



ASSET MANAGEMENT LTD.

ايسيت مينجمنت لميتد

AMC Rating : AM2 by JCR-VIS

# FUND MANAGER'S REPORT (Conventional Funds)

## January 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.

## Economic Review

CPI during Jan'17 clocked in at 3.66% Y/Y in-line with market expectations compared to Dec'16 number of 3.70% Y/Y. This brings 7MFY17 CPI reading to 3.9% compared to 2.2% during the same period last year. During 1HFY17, imports rose 6% Y/Y to USD 21.3bn while exports continued their declining trend and decreased 2.3% Y/Y to USD 10.5bn, translating into overall trade deficit of USD 10.8bn during 1HFY17, up 15% Y/Y. Following the decline of oil prices, worker's remittances contracted by 2.4% Y/Y to USD 9.4bn during 1HFY17, as oil producing countries contributes ~50% to Pakistan's foreign remittances, resulting in a current account deficit of USD 3.58bn. The current account deficit as a % of GDP clocked in at 2.2%, a level last seen in FY12. Moreover, FX reserves currently stood at USD 23.2bn compared to USD 23.1bn during Dec '16. In view of the aforementioned reasons, SBP kept the policy rate unchanged at 5.75% in its Monetary Policy announcement during last week of Jan '17. News reports suggested that the fiscal deficit for 1HFY17 came in at 2.4% of GDP vs. 1.7% in the same period last year due to shortfalls in tax collections while government expenditures continued to increase. Rising fiscal pressures has necessitated greater borrowing by the government, which has also accelerated the growth in M2 money supply this fiscal year. Despite the multi-year low policy rate, LSM growth managed to grow only by 3.24% in 5MFY17. Major growth was observed in steel products and electronics, which grew by 14% Y/Y respectively in 5MFY17, while major decline was seen in wood & leather products. We are of the view that interest rates have probably bottomed out at current levels, as rising deficit and pressure on the currency is likely to force the governments hand in maintaining the current benchmark.

## Money Market Review

During the period under review, SBP conducted T-bill auctions twice with a cumulative target of PKR 650bn against maturity of PKR654bn. Cumulative participation in the auction was PKR 1,759bn (face value) with a major amount accepted in 06 months tenor, total amount accepted was PKR 794bn (excluding non-competitive bids). The cut-offs yields in the last auction were 5.9017% for 3Months, 5.9258% for 6Months and 5.9598% for 12Months T-Bills. The central bank conducted a PIB auction on January 25, 2017 with a target of PKR 50bn against the maturity of PKR 117bn. Total participation of PKR 137bn was witnessed, while the government accepted an amount of PKR 39bn. Participation in the 3years PIBs attracted 60% of the participation followed by 5 years and 10 years which attracted 25% and 15% of the entire participation. With the major amount accepted in the 3years tenor, the cut-off yields were 6.4074% for the 3 years tenor, followed by 6.8998% in the 5 years tenor and 7.9414% in the 10 years tenor. Below-expected CPI data compelled market participants to revise their estimates for inflation and their trajectory for the policy rate. In FY17 SBP expects lower inflation rate than its annual target of 6%, as average inflation came in at 3.9% due to stable commodity prices and exchange rate. The PKRV yields for shorter tenure papers (3M, 6M, 12M) declined by 9bps, 11bps, and 14bps respectively, similarly for longer tenure bonds (3Y, 5Y, 10Y) decreased by 30bps, 40bps and 34bps respectively. Over the course of the previous month, market participants appear to have recalibrated their expectations for the first hike in the policy rate, with more participants now expecting a status-quo scenario to prevail for longer on the back of muted inflation expectations.

## Equity Market Review

The KSE100 index posted an increase of 2.0% M/M in Jan'17, extending the 46% gain posted in CY16. On 26- Jan'17, the KSE100 Index surged above the psychological barrier of 50,000 however it closed the month at 48,758 as profit taking was witnessed as a result of the SECP's notices to multiple brokerage houses. The positive momentum continued from the previous month with inflow of strong local liquidity amid continued selling from foreigners. The prime outperformers in the market during the month were Chemical and Automobile sectors. The chemical sector benefitted from an improved profitability outlook whereas optimism in the automobile sector was driven by the launch of new car models and strong growth in volumetric sales, especially of trucks and buses. On the other hand, Oil & Gas exploration and Banking sectors were the main laggards. The oil and gas sector underperformed mainly due to a 2.0% M/M decline in international oil prices combined with rumors suggesting that the GoP would be selling a 5% stake in OGDC to local investors. Following the release of below-expected CPI data for the month of Dec'16, some market participants began anticipating another cut of 25bps in the Monetary Policy announcement, which negatively affected returns of banking scrips. Net FIPI outflow clocked in at USD 110.87mn. Sector wise break-up reveals that majority of net selling during Jan'17 was witnessed in Power Generation (USD 27mn), Banks (USD 21mn), and Cements with (USD 18.6mn). On the local front, Mutual Funds absorbed most of the FIPI selling (net buy of USD 44mn). Individuals and companies were buyers with USD 40mn, USD 30mn respectively while Banks were the major local sellers with net outflow of (USD 41mn). A new company, Roshan Packages, was also brought to market via book-building process; the offering was 3.3x oversubscribed at a price of PKR 86.25 per share. Going forward, we expect the market to take its cue from the ongoing result season where dividend-paying stocks are likely to be popular amongst investors.

## HBL MoneyMarketFund

### 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 Comment:

During the month of January 17, the Fund size decreased to PKR 4,579 mn from PKR 4,927mn in Dec'16. The Fund earned an annualized return of 18.77% for the month due to reversal of WWF. The overall weighted average time to maturity stood at 54 days compared to 20 days in Dec 16. The Fund Manager is looking out for opportunities to augment the Fund's return

FUND INFORMATION		FUND RETURNS (%)*			INVESTMENT COMMITTEE	
		HBL MMF*	Benchmark			
Net Assets	PKR 4,579 mn	Annualized Return Since Inception	11.39%	7.96%	Farid Ahmed Khan CFA	CEO
NAV	PKR 105.6444	Year to Date Annualized Return	6.85%	5.26%	Muhammad Imran	CIO
Launch Date	12-Jul-10	Calendar Year to Date Annualized Return	18.77%	5.25%	Amir Khan	Head of Research
Management Fee	1.00% p.a	1 Month Annualized Return	18.77%	5.25%	Tauqir Shamshad	Head of Fixed Income
Expense Ratio without ST	0.72%	3 Month Annualized Return	9.66%	5.27%	Fahad Aziz	Fund Manager- Fixed Income
Expense Ratio with ST	0.84%	6 Month Annualized Return	7.22%	5.23%	Noman Ameer	Manager Risk
Listing	Pakistan Stock Exchange	1 Year Annualized Return	6.01%	5.36%		
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	Nil					
Back end Load	Nil					
AMC Rating	AM2 (JCR VIS) 30-12-16					
Dealing Days	Monday-Friday					
Cut off time	9:00 AM-3:00 PM					
Price Mechanism	Forward Pricing					
Fund Stability Rating	AA(f) (JCR VIS) 05-01-17					
Leverage	Nil					
Risk	Low					
Weighted Average Maturity (Days)	54					

