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Fund Managers' Report

For the Month of February 2019

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To avail tax rebate on mutual funds, a minimum investment holding period of two years from the date of investment is required. As per section 62 of Income Tax Ordinance 2001, an individual investor of open end mutual fund (unit trust schemes) can claim tax credit on investment up to Rs. 2,000,000/- or 20% of individual's taxable income (whichever is lower) on an investment made in Mutual Funds between July 1st and June 30th.

As per section 63 of income tax ordinance 2001, an eligible person joining pension scheme at the age of 41 years or above, shall be allowed additional contribution of 2% per annum for each year of age exceeding 40 years up to 30th June, 2019 subject to the condition that the total contribution allowed to such person shall not exceed thirty percent of the total taxable income of preceding year.

DISCLAIMER: All investments in mutual and pension funds are subject to market risk. Past performance is not necessarily indicative of the future results. Please read the offering document to understand the investment policies and the risks involved. Withdrawal from pension fund before retirement shall have tax implication. Pre-mature withdrawal from pension funds is subject to tax. Lump sum withdrawal in excess of 50% at or after retirement age will be subject to tax.

Note: Consult your tax advisor for more information. The benefits shown in the table are calculated based on Maximum investments subject to respective income brackets as defined in ITO 2001. For VPS the taxable income for previous year is assumed as same as current year. The Tax credit calculation is based for person of 40 years. As per Section 62 and 63 of ITO 2001.

From the CIO's Desk

The benchmark KSE 100 Index lost 4.3% in February as the local equity market failed to carry forward strong momentum of the the previous month (up 10.1%) mainly due to rising tensions with India and a disappointing earnings season. Though the market started the month on a positive note, ignoring an unexpected 25bp hike in interest rates, sentiments turned negative following Pulwama attack and subsequent tit for tat airstrikes and border skirmishes along LOC between the two neighbors. While below-expected results of some major companies and absence of dividend pay-outs further dampened investor spirits. Providing crucial support to the market, foreign investors did not panic and remained net buyers to the tune of USD32mn during the month as selling remained concentrated among local mutual funds and brokers.

On the domestic macroeconomic side, headline inflation for February came at 8.2%YoY which was in line with our expectations. This has been on account of higher food prices, mainly tomatoes (150%MoM increase) due to supply constraints. Encouragingly, core inflation which excludes volatile food and energy component remained nearly unchanged at 8.8%YoY. Going forward, inflationary pressures could remain elevated over the next few months due to Ramadan effect, some further hike in utility tariffs and impact of currency devaluation. However, headline numbers should remain contained as high-base effect kicks in during the last quarter of the fiscal year. For FY19, we expect CPI inflation to remain well within SBP forecasts of 6.5%-7.5%. The current account deficit (CAD) for January came at USD809mn, plunging by 51%YoY, on the back of considerable improvement in services and goods balance and steady growth in remittances. We expect improvement in current account to continue due to slowing domestic demand as monetary and exchange rate adjustments take further hold.

However, recently released budgetary numbers for 1H FY19 reveal that fiscal issues remain unaddressed. Notwithstanding significant monetary policy tightening and exchange rate depreciation carried out to address macroeconomic stresses, fiscal policy continues to remain expansionary, largely neutralizing the impact of other two policy levers on domestic demand. The fiscal deficit for 1H FY19 increased to 2.7% of GDP, a 5 year high due to sizable growth in current expenditures which more than offset 36% decline in development spending. We believe the government should urgently address fiscal issues, such as a low revenue base, PSE losses and uneven revenue/expenditure distribution between federal and provincial governments, to achieve macroeconomic stability.

In the short-term, the market will take direction from further developments on current Pakistan-India stand-off and progress on IMF-Pakistan talks on a fresh funding program. Despite any short-term hiccups, the market offers considerable value to investors with a medium to long-term horizon in view of attractive valuations and strong expected profitability growth over the next two years.

