



ASSET MANAGEMENT

ايسيت مينجمنت

AMC Rating : AM2- by JCR-VIS

FUND MANAGER'S REPORT (Islamic Funds)

November 2015

Disclaimer: Past results are not indicative of future performance. This report should not be considered an offer to buy or sell, or solicitation. The information contained herein has been compiled from sources believed to be reliable. This information is being circulated for information purposes only and may not be copied or distributed to any other person without the prior written permission of HBL Asset Management Co.

Fund Manager's Commentary

30-Nov-15

During the month under review, HBL Islamic Money Market Fund generated an annualized return of 4.26% against the benchmark return of 5.63%. On Year to Date basis, the fund generated an annualized return of 4.67%. On the asset allocation side, the fund maintained its exposure in Cash due to unavailability of short term Ijara at attractive yields in the secondary market.*

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

Investment Features

- Easy encashability
- Optimum returns
- No front end and back end load

Fund Facts

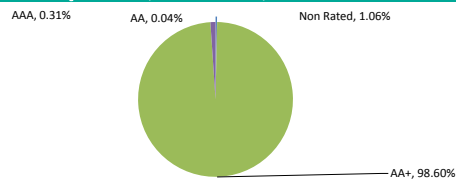
Net Assets	Rs. 464.221 million (30-Nov-15)
NAV	PKR 102.3586*
Launch Date	10-May-11
Management Fee	1% p.a
Listing	Lahore Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	KPMG Taseer Hadi & Co.
Benchmark	3-Month Deposit Rate
Type	Open End
Category	Islamic Money Market Scheme
Front end Load	Nil
Back end Load	Nil
AMC Rating	AM2- (by JCRVIS)
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM (Mon-Fri)
Price Mechanism	Forward Pricing
Fund Stability Rating	N/A
Leverage	Nil
Investment Committee	
Rehan N. Shaikh, Amir Khan	
Naseer Ladhani, Fahad Aziz	

Provision against WWF liability

* The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 2.802 mn if the same were not made, the NAV per unit/return would be higher by Rs. 0.62/0.61%.

Weighted Average time to Maturity 1 Day

Asset Quality Portfolio (As at 30-Nov-15)

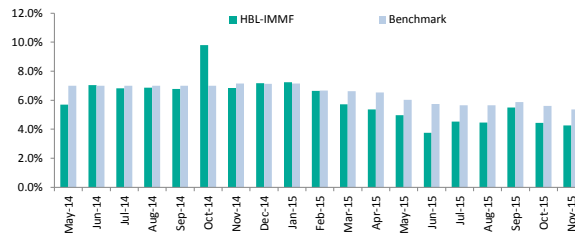


Fund Returns (%)

	HBL-IMMF*	Benchmark
Annualized Return Since Inception	9.02%	6.86%
Year to Date Annualized Return	4.67%	5.63%
Calendar Year to Date Annualized Return	5.27%	6.08%
1 Month Annualized Return	4.26%	5.36%
3 Month Annualized Return	4.74%	5.61%
6 Month Annualized Return	4.53%	5.65%
1 Year Annualized Return	5.46%	6.17%
Daily Average Return (Since Inception)	0.01%	0.01%
Standard Deviation (Since Inception)	0.02%	0.01%
Annualized Return FY-15	6.70%	6.75%
Annualized Return FY-14	6.86%	6.62%
Annualized Return FY-13	8.45%	6.89%
Annualized Return FY-12	10.34%	7.41%
Annualized Return FY-11	n/a	n/a

* Returns have been calculated as per MUFAP's formula

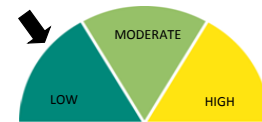
HBL Islamic Money Market Fund Vs benchmark (MoM Returns)



Asset Allocation (% of Total Assets)

	Nov'15	Oct'15
Cash	98.94%	99.46%
Govt Securities (Ijara Sukuk)	0.00%	0.00%
Others Including receivables	1.06%	0.54%
Term Deposit Receipts	0.00%	0.00%

Risk Level (Low)



MUFAP's Recommended Format

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. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

30-Nov-15

Fund Manager's Commentary

During the month of Nov'15, the fund posted a return of -6.4% vs. KMI30 return of -6.8%. The Fund's decline in performance was due to maintaining higher weight in high beta stocks in falling market and overweight position in HINO (down 12.2%MoM on disappointing 2QFY16 result). In the month of Nov'15, the market experienced a drop across all sectors as foreign selling continued unabated along with liquidity constraints for brokers and rising political noise. Key highlights during the month included: (1) SBP's decision to keep interest rate unchanged; (2) successful completion of the IMF 9th review; (3) enhancement of duties on imported items to raise PKR 40bn; (4) IMF's comment on REER index being overvalued; (5) inclusion of BYCO, SEARL and FEROS in MSCI small cap index; and (6) approval of USD1.9bn assistance program by the WB and ADB. Going forward, the market is likely to remain guided by international events mainly: (1) US Fed monetary policy in mid-Dec'15 and its consequent impact on global commodities and regional currencies; and 2) the upcoming OPEC meeting on Dec 04'15.