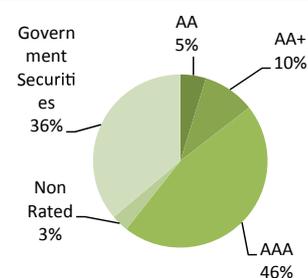
HISTORICAL PERFORMANCE		HBL MMF*	Benchmark
Annualized Return FY-16		5.09%	5.58%
Annualized Return FY-15		8.80%	7.87%
Annualized Return FY-14		8.11%	8.46%
Annualized Return FY-13		9.28%	8.35%
Annualized Return FY-12		11.50%	9.77%

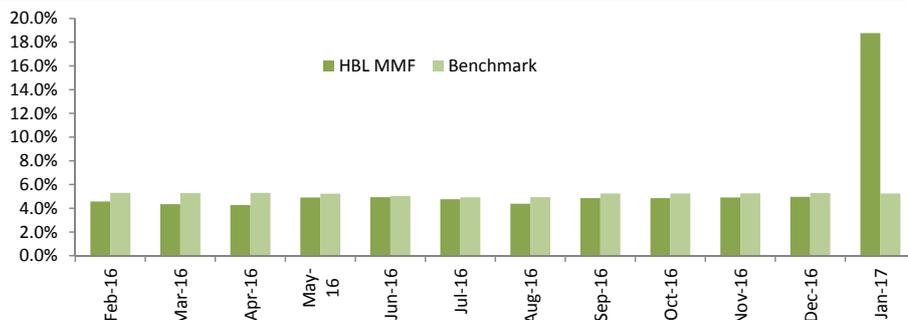
ASSET ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Cash	39.76%	75.38%
Placements with Banks & DFIs	20.83%	24.10%
T-Bills	36.21%	0.00%
PIBs	0.00%	0.00%
Others including receivables	3.19%	0.52%

ASSET QUALITY (% Total Assets)	
Government Securities	36%
Non Rated	3%
AAA	46%
AA	5%
AA+	10%



### HBL MONEY MARKET FUND Vs Benchmark (MoM Returns)



Provision against WWF \* The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 6,386 mln if the same were not made, the NAV per unit/return would be higher by PKR. 0.15/0.14%. 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

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## PICIC CashFund

### 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 Comment:

During the month of January, the Fund size increased to PKR 5,270mn from PKR 4,634mn in Dec'16. The Fund earned an annualized return of 7.73% for the month. The overall weighted average time to maturity stood at 64 days as the liquidity at hand was deployed in T-bills to increase the fund's duration as there was a clear divide in the MPS announced in Nov'16 and there could have been a potential rate cut in the MPS announced in January.

### FUND INFORMATION

Net Assets	PKR 5,270 million
NAV	PKR 103.9296
Launch Date	14-Dec-10
Management Fee	0.5% p.a
Expense Ratio without ST	0.43%
Expense Ratio with ST	0.61%
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	Class D: 1% of NAV
Back end Load	Nil
AMC Rating	AM2 (JCR VIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Backward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 05/01/2017
Leverage	Nil
Risk	Low
Weighted Average Maturity (Days)	64

### FUND RETURNS\*

	PICIC CF	Benchmark
Annualized Return Since Inception	11.37%	7.17%
Year to Date Annualized Return	5.71%	4.82%
Calendar Year to Date Annualized Return	7.73%	5.25%
1 Month Annualized Return	7.73%	5.25%
3 Month Annualized Return	6.29%	5.27%
6 Month Annualized Return	5.71%	4.91%
1 Year Annualized Return	5.80%	4.75%

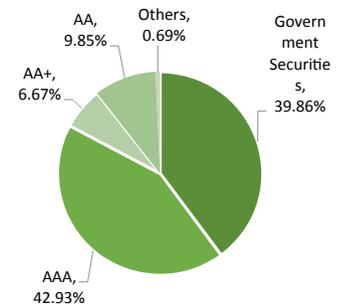
### INVESTMENT COMMITTEE

Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Tauqir Shamshad	Head of Fixed Income
Fahad Aziz	Fund Manager- Fixed Income
Noman Ameer	Manager Risk

### HISTORICAL PERFORMANCE\*

	PICIC CF	Benchmark
Annualized Return FY-16	6.07%	4.71%
Annualized Return FY-15	10.51%	6.83%
Annualized Return FY-14	8.37%	7.16%
Annualized Return FY-13	9.07%	7.59%
Annualized Return FY-12	11.42%	9.67%

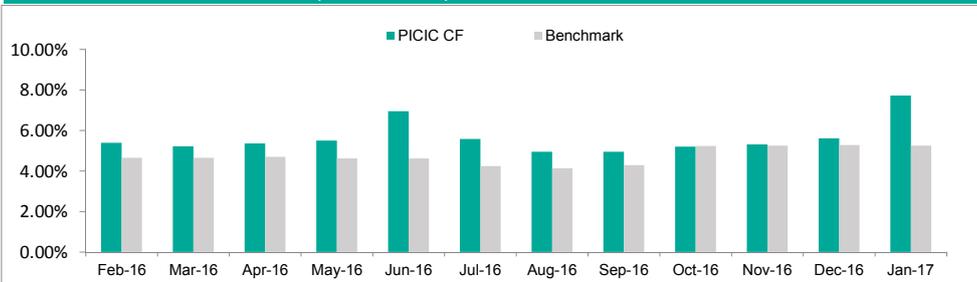
### ASSET QUALITY (% Total Assets)



### ASSET ALLOCATION (% of Total Assets)

	Jan-17	Dec-16
Cash	35.70%	63.87%
T-Bills	39.86%	0.00%
PIBs	0.00%	0.00%
Placements with Banks & DFIs	23.83%	35.45%
Others Including receivables	0.62%	0.68%

### PICIC CASH FUNDVs Benchmark (MoM Returns)



Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs 4,485,125 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.0884/0.15% (YTD). For details, investors are advised to read the Note 6.1 of the latest financial statements of the scheme.

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

\*\*Calculated on 12Month trailing data

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**HBL IncomeFund**

**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 Comment:**

During the Month of Dec'16, HBL Income Fund posted a return of 6.67% against the benchmark return of 6.12%. The Fund's Net Assets during the month of Dec'16 reduced marginally to Rs. 4,980 mn from 5,276 mn in Dec'16. On the asset allocation side, the fund increased exposure in Government Securities and TFC. At the end of month fund's weighted average maturity stood at 829 days from 329 days in Dec.

