



ASSET MANAGEMENT LTD.

ايسيت مينجمنت لميتد

AMC Rating : AM2 by JCR-VIS

# FUND MANAGER'S REPORT

## February 2017

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering document to understand the investment policies and risk involved.

**Capital Markets Review**

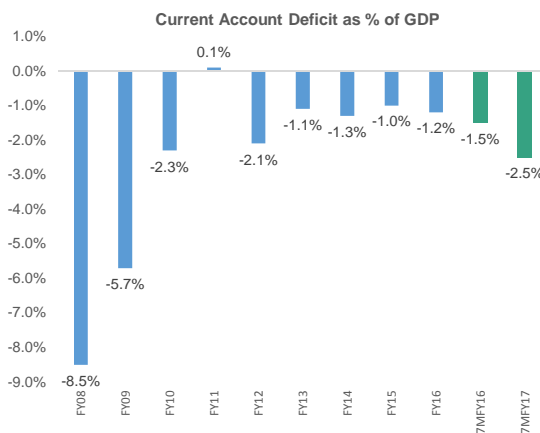
February 2017

**ECONOMIC REVIEW**

Current account deficit reached USD 4.7bn (2.5% of GDP) during 7MFY17 compared to USD 2.4bn (1.5% of GDP) during the same period last year, up by 90% YoY. Widening current account is fueled by flattish exports (-1.3%) and rising imports (9.2%) during the same period. To curb the rising imports, SBP has imposed 100% cash margin requirement on imports of luxury/non-essential items to discourage such importers. On export front, government has announced USD 1.7bn export package in the form of rebates and import duties on raw material and machine imports mainly for textiles.

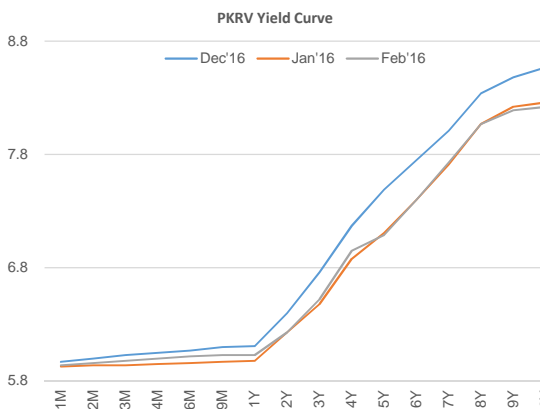
Moreover, remittances remained lackluster, declining 2% YoY to reach USD 10.9bn. Rising trade deficit is weighting on foreign reserves, which declined by USD 312mn MTD to reach USD 21.9bn, leading to import cover of 3.5months against SBP reserves. FDI grew by 6.5% YoY during 7MFY17 to stand at USD 1.1bn. On fiscal side, budget deficit during 1HFY17 reached 2.4% of GDP owing to dull revenue collection and heavy expenditure. Despite the multi-year low policy rate (5.75%), LSM growth managed to grow only by 3.9% in 1HFY17. In December however, LSM witnessed surge of 7% because of the growth in tractors (4.4x), deepfreezers (104%) and trucks (52%).

In the near term, the Pakistani economy may face some headwinds on its external accounts and fiscal deficit. However, the country has built up adequate buffers to mitigate these risks, thus ensuring another year of robust growth.



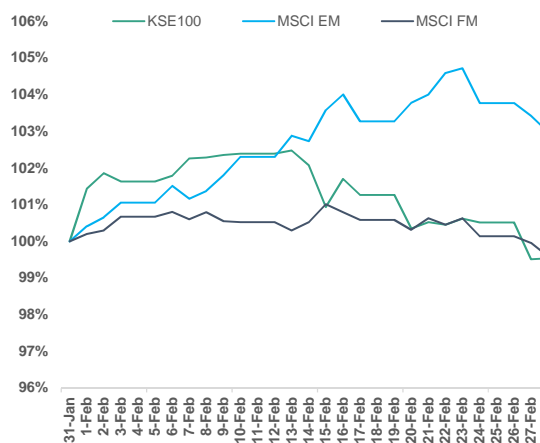
**MONEY MARKET REVIEW**

During the period under review, SBP conducted T-bill auctions twice with a cumulative target of PKR 1,100bn against maturity of PKR1,160bn. Cumulative participation in the auction was PKR 1,494bn (face value) with a major amount accepted in 3 months tenor, total amount accepted was PKR 1,254bn (excluding non-competitive bids). The cut-offs yields in the last auction were 5.9463%, 5.9896% and 5.9935% for 3, 6 and 12Months T-Bills respectively. SBP conducted a PIB auction on February 22, 2017 with a target of PKR 50bn against the maturity of PKR 9.2bn, participation of PKR 114bn was witnessed, while the government accepted an amount of PKR 59bn. Participation in the 3years PIBs attracted 81% of the participation followed by 5 years and 10 years which attracted 15% and 4% of the entire participation. With the major amount accepted in the 3years tenor, the cut-off yields were 6.4066% for the 3 years tenor, followed by 6.8994% in the 5 years tenor and 7.9406% in the 10 years tenor. In FY17 SBP expects lower inflation rate than its annual target of 6% due to stable commodity prices and exchange rate. Similarly, the PKRV yields for shorter tenure papers (3M, 6M, 12M) slight increased by 4bps, 6bps, and 5bps respectively, on the contrary for longer tenure bonds (5Y, 10Y) PKRV decreased by 2bps and 4bps respectively. Going forward, inflation is likely to accelerate but at a modest pace, while concerns on the external front are likely to be mitigated via appropriate measures; thus we do not foresee any major change in monetary policy stance in the near term.



**EQUITY MARKET REVIEW**

The KSE100 index posted a decline of 0.46% M/M in Feb'17, vs. an increase of 2% in Jan'17. In USD terms KSE 100 Index return was -0.45% during the month which underperformed both MSCI Emerging Market and Frontier Market indices. Profit taking was witnessed as SECP was seen in action against some brokerage houses. Participation level was also on lower side as average daily volume and turnover were down by 30.7% and 26.7% MoM respectively. The prime outperformers in the market during the month were Textile and Multi Utilities sectors. In Multi Utilities, Sui twins were in limelight amid to expansion plans. The Textile sector was benefitted from antidumping duties imposed by NTC on imported cotton yarn. On the other hand, Oil & Gas and Power Generation & Distribution sectors were the main laggards. Net FIPI outflow clocked in at USD 29.6mn. Sector wise break-up reveals that majority of net selling during Feb'17 was witnessed in Cements (USD 10mn), Food & Personal goods (USD 7.9mn), and Power Generation with (USD 6.9mn). On the local front, Mutual Funds absorbed most of the FIPI selling (net buy of USD 47.94mn). Insurance companies and other organizations were buyers with USD 16mn, USD 10.28mn respectively while Individuals and Banks were sellers with net outflow of (USD 43mn) and (USD 10.13). Results were mostly in line with expectations, with few exceptions in Banking and OMC sectors. Going forward, we remain optimistic regarding the market's performance given its cheap valuations compared to Emerging Market peers, although near term performance may be dictated by news flow, particularly regarding the Panama case.



**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

# Conventional Funds

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective of the Fund is to seek high liquidity and comparative return for investors by investing in low risk securities of shorter duration and maturity.

**FUND MANAGER'S COMMENTS**

During the month of February17, the Fund size decreased to PKR 3,877 mn from PKR 4,579mn in Jan'17. The Fund earned an annualized return of 4.70% for the month. The overall weighted average time to maturity stood at 48 days compared to 54 days in Jan17. The Fund Manager is looking out for opportunities to augment the Fund's return.

**FUND INFORMATION**

Net Assets	PKR 3,877 mn
NAV	PKR 106.0253
Launch Date	12-Jul-10
Management Fee	1.00% p.a
Expense Ratio without ST	0.81%
Expense Ratio with ST	1.00%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	70% 3M PKRV & 30% 3M Deposits Rate of 3 AA and above rated Banks
Type	Open End
Category	Money Market Scheme
Front end Load	Nil
Back end Load	Nil
AMC Rating	AM2 ( JCRVIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 5-Jan-17
Leverage	Nil
Risk	Low
Weighted Average Maturity (Days)	48

**ASSET ALLOCATION (% of Total Assets)**

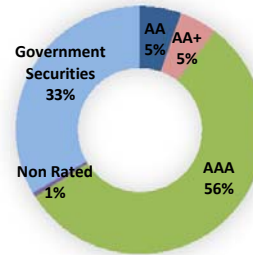
	Feb-17	Jan-17
Cash	48.46%	39.76%
Placements with Banks & DFIs	17.51%	20.83%
T-Bills	33.46%	36.21%
PIB	0.00%	0.00%
Others Including receivables	0.56%	3.19%

**FUND RETURNS (%)\***

	HBL MMF*	BENCHMARK
Annualized Return Since Inception	11.35%	7.92%
Year to Date Annualized Return	6.62%	5.26%
Calendar Year to Date Annualized Return	12.13%	5.26%
1 Month Annualized Return	4.70%	5.27%
3 Month Annualized Return	9.69%	5.27%
6 Month Annualized Return	7.27%	5.21%
1 Year Annualized Return	6.03%	5.35%

\* Return have been calculate as per MUFAP's formula

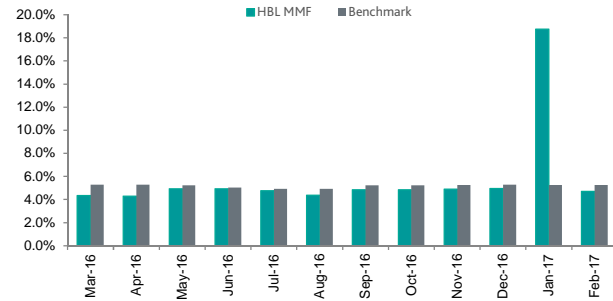
**ASSET QUALITY (% Total Assets)**



**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda	Acting Head of Research
Tauqir Shamshad	Head of Fixed Income
Noman Ameer	Manager Risk

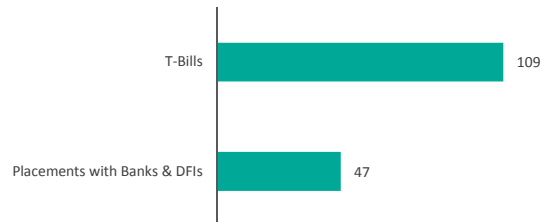
**HBL MONEY MARKET FUND vs BENCHMARK (MoM Returns)**



**NON-COMPLIANT INVESTMENTS**

Nil

**WEIGHTED AVERAGE MATURITY**



**PROVISION AGAINST WWF**

The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of **PKR 6,109,583mn** if the same were not made, the NAV per unit would be higher by **Rs. 0.17/0.16%**. For details, investors are advised to read the Note 5.3 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

To provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity. The Fund aims to maximize returns through efficient utilization of investment and liquidity management tools.