We recommend our investors to invest in our equity funds as per their risk appetite and return expectations. For instance, our Al-Ameen Islamic Asset Allocation Fund (AIAAF) offers an appropriate strategy for investors with low to moderate risk tolerance. This fund invests in a diversified portfolio of stocks, Sukuks, and Islamic money market instruments. It has the potential to earn returns well above those of Money Market Funds and Income Funds, while limiting risk by investing no more than 40% of its assets in stocks at any point in time. For those, with higher risk tolerance and return expectations, we have Al-Ameen Shariah Stock Fund which offers pure exposure to the domestic equity market.

We strongly recommend our investors to also invest in our Voluntary Pension Scheme (Al Ameen Islamic Retirement Savings Fund) in order to avail tax benefits, grow their long-term savings and achieve retirement security. For those with a longer investment horizon, we recommend a high exposure to Equity Sub-Fund of the Scheme. We have been following an aggressive investment strategy in this Sub-Fund considering its long time horizon and low liquidity/redemption pressures. The strategy has performed well and the Equity Sub-Fund has generated an absolute return of 516.61% (KMI- 30 Index: 321.21% since inception). This translates to an average annualized return of 22.92% p.a.(KMI-30 Index: 17.72% p.a.) - thus outperforming the KSE-100 Index by a significant margin.

Syed Suleman Akhtar, CFA
Chief Investment Officer
UBL Fund Managers

UBL Money Market Fund

Fund Managers Report - February'19



Investment Objective

The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities.

Fund Performance

	UMMF ¹	UMMF ²	Benchmark
FY-YTD (p.a.)	7.78%	7.88%	7.79%
February 2019 (p.a.)	9.45%	9.88%	9.27%
Since Inception (CAGR)		7.93%	8.50%
Standard Deviation*		0.10%	1.35%
Sharpe Ratio**		(10.35)	(0.77)
Weighted Avg Time to Maturity		70.26 Days	
Expense Ratio ³		0.89%	

	Jan'19	Feb'19	%Δ
Fund Size (PKR Mn)	1,950	1,946	-0.17%
Fund Size excluding FoFs (PKR Mn)	1,524	1,534	0.67%
NAV (PKR)	104.9091	105.6699	0.73%

¹ Simple Annualized Return | ² Morning Star Return

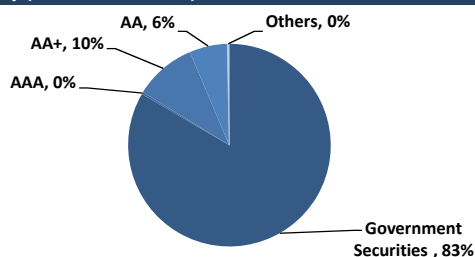
* 12m Trailing | ** 12m Trailing, 3M PKRV yield is used as a risk-free rate

³ This includes 0.22% representing government levy, Worker's Welfare Fund and SECP fee.

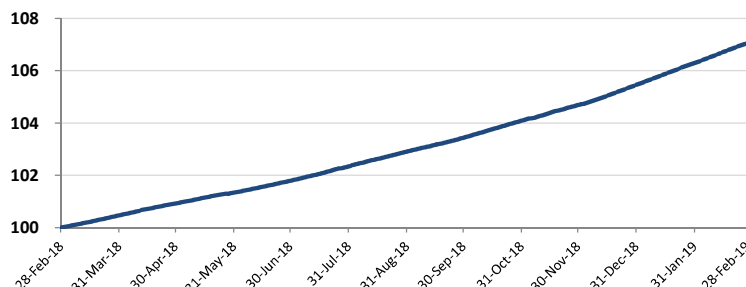
Note: Benchmark has been changed effective from October 2016; Previously 75% 3M PKRV + 25% 3M TDR (with AA or better banks)

*Actual Management Fees charged for the month is 0.82% based on average net assets (annualized).

