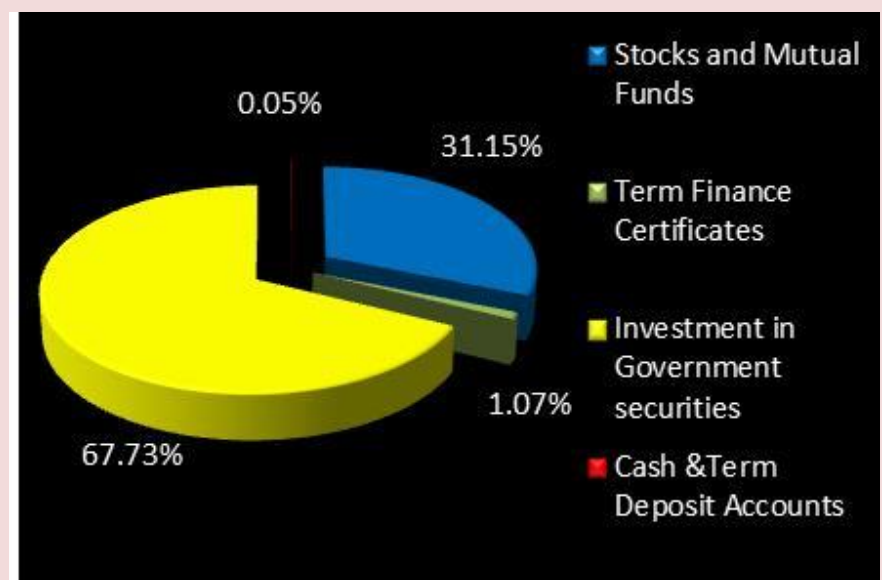
During the month of July 2015, Managed Fund's (MF) Unit Price increased by PKR 14.07 (1.47%) net of fund management fee. On YTD basis unit price has increased 8.25% (not-annualized).



Investment Committee Members	
Ayaz Ahmed	Chairman
Javed Ahmed	Member / CEO
Sultan Ali Akbar Allana	Member
John Joseph Metcalf	Member
Nurallah Merchant	Member
Manzoor Ahmed	Member/ Secretary

Assets	July 2015	June 2015
Government Securities	67.73%	67.30%
Term Finance Certificates	1.07%	0.98%
Cash & Short Term Deposits	0.05%	2.47%
Stocks & Mutual Funds	31.15%	29.25%

Fund Returns	
Period	Rate of Return
1 month	1.47%
3 months	2.40%
12 months	19.26%
Calendar YTD	8.25%
Since Inception	877.59%
Since Inception (annualized)	13.04%



Fund Size	
July 2015	June 2015
PKR 43,042 Million	PKR 42,018 Million

Capital Growth Fund

Fund Objective

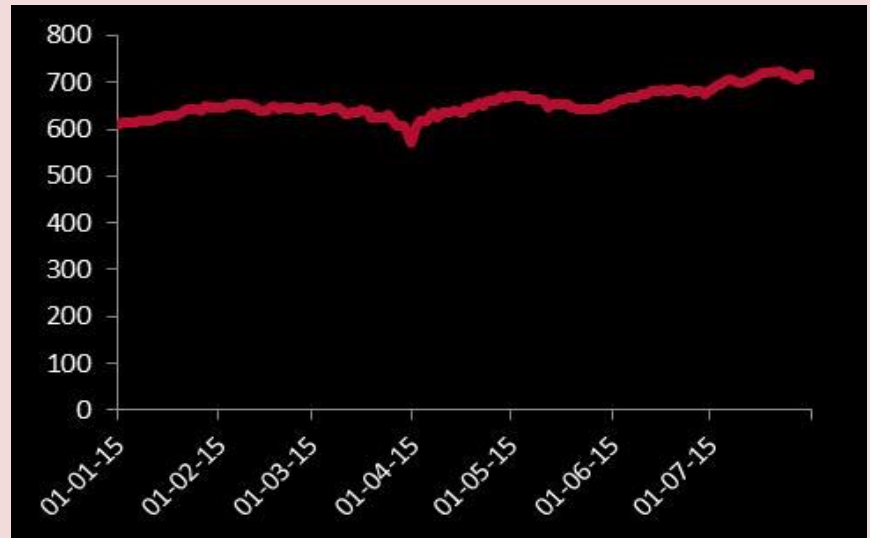
The objective of the fund is to maximize returns to policyholders by investing mainly in equity portfolio and partly in Government securities, Term Finance Certificates and bank deposits.

