



ASSET MANAGEMENT LTD.

ايسيت مينجمنت لميتد

AMC Rating : AM2 by JCR-VIS

# FUND MANAGER'S REPORT (Conventional Funds)

## December 2016

**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 inflation during Dec'16 clocked in at 3.7% YoY compared to Nov'16 number of 3.8% YoY. On MoM basis, inflation declined 0.7% as against surge of 0.2% in previous month with the fall emanating from decline in food group with MoM decline of 2.2%. This brings 6MFY17 CPI reading to 3.9% compared to 2.1% during the same period last year. CAD reported at USD 2.6bn, up 91% YoY. Imports rise 8.7% YoY to USD 19.9bn while exports continued their declining trend and decreased 3.9% YoY to USD 8.2bn, translating into overall trade deficit of USD 11.7bn during 5MYF17, up 19.6% YoY. Following the decline of oil prices, Worker's remittances contracted by 2.5% YoY to USD 7.8bn during FYTD, as oil producing countries contributes ~50% to the remittances. Moreover, FX reserves currently stood at USD 23.1bn compared to USD 23.3bn during Nov '16. On fiscal side, government missed revenue target for December as FBR collected PKR 382bn against target of PKR 392bn. Despite keeping the policy rate low, LSM growth managed to grow only by 2.03% in 4MFY17. Major growth witnessed in steel products and electronics which grew by 13% and 12% YoY respectively in 4MFY17, while major decline was seen in wood & leather products.

## ***MONEY MARKET REVIEW***

During the period under review, SBP conducted T-bill auctions twice with a cumulative target of PKR 350bn against maturity of PKR 208bn. Cumulative participation in the auction was PKR 499bn with a major amount accepted in 03 months tenor, total amount accepted was PKR 307bn (excluding non-competitive bids). The cut-offs yields in the last auction were 5.99% for 3Months, 6.01% for 6Months, whereas bids for the 12month T-Bill were scrapped in both auctions. SBP also conducted a PIB auction on December 28, 2016 with a target of PKR 50bn, and maturity of PKR 2.1bn, where SBP rejected all bids. The participation in the auction was of PKR 46.9bn. The yield curve steepened during the month driven by rising oil prices following the OPEC meeting wherein the cartel agreed to cut oil production. Surging oil prices fuelled expectations of accelerating inflation in the months ahead. The PKRV yield on 3, 5 and 10-year tenures rose by 20, 37 and 43bps respectively whereas those for the 3,6 and 12-month tenures increased by 5,7 and 9bps respectively.

## ***EQUITY MARKET REVIEW***

The KSE100 index posted an increase of 12.2% MoM in Dec'16 to close at an all-time high 47,807 points taking the cumulative gain for CY16 to 46%, a substantial improvement over the 2% gain witnessed in CY15. Additionally, the Pakistani equity market was the 5th best-performing market globally in CY16 as improved macro-economic and security situation, political stability, increased activity under the CPEC, Pakistan's re-classification into the MSCI Emerging Markets, recovery of International Crude Oil prices and the sale of a 40% strategic stake in PSX kept investor sentiment positive throughout the year. The rally in the month of Dec'16 was fuelled by positive sentiment in the E&P and banking sectors. The E&P sector performed well on the back of a 13% MoM surge in international oil prices following the OPEC deal in late-November, while the banking sector surged due to expectations of a hike in the Policy Rate following the increase in inflation numbers towards the end of CY17. In terms of market flows, aggressive buying was witnessed by mutual funds and other local investors, which managed to absorb the sizable selling of USD 144.4mn (net) from foreign investors. The prime outperforming sectors in the market during the month were Electrical Goods, Tobacco and Oil & Gas sectors with 34.3%, 21.9% and 17.1% returns respectively. On the other hand, Engineering and Technology sectors were the laggards with -5.1% and -4.1% returns respectively. The key highlight during the month was the sale of 40% stake in Pakistan Stock Exchange to a Chinese consortium and two local institutions (5% each, including HBL) at bid of PKR 28 per share, which valued the transaction at USD 85 million. With Pakistan's inclusion into the MSCI EM on the horizon, the expected subsequent inflows and strong domestic liquidity we expect the market to continue its upward momentum due to expected re-rating of market multiples (The Pakistan market currently trades at a P/E of 9.7x).

## 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 4.36% against the benchmark return of 6.14%. The Fund's Net Assets during the month of Dec'16 reduced marginally to Rs. 5.27 Bln from 5.53 Bln in Nov'16. On the asset allocation side, the fund continued with zero exposure in Government Securities whereas the exposure in TFCs was increased from 11.85% in Nov'16 to 23.97% in Dec'16. At the end of month fund's weighted average maturity stood at 329 days.

### FUND INFORMATION

Net Assets	PKR 5,276 million
NAV	PKR 108.1703*
Launch Date	15-Mar-07
Management Fee	1.5% p.a
Expense Ratio without ST	0.86%
Expense Ratio with ST	0.99%
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) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS) 1/14/2016
Leverage	Nil
Weighted Average Maturity	329 Days
Risk	Moderate

### 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

### FUND RETURNS (%)

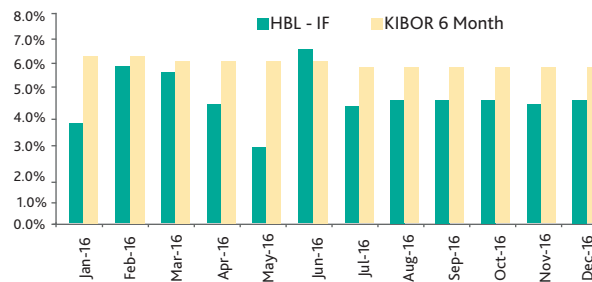
	HBL-IF*	Benchmark
Annualized Return Since Inception	14.71	10.63
Year to Date Annualized Return	3.88	6.06
Calendar Year to Date Annualized Return	4.71	6.19
1 Month Annualized Return	4.36	6.14
3 Month Annualized Return	4.62	6.09
6 Month Annualized Return	3.88	6.06
12 Month Annualized Return	4.71	6.19