**FUND MANAGER'S COMMENTS**

During the month of February, the Fund size decreased marginally to PKR 5,135mn from PKR 5,270mn in Jan'17. The Fund earned an annualized return of 5.11% for the month. The overall weighted average time to maturity stood at 47 days as the liquidity was majorly held for potential TDRs and Placement opportunities which may arise due to March quarter end.

**FUND INFORMATION**

Net Assets	PKR 5,135 million
NAV	PKR 104.3369
Launch Date	14-Dec-10
Management Fee	0.5%p.a.
Expense Ratio without ST	0.49%
Expense Ratio with ST	0.68%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Delloite Yousuf Adil Pakistan
Benchmark	70% 3M PKRV & 30% 3M Deposits Rate of 3 AA and above rated Banks
Type	Open End
Category	Money Market Scheme
Front end Load	Class D: 1% of NAV
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Backward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 05-Jan-17
Leverage	Nil
Risk	Low
Weighted Average Maturity (Days)	47

**ASSET ALLOCATION (% of Total Assets)**

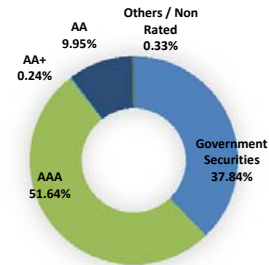
	Feb-17	Jan-17
Cash	44.24%	35.70%
T-Bills	37.84%	39.86%
PIBs	0.00%	0.00%
Placements with Banks & DFIs	17.72%	23.83%
Others Including receivables	0.20%	0.62%

**FUND RETURNS \***

	HBL CF	BENCHMARK
Annualized Return Since Inception	11.34%	7.15%
Year to Date Annualized Return	5.66%	4.87%
Calendar Year to Date Annualized Return	6.52%	5.26%
1 Month Annualized Return	5.11%	5.25%
3 Month Annualized Return	6.24%	5.27%
6 Month Annualized Return	5.75%	5.10%
1 Year Annualized Return	5.78%	4.80%

\* Return have been calculate as par MUFAP,s formula

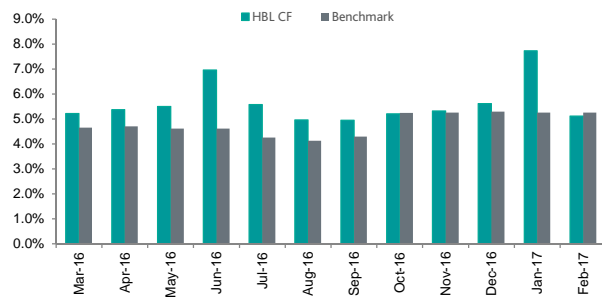
**ASSET QUALITY (% Total Assets)**



**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Tauqir Shamshad	Head of Fixed Income
Colin Miranda, CFA, FRM	Acting Head of Research
Noman Ameer	Manager Risk

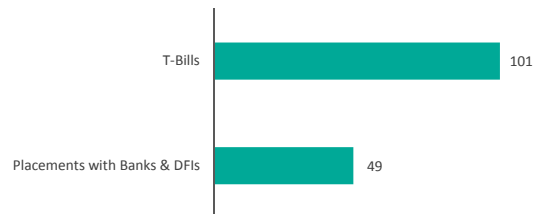
**HBL CASH FUND vs BENCHMARK (MoM Returns)**



**NON-COMPLIANT INVESTMENTS**

Nil

**WEIGHTED AVERAGE MATURITY**



**PROVISION AGAINST WWF**

The scheme has maintained provision against SINDH WWF liability to the tune of Rs 4,791,295 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.0973/0.15% (YTD). For details, investors are advised to read the Note 8 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective of the Fund is to provide a stable stream of income with moderate level of risk by investing in fixed income securities.

**FUND MANAGER'S COMMENTS**

During the Month of Feb'17, the fund reduced marginally to Rs. 4,698 mn from 4,980 mn in Jan'17. The Fund earned an annualized return of 5.90% against the benchmark return of 6.13%. During the month the Fund reduced its exposure in PIBs and Placements. The overall weighted average time to maturity stood at 704days against 829 days in Jan17.

**FUND INFORMATION**

Net Assets	PKR 4,698 mn
NAV	PKR 109.2754
Launch Date	15-Mar-07
Management Fee	1.5% p.a
Expense Ratio without ST	1.14%
Expense Ratio with ST	1.38%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	6 Month KIBOR
Type	Open End
Category	Income Scheme
Front end Load	1.50%
Back end Load	Nil
AMC Rating	AM2 ( JCRVIS) 12/30/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS) 1/11/2017
Leverage	Nil
Weighted Average Maturity (Days)	704
Risk	Moderate

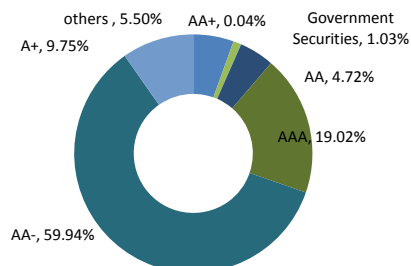
**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	51.43%	18.94%
Placement with Banks & DFI	14.24%	22.92%
TFCs	27.02%	27.22%
PIBs	0.00%	11.94%
T-Bills	1.03%	9.56%
Spread Transaction	1.10%	8.06%
Commercial Paper	0.79%	0.73%
Others Including receivables	4.39%	0.64%

**FUND RETURNS \* HBL IF\* BENCHMARK**

	HBL IF*	BENCHMARK
Annualized Return Since Inception	14.72%	10.56%
Year to Date Annualized Return	4.50%	6.08%
Calendar Year to Date Annualized Return	6.32%	6.13%
1 Month Annualized Return	5.90%	6.13%
3 Month Annualized Return	5.66%	6.13%
6 Month Annualized Return	5.03%	6.10%
1 Year Annualized Return	4.67%	6.15%

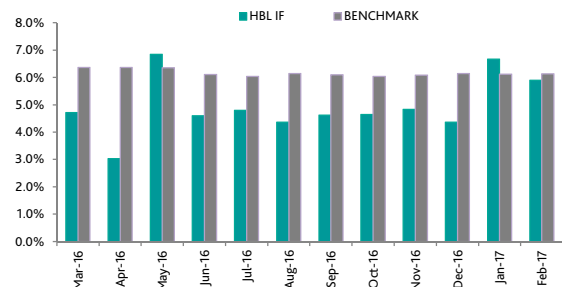
**ASSET QUALITY (% Total Assets)**



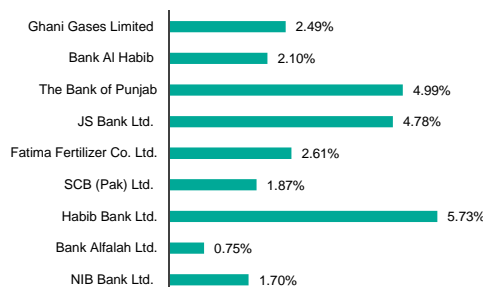
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Tauqir Shamshad	Head of Fixed Income
Noman Ameer	Manager Risk

**HBL INCOME FUND vs BENCHMARK (MoM Returns)**



**TOP TEN HOLDINGS (% of Total Assets)**



**NON-COMPLIANT INVESTMENTS**

Non-Compliant Investment	Type of Investment	Value before Provision (PKR mn)	Provision Held (PKR mn)	Value of Investment after Provision (PKR mn)	% of Net Assets	% of Gross Assets
New Allied Electronics	TFC	19.02	19.02	1	-	-
New Allied Electronics	Sukuk	44.15	44.15	1	-	-
Agra Tech Limited	TFC	9.99	9.99	-	-	-
Agra Tech Limited	TFC	5.55	5.55	-	-	-
Agra Tech Limited	TFC	47.77	47.77	-	-	-
Zarai Taraqati Bank Ltd.	TDR	-	-	-	10.64%	10.39%

**PROVISION AGAINST WWF**

The scheme has maintained provisions against Sindh WWF liability to the tune of **PKR 16,232,357mn** if the same were not made, the NAV per unit would be higher by **Rs. 38/35%**. For details, investors are advised to read the Note 8.2of the latest financial statements of the scheme.

The scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest financial statements.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

To provide competitive returns to its investors through active investments in a blend of short, medium and long term debt instruments. The Fund aims to preserve capital while maximizing returns through efficient utilization of investment and liquidity management tools.

**FUND MANAGER'S COMMENTS**

During the month of February, the Fund size decreased to PKR 1,792mn from PKR 1,932mn in Jan'17. The Fund earned an annualized return of 5.75% for the month. The Fund Manager intends to increase the exposure in Government Securities going forward due to change in the structure of the fund. The overall weighted average time to maturity stood at 739 days against 733 days in Jan'17.

**FUND INFORMATION**

Net Assets	PKR 1,792 million
NAV	PKR 109.0436
Launch Date	24-Jul-10
Management Fee	1.25%p.a.
Expense Ratio without ST	1.11%
Expense Ratio with ST	1.34%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Average of 6 Month KIBOR
Type	Open End
Category	Income Scheme
Front end Load	Class D: 1.25% of NAV
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS) 05-Jan-17
Leverage	Nil
Risk	Moderate
Weighted Average Maturity (Days)	767

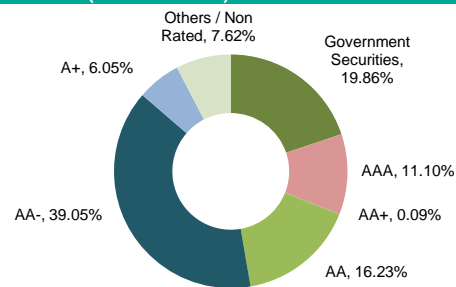
**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	31.10%	27.97%
Placement with Banks & DFI	24.48%	31.15%
TFCs	16.94%	17.11%
PIBs	17.17%	13.13%
T-Bills	2.69%	2.49%
MTS / Spread Transactions	6.15%	7.01%
Others Including receivables	1.47%	1.15%

**FUND RETURNS \***

	HBL GSF	BENCHMARK
Annualized Return Since Inception	12.82%	9.49%
Year to Date Annualized Return	5.47%	5.83%
Calendar Year to Date Annualized Return	7.71%	5.88%
1 Month Annualized Return	5.75%	5.88%
3 Month Annualized Return	6.85%	5.88%
6 Month Annualized Return	5.64%	5.85%
1 Year Annualized Return	5.74%	5.90%