Fund Information

Description	Information
Fund Name	Capital Growth Fund
Fund Size	PKR 1,801 Million
Launch date	28.07.2004
Bid Price (28.07.2004)	PKR 100.00
Bid Price (31.07.2015)	PKR 717.46
Category	Equity Fund
Pricing Mechanism	forward on daily basis
Management fee	1.50% p.a.
Pricing days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

Fund Returns

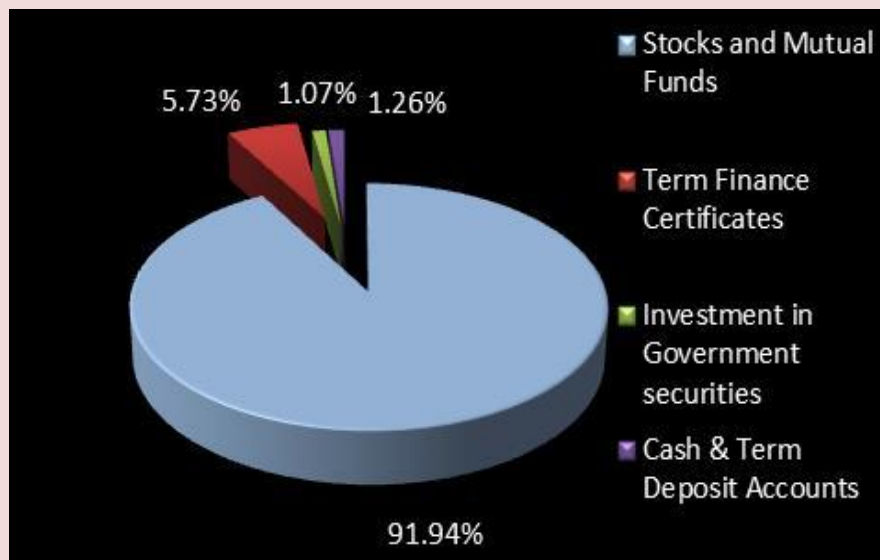
During the month of July 2015, Capital Growth Fund's (CGF) Unit Price increased by PKR 30.55 (4.45%) net of fund management fee. On YTD basis unit price has increased 17.42% (not-annualized).



Investment Committee Members	
Ayaz Ahmed	Chairman
Javed Ahmed	Member / CEO
Sultan Ali Akbar Allana	Member
John Joseph Metcalf	Member
Nurallah Merchant	Member
Manzoor Ahmed	Member/ Secretary

Assets	July 2015	June 2015
Government Securities	1.07%	1.70%
Cash & Short Term Deposits	1.26%	4.20%
Term Finance Certificates	5.73%	6.07%
Stocks & Mutual Funds	91.94%	88.03%

Fund Returns	
Period	Rate of Return
1 month	4.45%
3 months	7.04%
12 months	25.88%
Calendar YTD	17.42%
Since Inception	617.46%
Since Inception (annualized)	19.59%



Fund Size	
July 2015	June 2015
PKR 1,801 Million	PKR 1,685 Million

Meesaq Fund

Fund Objective

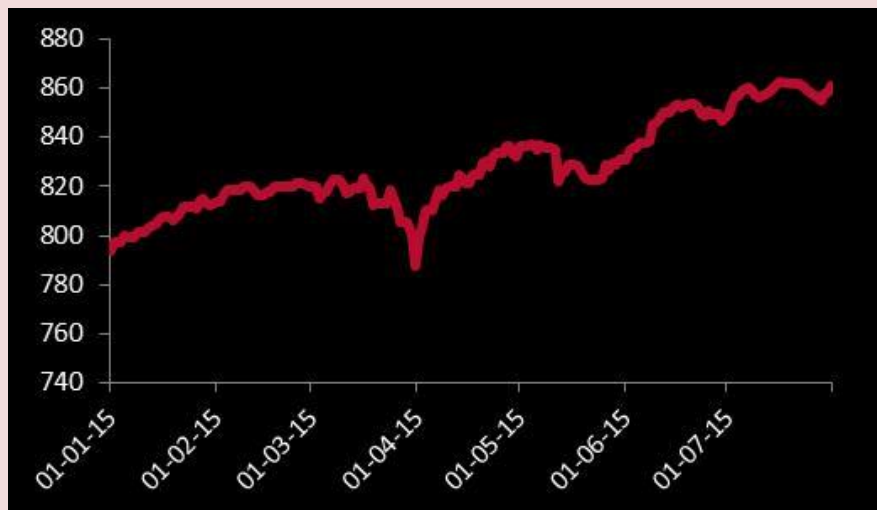
The objective of the Meesaq fund is to provide an opportunity to investors who want interest free returns. The instruments in which the Meesaq fund invests are selective stocks, sukuk, short term deposits in Islamic banks / Islamic bank branches, Islamic mutual funds and other valid interest-free investments.