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

### 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

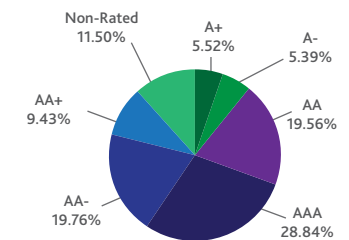
### HBL Income Fund Vs KIBOR 6 Month (MoM Returns)



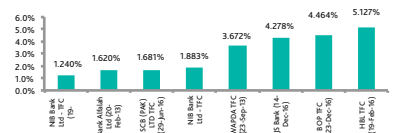
### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	18.78	34.72
Placement with Banks & DFI	45.76	49.04
TFCs	23.97	11.85
PIBs	0.00	0.00
T-Bills	0.00	2.47
Spread Transaction	1.48	0.00
Commercial Paper	0.00	0.00
Others Including receivables	10.02	1.92

### ASSET QUALITY (% of Total Assets)



### Top Ten TFC 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 Assets	% of Gross Assets
New Allied Electronics	TFC	19.02	19.02	1	-	-
New Allied Electronics	Sukuk	44.15	44.15	1	-	-
Agritech Limited	TFC	9.99	9.99	-	-	-
Saudi Pak Leasing Company Limited	TFC	5.55	5.55	-	-	-
World Call Telecom Limited	TFC	47.77	47.77	-	-	-
Soneri Bank Limited	TDR	550.0	-	550.0	10.42	10.23

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 28.71 million against Workers' Welfare Fund liability, if the same were made the NAV per unit/return of the Scheme would be higher by PKR.0.58/0.53%age. For details investors are advised to read the Note 5.3 of the latest Financial Statements of the Scheme."

### Mutual Fund Association of Pakistan (MUFAP) Recommended Format

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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 December, the Fund size decreased to PKR 1,971mn from PKR 2,110mn in Nov'16. The Fund earned an annualized return of 5.17% for the month against the benchmark return of 5.89%. The weighted average maturity days increased to 503 days from 287 days as the fund took exposure in TFCs. Furthermore, the Fund intends to deploy the available liquidity in high earning assets to augment the Fund's return while keeping an eye on the risk profile of the Fund.

#### FUND INFORMATION

Net Assets	PKR. 1,971 million
NAV	PKR 107.7016
Launch Date	24-Jul-10
Management Fee	1.25% p.a
Expense Ratio without ST	0.84%
Expense Ratio with ST	0.97%
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 (by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS Credit Rating Company Limited) 1/4/2016
Leverage	Nil
Risk	Moderate
Weighted Average Maturity	503 Days

#### FUND RETURNS (%)

	PICIC-IF*	Benchmark
Annualized Return Since Inception	12.79	9.58
Year to Date Annualized Return	4.70	5.81
Calendar Year to Date Annualized Return	6.64	5.94
1 Month Annualized Return	5.17	5.89
3 Month Annualized Return	4.88	5.84
6 Month Annualized Return	4.70	5.81
12 Month Annualized Return	6.64	5.94

\* 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- Fixed Income
Noman Ameer	Manager Risk

#### ASSET ALLOCATION (% OF TOTAL ASSETS)

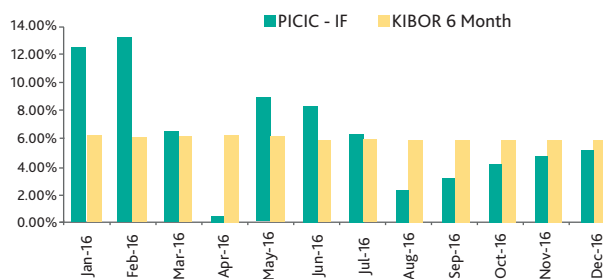
	Dec '16	Nov '16
Cash	25.70	36.60
Placement with Banks & DFI	45.82	47.93
TFCs	22.04	9.64
PIBs	0.00	0.00
T-Bills	2.41	2.24
MTS	2.95	2.82
Commercial Paper	0.00	0.00
Others Including receivables	1.08	0.76

#### HISTORICAL PERFORMANCE (%)

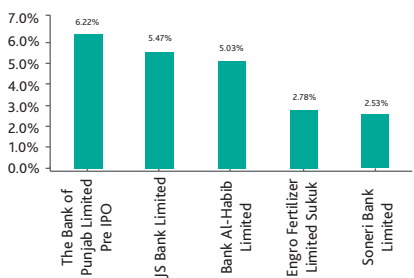
	PICIC-IF*	Benchmark
Annualized Return FY-16	7.85	6.27
Annualized Return FY-15	11.75	8.74
Annualized Return FY-14	8.78	9.57
Annualized Return FY-13	9.52	9.68
Annualized Return FY-12	11.85	12.13

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

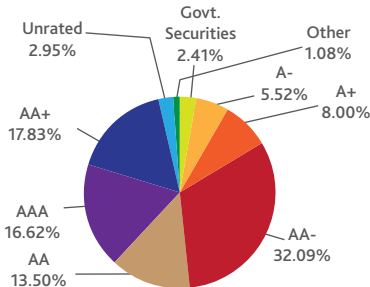
#### PICIC Income Fund Vs KIBOR 6 Month (MoM Returns)



#### Top Ten TFC Holding (% of Total Assets)



#### ASSET QUALITY (% TOTAL ASSETS)



Non Compliance	Type of Investment	Regulatory Limit	(%of Total Assets)	(%of Net Assets)	Excess Exposure (% of Total Assets)	Excess Exposure (% of Net Assets)
Soneri Bank Limited	TDR & TFC	10.00	12.98	13.24	2.98	3.24
ZTBL	TDR	10.00	9.95	10.15	-0.05	0.15

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 scheme has maintained provisions against WWF liability to the tune of Rs 14,182,758 if the same were not made the NAV per unit/return of the scheme would be higher by Re0.7750 /1.46% (YTD). For details, investors are advised to read the Note 6.1 of the latest financial statements of the scheme.