Investment Objective

The objective of HBL Islamic Stock fund is to achieve long-term capital growth by investing mainly in Shariah Compliant Equity securities

Investment Features

- Easy encashability
- Diversified Islamic Equity Portfolio
- No exit load

Fund Facts

Net Assets	Rs. 736.626 million (30-Nov-15)
NAV	PKR 116.6530*
Launch Date	10-May-11
Management Fee	2% p.a
Listing	Lahore Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	KPMG Taseer Hadi & Co.
Benchmark	KMI 30 Index
Type	Open End
Category	Equity Scheme
Front end Load	2.0%
Back end Load	Nil
AMC Rating	AM2- (by JCRVIS)
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM (Mon-Fri)
Price Mechanism	Forward Pricing
Leverage	Nil

Investment Committee

Rehan N. Shaikh, Amir Khan, Samia Aslam, CFA
Naseer Ladhani

Provision against WWF liability

* The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 8.273 mn if the same were not made, the NAV per unit/return would be higher by Rs. 1.31/1.12%.

Sector Allocation (% of Total Assets)

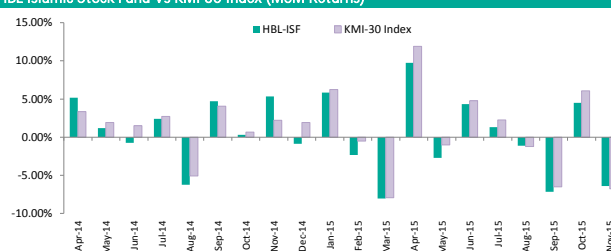
	Nov'15	Oct'15
Cable & Electrical Goods	2.64%	3.70%
Power Generation & Dist.	15.65%	13.10%
Others	18.54%	18.80%
Construction and materials	13.80%	18.20%
Engineering	3.68%	0.00%
Automobile Assembler	6.67%	10.00%
Fertilizers	11.91%	13.80%
OIL & GAS	13.12%	12.10%

Fund Returns (%)

	HBL-ISF*	Benchmark
Cumulative Return Since Inception	110.70%	163.91%
Year to Date Return (Cumulative)	-9.04%	-6.61%
Calendar Year to Date Return (Cumulative)	-2.35%	5.42%
1 Month Cumulative Return	-6.40%	-6.76%
3 Month Cumulative Return	-8.01%	-7.52%
6 Month Cumulative Return	-3.87%	-2.17%
1 Year Cumulative Return	-3.20%	7.42%
Daily Average Return (Since Inception)	0.03%	0.09%
Standard Deviation (Since Inception)	1.26%	0.96%
Since Inception (CAGR)	17.75%	23.71%
Return FY-15	11.63%	20.10%
Return FY-14	30.17%	29.89%
Return FY-13	44.87%	54.41%
Return FY-12	16.52%	13.57%
Return FY-11	n/a	n/a

* Returns have been calculated as per MUFAP's formula

HBL Islamic Stock Fund Vs KMI 30 Index (MoM Returns)

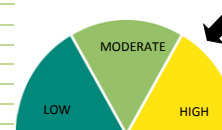


Asset Allocation (% of Total Assets)

	Nov'15	Oct'15
Cash	11.17%	8.97%
Stock/Equities	86.01%	89.77%
Others	2.82%	1.26%

Top Ten Holding (30-Nov-15)

	%	Risk Level (High)
Hub Power Co. Ltd	6.85%	
Packages Limited	6.14%	
Engro Corporation Limited	5.81%	
K-Electric	4.61%	
Lucky Cement Limited	4.50%	
Kot Addu Power Co.	4.19%	
Kohat Cement Limited	3.86%	
GlaxoSmithKline	3.77%	
Synthetic Products	3.44%	
HinoPak Co. Ltd.	3.44%	



MUFAP's Recommended Format

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. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

Fund Manager's Commentary

DF: The fund maintained its exposure in government securities at 61.69% of the fund size. The fund's return for the month stood at 1.75% p.a.

MMF: In Islamic Money Market Fund, investment in government securities at the end of the month stood at 41.38% of the fund size. Return of the fund for the month of Nov'15 stood at 1.98% p.a.

SF: During the month of Nov'15, the fund posted a return of -5.2%. The Fund's decline in performance was due to maintaining higher weight in high beta stocks in falling market and overweight position in HINO (down 12.2%MoM on disappointing 2QFY16 result). In the month of Nov'15, the market experienced a drop across all sectors as foreign selling continued unabated along with liquidity constraints for brokers and rising political noise. Key highlights during the month included: (1) SBP's decision to keep interest rate unchanged; (2) successful completion of the IMF 9th review; (3) enhancement of duties on imported items to raise PKR 40bn; (4) IMF's comment on REER index being overvalued; (5) inclusion of BYCO, SEARL and FERZO in MSCI small cap index; and (6) approval of USD1.9bn assistance program by the WB and ADB. Going forward, the market is likely to remain guided by international events mainly: (1) US Fed monetary policy in mid-Dec'15 and its consequent impact on global commodities and regional currencies; and 2) the upcoming OPEC meeting on Dec 04'15.