FUND INFORMATION	
Net Assets	PKR 4,980 mn
NAV	PKR 108.7829
Launch Date	15-Mar-07
Management Fee	1.5% p.a
Expense Ratio without ST	1.00%
Expense Ratio with ST	1.17%
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	1.5%
Back end Load	Nil
AMC Rating	AM2 ( by JCRVIS) 12/30/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS) 1/11/2017
Leverage	Nil
Weighted Average Maturity (Days)	829
Risk	Moderate

FUND RETURNS (%)*	HBL IF*	Benchmark
Annualized Return Since Inception	14.73%	10.59%
Year to Date Annualized Return	4.30%	6.07%
Calendar Year to Date Annualized Return	6.67%	6.12%
1 Month Annualized Return	6.67%	6.12%
3 Month Annualized Return	5.32%	6.12%
6 Month Annualized Return	4.25%	6.08%
1 Year Annualized Return	4.68%	6.17%

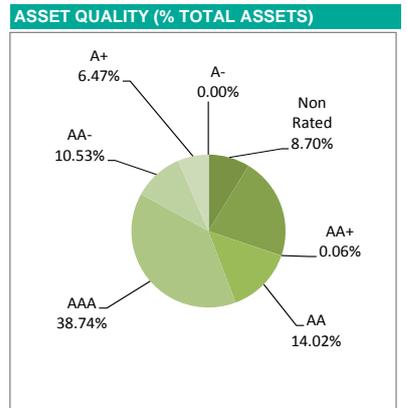
\* Returns have been calculated as per MUFAP's formula

INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Tauqir Shamshad	Head of Fixed Income
Fahad Aziz	Fund Manager- Money Market
Noman Ameer	Manager Risk

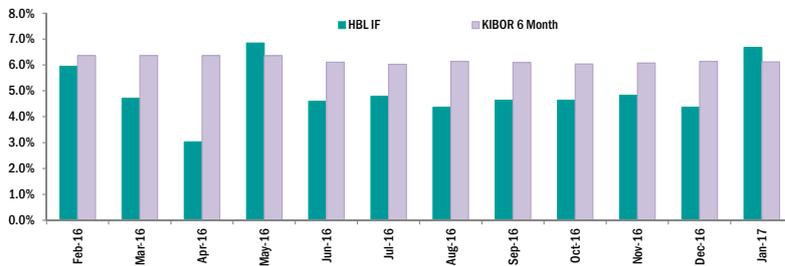
HISTORICAL PERFORMANCE	HBL IF*	Benchmark
Annualized Return FY-16	6.12%	6.52%
Annualized Return FY-15	12.45%	9.01%
Annualized Return FY-14	9.91%	9.82%
Annualized Return FY-13	7.69%	9.93%
Annualized Return FY-12	12.31%	12.38%

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

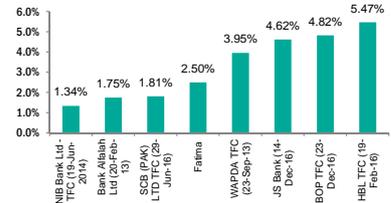
ASSET ALLOCATION (% of Total Assets)	Jan-17	Dec-16
Cash	18.94%	18.78%
Placement with Banks & DFI	22.92%	45.76%
TFCs	27.22%	23.97%
PIBs	11.94%	0.00%
T-Bills	9.56%	0.00%
Spread Transaction	8.06%	1.48%
Commercial Paper	0.73%	0.00%
Others Including receivables	0.64%	10.02%



**HBL INCOME FUND VS KIBOR 6 Month (MoM Returns)**



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



Name of Non-Compliant Investment (In Millions PKR)	Type of Investment	Value before Provision	Provision Held	Value of Investment after provision	% of Net	% of Gross Assets
New Allied Electronics	TFC	19.02	19.02	1	-	-
New Allied Electronics	Sukuk	44.15	44.15	1	-	-
Agri Tech Limited	TFC	9.99	9.99	-	-	-
Saudi Pak Leasing Co, Ltd	TFC	5.55	5.55	-	-	-
world Telecom Limited	TFC	47.77	47.77	-	-	-
ZTBL	TDR	500	-	500	10.04%	9.67%
Pak Brunei Investment Co.	COI	500	-	500	10.04%	9.67%

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

Provision against WWF :The Fund/Scheme has made provisions amounting to PKR 15.92 million against Workers' Welfare Fund liability, if the same were made the NAV per unit/return of the Scheme would be higher by PKR.0.32/0.35%age. For details investors are advised to read the Note5.3 of the latest Financial Statements of the Scheme."

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\*\*Calculated on 12Month trailing data

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## PICIC IncomeFund

### 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 Comment:

During the month of January, the Fund size decreased to PKR 1,932mn from PKR 1,971mn in Dec'16. The Fund earned an annualized return of 9.43% for the month. The Fund Manager is looking out for opportunities to augment the Fund's return. The overall weighted average time to maturity stood at 733 days against 503 days in Dec'16 as the Fund Manager increased the exposure towards medium tenor Government Securities.

### FUND INFORMATION

Net Assets	PKR 1,932 million
NAV	PKR 108.5645
Launch Date	24-Jul-10
Management Fee	1.25%p.a
Expense Ratio without ST	0.98%
Expense Ratio with ST	1.18%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Delloite Yousuf Adil Pakistan
Benchmark	Average of 6Month 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) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS) 05/01/2017
Leverage	Nil
Risk	Moderate
Weighted Average Maturity (Days)	733

### FUND RETURNS (%)\*

	PICIC IF	Benchmark
Annualized Return Since Inception	12.84%	9.53%
Year to Date Annualized Return	5.41%	5.82%
Calendar Year to Date Annualized Return	9.43%	5.87%
1 Month Annualized Return	9.43%	5.87%
3 Month Annualized Return	6.56%	5.87%
6 Month Annualized Return	5.21%	5.83%
1 Year Annualized Return	6.40%	5.92%

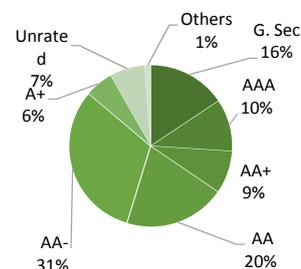
### INVESTMENT COMMITTEE

Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Tauqir Shamshad	Head of Fixed Income
Fahad Aziz	Fund Manager- Fixed Income
Noman Ameer	Manager Risk

### HISTORICAL PERFORMANCE\*

	PICIC IF	Benchmark
Annualized Return FY-16	7.85%	6.27%
Annualized Return FY-15	11.75%	8.76%
Annualized Return FY-14	8.78%	9.57%
Annualized Return FY-13	9.52%	9.68%
Annualized Return FY-12	11.85%	12.13%

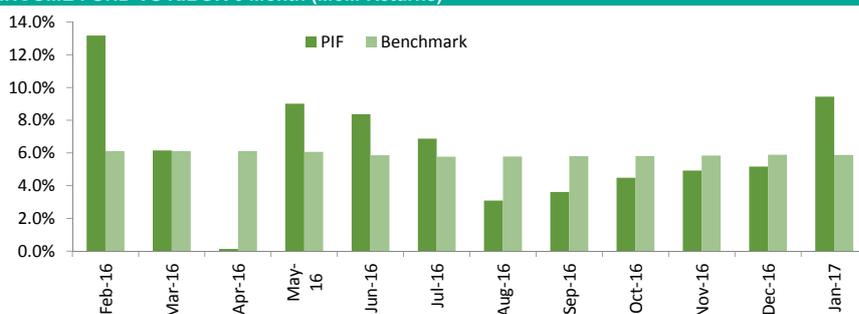
### ASSET QUALITY (% Total Assets)