Mutual Fund Association of Pakistan (MUFAP) Recommended Format

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# 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 Dec'16 HBL Money Market Fund posted a return of 4.96% against the benchmark return of 5.29%. On the Asset Allocation side, the Fund increased its exposure in Cash from 64.18% in Nov'16 to 75.38% in Dec'16. The exposure in TDRs was reduced from 35.35% in Nov'16 to 24.10% in Dec'16.

### FUND INFORMATION

Net Assets	PKR.4,927 million
NAV	PKR.103.9863
Launch Date	12-Jul-10
Management Fee	1% p.a
Expense Ratio with ST	0.50%
Expense Ratio without ST	0.61%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	70% 3M PKRV & 30% 3M Deposit 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 ( by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 1/14/2016
Leverage	Nil
Risk	Low
Weighted Average Maturity	20 Days

### FUND RETURNS (%)

	HBL-MMF*	Benchmark
Annualized Return Since Inception	11.12	8.01
Year to Date Annualized Return	4.77	5.23
Calendar Year to Date Annualized Return	4.81	5.37
1 Month Annualized Return	4.96	5.29
3 Month Annualized Return	4.92	5.26
6 Month Annualized Return	4.77	5.26
12 Month Annualized Return	4.81	5.36

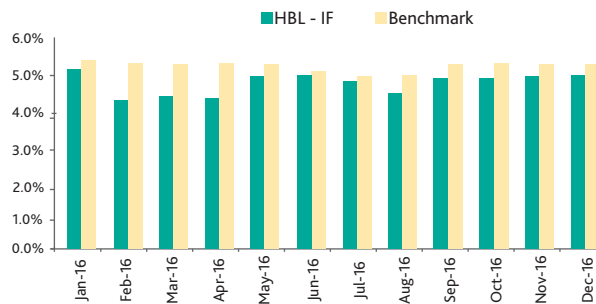
\* Returns have been calculated as per MUFAP's formula

### 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

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

### HBL Money Market Fund Vs Benchmark (MoM Returns)



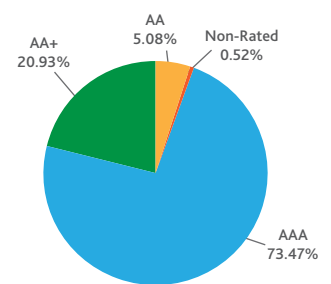
### INVESTMENT COMMITTEE

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

### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	75.38	64.18
Tbill	0.00	0.00
PIB	0.00	0.00
Placement with bank & DFI	24.10	35.35
Others Including Receivable	0.52	0.47

### ASSET QUALITY (% of Total Assets)



Provision against WWF \* The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 64.73 mln if the same were not made, the NAV per unit/return would be higher by PKR. 1.37/1.31%. For details investors are advised to read the Note 5.3 of the latest Financial Statements of the Scheme."

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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 December, the Fund size decreased to PKR 4,634mn from PKR 4,719mn in Nov'16. The Fund earned an annualized return of 5.62% 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 26 days as the liquidity was deployed towards placements and deposits.

#### FUND INFORMATION

Net Assets	PKR. 4,634 million
NAV	PKR. 103.2301
Launch Date	14-Dec-10
Management Fee	0.5% p.a
Expense Ratio without ST	0.37%
Expense Ratio with ST	0.45%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co.of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	70% 3M PKRV & 30% 3M Deposit 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 (by JCRVIS) 5/4/16
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Backward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 12/28/2015
Leverage	Nil
Risk	Low
Weighted Average Maturity	26 Days

#### FUND RETURNS (%)

	PICIC-CF*	Benchmark
Annualized Return Since Inception	11.35	7.20
Year to Date Annualized Return	5.32	4.75
Calendar Year to Date Annualized Return	5.62	4.70
1 Month Annualized Return	5.62	5.29
3 Month Annualized Return	5.41	5.26
6 Month Annualized Return	5.32	4.75
12 Month Annualized Return	5.62	4.69

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

#### HISTORICAL PERFORMANCE (%) PICIC-CF\* Benchmark

	PICIC-CF*	Benchmark
Annualized Return FY-16	6.06	4.71
Annualized Return FY-15	10.51	6.83
Annualized Return FY-14	8.37	7.16
Annualized Return FY-13	9.08	7.59
Annualized Return FY-12	11.44	9.67

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

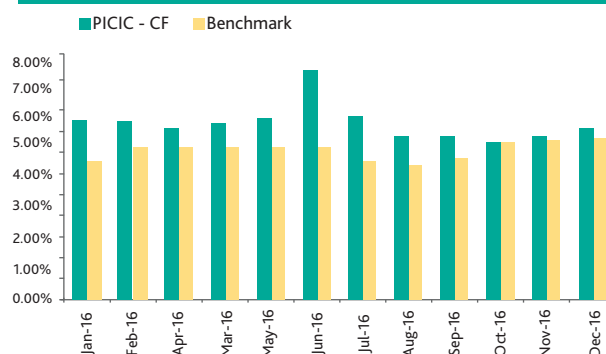
#### INVESTMENT COMMITTEE

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

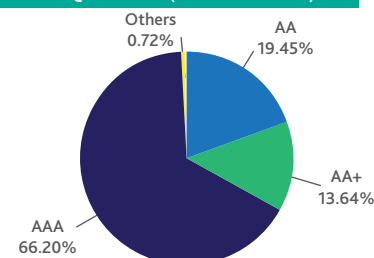
#### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	63.87	63.84
Tbill	0.00	0.00
PIB	0.00	0.00
Placement with bank & DFI	35.45	35.68
Others Including Receivable	0.68	0.48