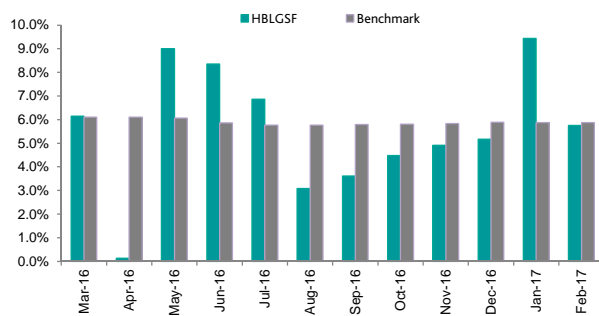
**ASSET QUALITY (% Total Assets)**



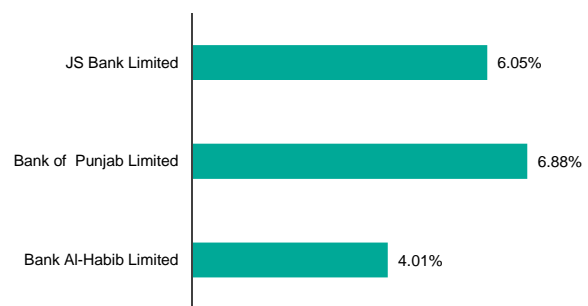
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Tauqir Shamshad	Head of Fixed Income
Colin Miranda, CFA, FRM	Acting Head of Research
Noman Ameer	Manager Risk

**HBL GOVERNMENT SECURITIES FUND vs. BENCHMARK (MoM)**



**TOP TEN HOLDINGS (% of Total Assets)**



**NON-COMPLIANT INVESTMENTS**

Non-Compliant Investment	Type of Investment	Value before Provision (PKR mn)	Provision Held (PKR mln)	Value of Investment after Provision (PKR mn)	% of Net Assets	% of Gross Assets
JS Bank Limited	TDR & TFCs	185	-	185	10.32%	10.18%
Zarai Taraqati Bank Ltd.	TDR	200	-	200	11.16%	11.00%

**PROVISION AGAINST WWF**

The scheme has maintained provision against SINDH WWF liability to the tune of Rs 5,424,669 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.3301 /0.47% (YTD). For details, investors are advised to read the Note 9 of the latest financial statements of the scheme.

The scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest financial statements.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective of the Fund is to provide long-term capital growth and income by investing in multiple asset classes such as equity, equity-related instruments, fixed-income securities, continuous funding system, derivatives, money market instruments, etc.

**FUND MANAGER'S COMMENTS**

In the month of Feb'17, the fund posted a return of 0.08% vs. benchmark return of -0.20%, an outperformance of 28 bps. During the month, weight was primarily increased in select Textiles (diversification into automobile manufacturing, assembling and sale), Autos (expected launch of new locally assembled car models) and Power Generation & Distribution (lately a laggard, expected to rally) while gains were booked in E&Ps and Fertilizers (recent strong stock price performance). Major contribution to performance came from holdings in Commercial Banks, Cements, Fertilizers and Multi-utilities sectors. At the end of the month, the fund was invested in equities up to 67.30% of the Net Assets.

**FUND INFORMATION**

Net Assets (mln)	PKR 934.65
NAV	PKR 116.3265
Launch Date	14-Dec-07
Management Fee	2.0% p.a.
Expense Ratio without ST	1.59%
Expense Ratio with ST	2.04%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Weighted average daily return of KSE100 and 6M average PKRV rates based on the actual proportion of investment in Equity and Fixed Income/Money Market component
Type	Open End
Category	Balanced Scheme
Front end Load	2.00%
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut-off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS) 30-Jun-16
Leverage	Nil
Risk	Moderate to High

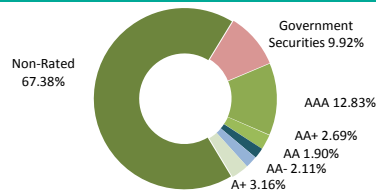
**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	10.26%	5.05%
Placement with Banks & DFIs	5.27%	5.28%
TFCs	7.17%	7.30%
PIBs	0.00%	0.00%
T-Bills	9.92%	15.69%
Stock/Equities	66.31%	65.93%
Others Including Receivables	1.07%	0.76%

**FUND RETURNS \***

	HBL MAF*	BENCHMARK
Cumulative Return Since Inception	215.15%	167.87%
Calendar Year to Date Return (Cumulative)	2.67%	1.35%
Year to Date Return (Cumulative)	18.64%	18.58%
1 Month Cumulative Return	0.08%	-0.20%
3 Month Cumulative Return	10.54%	9.80%
6 Month Cumulative Return	15.30%	15.13%
1 Year Cumulative Return	33.12%	31.20%
3 Year Cumulative Return	43.18%	53.81%
5 Year Cumulative Return	136.63%	133.92%
Standard Deviation**	10.53%	8.37%

**ASSET QUALITY (% Total Assets)**



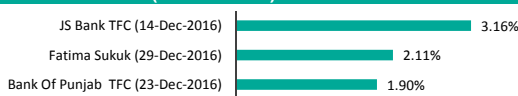
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Tauqir Shamshad	Head of Fixed Income
Samia Aslam, CFA	Fund Manager - Equity
Adeel Abdul Wahab	Fund Manager - Equity
Noman Ameer	Manager Risk

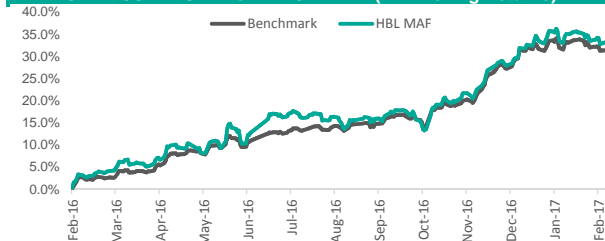
**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Commercial Banks	12.04%	13.52%
Cement	8.73%	9.27%
Oil & Gas Exploration Companies	8.01%	8.40%
Fertilizer	6.48%	7.61%
Automobile Assembler	4.76%	3.71%
Others	26.30%	23.44%

**TOP TEN HOLDINGS (TFCs/Sukus)**



**HBL MULTI ASSET FUND vs. BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS (Equities)**



**NON-COMPLIANT INVESTMENTS**

Name of Non-Compliant Investment (mn)	Type of Investment	Value before Provision (PKR mn)	Provision Held (PKR mn)	Value of Investment after Provision (PKR mn)	% of Net Assets	% of Gross Assets
Dewan Cement Ltd.	TFC	25.00	25.00	-	0.00%	0.00%
Saudi Pak Leasing Company Ltd.	TFC	15.20	15.20	-	0.00%	0.00%

**PROVISION AGAINST WWF**

The scheme has maintained provision against Sindh WWF liability to the tune of **PKR 3.779mn**, if the same were not made the NAV per unit would be higher by **Rs. 0.47/0.40%**. For details, investors are advised to read the Note 8.2 of the latest financial statements of the scheme.

The scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest financial statements.

\*Returns have been calculated as per MUFAP's formula.

\*\*Calculated on 12Month trailing data.

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.



FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The primary objective of HBL - MSF 1 is to protect the Initial Investment Value of investors at maturity with secondary objective of providing growth over the period.

**FUND MANAGER'S COMMENTS**

The fund posted a return of 0.48% during the month vs. benchmark return of 0.17%. During the month equity exposure was decreased to 9.29%, as the fund is about to dissolve in next month. TDR investment at the end of the month stood at 84.42%. During the month of Feb 17 KSE 100 Index decreased by -0.46%.

**FUND INFORMATION**

Net Assets (mln)	PKR 1997.423
NAV	PKR 107.6714
Launch Date	27-Mar-15
Management Fee	1.00% p.a
Expense Ratio with ST	1.26%
Expense Ratio without ST	0.84%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	MSF 1*
Type	Open End
Category	Capital Protected Scheme
Front end Load	2.00%
Back end Load	3.00%
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	Low

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	1.41%	0.53%
Placements with Banks and DFIs	84.42%	84.26%
Stock / Equities	9.29%	10.83%
Others Including Receivables	4.88%	4.38%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Commercial Banks	1.50%	1.45%
Cement	1.46%	0.93%
Oil & Gas Exploration Companies	1.05%	1.48%
Oil & Gas Marketing Companies	0.83%	1.07%
Fertilizer	0.69%	0.90%
Others	3.76%	5.01%

**ASSET QUALITY**

	Feb-17
AAA	84.42%
AA+	0.37%
Not rated	3.76%

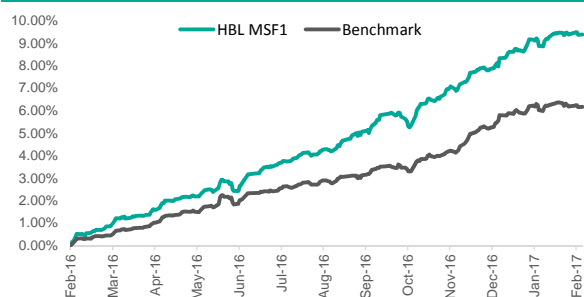
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Tauqir Shamshad	Head of Fixed Income
Noman Ameer	Manager Risk

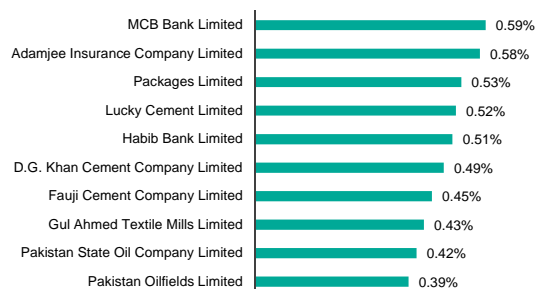
**FUND RETURNS \***

	HBLMSF1	BENCHMARK
Cumulative Return Since Inception	14.26%	9.07%
Calendar Year to Date Return (Cumulative)	1.30%	0.59%
Year to Date Return (Cumulative)	6.52%	4.05%
1 Month Cumulative Return	0.48%	0.17%
3 Month Cumulative Return	2.33%	1.95%
6 Month Cumulative Return	4.92%	3.21%
1 Year Cumulative Return	9.38%	6.17%
Standard Deviation**	1.20%	1.14%

**HBL MSF1 vs BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS**



**NON-COMPLIANT INVESTMENTS**

**PROVISION AGAINST WWF**

Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of PKR 4.473mn if the same were not made, the NAV per unit would be higher by Rs. 0.24/0.22%. For details, investors are advised to read the Note 5.3 of the latest financial statements of the scheme.

MSF1\* = Weighted Average Daily Return of KSE-100 Index and Three (3) Months Deposit Rate of Double A minus (AA-) or above rated Banks based on the Fund's actual Proportion in the Equity & Money Market Component.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective of the Fund is to provide long-term capital growth by investing primarily in a diversified pool of equities and equity-related instruments.