Fund Information

Description	Information
Fund Name	Meesaq Fund
Fund Size	PKR 6,162 Million
Launch date	27.03.2008
Bid Price (27.03.2008)	PKR 475.00
Bid Price (31.07.2015)	PKR 860.94
Category	Non-interest bearing Investment portfolio
Pricing Mechanism	forward on daily basis
Management fee	1.50% p.a.
Pricing days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

Fund Returns

During the month of July 2015, Meesaq Fund's (MEF) Unit Price increased by PKR 11.59 (1.36%) net of fund management fee. On YTD basis unit price has increased 8.43% (not-annualized).



Investment Committee Members

Ayaz Ahmed	Chairman
Javed Ahmed	Member / CEO
Sultan Ali Akbar Allana	Member
John Joseph Metcalf	Member
Nurallah Merchant	Member
Manzoor Ahmed	Member/ Secretary

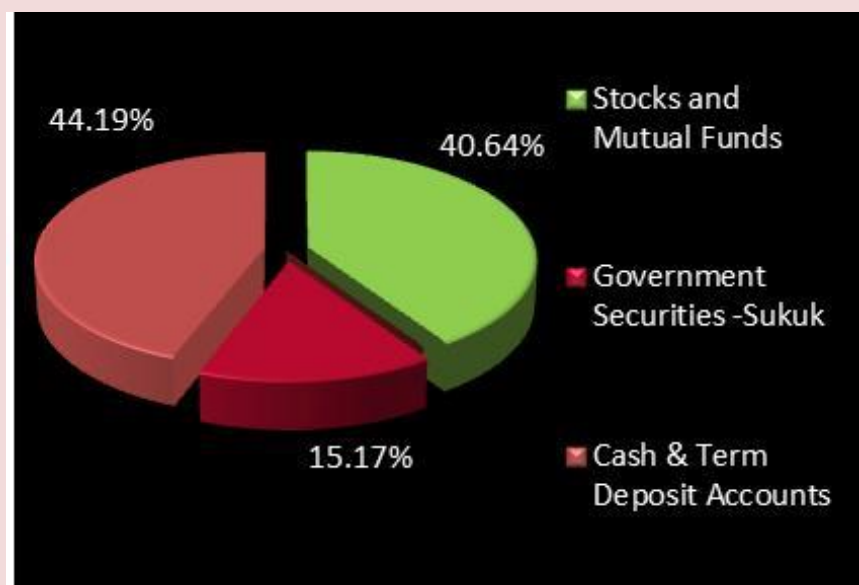
Assets	July 2015	June 2015
Government Securities-Sukuk	15.17%	15.41%
Cash & Short Term Deposits	44.19%	45.42%
Stocks & Mutual Funds	40.64%	39.17%

Fund Returns

Period	Rate of Return
1 month	1.36%
3 months	2.92%
12 months	14.32%
Calendar YTD	8.43%
Since Inception	81.25%
Since Inception (annualized)	8.43%