Portfolio Quality (% of Total Assets)



Value of 100 Rupees invested 12 months ago



Monthly Yield*	Mar'18	Apr'18	May'18	Jun'18	Jul'18	Aug'18	Sep'18	Oct'18	Nov'18	Dec'18	Jan'19	Feb'19	CYTD
UMMF	5.67%	5.65%	4.93%	5.58%	6.56%	6.71%	6.41%	7.68%	7.22%	9.02%	9.75%	9.88%	9.81%
Benchmark	5.48%	5.54%	5.63%	5.91%	6.30%	6.66%	6.89%	7.50%	7.97%	8.83%	8.99%	9.27%	9.12%

*Returns are annualized using the Morningstar Methodology | For periodic returns as per SECP's SCD Circular No. 16 of 2014, refer to the end of this FMR

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Fund Information

Fund Type	Open-end
Fund Categorization	Money Market
Risk Profile	Low
Launch Date	14-Oct-10
Benchmark	70% Average of 3M PKRV rates + 30% 3M average deposit rate of three 3 AA rated scheduled Banks as selected by MUFAP
Listing	Pakistan Stock Exchange (PSX)
Trustee	Central Depository Company (CDC)
Auditor	KPMG – Taseer Hadi & Co
Management Co. Rating	AM1 (JCR-VIS)
Fund Stability Rating	AA (f) (JCR-VIS)
Minimum Investment	Rs. 500
Load	1% (Front-end)
Dealing Days	Monday to Friday
Cut off times	Issuance: 4:00 PM (Mon-Fri) Redemption: 9:30 AM (Mon-Fri)
Pricing Mechanism	Backward
Management Fee	7.5% of gross earnings (with min. fee of 0.25% p.a. & max fee of 1% p.a.)
Fund Manager	Syed Sheeraz Ali
Investment Committee Members	Yasir Qadri Syed Suleman Akhtar, CFA Hadi Mukhi* Farhan Bashir Syed Sheeraz Ali

* Head of Risk - non voting observer

Asset Allocation (% of Total Assets)	Dec'18	Jan'19	Feb'19
Placements with Banks	23%	0%	0%
Placements with DFIs	3%	11%	12%
PIB	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
T-Bills	0%	68%	83%
Cash	73%	4%	4%
Others	1%	17%	0%
Leverage	Nil	Nil	Nil

Total amount invested by FoFs is PKR 412.62 Mn

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UMMF (p.a)	9.54%	8.31%	7.06%	5.80%	6.34%	7.93%
Benchmark	9.02%	8.23%	7.07%	5.91%	6.66%	8.50%

Returns are annualized using the Morningstar Methodology

Disclosures regarding Sindh Workers Welfare Fund

The Fund/Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 4,299,926, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.23/0.22%.

Al-Ameen Islamic Asset Allocation Fund

Fund Managers Report - February '19



Managed by:
UBL Fund Managers Limited



Investment Objective

The investment objective of the Fund is to earn competitive riba free return by investing in various shariah compliant asset classes/instruments based on the market outlook.

Fund Performance

	AIAAF	Benchmark
FY-YTD	1.40%	-0.91%
Feb-19	-0.44%	-1.38%
Since Inception (CAGR)***	8.81%	7.95%
Standard Deviation*	6.70%	7.30%
Sharpe Ratio**	(1.00)	(1.29)
Expense Ratio ¹	1.95%	

	Jan'19	Feb'19	%Δ
Fund Size (PKR Mn)	5,118	4,936	-3.55%
NAV (PKR)	119.3863	118.8576	-0.44%

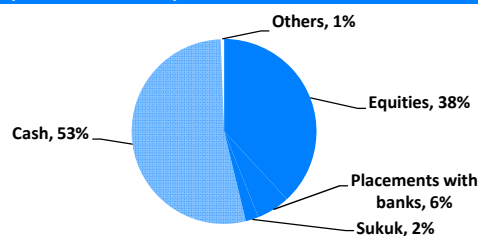
*12M Trailing. **12M Trailing, 3M PKRV yield used as Risk-Free rate.