#### PICIC Cash Fund Vs Benchmark (MoM Returns)



#### ASSET QUALITY (% TOTAL ASSETS)



**Provision against WWF:** The scheme has maintained provisions against WWF liability to the tune of Rs 15,092,611 if the same were not made the NAV per unit/return of the scheme would be higher by Re0.3362/0.66% (YTD). For details, investors are advised to read the Note 6.1 of the latest financial statements of the scheme.

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## 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:

The fund posted a return of 11.14% during the month under-performing the benchmark by 2.84%. The benchmark KSE30 index (Total Return) increased by 13.98% M/M during Dec'16 (vs. a decrease of 4.45% M/M in Nov'16). During the month, exposure in Oil and Gas Exploration Companies, Fertilizer and Textile Composite sectors was increased on the back of rising international commodity prices and expected development on the textile package, while we booked gains in the Engineering and Oil & Gas marketing companies. At the end of the month the fund was 93.06% invested in equities. We expect volumes to remain healthy going forward along with a positive outlook in blue chip and growth stocks.

#### FUND INFORMATION

Net Assets	PKR 5905.59 million
NAV	PKR 127.5936
Launch Date	29-Aug-07
Management Fee	2% p.a.
Expense Ratio with ST & FED	1.29%
Expense Ratio without ST & FED	1.12%
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	2.5%
Back end Load	Nil
AMC Rating	AM2 (by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

#### Sector Allocation (% of Total Assets)

	Dec '16	Nov '16
Commercial Banks	18.96	18.62
Oil & Gas Exploration Companies	17.23	15.16
Cement	13.03	12.85
Fertilizer	10.76	8.14
Power Generation & Distribution	7.48	7.46
Others	25.61	29.46

#### FUND RETURNS (%)

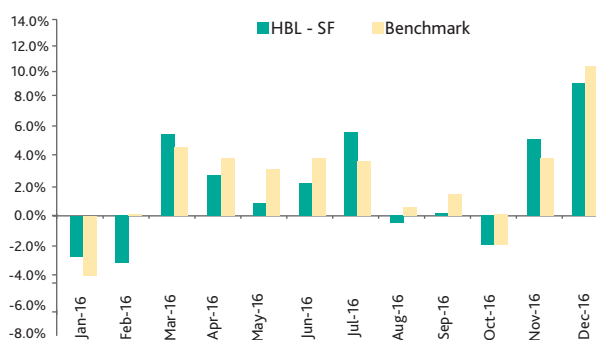
	HBL-SF*	Benchmark
Cumulative Return Since Inception	246.76	297.50
Calendar Year to Date Return (Cumulative)	31.61	44.85
Year to Date Return (Cumulative)	23.07	25.81
1 Month Cumulative Return	11.14	13.98
3 Month Cumulative Return	15.29	17.25
6 Month Cumulative Return	23.07	25.81
1 Year Cumulative Return	31.61	44.85
Standard Deviation**	15.96	16.05

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

#### 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	19.69

#### HBL Stock Fund Vs. KSE 100 Index (MoM Returns)



#### 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

#### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	5.74	5.24
Stock/Equities	93.06	91.69
T-Bills	0.00	0.00
Others Including receivables	1.19	3.08

#### TOP TEN HOLDINGS (%)

	Dec '16
Habib Bank Limited	8.21
Lucky Cement Limited	6.73
Oil and Gas Development Company	6.12
United Bank Limited	5.95
Hub Power Company Limited	5.30
Engro Corporation Limited	4.96
Pakistan Petroleum Limited	4.53
MCB Bank Limited	3.87
Pakistan Oilfields Limited	3.54
Packages Limited	3.51

#### Name of Non-Compliant Investment (In Millions PKR)

#### 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.

\*\*Calculated on 12Month trailing data

**Provision against WWF:** The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 56.825mn if the same were not made, the NAV per unit would be higher by Rs. 1.23/0.96%. For details, investors are advised to read the Note 5.3 of the latest financial statements of the scheme."

#### 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 10.84% during the month under-performing the benchmark by 1.32%. The benchmark KSE-100 Index increased by 12.16% M/M during Dec'16 (vs. an increase of 6.84% M/M in Nov'16) on the back of substantial inflows from Mutual Funds and other local investors absorbing the net foreign selling of \$ 144 million, whereas volumes decreased by ~9.37%. During the month, exposure in Fertilizers, Oil & Gas Exploration, Oil & Marketing Companies and Engineering sectors was increased on the back of rising international commodity prices while we booked gains in the Power Generation & Distribution sector. At the end of the month the fund was 94.83% invested in equities. 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 404.41
NAV	PKR 133.306
Launch Date	27-Sep-11
Management Fee	2% p.a
Expense Ratio with ST	2.19%
Expense Ratio without ST	1.91%
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 ( by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

### Sector Allocation (% of Total Assets)

	Dec '16	Nov '16
Commercial Banks	18.56	18.03
Oil & Gas Exploration Companies	11.59	10.42
Cement	11.30	11.63
Fertilizer	10.74	9.53
Oil & Gas Marketing Companies	7.65	4.98
Others	35.00	36.13