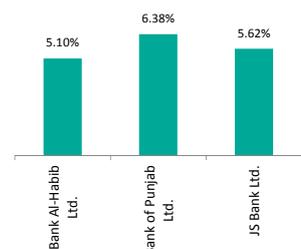
### ASSET ALLOCATION (% of Total Assets)

	Jan-17	Dec-16
Cash	27.97%	25.70%
T-Bills	2.49%	2.41%
PIBs	13.13%	0.00%
Placements with Banks & DFIs	31.15%	45.82%
Term Finance Certificates / Sukuks	17.11%	22.04%
MTS	7.01%	2.95%
Others Including receivables	1.15%	1.08%

### PICIC INCOME FUND VS KIBOR 6 Month (MoM Returns)



### TOP TEN Holding (% of Total Assets)



Name of Non-Compliant Investment	Type of Investment	Regulatory Limit	% of Total Assets	% of Net Assets	Excess Exposure (% of Total Assets)	Excess Exposure (% of Net Assets)
Zarai Taraqati Bank Limited	TDR	10%	10.21%	10.35%	0.21%	0.35%

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Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs 5,357,318 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.3010 /0.49% (YTD). For details, investors are advised to read the Note 6.1 of the latest financial statements of the scheme.

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

\*\*Calculated on 12Month trailing data

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## HBL MultiAssetFund

### 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 and money market instruments etc.

### Fund Manager's Comment:

In the month of Jan'17, the fund posted a return of 2.59% vs. benchmark return of 1.55%, an outperformance of 104 bps. During the month, weight was primarily increased in Cements (healthy off-take) and Pharmaceutical stocks (anticipation of exciting results in select companies) while gains were booked in Textiles (post-announcement t of Textile Package), E&Ps (uncertainty regarding divestment of OGDC) and OMCs. Major contribution to performance came from holdings in the Power Generation, Pharmaceutical, Autos and Steel sectors. At the end of the month, the fund was invested in equities up to 67.74% of the Net Assets.

FUND INFORMATION	
Net Assets (mn)	PKR 922.6
NAV	PKR 116.2342
Launch Date	14-Dec-07
Management Fee	2% p.a.
Expense Ratio with ST	1.67%
Expense Ratio without ST	1.43%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Weighted average daily return of KSE 100 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) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS)
Leverage	Nil
Risk	Moderate to High

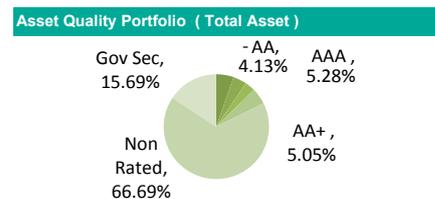
FUND RETURNS (%)*	HBL MAF	Benchmark
Cumulative Return Since Inception	214.90%	168.39%
Calendar Year to Date Return (Cumulative)	2.59%	1.55%
Year to Date Return (Cumulative)	18.55%	18.81%
1 Month Cumulative Return	2.59%	1.55%
3 Month Cumulative Return	17.20%	15.15%
6 Month Cumulative Return	13.35%	16.03%
1 Year Cumulative Return	29.48%	31.86%
3 Year Cumulative Return	38.83%	51.63%
5 Year Cumulative Return	147.97%	144.93%
Standard Deviation**	11.51%	8.22%

HISTORICAL PERFORMANCE*	HBL MAF	Benchmark
Return FY-16	5.90%	7.41%
Return FY-15	4.90%	11.21%
Return FY-14	24.09%	23.06%
Return FY-13	37.59%	27.71%
Return FY-12	12.67%	9.94%

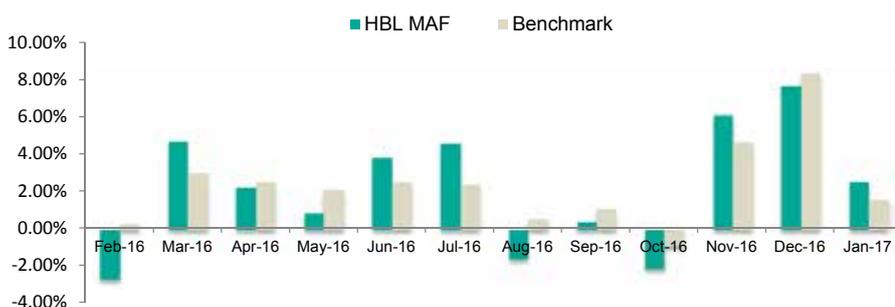
ASSET ALLOCATION (% of Total Assets)	Jan-17	Dec-16
Cash	5.05%	5.65%
Stock/Equities	65.93%	67.65%
TFCs	7.30%	5.30%
Placements with Banks and DFIs	5.28%	11.05%
Others including receivables	16.45%	10.35%

INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Tauqir Shamsad	Head of Fixed Income
Fahad Aziz	Fund Manager- Fixed Income
Samia Aslam CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

SECTOR ALLOCATION (% of Total Assets)	Jan-17	Dec-16
Commercial Banks	13.52%	13.63%
Cement	9.27%	7.77%
Oil & Gas Exploration Companies	8.40%	10.67%
Fertilizer	7.61%	7.00%
Oil & Gas Marketing Companies	4.26%	5.53%
Others	22.88%	23.06%



### HBL MULTI ASSET FUND vs Benchmark (MoM Returns)



TOP TEN HOLDING (Equities)	Jan-17
Habib Bank Limited	4.71%
Lucky Cement Limited	3.48%
United Bank Limited	3.28%
D.G. Khan Cement Company Limited	3.11%
Engro Corporation Limited	3.03%
Oil and Gas Development Company Limited	2.87%
Hub Power Company Limited	2.85%
Packages Limited	2.85%
MCB Bank Limited	2.81%
Pakistan Petroleum Limited	2.21%

TOP TEN HOLDING (TFCs)	Jan-17
JS Bank TFC (14-Dec-2016)	3.17%
Bank Of Punjab TFC (23-Dec-2016)	1.90%

Name of Non-Compliant Investment	Type of Investment	Value before provision	Provision Held	% of Net Assets
Dewan Cement Limited	TFC	25.00	25.00	0.00%
Saudi Pak Leasing Company Ltd.	TFC	15.20	15.20	0.00%

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

Provision against WWF: \*\* The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 3.521mn if the same were not made, the NAV per unit would be higher by Rs. 0.44/0.38%. For details, investors are advised to read the Note 5.2 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

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## HBL Mustahakum Sarmaya Fund 1

### 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 Comment:

The fund posted a return of 0.81% during the month vs. benchmark return of 0.42%. During the month equity exposure was increased to 10.83% to augment returns as equity market continued its rally on the back of positive outlook going forward. TDR investment at the end of the month stood at 84.26%. During the month of Jan 17 KSE 100 Index increased by 1.99%.

