



INVESTMENT MATTERS

December 2016

Prepared on 13th January 2017



2016: Year in Review

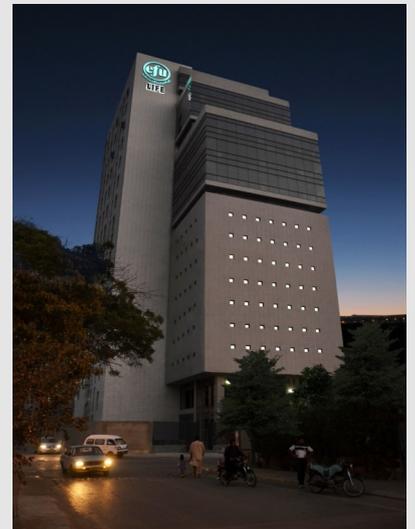
EFU Life's Insurer Financial Strength (IFS) rating was upgraded to AA+ (Stable Outlook) by JCR-VIS Credit Rating Company.

AA+

96.5B

Total assets under management reached RS. 96.5 Billion- the highest in the life insurance private sector

EFU Life inaugurated its new state-of-the-art head office 'EFU Life House'. The new premises is reflective of the company's financial strength and stature as the premier life insurer in Pakistan.

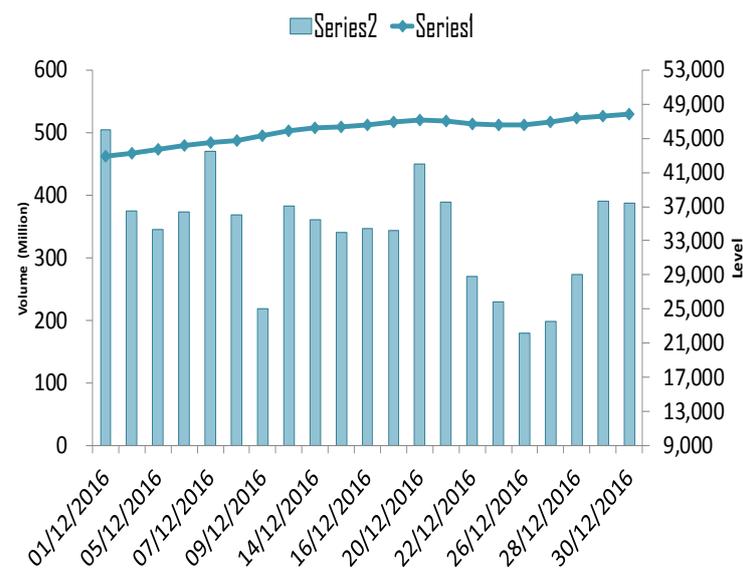
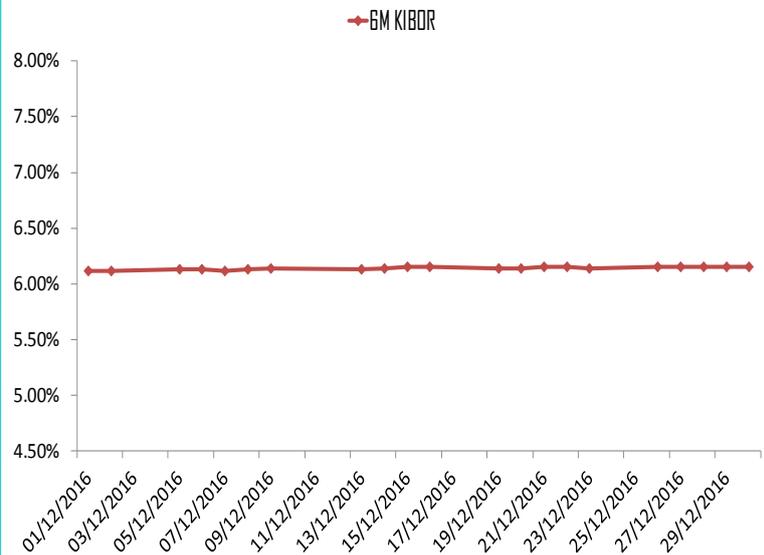


EFU Life launched a new marketing campaign, 'Kamal Ki Jeet'. The campaign is an extension of the wider theme 'Life Main Kamal Karna Zaroori Hai'.

