



ASSET MANAGEMENT

ايسيت مينجمنت

AMC Rating : AM2- by JCR-VIS

FUND MANAGER'S REPORT (Islamic Funds)

June 2015

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Fund Manager's Commentary

30-Jun-15

For the month of Jun 2015, HBL Islamic Money Market Fund generated an annualized return of 3.75% against the benchmark return of 5.75%. The Fund's YTD return stood at 6.70% against the benchmark return of 6.75%. The Fund continued to maintain its major exposure in Cash equivalents.

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. 457.215 million (30-Jun-15)

NAV PKR 100.3946*

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

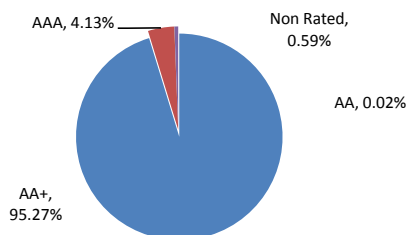
Naseer Ladhani, Fahad Aziz

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. 0.62/0.60%.

Weighted Average time to Maturity 1 Day

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

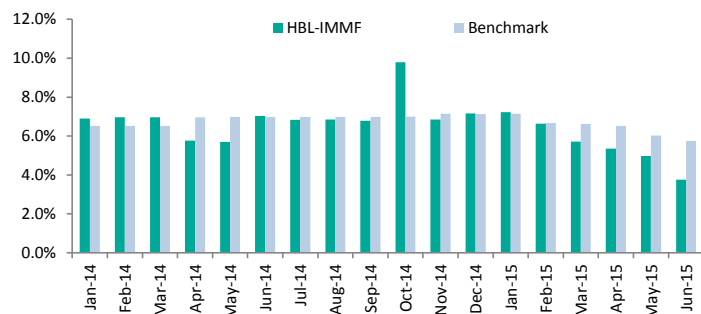


Fund Returns (%)

	HBL-IMMF*	Benchmark
Annualized Return Since Inception	9.27%	6.98%
Year to Date Annualized Return	6.70%	6.75%
Calendar Year to Date Annualized Return	5.67%	6.45%
1 Month Annualized Return	3.75%	5.75%
3 Month Annualized Return	4.72%	6.10%
6 Month Annualized Return	5.67%	6.45%
1 Year Annualized Return	6.70%	6.75%
Daily Average Return (Since Inception)	0.03%	0.02%
Standard Deviation (Since Inception)	0.03%	0.00%
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
Annualized Return FY-10	n/a	n/a

* Returns have been calculated as per MUFAP's formula

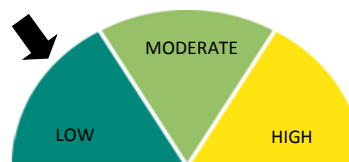
HBL Islamic Money Market Fund Vs benchmark (MoM Returns)



Asset Allocation (% of Total Assets)

	Jun'15	May'15
Cash	99.41%	98.13%
Govt Securities (Ijara Sukuk)	0.00%	0.00%
Others Including receivables	0.59%	1.87%
Term Deposit Receipts	0.00%	0.00%

Risk Level (Low)



MUFAP's Recommended Format

30-Jun-15

Fund Manager's Commentary

During the month of Jun'15, the fund posted a return 4.35% vs. KMI30 return of 4.76% hence underperforming the index by 41bps. The Fund eliminated its exposure in NATF since the scrip was trading at expensive multiple and offered limited growth opportunities. During the month, exposure was built in PAEL while weight was increased in Cements owing to increased PSDP spending of PKR 1,514bn (+29% YoY) announced in the Federal Budget FY16. Going forward, we expect the market to remain robust as the index reaches new highs mainly due to below expectation inflation reading and steadily growing FX reserves (at all-time high of USD18.7bn). The beginning of upcoming result season commencing from July'15 will continue to maintain investor interest in the coming weeks.