### FUND RETURNS (%)

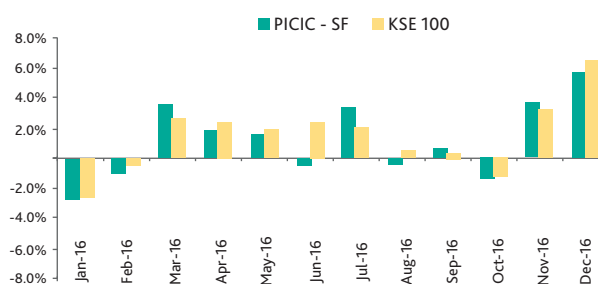
	PICIC-SF*	Benchmark
Cumulative Return Since Inception	250.51	314.59
Calendar Year to Date Return (Cumulative)	32.21	45.68
Year to Date Return (Cumulative)	24.32	26.53
1 Month Cumulative Return	10.84	12.16
3 Month Cumulative Return	16.17	17.92
6 Month Cumulative Return	24.32	26.53
1 Year Cumulative Return	32.21	45.68
Standard Deviation**	16.18	15.07

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

### 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

### PICIC Stock Fund Vs KSE 100 Index (MoM Returns)



### 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

### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	1.45	5.29
Stock/Equities	94.83	90.72
Others Including receivables	3.72	3.99

### TOP TEN HOLDINGS (%)

	Dec '16
Habib Bank Limited	7.00
United Bank Limited	4.43
Lucky Cement Limited	4.34
MCB Bank Limited	4.25
Oil and Gas Development Company	4.21
Engro Corporation Limited	3.68
Pakistan Petroleum Limited	3.68
Hub Power Company Limited	3.57
Pakistan State Oil Company Limited	3.15
Pakistan Oilfields Limited	2.39

\*\*Calculated on 12Month trailing data

**Provision against WWF:** The scheme has maintained provisions against WWF liability to the tune of Rs 4,891,995 if the same were not made the NAV per unit/return of the scheme would be higher by Rs1.6125/1.50% (YTD). For details, investors are advised to read the Note 5.1 of the latest financial statements of the scheme.

**Mutual Fund Association of Pakistan (MUFAP) Recommended Format**

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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:

The fund posted a return of 7.67% during the month under-performing the benchmark by 0.67%. During the month, exposure in Textile Composite and Fertilizers was increased while we booked gains across other sectors. At the end of the month of Dec'16, the fund was invested up to 67.65% in equities. On the Fixed Income side, the fund invested in TFC's and TDR's during the month.

#### FUND INFORMATION

Net Assets	PKR 881.79
NAV	PKR 113.3024
Launch Date	14-Dec-07
Management Fee	2% p.a.
Expense Ratio with ST	1.37%
Expense Ratio without ST	1.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Weighted average daily return of KSE100 Index 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	2.0%
Back end Load	Nil
AMC Rating	AM2 (by JCRVIS) 5/4/2016
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

#### Sector Allocation (% of Total Assets)

	Dec '16	Nov '16
Commercial Banks	13.61	12.39
Oil & Gas Exploration Companies	10.67	9.93
Cement	7.77	7.33
Fertilizer	7.00	4.02
Oil & Gas Marketing Companies	5.53	5.62
Others	23.07	23.86

#### FUND RETURNS (%)

	HBL-MAF*	Benchmark
Cumulative Return Since Inception	206.96	164.30
Calendar Year to Date Return (Cumulative)	23.02	27.06
Year to Date Return (Cumulative)	15.56	17.00
1 Month Cumulative Return	7.67	8.34
3 Month Cumulative Return	11.86	12.38
6 Month Cumulative Return	15.56	17.00
1 Year Cumulative Return	23.02	27.06
Standard Deviation**	12.44	9.37

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

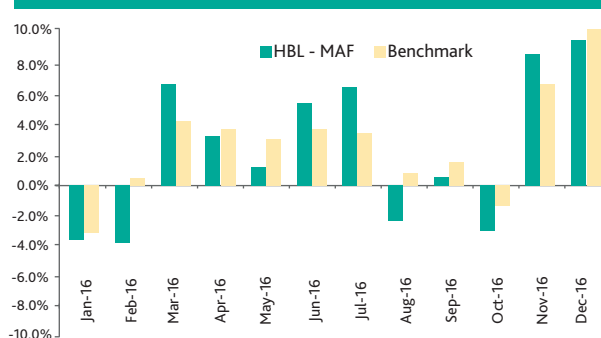
#### HISTORICAL PERFORMANCE

	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)

	Dec '16	Nov '16
Cash	5.65	21.31
Stock/Equities	67.65	63.15
TFCs	5.30	0.00
Placements with Banks and DFIs	11.05	0.00
Others including receivables	10.35	15.54

#### HBL Multi Asset Fund Vs. Benchmark MoM Returns



#### INVESTMENT COMMITTEE

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

#### TOP TEN HOLDINGS (%)

	Dec '16
Habib Bank Limited	5.16
United Bank Limited	4.55
Lucky Cement Limited	3.78
D.G. Khan Cement Company	3.14
Oil and Gas Development Company	3.09
Packages Limited	3.02
Engro Corporation Limited	2.98
MCB Bank Limited	2.89
Hub Power Company Limited	2.66
Mari Petroleum Company Limited	2.57

#### TOP TEN HOLDING (TFCs) (%)

	Dec '16
JS Bank TFC (14-Dec-2016)	3.32
BOP TFC (23-Dec-2016)	1.99

Name of Non-Compliant Investment (In Millions PKR)	Type of Investment	Value before provision	Provision Held	% of Net Assets
Saudi Pak Leasing Company Ltd.	TFC	15.20	15.20	0.00
Dewan Cement	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 9.495mn if the same were not made, the NAV per unit would be higher by Rs. 1.22/1.08%. For details, investors are advised to read the Note 5.2 of the latest financial statements of the scheme."