FUND INFORMATION	
Net Assets (mn)	PKR 2003.53
NAV	PKR 107.1521
Launch Date	27-Mar-15
Management Fee	1.00% p.a
Expense Ratio with ST	1.05%
Expense Ratio without ST	0.75%
Trustee	Central Depository Co. of Pakistan
Listing	Pakistan Stock Exchange
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 (JCR VIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	N/A
Leverage	Nil
Risk	Low

FUND RETURNS (%)*	HBLMSF1	Benchmark
Cumulative Return Since Inception	13.71%	8.89%
Calendar Year to Date Return (Cumulative)	0.81%	0.42%
Year to Date Return (Cumulative)	6.01%	3.88%
1 Month Cumulative Return	0.81%	0.42%
3 Month Cumulative Return	3.33%	2.59%
6 Month Cumulative Return	4.97%	3.34%
1 Year Cumulative Return	9.01%	6.31%
Standard Deviation**	1.32%	1.11%

INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Tauqir Shamshad	Head of Fixed Income
Fahad Aziz	Fund Manager- Fixed Income
Samia Aslam CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

HISTORICAL PERFORMANCE*	HBLMSF1	Benchmark
Return FY-16	5.44%	3.37%

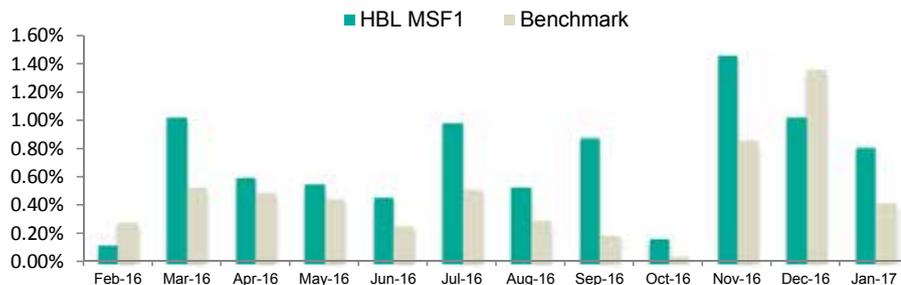
ASSET ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Cash	0.53%	0.43%
Placements with Banks and DFIs	84.26%	84.87%
Stocks/ equities	10.83%	10.76%
Others including receivables	4.38%	3.95%

ASSET QUALITY		
	Jan-17	
AAA	84.42%	
AA+	0.37%	
Not rated	4.38%	

SECTOR ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Oil & Gas Exploration Companies	1.48%	1.71%
Commercial Banks	1.45%	1.74%
Oil & Gas Marketing Companies	1.07%	0.85%
Cement	0.93%	1.17%
Fertilizer	0.90%	0.58%
Others	5.01%	4.71%

TOP TEN HOLDING		Jan-17
Packages Limited		0.89%
Engro Corporation Limited		0.76%
Millat Tractors Limited		0.60%
MCB Bank Limited		0.56%
United Bank Limited		0.48%
Nishat Mills Limited		0.48%
Hub Power Company Limited		0.43%
Pakistan State Oil Company Limited		0.42%
Oil and Gas Development Company Ltd		0.41%
Habib Bank Limited		0.41%

### HBL MUSTAHEKUM SARMAYA FUND 1 vs Benchmark (MoM Returns)



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.

Provision against WWF: The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 4.413mn 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."

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

\*\*Calculated on 12Month trailing data

Mutual Fund Association of Pakistan (MUFAP) 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. Past performance is not necessarily indicative of future results. Capital Preservation only applies to the unit holders who hold their investments until maturity date. All returns are calculated assuming reinvested dividends. Please read the Offering document to understand the investment policies and risk involved.

## HBL StockFund

### 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 Comment:

In the month of Jan'17, the fund posted a return of 2.25% vs. benchmark return of 1.75%, an outperformance of 50 bps. During the month, exposure was primarily increased in Autos (exceptional sales numbers) and Fertilizer (continuation of urea and DAP subsidy) while gains were booked in Textiles (post-announcement of Textile Package) and E&Ps (uncertainty regarding divestment of OGDC). Major contribution to performance came from holdings in the Power Generation, Fertilizer, Autos and Steel sectors. At the end of the month, the fund was invested in equities up to 95.22% of the Net Assets.

FUND INFORMATION	
Net Assets (mn)	PKR 6200.01
NAV	PKR 130.4703
Launch Date	29-Aug-07
Management Fee	2% p.a.
Expense Ratio with ST	1.52%
Expense Ratio without ST	1.31%
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) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

FUND RETURNS (%)*	HBL SF	Benchmark
Cumulative Return Since Inception	254.57%	304.44%
Calendar Year to Date Return (Cumulative)	2.25%	1.75%
Year to Date Return (Cumulative)	25.84%	28.00%
1 Month Cumulative Return	2.25%	1.75%
3 Month Cumulative Return	20.74%	21.58%
6 Month Cumulative Return	17.76%	22.35%
1 Year Cumulative Return	38.83%	54.52%
3 Year Cumulative Return	47.30%	80.57%
5 Year Cumulative Return	182.70%	307.27%
Standard Deviation**	14.82%	13.75%

INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Samia Aslam CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

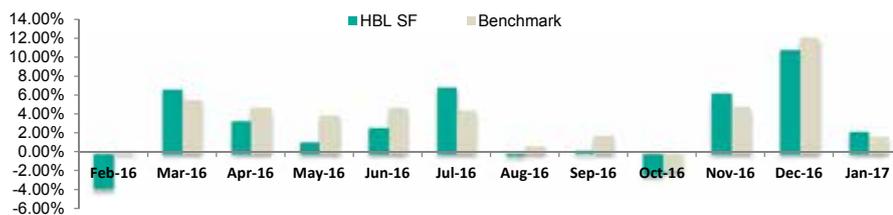
SECTOR ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Commercial Banks	19.29%	18.96%
Oil & Gas Exploration Companies	14.92%	17.23%
Fertilizer	14.08%	10.76%
Cement	14.00%	13.03%
Power Generation & Distribution	6.92%	7.48%
Others	24.79%	25.60%

HISTORICAL PERFORMANCE*	HBL SF	Benchmark
Return FY-16	2.59%	9.84%
Return FY-15	8.13%	16.01%
Return FY-14	27.68%	41.16%
Return FY-13	44.42%	52.20%
Return FY-12	11.00%	10.45%

ASSET ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Cash	4.79%	5.74%
Stock/Equities	93.99%	93.06%
T-Bills	0.00%	0.00%
Others Including receivables	1.22%	1.19%

TOP TEN HOLDINGS		Jan-17
Habib Bank Limited		7.90%
Lucky Cement Limited		6.24%
Hub Power Company Limited		5.71%
United Bank Limited		5.63%
Oil and Gas Development Company Ltd		5.45%
Engro Corporation Limited		5.32%
MCB Bank Limited		4.72%
Packages Limited		3.66%
Pakistan Petroleum Limited		3.64%
Engro Fertilizers Limited		3.45%

### HBL STOCK FUND vs Benchmark (MoM Returns)



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

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

Provision against WWF: The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 23.013mn if the same were not made, the NAV per unit would be higher by Rs. 0.48/0.37%. 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

\*\*Calculated on 12Month trailing data

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

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## PICIC StockFund

### 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 Comment:

The fund posted a return of 3.99% during the month outperforming the benchmark by 2.00%. The benchmark KSE-100 Index increased by 1.99% M/M during Jan'17 (vs. an increase of 12.16% M/M in Dec'16) as the market continued its positive momentum and crossed the 50,000 points mark before closing at 48,757 points. During the month the fund booked gains in the Fertilizers and Chemicals sectors. At the end of the month the fund was 86.65% invested. We expect volumes to remain healthy going forward along with a positive outlook in blue chip and growth stocks.