Market Review

Debt Market Review:

- Benchmark lending rate - 6m KIBOR - increased slightly by 0.03% over the month closing at 6.15%. The latest weighted average yields for T-Bills stand at 5.99% and 6.01% for 3m and 6m tenors respectively. 12 month bids were rejected.
- CPI for the outgoing month was 3.7% compared to 3.8% for the previous month.



Equity Market Review:

- KSE-100 Index increased over the month to end at 47,807 points while average daily volume decreased over the month to 342.75m shares traded against 489.17m last month. Foreign selling of about US\$144m (net) was witnessed over the month.
- Despite substantial foreign selling, the KSE-100 index witnessed an increase of 12.16% over the month due to local investor and institutional support. Investor confidence and risk appetite has increased on the back of recent sale of 40% strategic stake of PSX to a Chinese consortium as well as ongoing progress of CPEC related projects.

Currency & Commodity Review:

- The USD declined over the month closing at 104.63, compared to 104.84 in the preceding month
- Oil prices increased during the month after OPEC agreed to cut output; average crude prices (Brent and WTI) increased approximately 11.70% from the previous month.

Managed Growth Fund (MGF)

Fund Objective:

MGF aims to provide stable returns with low volatility and a low to moderate risk profile.

It holds a diversified asset mix that includes government securities, bank deposits, and corporate debt securities, as well as equities with strong fundamentals, attractive yields, and sustainable growth.

Fund Information:

Assets Under Management	PKR 90.57 billion
Launch Date	18/03/1994
Bid Price At Inception	95.00
Bid Price (Current)	1714.45
Category	Balanced
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Low to Moderate

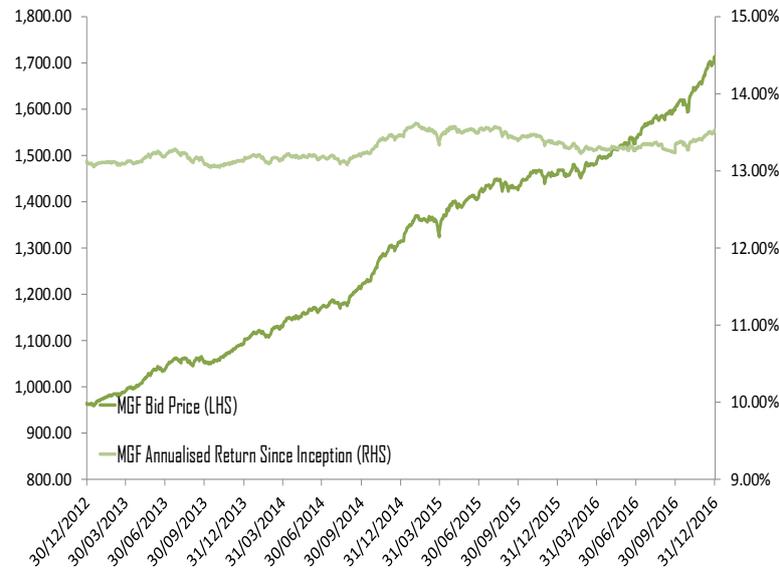
Fund Performance:

One-Year Return	17.29%
Three-year Annualised Return	16.19%
Five-Year Annualised Return	15.87%

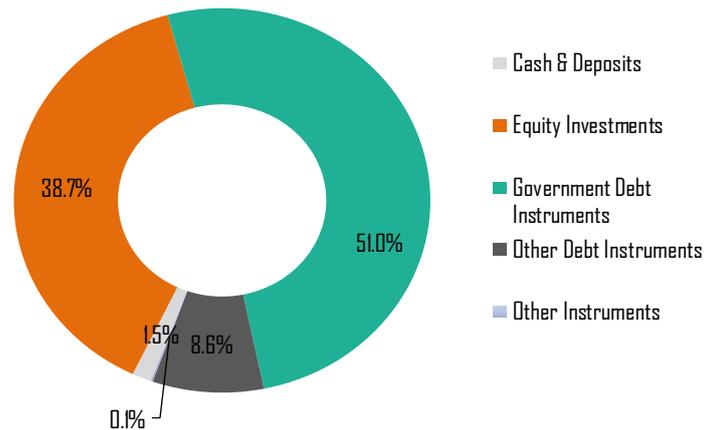
Cumulative Return Since Inception	1704.68%
Annualised Return Since Inception	13.53%

All returns above are net of fund management charge

MGF Bid Price and Returns:



Asset Allocation:



Equity Investments:

Oil & Gas Sector	16.94%
Construction & Materials Sector	13.06%
Banking Sector	12.79%
Automobile and Parts Sector	10.32%
Chemicals Sector	7.68%
Other Sectors	39.21%

Aitemad Growth Fund (AGF)

Fund Objective:

AGF aims to provide reasonable total returns with a moderate risk target.