Fund Size

July 2015	June 2015
PKR 6,162 Million	PKR 6,021 Million



Yaqeen Growth Fund

Fund Objective

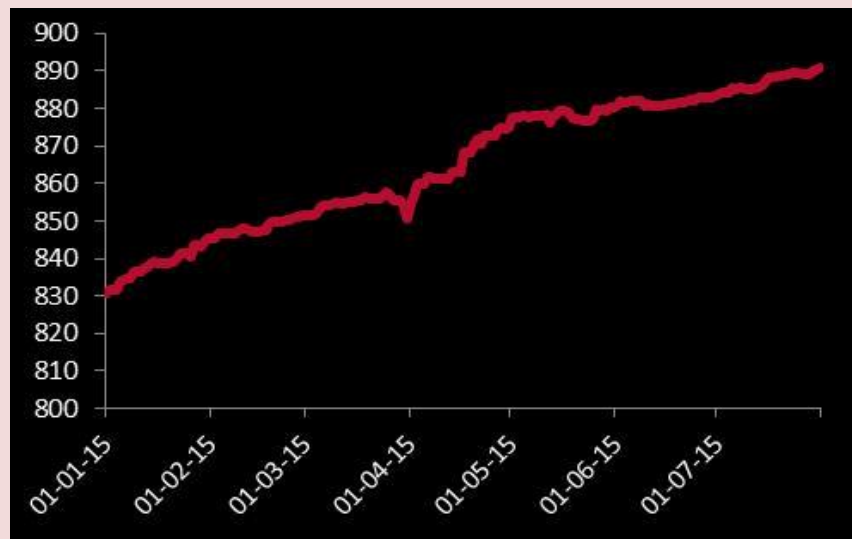
This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum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

Fund Information

Description	Information
Fund Name	Yaqeen Growth Fund
Fund Size	PKR 1,039 Million
Launch date	01.06.2009
Bid Price (01.06.2009)	PKR 475.00
Bid Price (31.07.2015)	PKR 890.65
Category	Capital Protected Fund
Pricing Mechanism	forward on daily basis
Management fee	1.50% p.a.
Pricing days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

Fund Returns

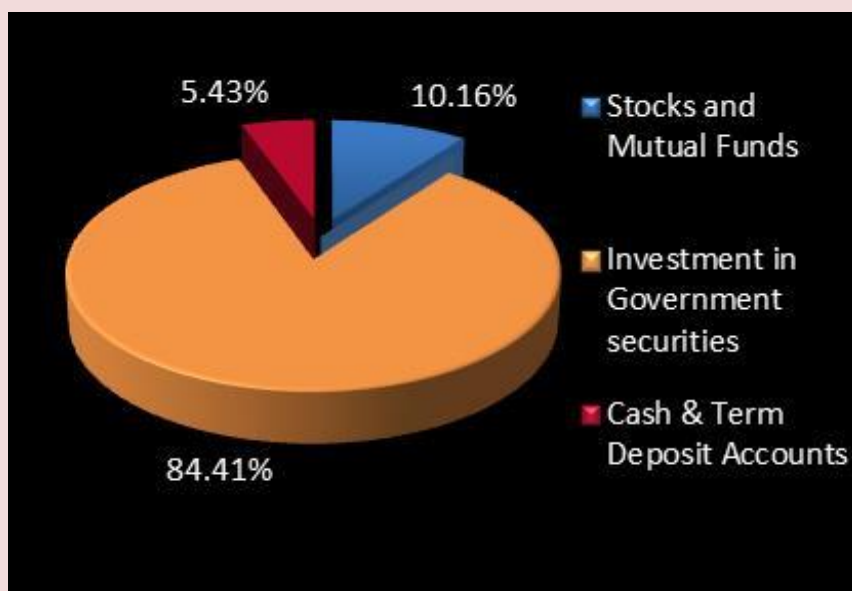
During the month of July 2015, Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 6.89 (0.78%) net of fund management fee. On YTD basis unit price has increased 12.70% (annualized).



Investment Committee Members	
Ayaz Ahmed	Chairman
Javed Ahmed	Member / CEO
Sultan Ali Akbar Allana	Member
John Joseph Metcalf	Member
Nurallah Merchant	Member
Manzoor Ahmed	Member/ Secretary

Assets	July 2015	June 2015
Government Securities	84.41%	85.78%
Cash & Short Term Deposits	5.43%	4.20%
Stocks & Mutual Funds	10.16%	10.02%

Fund Returns	
Period	Rate of Return
1 month	0.78%
3 months	1.48%
12 months	15.64%
Calendar YTD	7.19%
Calendar YTD (annualized)	12.70%
Since Inception	87.51%
Since Inception (annualized)	10.73%



Fund Size	
July 2015	June 2015
PKR 1,039 Million	PKR 1,019 Million