FUND INFORMATION	
Net Assets (mn)	PKR 463.94
NAV	PKR 138.62
Launch Date	27-Sep-11
Management Fee	2% p.a
Expense Ratio with ST	3.07%
Expense Ratio without ST	2.17%
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(JCR VIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

FUND RETURNS (%)*	PICIC SF	Benchmark
Cumulative Return Since Inception	264.48%	322.83%
Calendar Year to Date Return (Cumulative)	3.99%	1.99%
Year to Date Return (Cumulative)	29.27%	29.04%
1 Month Cumulative Return	3.99%	1.99%
3 Month Cumulative Return	23.51%	22.22%
6 Month Cumulative Return	21.41%	23.35%
1 Year Cumulative Return	44.50%	55.78%
3 Year Cumulative Return	69.41%	82.04%
5 Year Cumulative Return	260.73%	310.59%
Standard Deviation**	14.11%	12.52%

HISTORICAL PERFORMANCE*	PICIC SF	Benchmark
Return FY-16	6.71%	9.84%
Return FY-15	11.15%	16.01%
Return FY-14	41.93%	41.16%
Return FY-13	48.18%	52.20%
Return FY-12	13.03%	19.69%

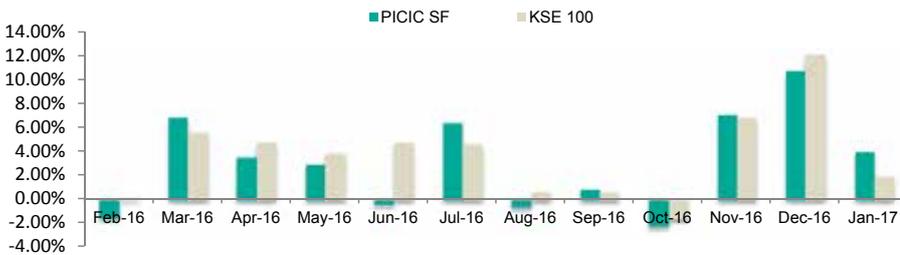
ASSET ALLOCATION (% of Total Assets)	Jan-17	Dec-16
Cash	10.36%	1.45%
Stock/Equities	86.65%	94.83%
Others Including receivables	2.99%	3.72%

INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Samia Aslam CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

SECTOR ALLOCATION (% of Total Assets)	Jan-17	Dec-16
Commercial Banks	18.78%	18.56%
Oil & Gas Exploration Companies	11.50%	11.59%
Cement	11.04%	11.30%
Fertilizer	8.68%	10.74%
Oil & Gas Marketing Companies	7.29%	7.65%
Others	29.37%	35.00%

TOP TEN HOLDINGS	Jan-17
Habib Bank Limited	6.57%
United Bank Limited	4.26%
MCB Bank Limited	4.25%
Oil and Gas Development Company Limited	4.12%
Hub Power Company Limited	3.89%
Lucky Cement Limited	3.63%
Engro Corporation Limited	3.60%
Pakistan Petroleum Limited	3.01%
Pakistan Oilfields Limited	2.90%
Pakistan State Oil Company Limited	2.83%

### PICIC STOCK FUND Vs. Benchmark (MoM Returns)



Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs 2,727,246 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.8149/0.76% (YTD). For details, investors are advised to read the Note 5.1 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

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**PICIC EnergyFund**

**Investment Objective:**

The fund 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 Comment:**

The fund posted a return of 4.21% during the month outperforming the benchmark by 2.46%. The benchmark KSE-30 Index (Total Return) increased by 1.75% M/M during Jan'17 (vs. a decrease of 4.45% M/M in Nov'16) as the market continued its positive momentum. The primary contributors to the fund return during the month were our exposures in the Oil & Gas marketing companies and the Power generation and Distribution sectors. During the month, we booked gains in the Oil and Gas Marketing Companies and Refineries sectors. At the end of the month the fund was 90.49% invested. We expect volumes in the energy chain to remain healthy going forward as oil inventory data pours in following a month of curtailed production by OPEC and Non OPEC members.

FUND INFORMATION	
Net Assets (mn)	PKR 886.56
NAV	PKR 16.3265
Launch Date***	25-Jun-13
Management Fee	2% p.a
Expense Ratio with ST	2.42%
Expense Ratio without ST	1.65%
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 (JCR VIS) 30/12/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

FUND RETURNS (%)*	PICIC EF	Benchmark
Cumulative Return Since Inception	77.98%	129.10%
Calendar Year to Date Return (Cumulative)	4.21%	1.75%
Year to Date Return (Cumulative)	35.92%	28.00%
1 Month Cumulative Return	4.21%	1.75%
3 Month Cumulative Return	22.21%	21.58%
6 Month Cumulative Return	30.78%	22.35%
1 Year Cumulative Return	51.24%	54.52%
3 Year Cumulative Return	52.90%	80.57%
Standard Deviation**	10.53%	13.75%

INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Samia Aslam CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

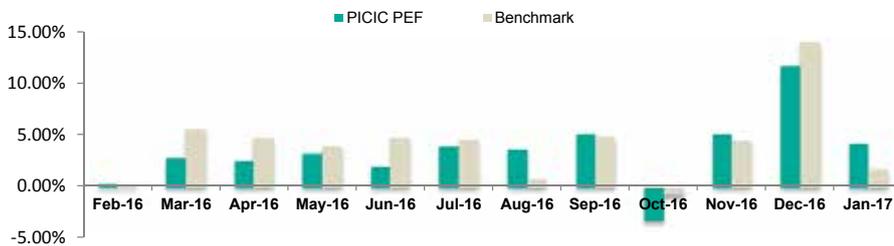
HISTORICAL PERFORMANCE*	PICIC EF	Benchmark
Return FY-16	-2.86%	9.84%
Return FY-15	8.18%	16.01%
Return FY-14	23.92%	41.16%
Return FY-13***	0.55%	-0.50%

SECTOR ALLOCATION (% of Total Assets)	Jan-17		Dec-16	
	Jan-17	Dec-16	Jan-17	Dec-16
Oil & Gas Exploration Companies	31.31%	30.45%	31.31%	30.45%
Power Generation & Distribution	29.08%	28.65%	29.08%	28.65%
Oil & Gas Marketing Companies	25.73%	27.33%	25.73%	27.33%
Refinery	4.37%	5.13%	4.37%	5.13%

ASSET ALLOCATION (% of Total Assets)	Jan-17	Dec-16
Cash	7.04%	5.02%
Stock/Equities	90.49%	91.55%
Others Including receivables	2.48%	3.43%

TOP TEN HOLDINGS	Jan-17
Oil and Gas Development Company Limited	9.65%
Hub Power Company Limited	9.16%
Pakistan Oilfields Limited	7.76%
Pakistan State Oil Company Limited	7.39%
Mari Petroleum Company Limited	7.03%
Pakistan Petroleum Limited	6.86%
Shell Pakistan Limited	6.73%
Attock Petroleum Limited	6.43%
Kot Addu Power Company Limited	5.86%
Sui Northern Gas Pipelines Limited	5.14%

**PICIC ENERGY FUND Vs. Benchmark (MoM Returns)**



Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Re 5,877,181 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.1082 /0.90% (YTD). For details, investors are advised to read the Note 5.1 of the latest financial statements of the scheme.