Investment Objective

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

Investment Features

- Hassle-free investment
- Competitive returns
- Flexible allocation schemes

Fund Facts

Launch Date	16-Dec-11
Management Fee	1.5% p.a
Trustee	Central Depository Co. of Pakistan
Auditor	KPMG Taseer Hadi & Co.
Type	Open End
Category	Shariah Compliant scheme
Front end Load	Max 3%
Back end Load	Nil
AMC Rating	AM2- (by JCRVIS)
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM (Mon-Fri)
Price Mechanism	Forward Pricing
Investment Committee	
Rehan N. Shaikh, Amir Khan, Samia Aslam, CFA	
Naseer Ladhani	

Fund Size (million) as at 30-Nov-2015

Money Market	Debt	Equity
59.51	81.53	145.71
NAV (PKR)		
127.3239	128.6592	308.3195
Leverage	Nil	

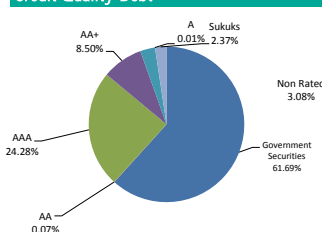
Fund Returns (%)

	Debt p.a	**Equity	MM p.a
Return Since Inception	7.15%	208.32%	6.82%
Year to Date Return	2.97%	-5.93%	2.81%
Calendar Year to Date Return	5.06%	2.96%	5.43%
1 Month Return	1.75%	-5.19%	1.98%
3 Month Return	2.21%	-7.52%	1.73%
6 Month Return	2.98%	-1.40%	2.89%
1 Year Return	4.94%	4.44%	5.23%
Daily Average Return (Since Inception)	0.03%	0.12%	0.02%
Standard Deviation (Since Inception)	0.11%	1.00%	0.07%
Return FY-15	4.97%	25.92%	5.28%
Return FY-14	7.04%	44.41%	6.08%
Return FY-13	8.67%	50.30%	7.70%
Return FY-12	n/a	n/a	n/a
Return FY-11	n/a	n/a	n/a

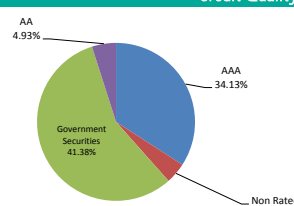
* Returns have been calculated as per MUFAP's formula

** Equity fund returns are cumulative

Credit Quality-Debt



Credit Quality-MMF



Provision against WWF liability

* The ESF, DSF and MSF of scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 1.397 mn, PKR 0.269 mn, and PKR 0.223 mn respectively. If the same were not made, the NAV per unit/return of ESF, DSF, and MSF would be higher by Rs. 2.96/0.96%, Rs 0.42/0.33% and Rs 0.48/0.38% respectively.

Risk Level



Sector Allocation Equity

Sector Allocation Equity	%	Top 10 Equities	%
Cements	12.63%	K-Electric	7.34%
Fertilizers	8.89%	Hub Power Company	6.13%
Pharmaceuticals	8.79%	Fauji Cement	5.66%
Power Generation & Distribution	8.56%	Thal Limited	5.41%
Electricity	7.34%	Glaxo Smith Keline	4.62%
Oil & Gas Marketing Companies	7.00%	Pakistan State Oil	4.54%
Automobile Parts and Accessories	5.41%	ICI Pakistan	4.32%
Automobile Assemblers	5.18%	Pakistan National Shipping	4.27%
Chemicals	4.32%	Searle	4.17%
Others	31.88%	Fatima Fertilizer	4.11%

Asset Allocation

	HBL Money Market		HBL Debt		HBL-Equity	
	30-Nov-15	30-Oct-15	30-Nov-15	30-Oct-15	30-Nov-15	30-Oct-15
Govt. Securities	41.38%	90.91%	61.69%	76.98%	86.62%	91.68%
Others	3.14%	2.59%	3.08%	2.59%	1.93%	1.74%
Cash	55.48%	6.50%	32.87%	17.99%	11.45%	6.59%

Returns (%)*	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15
HBL-IPF MMF*	12.01%	5.66%	9.06%	7.71%	6.66%	3.26%	4.92%	3.83%	0.31%	2.87%	1.98%
HBL-IPF Debt*	10.53%	5.94%	8.47%	6.72%	5.09%	3.03%	4.69%	3.42%	2.11%	2.76%	1.75%
HBL-IPF Equity**	6.56%	-0.96%	-7.94%	11.20%	-3.35%	4.81%	1.88%	-0.15%	-6.70%	4.55%	-5.19%

MUFAP's Recommended Format

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. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

HOW TO INVEST?

Invest as low as Rs. 1,000/= in our Islamic funds
Rs. 500/= in our Islamic 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 Islamic 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