***Returns have been annualized using Morningstar Methodology

¹ This includes 0.26% representing government levy, Worker's Welfare Fund and SECP fee. Selling & Marketing Expense PKR 15.22 million.

Note: Benchmark has been changed effective from 2 January 2018; Previously Average of 6M KIBOR + 2%.

Asset Allocation (% of Total Assets)



Top Ten Equity Holdings (% of Total Assets)

Hub Power Co. Ltd.	4.7%	Pak Petroleum Ltd.	2.8%
Mari Petroleum Co. Ltd.	3.5%	Nishat Mills Ltd.	2.1%
Oil & Gas Development Co. Ltd.	3.4%	Kohat Cement Co. Ltd.	2.1%
Engro Corporation	3.3%	Engro Fertilizer Ltd.	1.8%
Pak Oilfields Ltd.	2.9%	Fauji Fertilizer Co. Ltd.	1.7%

Value of 100 Rupees invested 12 months ago



Monthly Yield	Mar'18	Apr'18	May'18	Jun'18	Jul'18	Aug'18	Sep'18	Oct'18	Nov'18	Dec'18	Jan'19	Feb'19	CYTD
AIAAF	2.09%	0.37%	-1.46%	-1.00%	0.76%	-0.02%	-0.42%	2.13%	-1.10%	-3.17%	3.81%	-0.44%	3.35%
Benchmark	2.08%	0.13%	-1.81%	-0.80%	1.04%	-0.61%	-0.62%	1.70%	-1.57%	-3.78%	4.53%	-1.38%	3.09%

For periodic returns as per SECP's SCD Circular No. 16 of 2014, refer to the end of this FMR

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Fund Information

Fund Type	Open-end
Fund Categorization	Islamic Asset Allocation
Risk Profile	Medium
Launch Date	10-Dec-13
Benchmark	Weighted Avg. of 3M & 6M avg. deposit rates of 3 AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP and KMI-30 Index based on actual proportion of the scheme
Listing	Pakistan Stock Exchange (PSX)
Trustee	Central Depository Company (CDC)
Auditor	KPMG, Taseer Hadi and Company
Management Co. Rating	AM1 (JCR-VIS)
Minimum Investment	Rs. 10,000/- initial & subsequent
Load	3% (Front-end)
Dealing Days	Monday to Friday
Cut off times	4:00 PM
Pricing Mechanism	Forward
Management Fee	2% p.a.
Fund Manager	Usama Bin Razi
Investment Committee Members	Yasir Qadri Syed Suleman Akhtar, CFA Hadi Mukhi* Farhan Bashir Usama Bin Razi

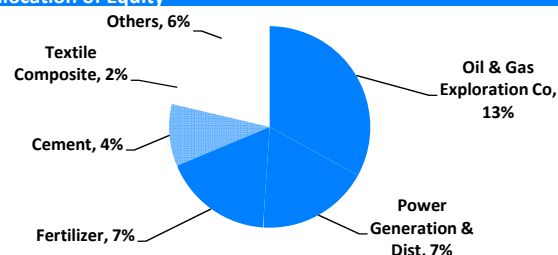
* Head of Risk - non voting observer

Asset Allocation (% of Total Assets)	Dec'18	Jan'19	Feb'19
Equities	37%	39%	38%
Placements with banks	6%	6%	6%
Sukuk	2%	2%	2%
Cash	55%	53%	53%
GoP Ijarah	0%	0%	0%
Others	1%	1%	1%
Leverage	Nil	Nil	Nil

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
AIAAF	0.08%	0.66%	1.38%	23.25%	54.53%	55.39%
Benchmark	-0.81%	-1.33%	-1.35%	23.42%	45.98%	49.08%

Returns are on absolute basis

Sector Allocation of Equity



Disclosures regarding Sindh Workers Welfare Fund

The Fund/Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 25,681,059, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.62/0.52%.