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. 783.500 million (30-Jun-15)
NAV	PKR 128.2505*
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. 1.35/1.02%.

Sector Allocation (% of Total Assets)

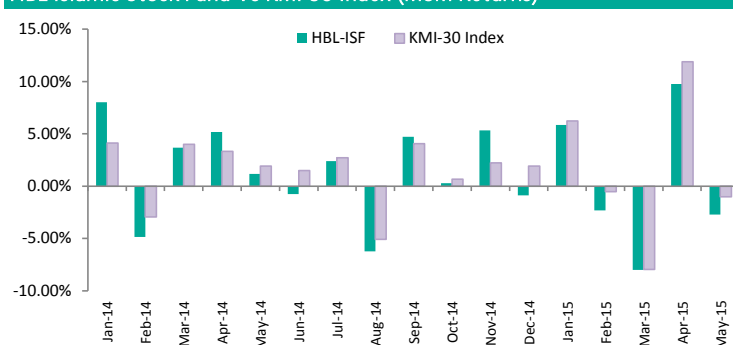
	Jun'15	May'15
Oil & Gas Marketing Companies	7.20%	6.90%
Power Generation & Dist.	13.26%	13.91%
Others	14.45%	12.05%
Oil & Gas Exploration Companies	9.72%	9.96%
Food & Personal Care Products	4.21%	9.67%
Automobile Assembler	9.26%	9.53%
Fertilizers	18.63%	15.64%
Cement	15.36%	11.96%

Fund Returns (%)

	HBL-ISF*	Benchmark
Cumulative Return Since Inception	122.30%	182.60%
Year to Date Return (Cumulative)	11.63%	20.10%
Calendar Year to Date Return (Cumulative)	5.99%	12.88%
1 Month Cumulative Return	4.35%	4.76%
3 Month Cumulative Return	11.44%	16.02%
6 Month Cumulative Return	5.99%	12.88%
1 Year Cumulative Return	11.63%	20.10%
Daily Average Return (Since Inception)	0.10%	0.10%
Standard Deviation (Since Inception)	0.88%	0.95%
Since Inception (CAGR)	21.27%	28.50%
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
Return FY-10	n/a	n/a

* Returns have been calculated as per MUFAP's formula

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



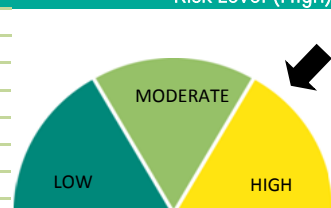
Asset Allocation (% of Total Assets)

	Jun'15	May'15
Cash	7.16%	9.36%
Stock/Equities	92.10%	89.62%
Others	0.74%	1.02%

Top Ten Holding (30-Jun-15)

Company	%
Hub Power Company Limited	7.23%
Engro Corporation Limited	6.91%
Pak Oilfields Limited	5.54%
Indus Motor Company Ltd	5.25%
Lucky Cement Limited	5.18%
Maple Leaf Cement Factory	5.11%
D G Khan Cement Company Ltd.	5.07%
Pak Elektron Ltd	4.54%
Engro Fertilizers Ltd	4.50%
Synthetic Products Enterprises Ltd.	4.33%

Risk Level (High)



MUFAP's Recommended Format

Fund Manager's Commentary

30-Jun-15

DF: The Fund maintained its exposure primarily in government securities at 83.30% of the fund size. The Fund's return for the month stood at 3.03% p.a. whereas the fund's YTD return through Jun'15 stood at 4.97% p.a.

MMF: In Islamic Money Market Fund we continued to maintain the Fund exposure largely in government securities (GIS) i.e. up to 93.15% of the fund size. Return of the fund for the month under review stood at 3.26% p.a.

SF: During the month of Jun'15, the fund posted a return 4.81%. Going forward, we expect the market to remain robust as the index reaches new highs mainly due to below expectation inflation reading and steadily growing FX reserves (at all-time high of USD18.7bn). The beginning of upcoming result season commencing from July'15 will continue to maintain investor interest in the coming weeks.