**FUND MANAGER'S COMMENTS**

In the month of Feb'17, the fund posted a return of 0.47% vs. benchmark return of 0.27%, an outperformance of 20 bps. During the month, weight was primarily increased in select Textiles (diversification into automobile manufacturing, assembling and sale), Power Generation & Distribution (lately a laggard, expected to rally) and Multi-utilities (proposal by KPMG to OGRA regarding relaxation in UFG allowance + government plan to import additional 1200mmcfcd of LNG by 2018) while gains were booked in Auto Parts and Fertilizers (recent strong stock price performance). Major contribution to performance came from holdings in Commercial Banks, Cements, Fertilizers and Multi-utilities sectors. At the end of the month, the fund was invested in equities up to 93.17% of the Net Assets.

**FUND INFORMATION**

Net Assets (mln)	PKR 6,450.70
NAV	PKR 131.0855
Launch Date	29-Aug-07
Management Fee	2.0% p.a.
Expense Ratio with ST	1.95%
Expense Ratio without ST	1.49%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE30 (Total Return) Index
Type	Open End
Category	Equity Scheme
Front end Load	2.50%
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut-off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	6.52%	4.79%
Stock / Equities	91.57%	93.99%
T-Bills	0.00%	0.00%
Others Including Receivables	1.91%	1.22%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Commercial Banks	18.72%	19.29%
Oil & Gas Exploration Companies	14.49%	14.92%
Cement	14.10%	14.00%
Fertilizer	11.77%	14.08%
Power Generation & Distribution	7.39%	6.92%
Others	25.09%	24.79%

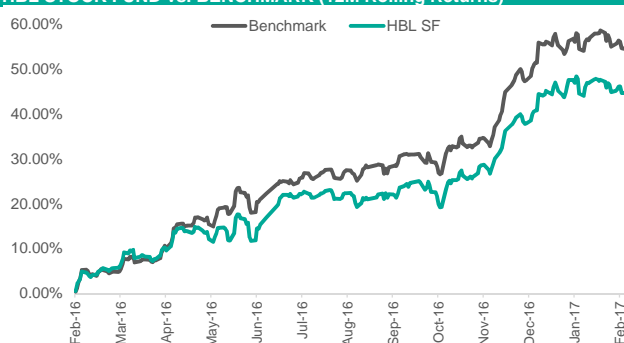
**FUND RETURNS \***

	HBL SF	BENCHMARK
Cumulative Return Since Inception	256.25%	305.52%
Calendar Year to Date Return (Cumulative)	2.74%	2.02%
Year to Date Return (Cumulative)	26.44%	28.34%
1 Month Cumulative Return	0.47%	0.27%
3 Month Cumulative Return	14.18%	16.28%
6 Month Cumulative Return	18.72%	21.81%
1 Year Cumulative Return	44.79%	54.58%
3 Year Cumulative Return	56.42%	88.08%
5 Year Cumulative Return	167.42%	276.55%
Standard Deviation**	13.34%	13.74%

**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager - Equity
Adeel Abdul Wahab	Fund Manager - Equity
Noman Ameer	Manager Risk

**HBL STOCK FUND vs. BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS (% of Total Assets)**

Habib Bank Limited	7.60%
Lucky Cement Limited	6.21%
United Bank Limited	5.84%
Engro Corporation Limited	5.29%
Hub Power Company Limited	5.15%
MCB Bank Limited	5.12%
Oil and Gas Development Company Ltd	4.99%
D.G. Khan Cement Company Limited	3.72%
Mari Petroleum Company Limited	3.63%
Packages Limited	3.56%

**NON-COMPLIANT INVESTMENTS**

Name of Non-Compliant Investment	Dewan Cement Limited
Type of Investment	TFC
Value before provision	25.00
Provision Held	25.00
% of Net Assets	0.00

**PROVISION AGAINST WWF**

The scheme has maintained provision against Sindh WWF liability to the tune of **PKR 24.904mn**, if the same were not made the NAV per unit would be higher by **Rs. 0.51/0.39%**. For details, investors are advised to read the Note 9 of the latest financial statements of the scheme.

The equity scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest financial statements.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The fund objective is to provide its investors maximum risk adjusted returns over longer investment horizon by investing in a diversified equity portfolio that offers both capital gains and dividend income.

**FUND MANAGER'S COMMENTS**

The fund posted a return of 0.23% vs benchmark KSE100 Index return of -0.46% M/M during Feb'17 (1.99% M/M in Jan'17), outperforming the benchmark by 0.69%. Market activity remained range bound as political uncertainty and investigations against brokers dampened investor sentiment. We expect volumes to increase going forward on the back of positive foreign flows along with a positive outlook in blue chip and growth stocks, barring any negative outcome of the Panamagate hearing. During the month, exposure was increased in Cements while we booked gains in Commercial Banks. At the end of the month your fund was 86.29% invested in Equities.

**FUND INFORMATION**

Net Assets (mln)	PKR 472.72
NAV	PKR 138.9386
Launch Date	27-Sep-11
Management Fee	2% p.a
Expense Ratio with ST	3.34%
Expense Ratio without ST	2.41%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE 100 Index
Type	Open End
Category	Equity Scheme
Front end Load	3.00%
Back end Load	Nil
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	9.90%	10.36%
Stock / Equities	86.29%	86.65%
Others Including Receivables	3.81%	2.99%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Commercial Banks	17.50%	18.78%
Cement	12.05%	11.04%
Oil & Gas Exploration Companies	11.38%	11.50%
Fertilizer	8.55%	8.68%
Oil & Gas Marketing Companies	6.73%	7.29%
Others	30.08%	29.37%

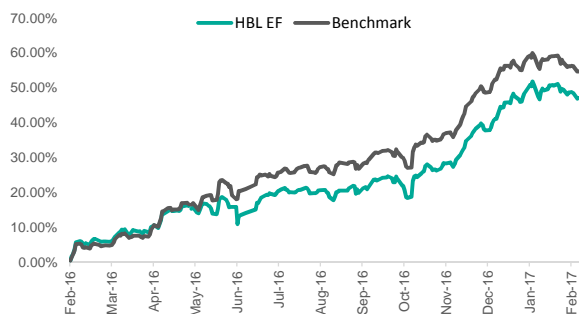
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

**FUND RETURNS \***

	HBL EF	BENCHMARK
Cumulative Return Since Inception	265.32%	320.89%
Calendar Year to Date Return (Cumulative)	4.23%	1.52%
Year to Date Return (Cumulative)	29.57%	28.45%
1 Month Cumulative Return	0.23%	-0.46%
3 Month Cumulative Return	15.53%	13.87%
6 Month Cumulative Return	22.41%	21.92%
1 Year Cumulative Return	47.09%	54.72%
3 Year Cumulative Return	73.50%	88.24%
5 Year Cumulative Return	236.37%	276.88%
Standard Deviation**	13.56%	12.75%

**HBL EQUITY FUND vs BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS**

Habib Bank Ltd	7.03%
Lucky Cement Ltd	4.24%
Adamjee Insurance Co Ltd	3.93%
United Bank Limited	3.93%
MCB Bank Ltd	3.92%
Oil & Gas Development Co Ltd	3.74%
Hub Power Company Ltd	3.62%
Engro Corporation Ltd	3.36%
Pakistan Oilfields Ltd	3.24%
Pakistan Petroleum Ltd	2.91%

**NON-COMPLIANT INVESTMENTS**

**PROVISION AGAINST WWF**

Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs 2,784,959 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.8185/0.76% (YTD). For details, investors are advised to read the Note 8 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective is to invest in securities defined in the energy sector to provide investors access to high quality blue chip stocks in the Energy sector.

**FUND MANAGER'S COMMENTS**

The fund posted a return of -0.88% vs benchmark KSE-30 (Total Return) Index return of 0.27% M/M during Feb'17 (1.75% M/M in Jan'17), underperforming the benchmark by 1.15%. Market activity remained range bound as political uncertainty and investigations against brokers dampened investor sentiment. The primary drag on our fund returns was from our investments in the Oil and Gas exploration and Power Generation sectors. We expect volumes in the energy chain to increase going forward barring any negative outcome of the Panamagate hearing. During the month, exposure was increased in Oil & Gas Marketing Companies while booking gains in Power Generation & Distribution companies. At the end of the month your fund was 90.12% invested in Equities.

**FUND INFORMATION**

Net Assets (mln)	PKR 892.5
NAV	PKR 16.1834
Launch Date ***	25-Jun-13
Management Fee	2% p.a
Expense Ratio with ST	2.63%
Expense Ratio without ST	1.84%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE 30 (Total Return)
Type	Open End
Category	Equity Scheme
Front end Load	3.00%
Back end Load	Nil
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	7.68%	7.04%
Stock / Equities	90.12%	90.49%
Others Including Receivables	2.20%	2.47%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Oil & Gas Exploration Companies	31.96%	31.31%
Oil & Gas Marketing Companies	28.83%	25.73%
Power Generation & Distribution	25.24%	29.08%
Refinery	4.09%	4.37%

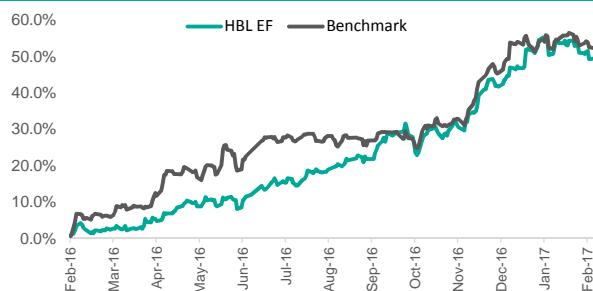
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

**FUND RETURNS \***

	HBL EF	BENCHMARK
Cumulative Return Since Inception	76.42%	129.71%
Calendar Year to Date Return (Cumulative)	3.29%	2.02%
Year to Date Return (Cumulative)	34.72%	28.34%
1 Month Cumulative Return	-0.88%	0.27%
3 Month Cumulative Return	15.28%	16.28%
6 Month Cumulative Return	25.00%	21.81%
1 Year Cumulative Return	49.44%	54.58%
3 Year Cumulative Return	53.72%	88.08%
Standard Deviation**	10.98%	13.74%

**HBL ENERGY FUND vs BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS**

Oil & Gas Development Co Limited	9.41%
Hub Power Company Limited	8.62%
Sui Northern Gas Pipeline Limited	8.10%
Pakistan Oilfields Limited	8.00%
Mari Petroleum Company Limited	7.84%
Pakistan State Oil Company Limited	7.21%
Pakistan Petroleum Limited	6.72%
Shell Pakistan Limited	6.63%
Kot Addu Power Company Limited	5.78%
Attock Petroleum Limited	5.32%

**NON-COMPLIANT INVESTMENTS**

**PROVISION AGAINST WWF**

Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Re 5,790,759 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.1050 /0.87% (YTD). For details, investors are advised to read the Note 9 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

\*\*\*Conversion from Closed-end to open end fund

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

To maximize the wealth of the certificate holders for which investments would be made in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

**FUND MANAGER'S COMMENTS**

The fund posted a return of 0.24% vs benchmark KSE-100 Index return of -0.46% M/M during Feb'17 (1.99% M/M in Jan'17), outperforming the benchmark by 0.70%. Market activity remained range bound as political uncertainty and investigations against brokers dampened investor sentiment. We expect volumes to increase going forward on the back of positive foreign flows along with a positive outlook in blue chip and growth stocks, barring any negative outcome of the Panamagate hearing. At the end of the month your fund was 97.65% invested in Equities.