Al-Ameen Shariah Stock Fund

Fund Managers Report - February'19



Managed by:
UBL Fund Managers Limited



Investment Objective

ASSF is an open-end Equity Fund, investing primarily in Shariah compliant equities. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential.

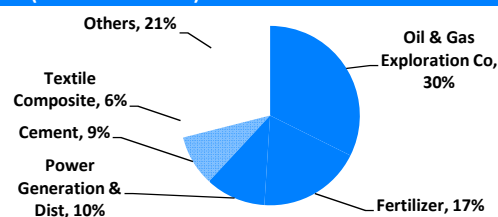
Fund Performance

	ASSF	Benchmark
FY-YTD	-2.37%	-7.81%
Feb-19	-1.71%	-4.04%
Since Inception (CAGR)***	14.64%	14.26%
Standard Deviation*	16.08%	19.44%
Sharpe Ratio**	(0.83)	(0.95)
Beta*	0.79	1.00
Alpha**	5.14%	
R-Square**	91%	
Price-to-Earning Ratio ***	7.04x	8.10x
Dividend Yield ***	4.76%	5.14%
Value at Risk	-1.31%	-1.52%
Expense Ratio ¹	2.17%	

	Jan'19	Feb'19	%Δ
Fund Size (PKR Mn)	7,325	6,860	-6.35%
NAV (PKR)	133.38	131.1	-1.71%

*12M Trailing. **12M Trailing, 3M PKRV yield used as Risk-Free rate. ** Alpha measures the risk adjusted performance of the fund vs. the benchmark. ** R-Square measures the correlation between the benchmark and the fund. *** Benchmark figures are for KMI-30 Index only. **** NAV based. ***Returns have been annualized using Morningstar Methodology. ¹ This includes 0.26% representing government levy, Worker's Welfare Fund and SECP fee. Selling & Marketing Expense PKR 19.38 million.

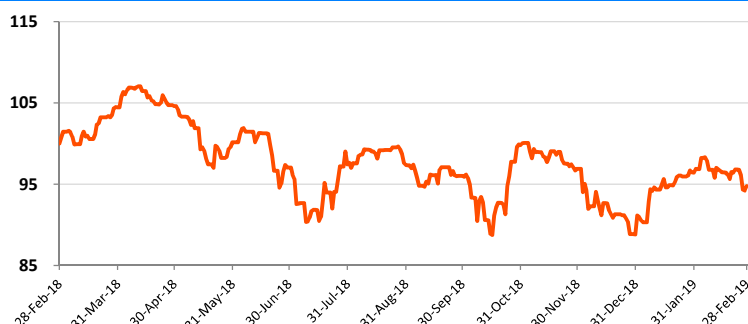
Sector Allocation (% of Total Assets)



Top Ten Equity Holdings (% of Total Assets)

Engro Corporation	8.7%	Pak Oilfields Ltd.	6.3%
Mari Petroleum Co. Ltd.	8.4%	Nishat Mills Ltd.	5.0%
Oil & Gas Development Co. Ltd.	8.3%	Fauji Fertilizer Co. Ltd.	4.8%
Hub Power Co. Ltd.	8.1%	Meezan Bank Ltd.	4.8%
Pak Petroleum Ltd.	7.2%	Lucky Cement Co. Ltd.	4.2%

Value of 100 Rupees invested 12 months ago



Fund Information

Fund Type	Open-end
Fund Categorization	Islamic Equity
Risk Profile	High
Launch Date	24-Dec-06
Benchmark	KMI-30 Index
Listing	Pakistan Stock Exchange (PSX)
Trustee	Central Depository Company (CDC)
Auditor	Deloitte- M. Yousuf Adil Saleem & Co.
Management Co.Rating	AM1 (JCR-VIS)
Minimum Investment	Rs. 500
Load	2.5% (Front-end), Nil (Back-end)
Dealing Days	Monday to Friday
Cut off times	4:00 PM
Pricing Mechanism	Forward
Management Fee	2% p.a.
Fund Manager	Asim Wahab Khan, CFA
Investment Committee	Yasir Qadri Syed Suleman Akhtar, CFA
Members	Hadi Mukhi* Farhan Bashir Khan
* Head of Risk - non voting observer	
Asim Wahab Khan, CFA	