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

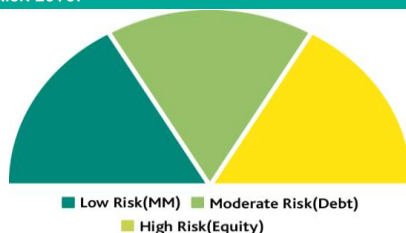
Fund Facts

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-Jun-2015

Money Market	Debt	Equity
58.29	74.92	151.74
NAV (PKR)		
125.8416	127.0785	327.7553
Leverage		
	Nil	

Risk Level



Asset Allocation

	HBL Money Market		HBL Debt		HBL-Equity	
	30-Jun-15	31-May-15	30-Jun-15	31-May-15	30-Jun-15	31-May-15
Govt. Securities	93.15%	92.24%	83.30%	82.73%	90.68%	89.32%
Others	0.63%	4.67%	0.34%	3.91%	0.26%	1.55%
Cash	6.22%	3.09%	2.85%	2.81%	9.07%	9.14%
			13.51%	10.55%		

Returns (%)*	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
HBL-IPF MMF*	3.00%	4.12%	5.67%	0.31%	2.96%	12.01%	5.66%	9.06%	7.71%	6.66%	3.26%
HBL-IPF Debt*	2.84%	4.81%	5.88%	1.29%	3.46%	10.53%	5.94%	8.47%	6.72%	5.09%	3.03%
HBL-IPF Equity**	-5.52%	4.65%	6.96%	6.81%	1.44%	6.56%	-0.96%	-7.94%	11.20%	-3.35%	4.81%

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.

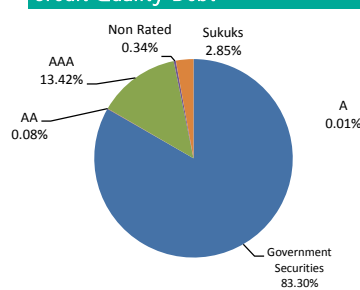
Fund Returns (%)

	Debt p.a	**Equity	MM p.a
Return Since Inception	7.55%	227.76%	7.21%
Year to Date Return	4.97%	25.92%	5.28%
Calendar Year to Date Return	6.75%	9.45%	7.56%
1 Month Return	3.03%	4.81%	3.26%
3 Month Return	4.97%	12.65%	5.92%
6 Month Return	6.75%	9.45%	7.56%
1 Year Return	4.97%	25.92%	5.28%
Daily Average Return (Since Inception)	0.03%	0.14%	0.03%
Standard Deviation (Since Inception)	0.11%	0.99%	0.07%
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
Return FY-10	n/a	n/a	n/a

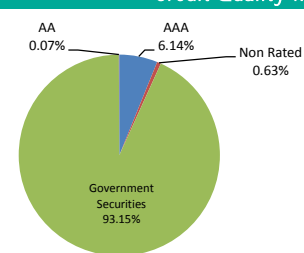
* Returns have been calculated as per MUFAP's formula

**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. 3.02/0.91 %, Rs 0.46/0.36% and Rs 0.48/0.38% respectively.

Sector Allocation Equity

Sector Allocation Equity	%	Top 10 Equities	%
Fertilizers	20.68%	Engro Fertilizer Company Ltd	9.49%
Power Generation & Distribution	11.40%	Engro Corporation	7.29%
Automobile Assembler	11.34%	National Foods	7.21%
Food & Personal Care Products	11.29%	D.G.K.Cement Company Limited	6.39%
Cement	9.52%	Thal Limited	6.11%
Oil & Gas Marketing Companies	7.31%	Pak Suzuki Motor Co. Ltd.	6.08%
Jute	6.11%	Indus Motors Co. Ltd	5.26%
Other Equities	13.04%	K-Electric	5.10%
		ICI Pakistan Limited	4.78%
		Hub Power Company Limited	4.56%

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