**FUND INFORMATION**

Net Assets (mn)	PKR 15170.9
NAV	PKR 53.51
Launch Date	01-Jul-04
Management Fee	2% per annum
Expense Ratio with ST	2.00%
Expense Ratio without ST	1.51%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE 100 Index
Type	Closed-end
Category	Equity Scheme
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Leverage	Nil
Risk	High

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	2.35%	2.11%
Stock / Equities	97.65%	97.64%
Others Including Receivables	0.00%	0.25%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Oil & Gas Marketing Companies	52.70%	52.17%
Commercial Banks	11.61%	11.75%
Cement	10.10%	10.07%
Fertilizer	4.53%	4.80%
Oil & Gas Exploration Companies	4.09%	4.17%
Others	14.63%	14.67%

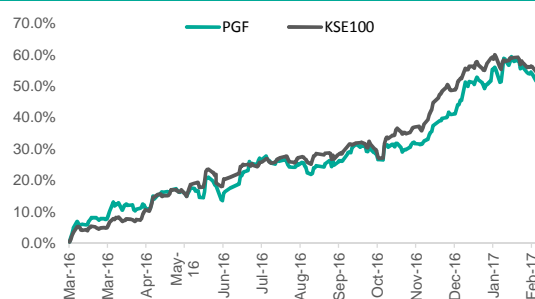
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

**FUND RETURNS \***

	PGF Total	PGF Frozen	PGF Ex Frozen	Benchmark
Calendar Year to Date Return (Cumulative)	4.35%	6.14%	2.34%	1.52%
Year to Date Return (Cumulative)	30.41%	29.35%	31.75%	28.45%
1 Month Cumulative Return	0.24%	0.86%	-0.47%	-0.46%
3 Month Cumulative Return	15.47%	17.18%	13.54%	13.87%
6 Month Cumulative Return	21.74%	18.78%	25.38%	21.92%
1 Year Cumulative Return	51.84%	52.98%	50.74%	54.72%
3 Year Cumulative Return	55.76%	51.40%	61.45%	88.24%
5 Year Cumulative Return	187.48%	195.97%	180.58%	276.88%
Standard Deviation**	13.56%	16.39%	14.29%	12.75%

**PGF vs BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS**

United Bank Limited
Sui Northern Gas Pipelines Limited
Pioneer Cement Limited
Pakistan State Oil Company Limited
MCB Bank Limited
Lucky Cement Limited
Habib Bank Limited
Engro Corporation Limited
Cherat Cement Company Limited
Bank Al-Falah Limited

**NON-COMPLIANT INVESTMENTS**

**PROVISION AGAINST WWF**

Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs. 41,633,775 if the same were not made the NAV per certificate/return of the scheme would be higher by Re.0.15/0.35% (YTD). For details, investors are advised to read the Note 8 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

To maximize the wealth of the certificate holders for which investments would be made in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

**FUND MANAGER'S COMMENTS**

The fund posted a return of -0.13% vs benchmark KSE-100 Index return of -0.46% M/M during Feb'17 (1.99% M/M in Jan'17), outperforming the benchmark by 0.33%. Market activity remained range bound as political uncertainty and investigations against brokers dampened investor sentiment. We expect volumes to increase going forward on the back of positive foreign flows along with a positive outlook in blue chip and growth stocks, barring any negative outcome of the Panamagate hearing. At the end of the month your fund was 97.65% invested in Equities.

**FUND INFORMATION**

Net Assets (mn)	PKR 6616.18
NAV	PKR 23.29
Launch Date	01-Apr-04
Management Fee	2% per annum
Expense Ratio with ST	2.08%
Expense Ratio without ST	1.54%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE 100 Index
Type	Closed-end
Category	Equity Scheme
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Leverage	Nil
Risk	High

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	3.18%	2.88%
Stock / Equities	96.60%	96.81%
Others Including Receivables	0.21%	0.31%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Oil & Gas Marketing Companies	42.71%	42.54%
Commercial Banks	13.24%	13.32%
Cement	11.94%	12.00%
Fertilizer	5.57%	5.84%
Pharmaceuticals	5.30%	5.52%
Others	17.85%	17.58%

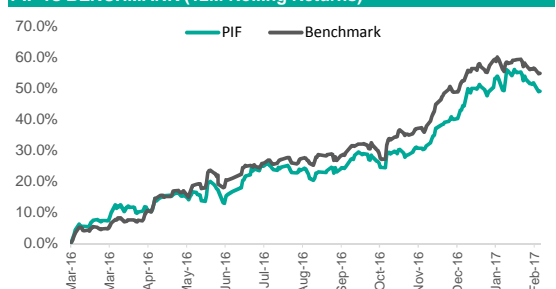
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

**FUND RETURNS \***

	PIF Total	PIF Frozen	PIF Ex Frozen	Benchmark
Calendar Year to Date Return (Cumulative)	3.28%	4.69%	2.21%	1.52%
Year to Date Return (Cumulative)	28.77%	25.53%	31.50%	28.45%
1 Month Cumulative Return	-0.13%	0.04%	-0.26%	-0.46%
3 Month Cumulative Return	14.28%	15.10%	13.65%	13.87%
6 Month Cumulative Return	20.98%	15.77%	25.39%	21.92%
1 Year Cumulative Return	49.01%	47.84%	50.10%	54.72%
3 Year Cumulative Return	52.85%	45.93%	59.16%	88.24%
5 Year Cumulative Return	180.04%	187.38%	177.18%	276.88%
Standard Deviation**	13.41%	16.59%	14.35%	12.75%

**PIF vs BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS**

United Bank Limited
Sui Northern Gas Pipeline Limited
Pioneer Cement Limited
Pakistan State Oil Company Limited
Oil & Gas Development Co Limited
Lucky Cement Limited
Habib Bank Limited
Engro Corporation Limited
Cherat Cement Company Limited
Bank Al-Falah Limited

**NON-COMPLIANT INVESTMENTS**

**PROVISION AGAINST WWF**

Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs. 21,996,848 if the same were not made the NAV per certificate/return of the scheme would be higher by Re. 0.08/0.42% (YTD). For details, investors are advised to read the Note 8 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.



FEBRUARY 2017

**INVESTMENT OBJECTIVE**

To provide a secure source of savings and regular income after retirement to the Participants

**FUND MANAGER'S COMMENTS**

**HBL DEBT SUB FUND** : The Fund's return for the month of Feb'17 stood at 4.86% pa. at month end, total investment in government Securities stood at 67.06% of the fund size.

**HBL MONEY MARKET SUB FUND** : The Fund's Monthly return stood at 4.17% p.a. at month end, total investment in government Securities stood at 69.13% of the fund size.

**HBL EQUITY SUB FUND** : The Fund posted a return of -0.70% during the month vs benchmark KSE-100 Index return of -0.46% M/M during Feb'17 (1.99% M/M in Jan'17). Fund equity exposure at the end of month stood at 86.07% in terms of Total Assets of the fund.

**FUND INFORMATION**

Launch Date	16-Dec-11
Management Fee	1.5% p.a
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Type	Open End
Category	Pensions Scheme
Front end Load	Max 3%
Back end Load	Nil
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Risk Profile	Investor Dependent

	Money Market	Debt	Equity
AUM Million	151.4532	172.5161	199.0621
NAV(PKR)	139.1809	150.9875	409.0085
WAM (Days)	62	859	
Leverage		Nil	

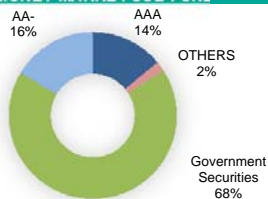
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Tauqir Shamsad	Head of Fixed Income
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

**FUND RETURNS\***

	MMSF	DSF	ESF
Return Since Inception	7.52%	9.79%	309.01%
Calendar Year to Date Return (Cumulative)	5.20%	5.52%	1.28%
Year to Date Return (Cumulative)	4.64%	4.08%	27.61%
1 Month Cumulative Return	4.17%	4.86%	-0.70%
3 Month Cumulative Return	5.21%	4.88%	10.81%
6 Month Cumulative Return	4.84%	3.95%	18.71%
1 Year Cumulative Return	4.34%	4.64%	45.32%
3 Year Cumulative Return	5.85%	8.80%	97.62%
5 Year Cumulative Return	7.29%	9.66%	255.92%
Standard Deviation***	0.84%	4.00%	13.01%

**CREDIT QUALITY - HBL MONEY MARKET SUB FUND**



**ASSET ALLOCATION (% of Total Assets)**

Money Market Sub Fund	Feb-17	Jan-17
Tbill	69.13%	67.05%
Cash	0.80%	2.91%
Placement With Banks and DFI	29.36%	29.41%
Sukuk	0.00%	0.00%
Others & receivables	0.71%	0.63%

Debt Sub Fund	Feb-17	Jan-17
Placement With Banks and DFI	11.48%	11.52%
Tbill	3.41%	12.67%
PIB	67.06%	58.53%
TFCs	14.58%	13.01%
Cash	1.25%	2.47%
Others & receivables	2.23%	1.80%

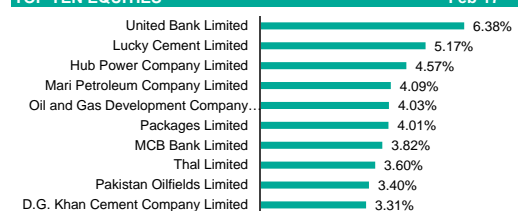
  

Equity Sub Fund	Feb-17	Jan-17
Equities	86.07%	92.75%
Cash	13.49%	6.92%
Others & receivables	0.44%	0.33%

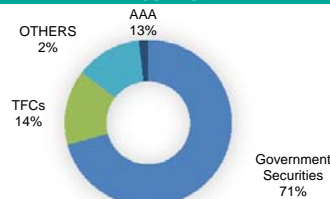
**SECTOR ALLOCATION EQUITY**

	Feb-17	Jan-17
Cement	13.93%	13.86%
Oil & Gas Exploration Companies	13.74%	14.31%
Commercial Banks	12.16%	13.38%
Power Generation & Distribution	8.28%	5.69%
Fertilizer	5.87%	10.05%
Others	32.08%	35.46%