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

\*\*Calculated on 12Month trailing data

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

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

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## PICIC GrowthFund

### 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 Comment:

The fund posted a return of 4.10% during the month outperforming the benchmark by 2.11%. The benchmark KSE-100 Index increased by 1.99% M/M during Jan'17 (vs. an increase of 12.16% M/M in Dec'16) as the market continued its positive momentum and crossed the 50,000 points mark before closing at 48,757 points. At the end of the month the fund was 97.64% invested. We expect volumes to remain healthy going forward along with a positive outlook in blue chip and growth stocks.

FUND INFORMATION		FUND RETURNS (%)*				
Net Assets (mn)	PKR 15132.79	Calendar Year to Date Return (Cumulative)	PGF Total	PGF Frozen	PGF Ex Frozen	Benchmark
NAV	PKR 53.38	Year to Date Return (Cumulative)	4.10%	5.23%	2.82%	1.99%
Launch Date	July-04	1 Month Cumulative Return	4.10%	5.23%	2.82%	1.99%
Management Fee	2% p.a.	3 Month Cumulative Return	19.66%	15.24%	25.16%	22.22%
Expense Ratio with ST	1.81%	6 Month Cumulative Return	19.47%	14.79%	25.28%	23.35%
Expense Ratio without ST	1.34%	1 Year Cumulative Return	48.98%	52.21%	45.75%	55.78%
Listing	Pakistan Stock Exchange	3 Year Cumulative Return	56.10%	57.46%	56.67%	82.04%
Trustee	Central Depository Co. of Pakistan	5 Year Cumulative Return	200.84%	197.79%	201.97%	310.59%
Auditor	Deloitte Yousuf Adil Pakistan	Standard Deviation**	14.19%	16.49%	15.62%	12.52%
Benchmark	KSE 100 Index					
Type	Closed-end					
Category	Equity Scheme					
AMC Rating	AM2 (JCR VIS) 30/12/2016					
Dealing Days	Monday-Friday					
Leverage	Nil					
Risk	High					

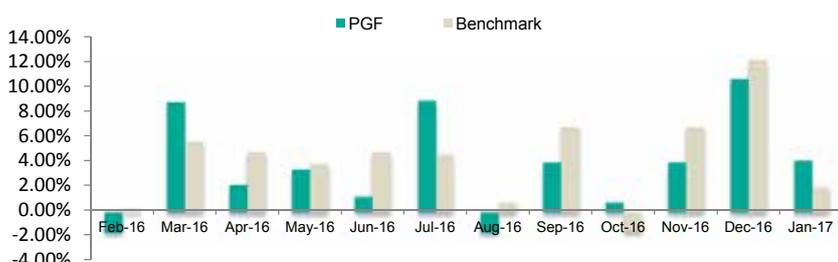
INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Samia Aslam CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

SECTOR ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Oil & Gas Marketing Companies	52.17%	51.21%
Commercial Banks	11.75%	12.07%
Cement	10.07%	10.12%
Fertilizer	4.80%	4.71%
Oil & Gas Exploration Companies	4.17%	4.63%
Others	14.67%	14.46%

ASSET ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Cash	2.11%	2.13%
Stock/Equities	97.64%	97.20%
Others Including receivables	0.25%	0.67%

TOP TEN HOLDINGS		Jan-17
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		

### PICIC GROWTH FUND Vs. Benchmark (MoM Returns)



Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs. 42,276,535 if the same were not made the NAV per certificate/return of the scheme would be higher by Re.0.15/0.36% (YTD). For details, investors are advised to read the Note 5.1 of the latest financial statements of the scheme.

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

\*\*Calculated on 12Month trailing data

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## PICIC InvestmentFund

### 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 Comment:

The fund posted a return of 3.41% during the month outperforming the benchmark by 1.43%. The benchmark KSE-100 Index increased by 1.99% M/M during Jan'17 (vs. an increase of 12.16% M/M in Dec'16) as the market continued its positive momentum and crossed the 50,000 points mark before closing at 48,757 points. At the end of the month the fund was 96.81% invested. We expect volumes to remain healthy going forward along with a positive outlook in blue chip and growth stocks.

FUND INFORMATION		FUND RETURNS (%)*		PIF Total	PIF Frozen	PIF Ex Frozen	Benchmark
Net Assets (mn)	PKR 6626.8	Calendar Year to Date Return (Cumulative)		3.41%	4.64%	2.48%	1.99%
NAV	PKR 23.32	Year to Date Return (Cumulative)		28.93%	25.48%	31.85%	29.04%
Launch Date	April-04	1 Month Cumulative Return		3.41%	4.64%	2.48%	1.99%
Management Fee	2% p.a.	3 Month Cumulative Return		19.96%	13.87%	25.18%	22.22%
Expense Ratio with ST	1.89%	6 Month Cumulative Return		19.25%	12.51%	25.05%	23.35%
Expense Ratio without ST	1.37%	1 Year Cumulative Return		45.91%	48.07%	44.53%	55.78%
Listing	Pakistan Stock Exchange	3 Year Cumulative Return		52.53%	53.28%	53.78%	82.04%
Trustee	Central Depository Co. of Pakistan	5 Year Cumulative Return		194.84%	191.01%	197.15%	310.59%
Auditor	Deloitte Yousuf Adil Pakistan	Standard Deviation**		14.15%	16.56%	15.82%	12.52%
Benchmark	KSE 100 Index						
Type	Closed-end						
Category	Equity Scheme						
AMC Rating	AM2 (JCR VIS) 30/12/2016						
Dealing Days	Monday-Friday						
Cut off time	Nil						
Risk	High						

INVESTMENT COMMITTEE		ASSET ALLOCATION (% of Total Assets)	
Farid Ahmed Khan CFA	CEO	Jan-17 Dec-16	
Muhammad Imran	CIO		
Amir Khan	Head of Research		
Samia Aslam CFA	Fund Manager- Equity		
Adeel Abdul Wahab	Fund Manager- Equity		
Noman Ameer	Manager Risk		
		Jan-17 Dec-16	
		Cash	2.88% 2.87%
		Stock/Equities	96.81% 96.35%
		Others Including receivables	0.31% 0.78%