*Reconstitution of the Fund on 18th July 2012 from "Islamic Balanced to Islamic Equity"

Asset Allocation (% of Total Assets)

	Dec'18	Jan'19	Feb'19
Equities	89%	89%	94%
Sukuks	0%	0%	0%
GoP Ijarah Sukuks	0%	0%	0%
Cash	10%	10%	6%
Others	1%	1%	1%
Leverage	Nil	Nil	Nil

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
ASSF	-2.22%	-2.66%	-5.25%	32.20%	76.35%	428.66%
Benchmark	-4.21%	-7.49%	-10.39%	21.87%	52.75%	407.86%

Returns are on absolute basis

Disclosures regarding Sindh Workers Welfare Fund

The Fund/Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 63,332,395, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 1.21/0.92%.

Monthly Yield	Mar'18	Apr'18	May'18	Jun'18	Jul'18	Aug'18	Sep'18	Oct'18	Nov'18	Dec'18	Jan'19	Feb'19	CYTD
ASSF	4.46%	0.14%	-4.27%	-3.08%	0.40%	-0.10%	-1.37%	3.94%	-2.90%	-8.34%	8.54%	-1.71%	6.68%
Benchmark	5.31%	0.05%	-5.25%	-2.63%	1.80%	-2.11%	-2.24%	3.62%	-4.67%	-10.55%	11.60%	-4.04%	7.09%

For periodic returns as per SECP's SCD Circular No. 16 of 2014, refer to the end of this FMR

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Historical Performance

Disclosure as per SECP's SCD Circular No. 16, 2014
Fund Managers Report



The periodic returns for the funds have been presented below as per SECP's SCD Circular No. 16 dated July 03, 2014. The returns presented below are:

- Yearly returns for the last five fiscal years, and
- Absolute returns for every fiscal year since inception

The returns have been annualized for money market, income and aggressive income schemes where the performance evaluation period is less than one year.

Last 3 & 5 Fiscal Years

	FY'14	FY'15	FY'16	FY'17	FY'18
UBL Money Market Fund	7.81%	7.98%	5.15%	5.41%	5.12%
Benchmark	10.06%	8.61%	5.91%	5.31%	5.26%

	FY'14	FY'15	FY'16	FY'17	FY'18
AIAAF	5.26%	17.98%	9.15%	14.58%	-1.33%
Benchmark	7.32%	11.56%	8.74%	8.45%	6.56%

	FY'14	FY'15	FY'16	FY'17	FY'18
ASSF	34.36%	27.07%	14.47%	29.19%	-12.38%
Benchmark	29.89%	20.10%	15.53%	18.80%	-9.59%

Since Inception Absolute returns

UMMF vs Benchmark (Fund return in top row)

FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16	FY'17	FY'18
-	11.9%	21.6%	32.9%	43.2%	54.7%	62.6%	71.5%	80.2%
-	14.2%	24.5%	37.3%	51.1%	64.1%	69.7%	78.8%	88.4%

AIAAF vs Benchmark (Fund return in top row)

FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16	FY'17	FY'18
-	-	-	-	5.3%	24.2%	35.6%	55.3%	53.2%
-	-	-	-	7.3%	19.7%	30.2%	41.2%	50.5%

ASSF vs Benchmark (Fund return in top row)

FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16	FY'17	FY'18
9.9%	39.0%	63.6%	144.8%	228.9%	317.9%	378.4%	518.0%	441.5%
32.0%	67.1%	88.2%	184.6%	269.7%	344.0%	412.9%	509.3%	450.9%

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