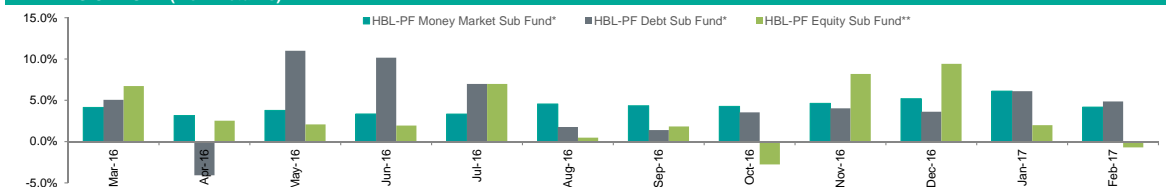
**TOP TEN EQUITIES**



**CREDIT QUALITY -HBL DEBT SUB FUND**



**HBL PENSION FUND (MoM Returns)**



**PROVISION AGAINST WWF**

Provision against WWF: The ESF, DSF and MMF of scheme has maintained provisions against Sindh WWF liability to the tune of PKR 1.534mn, PKR 0.585 mn, and PKR 0.372 mn respectively. If the same were not made, the NAV per unit/return of ESF, DSF, and MSF would be higher by Rs. 3.15/0.77%, Rs. 0.51/0.34% and Rs. 0.34/0.25%. For details investors are advised to read Note 11 of the latest Financial Statements of the Scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

# Islamic Funds



FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective of HBL Islamic Money Market Fund is to seek high liquidity, competitive return and maximum possible preservation of capital for investors by investment in low risk Shariah Compliant securities

**FUND MANAGER'S COMMENTS**

During the Month the fund size increased to PKR. 647 mn from PKR. 633 mn in Jan 17. HBL Islamic Money Market Fund posted a return of 3.60% against the benchmark return of 2.67%. The fund maintained its cash position at 99.27%, going forward the fund will work towards increasing the net return by diversifying the portfolio for better profit rates.

**FUND INFORMATION**

Net Assets	PKR. 647 million
NAV	PKR. 103.5514
Launch Date	10-May-11
Management Fee	1% p.a
Expense Ratio without ST	0.93%
Expense Ratio with ST	1.12%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Three months average deposit rates of three (3) AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP.
Type	Open End
Category	Islamic Money Market Scheme
Front end Load	Nil
Back end Load	Nil
AMC Rating	AM2 ( JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 01/05/2017
Leverage	Nil
Risk	Low
Weighted Average Maturity	01 Day

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	99.27%	99.48%
Placement With Banks and DFIs	0.00%	0.00%
GoP Ijara Sukuks	0.00%	0.00%
Others Including receivables	0.73%	0.52%

**FUND RETURNS (%)\***

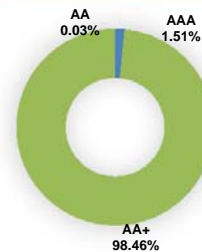
	HBL IMMF*	Benchmark
Annualized Return Since Inception	8.36%	6.32%
Year to Date Annualized Return	4.39%	3.56%
Calendar YTD Annualized Return	4.90%	2.68%
1 Month Annualized Return	3.60%	2.67%
3 Month Annualized Return	4.45%	2.70%
6 Month Annualized Return	4.40%	3.07%
12 Month Annualized Return	4.16%	4.09%

\* Return have been calculate as par MUFAP,s formula

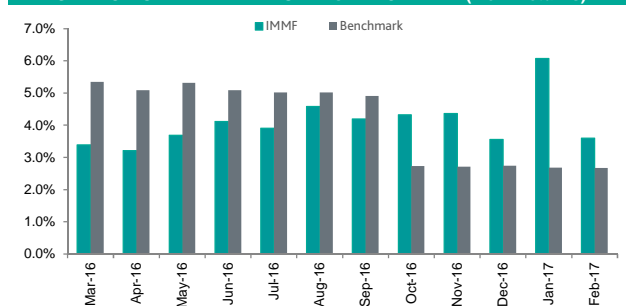
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda	Acting Head of Research
Tauqir Shamshad	Head of Fixed Income
Noman Ameer	Manager Risk

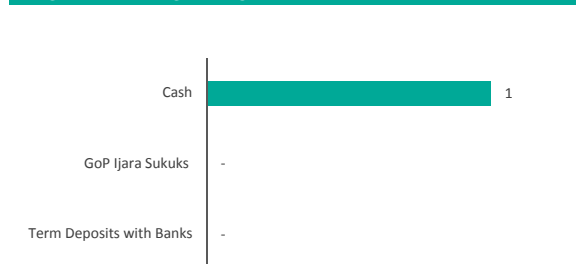
**ASSET QUALITY (% Total Assets)**



**HBL ISLAMIC MONEY MARKET FUND vs BENCHMARK (MoM Returns)**



**WEIGHTED AVERAGE MATURITY**



**NON-COMPLIANT INVESTMENTS**

Nil

**PROVISION AGAINST WWF**

The scheme has maintained provisions against Sindh WWF liability to the tune of Rs 1,291,479/- if the same were not made the NAV per unit/return of the scheme would be higher by Rs 0.21 /0.20% (YTD). For details, investors are advised to read the Note 6.2 of the latest financial statements of the scheme."

\*Returns have been calculated as per MUFAP's formula  
\*\*Calculated on 12Month trailing data

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

To provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking into account liquidity considerations.

**FUND MANAGER'S COMMENTS**

During the month of February, the Fund size decreased to PKR 411mn from PKR 453mn in Jan'17. The Fund earned an annualized return of 7.07% for the month. The overall weighted average time to maturity stood at 601 days against 569 days in the previous month. The Fund Manager increased the exposure in high rated credit corporate sukuks to augment the returns.

**FUND INFORMATION**

Net Assets	PKR 411 million
NAV	PKR 103.9494
Launch Date	29-May-14
Management Fee	10% of gross earnings subject to a minimum fee of 0.50% and a maximum fee of 1.50% of average daily net assets
Expense Ratio without ST	0.94%
Expense Ratio with ST	1.14%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Avg. of 6M profit rate of 3 Islamic Banks or Islamic Windows Conventional Bank rated A and above
Type	Open End
Category	Islamic Income Scheme
Front end Load	Class B: 0% to 1.50%
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A+(f) (JCR VIS) 05-Jan-17
Leverage	Nil
Risk	Low
Weighted Average Maturity	891

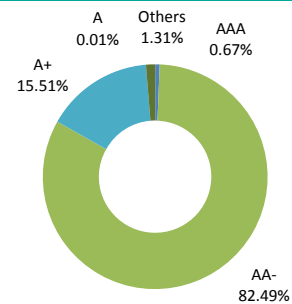
**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	54.39%	70.28%
Placement with Banks & DFI	0.00%	0.00%
TFCs / Corporate Sukuks	44.30%	28.48%
GOP Ijara Sukuk	0.00%	0.00%
Others Including receivables	1.31%	1.24%

**FUND RETURNS \* HBL IIF BENCHMARK**

Annualized Return Since Inception	6.59%	5.42%
Year to Date Annualized Return	4.78%	3.76%
Calendar Year to Date Annualized Return	5.61%	2.80%
1 Month Annualized Return	7.07%	2.84%
3 Month Annualized Return	5.18%	2.80%
6 Month Annualized Return	4.76%	3.22%
1 Year Annualized Return	4.82%	4.35%

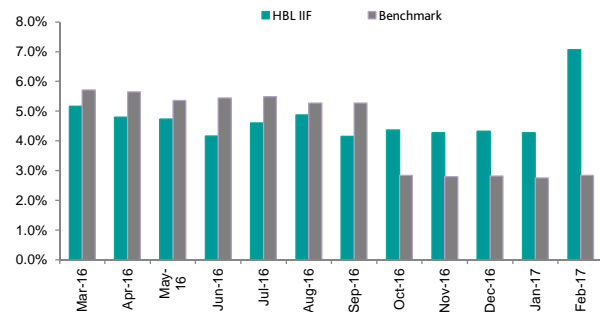
**ASSET QUALITY (% of Total Assets)**



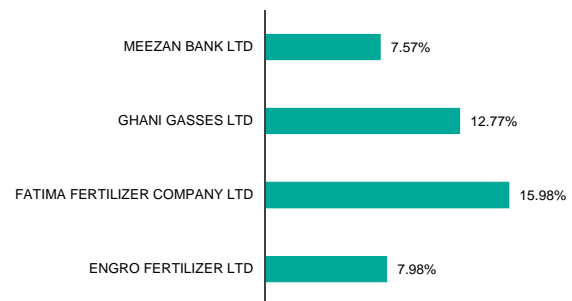
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Tauqir Shamshad	Head of Fixed Income
Colin Miranda, CFA, FRM	Acting Head of Research
Noman Ameer	Manager Risk

**HBL ISLAMIC INCOME FUND vs BENCHMARK (MoM Returns)**



**TOP TEN HOLDINGS (% of Total Asset)**



**NON-COMPLIANT INVESTMENTS**

Name of Non-Compliant Investment (mn)	Type of Investment	Value before Provision (PKR mn)	Provision Held (PKR mn)	Value of Investment after Provision (PKR mn)	% of Net Assets	% of Gross Assets
Fatima Fertilizer Company Limited	Sukuk	64.7	-	64.7	16.13%	15.98%

**PROVISION AGAINST WWF**

The scheme has maintained provision against SINDH WWF liability to the tune of Re 548,874 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.1387/0.21% (YTD). For details, investors are advised to read the Note 10 of the latest financial statements of the scheme

The scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest financial statements.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective of the Fund is to provide superior returns through investments in Shariah Compliant equity securities and Shariah Compliant income /money market instruments.

**FUND MANAGER'S COMMENTS**

In the month of Feb'17, the fund posted a return of 0.28% vs. benchmark return of 0.05%, an outperformance of 23 bps. During the month, weight was primarily increased in Multi-utilities (proposal by KPMG to OGRA regarding relaxation in UFG allowance + government plan to import additional 1200mmcf of LNG by 2018) and Power Generation & Distribution (lately a laggard, expected to rally) while gains were booked in E&Ps and Fertilizers (recent strong stock price performance). Major contribution to performance came from holdings in Cements, Fertilizers and Multi-utilities sectors. At the end of the month, the fund was invested in equities up to 28.26% of the Net Assets.