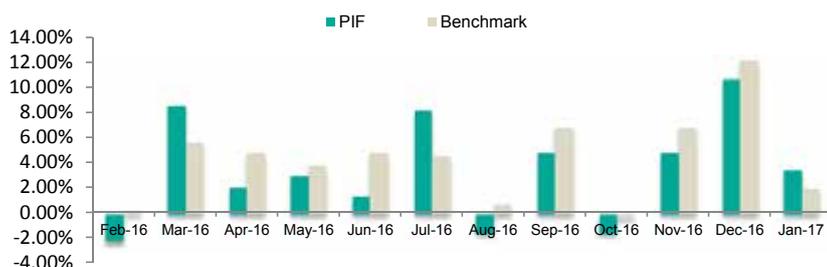
  

SECTOR ALLOCATION (% of Total Assets)		
	Jan-17	Dec-16
Oil & Gas Marketing Companies	42.54%	41.68%
Commercial Banks	13.32%	13.70%
Cement	12.00%	11.95%
Fertilizer	5.84%	5.70%
Pharmaceuticals	5.52%	5.67%
Others	17.58%	17.64%

TOP TEN HOLDINGS		Jan-17
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 Fertilizers Limited		
Cherat Cement Company Limited		
Bank Al-Falah Limited		

### PICIC INVESTMENT FUND vs Benchmark (MoM Returns)



Provision against WWF: The scheme has maintained provisions against SINDH WWF liability to the tune of Rs. 22,247,052 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 5.1 of the latest financial statements of the scheme.

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

\*\*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.

## HBL PensionFund

### Investment Objective

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

### Fund Manager's Comment:

**DF:** The Fund's return for the month of Jan'17 stood at 6.10% p.a. At month end, total investment in government Securities stood at 58.53% of the fund size.

**MMF:** The Fund's Monthly return stood at 6.11% p.a. at month end, total investment in government Securities stood at 67.05% of the fund size.

**EF:** The Fund posted a return of 1.99% during the month. Fund equity exposure at the end of month stood at 92.75% in terms of Total Assets of the fund. KSE 100 index was up by 1.99% during the month.

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

FUND RETURNS (%)*	Debt p.a	**Equity	MM p.a
Return Since Inception	9.83%	311.88%	7.55%
Calendar Year to Date Return (Cumulative)	6.10%	1.99%	6.11%
Year to Date Return (Cumulative)	3.97%	28.50%	4.68%
1 Month Cumulative Return	6.10%	1.99%	6.11%
3 Month Cumulative Return	4.61%	20.73%	5.34%
6 Month Cumulative Return	3.40%	20.11%	4.85%
1 Year Cumulative Return	5.19%	39.79%	4.31%
3 Year Cumulative Return	8.93%	87.60%	5.94%
5 Year Cumulative Return	9.68%	285.45%	7.37%
Standard Deviation***	4.53%	14.69%	0.84%

INVESTMENT COMMITTEE	
Farid Ahmed Khan CFA	CEO
Muhammad Imran	CIO
Amir Khan	Head of Research
Tauqir Shamsad	Head of Fixed Income
Fahad Aziz	Fund Manager- Fixed Income
Samia Aslam CFA	Fund Manager- Equity
Adeel Abdul Wahab	Fund Manager- Equity
Noman Ameer	Manager Risk

FUND RETURNS (%)*	Debt p.a	**Equity	MM p.a
Return FY-16	8.06%	8.96%	4.16%
Return FY-15	11.01%	31.58%	6.88%
Return FY-14	7.44%	25.57%	7.13%
Return FY-13	8.91%	45.41%	7.92%

	Money Market	Debt	Equity
AUM Million	151.083	171.606	200.227
NAV(PKR)	138.7368	150.4272	411.8783
WAM (Days)	86 Days	783 Days	
Leverage	Nil		

ASSET ALLOCATION (% of Total Assets)		
<b>HBL Money Market</b>	<b>Jan-17</b>	<b>Dec-16</b>
Govt. Securities	67.05%	49.54%
Cash	2.91%	19.66%
Placement With Banks and DFI	29.41%	28.74%
Sukuk	0.00%	0.00%
Others including receivables	0.63%	2.06%

HBL Debt		
	<b>Jan-17</b>	<b>Dec-16</b>
Placement With Banks and DFI	11.52%	11.40%
Tbill	12.67%	0.00%
PIB	58.53%	63.83%
TFCs	13.01%	8.25%
Cash	2.47%	8.70%
Others including receivables	1.80%	7.83%

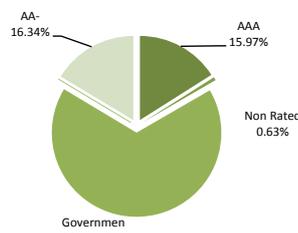
HBL Equity		
	<b>Jan-17</b>	<b>Dec-16</b>
Equities	92.75%	94.47%
Cash	6.92%	4.74%
Others including receivables	0.33%	0.79%

SECTOR ALLOCATION EQUITY		
	<b>Jan-17</b>	<b>Dec-16</b>
Oil & Gas Exploration Companies	14.31%	14.14%
Cement	13.86%	15.19%
Commercial Banks	13.38%	14.50%
Fertilizer	10.05%	10.81%
Paper & Board	5.79%	6.69%
Others	35.35%	33.14%

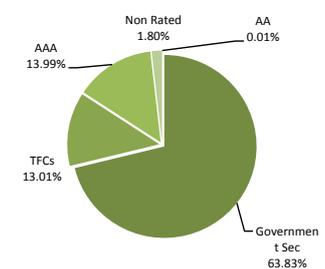
TOP TEN EQUITIES (% OF Total Assets)	
	<b>Jan-17</b>
United Bank Limited	6.01%
Lucky Cement Limited	4.87%
Hub Power Company Limited	4.73%
Packages Limited	4.67%
Mari Petroleum Company Limited	4.64%
Engro Corporation Limited	4.28%
Oil and Gas Development Company Limited	4.02%
MCB Bank Limited	3.98%
Pakistan Oilfields Limited	3.44%
Pak Elektron Limited	3.34%

RETURNS *	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
HBL-PF Money Market Fund*	4.13%	4.13%	3.15%	3.77%	3.34%	3.33%	4.55%	4.34%	4.26%	4.63%	5.19%	6.11%
HBL-PF Debt Sub Fund*	11.87%	5.06%	-4.08%	11.00%	10.16%	6.98%	1.77%	1.40%	3.54%	4.03%	3.62%	6.10%
HBL-PF Equity Sub Fund**	-4.47%	6.73%	2.53%	2.08%	1.94%	6.98%	0.48%	1.83%	-2.77%	8.19%	9.42%	1.99%

Credit Quality-Money Market



Credit Quality-Debt



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

\*\*Equity fund returns are cumulative

\*\*Calculated on 12Month trailing data

Provision against WWF: The ESF, DSF and MMF of scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 1.416mn, PKR 0.573 mn, and PKR 0.363 mn respectively. If the same were not made, the NAV per unit/return of ESF, DSF, and MSF would be higher by Rs. 2.91/0.71%, Rs. 0.50/0.33% and Rs. 0.33/0.24%. For details investors are advised to read the Note5.2 of the latest Financial Statements of the Scheme."

Mutual Funds Association of Pakistan (MUFAP) Recommended Format

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# HOW TO INVEST?

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