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 11.60% during the month under-performing the benchmark by 2.38%. The benchmark KSE-30 Index (Total Return) increased by 13.98% M/M during Dec'16 (vs. a decrease of 4.45% M/M in Nov'16) on the back of substantial inflows from Mutual Funds and other local investors absorbing the net foreign selling of \$ 144 million, as volumes of KSE 30 index stocks increased by ~8% during the month. During the month, exposure in Oil and Gas Exploration Companies was increased on the back of rising international crude oil prices while we booked gains in the Power Generation & Distribution sector. At the end of the month the fund was 91.55% invested in equities. We expect volumes in the energy chain to remain healthy going forward as a result of rising international oil prices in the aftermath of successful talks between OPEC & Non OPEC members to curtail production.

### FUND INFORMATION

Net Assets (mn)	PKR 843.64
NAV	PKR 15.6673
Launch Date***	25-Jun-13
Management Fee	2% p.a
Expense Ratio with ST	1.65%
Expense Ratio without ST	1.43%
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 ( by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	Nil
Risk	High

### Sector Allocation (% of Total Assets)

	Dec '16	Nov '16
Oil & Gas Exploration Companies	30.45	22.68
Power Generation & Distribution	28.65	32.20
Oil & Gas Marketing Companies	27.33	29.32
Refinery	5.13	5.36

### FUND RETURNS (%)\*

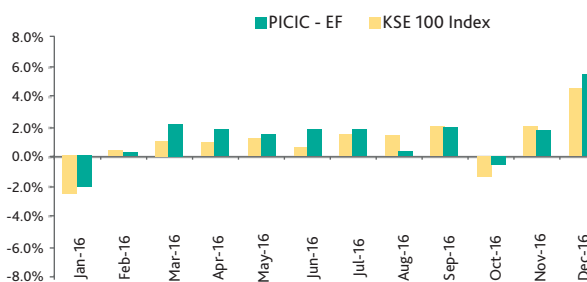
	PICIC-EF	Benchmark
Cumulative Return Since Inception	70.79	125.17
Calendar Year to Date Return (Cumulative)	36.32	44.85
Year to Date Return (Cumulative)	30.43	25.81
1 Month Cumulative Return	11.60	13.98
3 Month Cumulative Return	16.35	17.25
6 Month Cumulative Return	30.43	25.81
1 Year Cumulative Return	36.32	44.85
Standard Deviation**	14.20	16.05

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

### 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

### PICIC Energy Fund Vs KSE 100 Index (MoM Returns)



### 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

### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	5.02	7.62
Stock/Equities	91.55	89.54
Others Including receivables	3.43	2.84

### TOP TEN HOLDINGS (%)

	Dec '16
Oil and Gas Development Company	10.46
Pakistan Oilfields Limited	8.52
Hub Power Company Limited	8.24
Shell Pakistan Limited	8.16
Pakistan State Oil Company Limited	7.91
Attock Petroleum Limited	7.66
Pakistan Petroleum Limited	7.33
Kot Addu Power Company Limited	6.63
Nishat Power Limited	5.01
Nishat Chunian Power Limited	4.86

\*\*Calculated on 12Month trailing data

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

**Provision against WWF:** The scheme has maintained provisions against WWF liability to the tune of Rs 28,085,217 if the same were not made the NAV per unit/return of the scheme would be higher by Re 0.5216 /4.34% (YTD). For details, investors are advised to read the Note 5.1 of the latest financial statements of the scheme.

### Mutual Fund Association of Pakistan (MUFAP) Recommended Format

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# 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 Dec'16 stood at 3.62% pa. At month end, total investment in government Securities stood at 63.83% of the fund size.

MMF: The Fund's Monthly return stood at 5.19% p.a. at month end, total investment in government Securities stood at 49.54% of the fund size.

EF: The Fund posted a return of 9.42% during the month. Fund equity exposure at the end of month stood at 94.47% in terms of Total Assets of the fund. KSE 100 index was up by 12.16% 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 ( by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	9:00 AM-3:00 PM
Price Mechanism	Forward Pricing
Risk	Investor Dependent

### FUND RETURNS (%)

	Debt p.a	**Equity	MM p.a
Return Since Inception	9.84	303.85	7.53
Calendar Year to Date Return (Cumulative)	5.69	34.56	4.14
Year to Date Return (Cumulative)	3.59	26.00	4.42
1 Month Cumulative Return	3.62	9.42	5.19
3 Month Cumulative Return	3.74	15.10	4.71
6 Month Cumulative Return	3.59	26.00	4.42
1 Year Cumulative Return	5.69	34.56	4.14
Standard Deviation***	4.88	15.43	0.60
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

\* Returns have been calculated as per MUFAP's formula  
 \*\*Equity fund returns are cumulative  
 \*\*\*Calculated on 12Month trailing data

### Sector Allocation Equity (%)

	Dec-16	Nov-16
Cement	15.19	14.47
Oil & gas exploration companies	14.14	12.73
Commercial banks	12.59	12.90
Fertilizer	9.23	11.61
Paper & board	6.69	7.28
Others	36.63	31.63

### Fund Size

	Money Market	Debt	Equity
AUM (Millions)	152.714	172.841	194.200
NAV (Rs.)	138.0208	149.6515	403.8477
WAM (Days)	20 Days	659 Days	
Leverage	NIL		

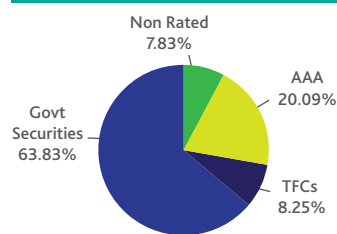
### INVESTMENT COMMITTEE

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

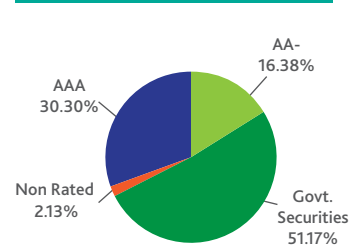
### Top 10 Equities (%)