**FUND INFORMATION**

Net Assets (mn)	PKR 1,384.33
NAV	PKR 112.5761
Launch Date	11-Jan-16
Management Fee	1.5% p.a.
Expense Ratio without ST	1.25%
Expense Ratio with ST	1.73%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Weighted average daily return of KMI30 and 6M deposit rate of A rated (and above) Islamic Banks or Islamic Banking windows of scheduled commercial banks, based on the actual proportion held by the scheme
Type	Open End
Category	Shariah Compliant Asset Allocation
Front end Load	Up to 2.00%
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut-off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	Not Rated
Leverage	Nil
Risk	Moderate to High

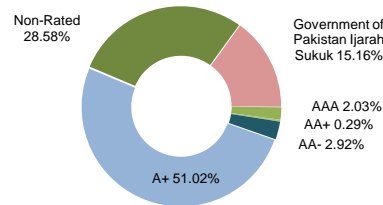
**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	53.34%	51.81%
Government of Pakistan Ijarah Sukuk	15.16%	15.62%
Sukuks	2.92%	2.97%
Stock/Equities	27.53%	28.65%
Others Including Receivables	1.06%	0.96%

**FUND RETURNS\* HBL IAAF\* BENCHMARK**

Cumulative Return Since Inception	13.45%	15.98%
Calendar Year to Date Return (Cumulative)	1.35%	0.96%
Year to Date Return (Cumulative)	9.79%	8.69%
1 Month Cumulative Return	0.28%	0.05%
3 Month Cumulative Return	4.79%	5.25%
6 Month Cumulative Return	8.02%	6.73%
1 Year Cumulative Return	13.17%	16.71%
Standard Deviation**	4.38%	4.85%

**ASSET QUALITY (% Total Assets)**



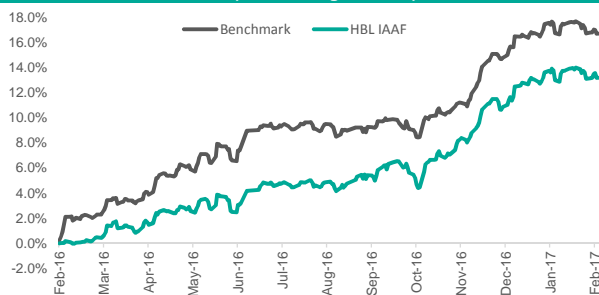
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Tauqir Shamshad	Head of Fixed Income
Samia Aslam, CFA	Fund Manager - Equity
Adeel Abdul Wahab	Fund Manager - Equity
Noman Ameer	Manager Risk

**TOP TEN HOLDINGS (Sukuks)**



**HBL IAAF vs. BENCHMARK (12M Rolling Returns)**



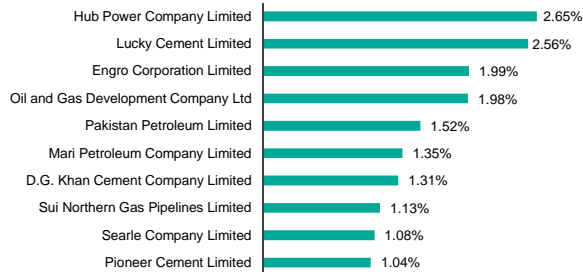
**NON-COMPLIANT INVESTMENTS**

Nil

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cement	6.67%	6.76%
Oil & Gas Exploration Companies	5.73%	6.91%
Fertilizer	3.90%	5.01%
Power Generation & Distribution	3.33%	3.10%
Oil & Gas Marketing Companies	1.56%	1.08%
Others	6.32%	5.79%

**TOP TEN HOLDINGS (Equities)**



**PROVISION AGAINST WWF**

The scheme has maintained provision against Sindh WWF liability to the tune of **PKR 1.977mn**, if the same were not made the NAV per unit would be higher by **Rs. 0.16/0.14%**. For details, investors are advised to read the Note 8.3 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula.

\*\*Calculated on 12Month trailing data.

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

The objective of the Fund is to achieve long-term capital growth by investing mainly in Shariah Compliant equity securities.

**FUND MANAGER'S COMMENTS**

In the month of Feb'17, the fund posted a return of 0.18% vs. benchmark return of -0.29%, an outperformance of 47 bps. During the month, exposure was primarily increased in Power Generation & Distribution (lately a laggard, expected to rally), Engineering + Multi-utilities (proposal by KPMG to OGRA regarding relaxation in UFG allowance + government plan to import additional 1200mmcf of LNG by 2018) and Cements while gains were booked in E&Ps and Fertilizers (recent strong stock price performance). Major contribution to performance came from holdings in Cements, Fertilizers and Multi-utilities sectors. At the end of the month, the fund was invested in equities up to 94.07% of the Net Assets.

**FUND INFORMATION**

Net Assets (mln)	PKR 974.22
NAV	PKR 164.3192
Launch Date	10-May-11
Management Fee	2.0% p.a.
Expense Ratio with ST	2.19%
Expense Ratio without ST	1.61%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KMI30 Index
Type	Open End
Category	Equity Scheme
Front end Load	2.00%
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30-Dec-16
Dealing Days	Monday-Friday
Cut-off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	6.62%	7.51%
Stock / Equities	91.92%	86.56%
Others Including Receivables	1.45%	5.92%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Oil & Gas Exploration Companies	19.60%	20.12%
Cement	19.55%	18.20%
Fertilizer	14.38%	15.62%
Power Generation & Distribution	9.72%	8.09%
Pharmaceuticals	4.79%	4.61%
Others Including Receivables	23.88%	19.92%

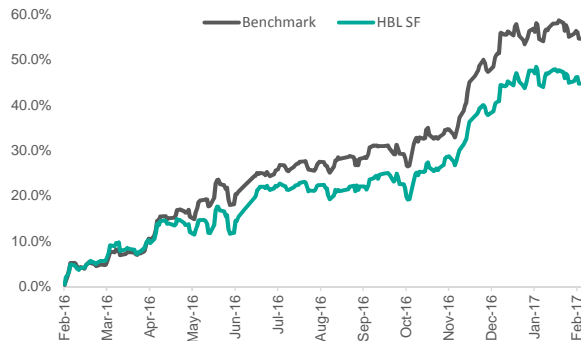
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager - Equity
Adeel Abdul Wahab	Fund Manager - Equity
Noman Ameer	Manager Risk

**FUND RETURNS \***

	HBL ISF	BENCHMARK
Cumulative Return Since Inception	227.73%	312.37%
Calendar Year to Date Return (Cumulative)	2.47%	2.17%
Year to Date Return (Cumulative)	28.36%	26.31%
1 Month Cumulative Return	0.18%	-0.29%
3 Month Cumulative Return	14.59%	16.99%
6 Month Cumulative Return	19.98%	20.41%
1 Year Cumulative Return	48.40%	55.46%
3 Year Cumulative Return	59.33%	94.86%
5 Year Cumulative Return	180.56%	265.16%
Standard Deviation**	14.96%	16.99%

**HBL ISLAMIC STOCK FUND vs. BENCHMARK (12M Rolling)**



**TOP TEN HOLDINGS (% of Total Assets)**

Lucky Cement Limited	8.74%
Hub Power Company Limited	7.83%
Oil and Gas Development Company Ltd	7.63%
Engro Corporation Limited	7.28%
Pakistan Petroleum Limited	5.93%
Packages Limited	3.75%
Dawood Hercules Corporation Limited	3.69%
Engro Fertilizers Limited	3.41%
Mari Petroleum Company Limited	3.26%
Searle Company Limited	2.80%

**NON-COMPLIANT INVESTMENTS**

Nil

**PROVISION AGAINST WWF**

The scheme has maintained provision against Sindh WWF liability to the tune of **PKR 5.234mn**, if the same were not made the NAV per unit would be higher by **Rs. 0.88/0.54%**. For details, investors are advised to read the Note 7.2 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

**FEBRUARY 2017**

**INVESTMENT OBJECTIVE**

The objective of PICIC Islamic Stock Fund is to provide the maximum total return to the unit holders from investment in shariah compliant equity investments for the given level of risk.

**FUND MANAGER'S COMMENTS**

The fund posted a return of 0.53% vs benchmark KMI-30 Index return of -0.29% M/M during Feb'17 (2.47% M/M in Jan'17) outperforming the benchmark by 0.82%. Market activity remained range bound as political uncertainty and investigations against brokers dampened investor sentiment. During the month, we booked gains in the Fertilizer sector . At the end of the month the fund was 88.66% invested in Equities.

**FUND INFORMATION**

Net Assets (mln)	PKR 458.05
NAV	PKR 136.6732
Launch Date	29-May-14
Management Fee	2% p.a
Expense Ratio with ST	3.10%
Expense Ratio without ST	2.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KMI-30 Index
Type	Open End
Category	Islamic Equity Scheme
Front end Load	3.00%
Back end Load	Nil
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

**ASSET ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Cash	10.41%	8.24%
Stock / Equities	88.66%	91.04%
Others Including Receivables	0.93%	0.72%

**SECTOR ALLOCATION (% of Total Assets)**

	Feb-17	Jan-17
Oil & Gas Exploration Companies	19.23%	19.95%
Cement	18.98%	18.77%
Fertilizer	14.39%	15.85%
Power Generation & Distribution	10.40%	9.18%
Pharmaceuticals	7.38%	8.04%
Others	18.27%	19.25%

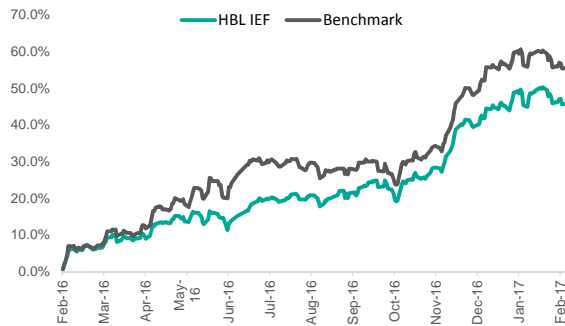
**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

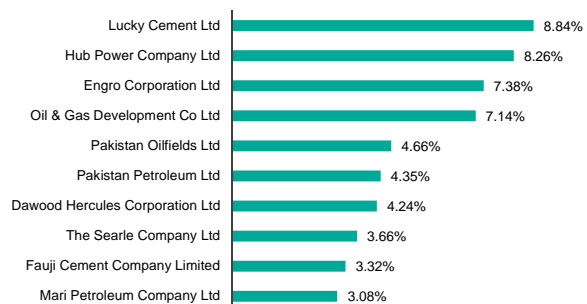
**FUND RETURNS \***

	HBL IEF	BENCHMARK
Cumulative Return Since Inception	78.88%	78.85%
Calendar Year to Date Return (Cumulative)	2.78%	2.17%
Year to Date Return (Cumulative)	28.36%	26.31%
1 Month Cumulative Return	0.53%	-0.29%
3 Month Cumulative Return	14.51%	16.99%
6 Month Cumulative Return	21.12%	20.41%
1 Year Cumulative Return	45.75%	55.46%
Standard Deviation**	13.35%	16.99%

**HBL IEF vs BENCHMARK (12M Rolling Returns)**



**TOP TEN HOLDINGS**



**NON-COMPLIANT INVESTMENTS**

**PROVISION AGAINST WWF**

Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs 3,466,575 if the same were not made the NAV per unit/return of the scheme would be higher by Re 1.0344/ 0.97% (YTD).For details, investors are advised to read the Note 9 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

\*\*Calculated on 12Month trailing data

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

FEBRUARY 2017

**INVESTMENT OBJECTIVE**

To provide a secure and Shariah compliant source of savings and regular income after retirement to the Participants

**FUND MANAGER'S COMMENTS**

**MONEY MARKET SUB FUND:** The Fund generated a return of 2.52% p.a. during the month.

**DEBT SUB FUND:** The Fund's Monthly generated a return of 2.43% p.a. Investment in GOP Ijarah Sukuk was increased to 29% of the Total Assets.