AGF invests in Shariah-compliant (i) deposits, (ii) Certificates of Investment (COI), (iii) government and corporate sukuk, and (iv) equities.

Fund Information:

Assets Under Management	PKR 2.85billion
Launch Date	22/02/2008
Bid Price At Inception	475.00
Bid Price (Current)	1,398.62
Category	Balanced
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Moderate

Fund Performance:

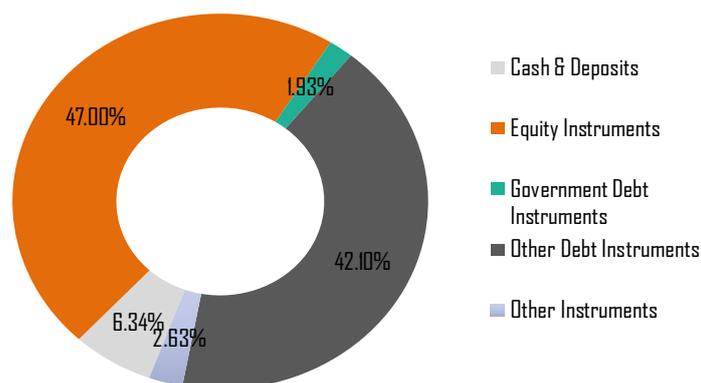
One-Year Return	19.32%
Three-year Annualised Return	16.96%
Five-Year Annualised Return	16.63%
Cumulative Return Since Inception	194.45%
Annualised Return Since Inception	12.96%

All returns above are net of fund management charge

AGF Bid Price and Returns:



Asset Allocation:



Cash & Deposits	6.34%
Equity Investment Instruments	47.00%
Government Debt Instruments	1.93%
Other Debt Instruments	42.10%
Other Instruments	2.63%

Guaranteed Growth Fund (GGF)

Fund Objective:

GGF is a low-risk fund that offers capital protection along with growth preservation — GGF guarantees that bid price will not fall.

GGF invests only in short-term government and corporate debt Instruments, term deposits, and cash.

Fund Information:

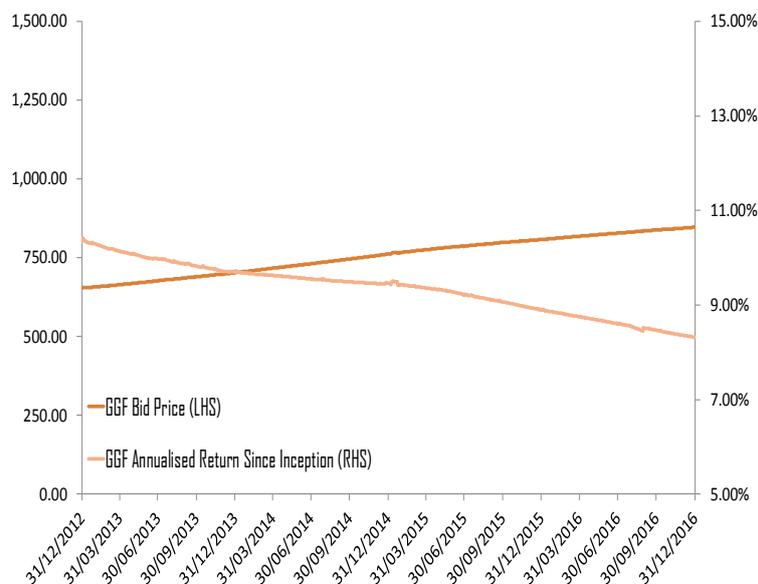
Assets Under Management	PKR 1.50 billion
Launch Date	07/10/2009
Bid Price At Inception	475.00
Bid Price (Current)	846.95
Category	Capital Protection with
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Low

Fund Performance:

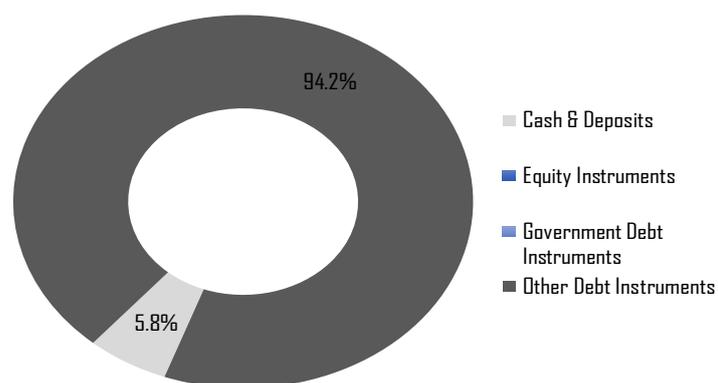
One-Year Return	4.83%
Three-year Annualised Return	6.42%
Cumulative Return Since Inception	78.31%
Annualised Return Since Inception	8.32%

All returns above are net of fund management charge

GGF Bid Price and Returns:



Asset Allocation:



Cash & Deposits	5.8%
Equity Investments	0.0%
Government Debt Instruments	0.0%
Other Debt Instruments	94.2%

Takaful Growth Fund (TGF)

Fund Objective:

TGF aims to provide stable returns with low volatility and a low to moderate risk profile.

TGF invests in Shariah-compliant (i) deposits, (ii) Certificates of Investment (COI), (iii) government and corporate sukuk, and (iv) equities.

Fund Information:

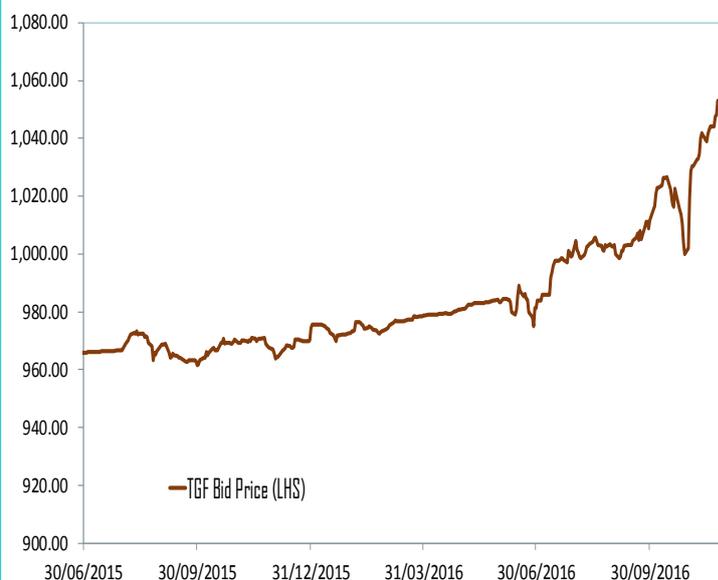
Assets Under Management	PKR 1.30 billion
Launch Date	09/02/2015
Bid Price At Inception	950.00
Bid Price (Current)	1080.78
Category	Balanced
Pricing Mechanism	Daily (Forward)
Fund Management Charge	1.5% per annum
Pricing Days	Monday-Friday
Risk Profile	Moderate

Fund Performance:

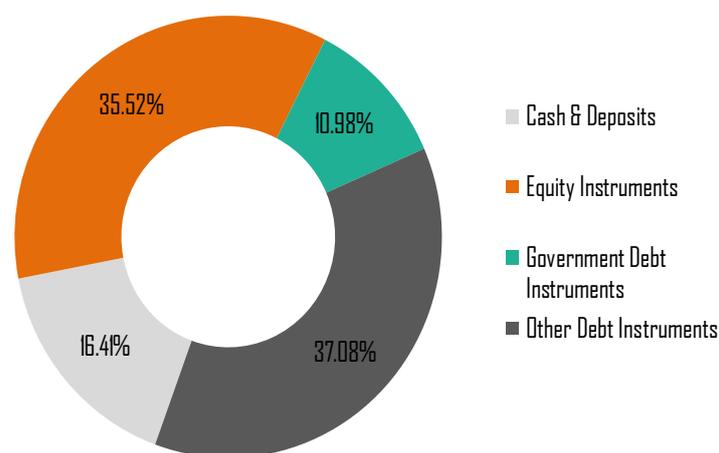
Three-Month Return	6.83%
Six-Month Return	10.13%
One-Year Return	10.90%
Cumulative Return Since Inception	13.77%

All returns above are net of fund management charge

TGF Bid Price and Returns:



Asset Allocation:



Cash & Deposits	16.41%
Equity Investments	35.52%
Government Debt Instruments	10.98%
Other Debt Instruments	37.08%