United Bank Limited	6.45
Lucky Cement Limited	5.34
Packages Limited	5.00
Pakistan Oilfields Limited	4.51
Hub Power Company Limited	4.47
Engro Corporation Limited	4.26
MCB Bank Limited	4.14
Oil and Gas Dev. Company Ltd	3.67
D.G. Khan Cement Company Ltd	3.23
Adamjee Insurance Company Ltd	3.07

### Credit Quality - Debt



### Credit Quality - MMF



### Asset Allocation

HBL Money Market	Dec-16	Nov-16	HBL Debt	Dec-16	Nov-16	HBL Equity	Dec-16	Nov-16
Govt. Securities	49.54	49.75	Placement With Banks and DFI	11.40	11.37	Equities	94.47	90.62
Cash	19.66	19.77	Tbill	0.00	8.44	Cash	4.74	6.14
Placement With Banks and DFI	28.74	29.00	PIB	63.83	73.48	Others	0.79	3.24
Sukuk	0.00	0.00	TFCs	8.25	3.48			
Others	2.06	1.48	Cash	8.70	0.69			
			Others	7.83	3.48			

### Returns (%)

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
HBL-PF MMF*	4.11	3.89	2.53	3.27	3.66	3.34	3.57	4.30	4.34	4.26	4.63	5.19
HBL-PF Debt*	10.21	11.54	0.00	-3.96	10.89	10.16	7.25	1.50	1.40	3.54	4.03	3.62
HBL-PF Equity**	-1.83	-4.46	-3.96	2.53	2.09	1.94	6.97	0.49	1.83	-2.77	8.19	9.42

Provision against WWF: The ESF, DSF and MSF of scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 1.127mn, PKR 0.546 mn, and PKR 0.471 mn respectively. If the same were not made, the NAV per unit/return of ESF, DSF, and MSF would be higher by Rs. 2.66/1.37%, Rs. 0.47/0.27% and Rs. 0.43/0.28%- For details investors are advised to read the Note5.2 of the latest Financial Statements of the Scheme."

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# HBL Mustahukum 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 1.02% during the month vs. benchmark return of 1.36%. During the month equity exposure was increased from 9.60% to 10.76% 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 84.87%. During the month of Dec '16 KSE 100 Index increased by 12.16%.

### FUND INFORMATION

Net Assets	PKR 1989.49 million
NAV	PKR 106.2898
Launch Date	27-Mar-15
Management Fee	1.00% p.a
Expense Ratio with ST	0.92%
Expense Ratio without ST	0.63%
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	2.0%
Back end Load	3.0%
AMC Rating	AM2 ( by JCRVIS) 5/4/2016
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 (%)

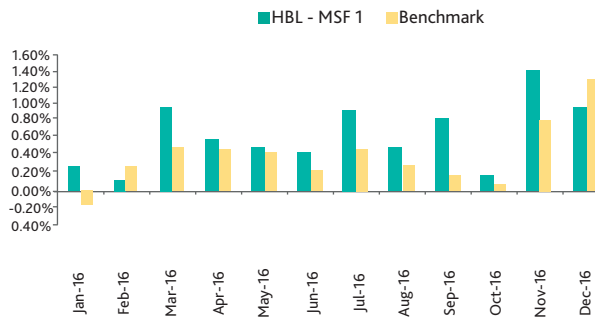
	HBL-MSF 1	Benchmark
Cumulative Return Since Inception	12.80	8.43
Calendar Year to Date Return (Cumulative)	8.43	5.70
Year to Date Return (Cumulative)	5.15	3.45
1 Month Cumulative Return	1.02	1.36
3 Month Cumulative Return	2.67	2.23
6 Month Cumulative Return	5.15	3.45
1 Year Cumulative Return	8.43	5.70
Standard Deviation**	1.39	1.29

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

### HISTORICAL PERFORMANCE

	HBL-SF*	Benchmark
Return FY-16	5.44	3.37

### HBL Mustahukum Sarmaya Fund Vs benchmark (MoM Returns)



### ASSET QUALITY (%)

	Dec '16
AAA	85.29
Non rated	3.95

### INVESTMENT COMMITTEE

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

### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	0.43	0.83
Placements with Banks and DFIs	84.87	85.76
Stocks/ equities	10.76	9.60
Others including receivables	3.95	3.81

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.

### TOP TEN HOLDING (% Total Assets)

Packages Limited	0.97
Oil and Gas Development Company	0.61
Engro Corporation Limited	0.58
United Bank Limited	0.55
Pakistan State Oil Company Limited	0.54
MCB Bank Limited	0.52
Millat Tractors Limited	0.51
Nishat Mills Limited	0.49
Habib Bank Limited	0.46
Lucky Cement Limited	0.45

\*\*Calculated on 12Month trailing data

**Provision against WWF:** The scheme has maintained provisions against Worker Welfare Fund's liability to the tune of PKR 4.105mn if the same were not made, the NAV per unit would be higher by Rs. 0.22/0.21%. For details, investors are advised to read the Note 5.3 of the latest financial statements of the scheme."