**EQUITY SUB FUND:** The fund posted a return of 0.14% vs benchmark KMI-30 Index return of -0.29% M/M during Feb'17 (2.47% M/M in Jan'17). Fund equity exposure at the end of month stood at 89.54% in terms of Total Assets of the fund.

**FUND INFORMATION**

Launch Date	16-Dec-11
Management Fee	1.5% p.a
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Type	Open End
Category	Shariah Compliant scheme
Front end Load	Max 3%
Back end Load	Nil
AMC Rating	AM2 (JCRVIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Risk	Investor Dependent

**ASSET ALLOCATION (% of Total Assets)**

Money Market Sub Fund (MMSF)	Feb-17	Jan-17
GoP Ijarah Sukuk	0.00%	0.00%
Cash	83.07%	94.68%
Placement With Banks and DFI	0.00%	0.00%
Corporate Sukuk	0.00%	0.00%
Others	16.93%	5.32%

Debt Sub Fund (DSF)	Feb-17	Jan-17
GoP Ijarah Sukuk	29.24%	23.90%
Cash	62.05%	69.09%
Placement With Banks and DFI	0.00%	0.00%
Corporate Sukuk	5.07%	2.90%
Others	3.63%	4.11%

**FUND SIZE**

	MMSF	DSF	ESF
AUM Million	78.6505	94.1677	208.84
NAV(PKR)	133.5271	136.2699	453.7456
WAM (Days)	1	299	
Leverage		Nil	

**Equity Sub Fund (ESF)**

	Feb-17	Jan-17
Equities	89.54%	91.37%
Cash	9.82%	7.78%
Others	0.63%	0.84%

**INVESTMENT COMMITTEE**

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Colin Miranda, CFA, FRM	Acting Head of Research
Tauqir Shamsahad	Head of Fixed Income
Samia Aslam, CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

**SECTOR ALLOCATION EQUITY**

	Feb-17	Jan-17
Oil & Gas Exploration Companies	19.76%	20.01%
Cement	17.41%	17.90%
Power Generation & Distribution	11.01%	8.80%
Fertilizer	9.09%	11.20%
Automobile Assembler	7.83%	7.00%
Others	24.44%	26.46%

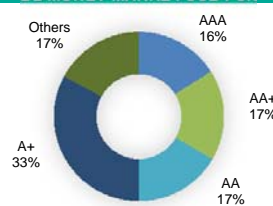
**FUND RETURNS \***

	MMSF	DSF	ESF
Return Since Inception	6.44%	6.96%	353.75%
Calendar Year to Date Return (Cumulative)	4.44%	3.71%	1.98%
Year to Date Return (Cumulative)	4.79%	5.82%	31.15%
1 Month Cumulative Return	2.52%	2.43%	0.14%
3 Month Cumulative Return	4.29%	2.67%	13.85%
6 Month Cumulative Return	4.64%	5.50%	21.30%
1 Year Cumulative Return	4.79%	5.80%	49.21%
3 Year Cumulative Return	4.62%	5.07%	108.29%
5 Year Cumulative Return	6.17%	6.73%	303.76%
Standard Deviation***	1.69%	2.74%	14.79%

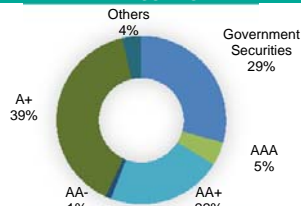
**TOP TEN EQUITIES**

	Feb-17
Hub Power Company Limited	8.24%
Lucky Cement Limited	7.38%
Engro Corporation Limited	6.25%
Pakistan Oilfields Limited	5.21%
Packages Limited	5.18%
Oil and Gas Development.	5.18%
Pakistan Petroleum Limited	5.10%
Mari Petroleum Company Limited	4.28%
Nishat Mills Limited	3.99%
Pioneer Cement Limited	3.89%

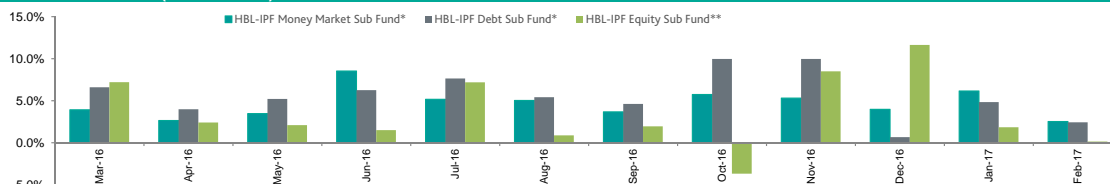
**CREDITY QUALITY - HBL MONEY MARKET SUB FUND**



**CREDIT QUALITY -HBL DEBT SUB FUND**



**HBL PENSION FUND (MoM Returns)**



**PROVISION AGAINST WWF**

The scheme MMSF, DSF and ESF has maintained provisions against Sindh WWF liability to the tune of **PKR 0.13mn, PKR 0.18mn and PKR 1.79mn**. If the same were not made, the NAV per unit would be higher by **PKR 0.22/0.17%, PKR 0.27%/0.20% and PKR 3.89/ 0.86%**. For details, investors are advised to read the Note 11 of the latest financial statements of the scheme.

\*Returns have been calculated as per MUFAP's formula  
\*\*Calculated on 12Month trailing data

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

**Risk Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.



**Performance History**

February 2017

**LAST FIVE YEAR PERFORMANCE**

Fund Name	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
HBL Income Fund	6.12%	12.45%	9.91%	7.69%	12.31%
Benchmark	6.52%	9.01%	9.82%	9.93%	12.38%
HBL Money Market Fund	5.09%	8.80%	8.11%	9.28%	11.50%
Benchmark	5.58%	7.87%	8.46%	8.35%	9.77%
HBL Government Securities Fund (Formerly PICIC Income Fund)	7.85%	11.75%	8.78%	9.52%	11.85%
Benchmark	6.27%	8.76%	9.57%	9.68%	12.13%
HBL Cash Fund (Formerly PICIC Cash Fund)	6.07%	10.51%	8.37%	9.07%	11.42%
Benchmark	4.71%	6.83%	7.16%	7.59%	9.67%
HBL Islamic Money Market Fund	4.29%	6.73%	6.86%	8.45%	10.36%
Benchmark	5.40%	6.75%	6.62%	6.89%	7.41%
HBL Islamic Income Fund (Formerly PICIC Islamic Income Fund)	4.82%	8.37%	8.95%*	-	-
Benchmark	5.20%	6.57%	6.49%	-	-
HBL Stock Fund	2.59%	8.13%	27.68%	44.42%	11.00%
Benchmark	9.84%	16.01%	41.16%	52.20%	10.45%
HBL Islamic Stock Fund	1.00%	11.82%	30.62%	44.92%	16.52%
Benchmark	15.53%	20.10%	29.89%	54.41%	13.57%
HBL Equity Fund (Formerly PICIC Stock Fund)	6.71%	11.15%	41.93%	48.18%	13.03%
Benchmark	9.84%	16.01%	41.16%	52.20%	19.69%
HBL Islamic Equity Fund (Formerly PICIC Islamic Stock Fund)	10.96%	24.49%	0.88%*	-	-
Benchmark	15.53%	20.10%	2.06%	-	-
HBL Multi Asset Fund	5.90%	4.90%	24.09%	37.59%	12.67%
Benchmark	7.41%	11.21%	23.06%	27.71%	9.94%
HBL Islamic Allocation Fund	3.34%*	-	-	-	-
Benchmark	6.71%	-	-	-	-
HBL Mustahekum Sarmaya Fund 1	5.44%*	-	-	-	-
Benchmark	3.37%	-	-	-	-
HBL Pension Fund - Equity Sub Fund	8.96%	31.58%	25.57%	45.41%*	-
HBL Pension Fund - Debt Sub Fund	8.06%	11.01%	7.44%	8.91%*	-
HBL Pension Fund - Money Market Fund	4.16%	6.88%	7.13%	7.92%*	-
HBL Pension Fund - Islamic Equity Sub Fund	5.56%	25.92%	44.41%	50.30%*	-
HBL Pension Fund - Islamic Debt Sub Fund	3.23%	4.97%	7.04%	8.67%*	-
HBL Pension Fund - Islamic Money Market Fund	2.83%	5.28%	6.08%	7.7%*	-
HBL Energy Fund (Formerly PICIC Energy Fund)	-2.86%	8.18%	23.92%	0.55%*	-
Benchmark	9.84%	16.01%	41.16%	-0.50%	-
PICIC Growth Fund - Total	3.39%	-0.72%	35.41%	58.55%	3.19%
PICIC Growth Fund - Frozen	-1.07%	-0.14%	32.66%	91.68%	-10.87%
PICIC Growth Fund - Ex-Frozen	9.00%	-1.69%	35.15%	39.32%	12.33%
Benchmark	9.84%	16.01%	41.16%	52.20%	10.45%
PICIC Investment Fund - Total	4.11%	-1.12%	35.39%	54.85%	4.27%
PICIC Investment Fund - Frozen	-1.58%	-0.35%	32.93%	92.92%	-10.87%
PICIC Investment Fund - Ex-Frozen	9.08%	-1.96%	34.82%	39.18%	11.24%
Benchmark	9.84%	16.01%	41.16%	52.20%	10.45%

\* Since inception

\*\* Since conversion from closed end to open end

Risk Disclaimer: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies and risks involved.

# HOW TO INVEST?

**Invest as low as Rs. 1,000/= in our Islamic funds**  
**Invest as low as Rs. 5,000/= in our Conventional funds**  
**Rs. 500/= in our Pension funds**

## Three Simple Steps to Invest:

1. Make payment through cheque / demand draft in favor of "CDC-Trustee HBL (Name of fund)  
E.g: CDC-Trustee HBL Money Market Fund
2. Attach the documents as specified in the Account Opening Form
3. Submit the required documents along with payment at our Karachi office, Lahore Office or Islamabad Office

### Karachi Head Office Address

24-C, Khayaban-e-Hafiz, Phase VI,  
D.H.A, Karachi

Tel: (92-21) 111-425-262

Fax: (92-21) 35240634

### Lahore Office Address

102-103, Upper Mall,  
Lahore

Tel: (92-42) 36281610

Fax: (92-42) 36281686

### Islamabad Office Address

HBL Corporate Center, HBL  
Building, Jinnah Avenue, Islamabad

Tel: (92-51) 2821183

Fax: (92-51) 2822206