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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 10.66% during the month under-performing the benchmark by -1.50%. The benchmark KSE-100 Index increased by 12.16% M/M during Dec'16 (vs. an increase of 6.84% M/M in Nov'16) on the back of substantial inflows from Mutual Funds and other local investors absorbing the net foreign selling of \$ 144 million, whereas volumes decreased by ~9.37%. During the month, exposure in Power Generation & Distribution and Oil & Gas Exploration Companies was increased on the back of expected expansions in the power sector and increasing international oil prices while we booked gains in Cements. At the end of the month the fund was 97.20% invested in equities. 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 14537.25
NAV	PKR 51.28
Launch Date	July-04
Management Fee	2% per annum
Expense Ratio with ST	1.34%
Expense Ratio without ST	1.15%
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 ( by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Leverage	Nil
Risk	High

### Sector Allocation (% of Total Assets)

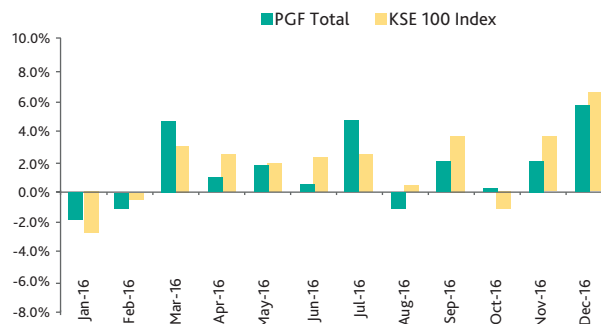
	Dec '16	Nov '16
Oil & Gas Marketing Companies	51.21	50.93
Commercial Banks	12.07	11.45
Cement	10.12	11.22
Fertilizer	4.71	4.88
Oil & Gas Exploration Companies	4.63	3.25
Others	14.46	12.92

### FUND RETURNS (%)\*

	PGF Total	PGF Frozen	PGF Ex Frozen	Benchmark
Calendar Year to Date Return (Cumulative)	39.22	42.38	36.19	45.68
Year to Date Return (Cumulative)	24.97	21.87	28.74	26.53
1 Month Cumulative Return	10.66	10.41	10.94	12.16
3 Month Cumulative Return	14.98	8.92	22.62	17.92
6 Month Cumulative Return	24.97	21.87	28.74	26.53
1 Year Cumulative Return	39.22	42.38	36.19	45.68
Standard Deviation**	15.44	17.17	17.21	15.07

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

### PICIC Growth Fund Vs KSE 100 Index (MoM Returns)



### 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

### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	2.13	4.84
Stock/Equities	97.20	94.66
Others Including receivables	0.67	0.51

### TOP TEN HOLDINGS

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

\*\*Calculated on 12Month trailing data

Provision against WWF: The scheme has maintained provisions against WWF liability to the tune of Rs.118,106,522 if the same were not made the NAV per certificate/return of the scheme would be higher by Re.0.42/1.00% (YTD). For details, investors are advised to read the Note 5.1 of the latest financial statements of the scheme.

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.

## 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 10.65% during the month under-performing the benchmark by 1.51%. The benchmark KSE-100 Index increased by 12.16% M/M during Dec'16 (vs. an increase of 6.84% M/M in Nov'16) on the back of substantial inflows from Mutual Funds and other local investors absorbing the net foreign selling of \$ 144 million, whereas volumes decreased by ~9.37%. During the month, exposure in Power Generation & Distribution and Oil and Gas Exploration Companies was increased on the back of expected expansions in the power sector and increasing international oil prices while we booked gains in Cements. At the end of the month the fund was 96.35% invested in equities. 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 6406.8
NAV	PKR 22.55
Launch Date	April-04
Management Fee	2% per annum
Expense Ratio with ST	1.37%
Expense Ratio without ST	1.17%
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 ( by JCRVIS) 5/4/2016
Dealing Days	Monday-Friday
Cut off time	Nil
Risk	High

### Sector Allocation (% of Total Assets)

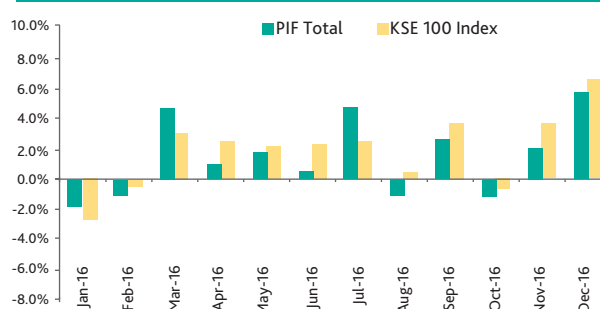
	Dec '16	Nov '16
Oil & Gas Marketing Companies	41.68	41.55
Commercial Banks	13.70	13.01
Cement	11.95	13.20
Fertilizer	5.70	5.87
Pharmaceuticals	5.67	5.75
Others	17.64	14.09

### FUND RETURNS (%)\*

	PIF Total	PIF Frozen	PIF Ex Frozen	Benchmark
Calendar Year to Date Return (Cumulative)	37.47	39.48	36.27	45.68
Year to Date Return (Cumulative)	24.68	19.91	28.66	26.53
1 Month Cumulative Return	10.65	9.94	11.19	12.16
3 Month Cumulative Return	15.64	7.65	22.59	17.92
6 Month Cumulative Return	24.68	19.91	28.66	26.53
1 Year Cumulative Return	37.47	39.48	36.27	45.68
Standard Deviation**	15.30	17.17	17.14	15.07

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

### PICIC Investment Fund Vs KSE 100 Index (MoM Returns)



### 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

### ASSET ALLOCATION (% OF TOTAL ASSETS)

	Dec '16	Nov '16
Cash	2.87	6.00
Stock/Equities	96.35	93.47
Others Including receivables	0.78	0.53

### TOP TEN HOLDINGS

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

\*\*Calculated on 12Month trailing data

Provision against WWF: The scheme has maintained provisions against WWF liability to the tune of Rs. 60,378,242 if the same were not made the NAV per certificate/return of the scheme would be higher by Re. 0.21/1.15% (YTD). For details, investors are advised to read the Note 5.1 of the latest financial statements of the scheme.

### Mutual Fund 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