

# Fund Managers' Report

## February 2017

### RECOGNIZED AGAIN FOR MANAGING YOUR FUNDS BEST!

UBL Fund Managers keeps setting industry benchmarks! We collected another Corporate Excellence Award from the Management Association of Pakistan for the 3<sup>rd</sup> year running!

On February 28, 2017, we were recognized yet again for our outstanding performance and demonstration of progressive and enlightened management practices of the UBL Stock Advantage Fund - our equity fund!



**SmartSavings**  
*made easy*

**UBL Fund Managers**  
Savings | Mutual Funds | Advisory  
Rated AM2++ by JCR-VIS. Currently the Highest Management Quality Rating in Pakistan.

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## From the CIO's Desk

The market remained volatile in Feb'17 amid repeated terrorist incidents, mounting uncertainty on the political front related to the apex court reserving its judgment on Panama Case and financial scams in some brokerage houses followed by SECP's intervention. After a strong initial spurt which could not last, the benchmark KSE 100 Index closed the month below the psychological level of 50,000, declining by 1.8%MoM, driven by sizable selling by retail investors and continued foreign offloading. While mutual funds and NBFCs remained major buyers absorbing most of the selling by aforesaid counters.

Among individual sectors, Multi-utilities (favorable UFG study, strong capex plans) and Cements (good results, bright prospects) outperformed and Electricity (weak results and pay-outs) and Pharmaceuticals (DRAP issues) underperformed, while the larger Banks and Oil and Gas sectors remained roughly in line with the market.

CPI inflation increased to 4.2% (up 0.3%MoM) in February from 3.7% in the previous month mainly due to a jump in prices of some perishable food items, rise in retail fuel rates and higher healthcare costs. For the current fiscal year (FY17), headline inflation is likely to remain a little below SBP's forecasted range of 4.5% to 5.5%. Nonetheless, we expect inflation to gradually increase from 2HCY17 on reversal of base effect, partial recovery in commodity prices and their fuller pass-through, strong money supply growth and some PKR depreciation.

The recent data on external account raises balance of payment concerns over the medium-term. For instance, current account deficit during 7MFY17 has already ballooned to USD4.7bn, up 90%YoY and already in excess of full year official target, on rising imports, moribund exports and stagnating remittances. For the next few months, the government may be able to fund the above through external loans and inflows from the likely tax amnesty scheme on undocumented foreign assets of Pakistani nationals. However, higher exports earnings and FDIs would be essential for long-term sustainability of external account and current growth momentum.

Though uncertainty related to Panama Case may cause some short-term volatility in March, we hold a positive outlook on the equity market with our view supported by solid corporate profitability growth in CY17 and CY18, attractive valuations, expected MSCI EM inflows and ample local liquidity and investor interest. Further, recent acquisition of PSX by Shanghai Stock Exchange led consortium should also bring multiple benefits such as new products, improved PSX perception and possible cross listings.

We recommend our investors to invest in our equity funds as per their risk appetite and return expectations. For instance, our UBL Asset Allocation Fund (UAAF) offers an appropriate strategy for investors with low to moderate risk tolerance. This fund invests in a diversified portfolio of stocks, bonds, and 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 UBL Stock Advantage Fund which offers pure exposure to the domestic equity market.

We strongly recommend our investors to also invest in Voluntary Pension Schemes 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 651.4% (KSE-100 Index: 372.5%) since inception. This translates to an average annualized return of 34.5% p.a. (KSE-100 Index: 25.6% p.a.) - thus outperforming the KSE-100 Index by a significant margin.

# Market Review & Outlook

Fund Managers Report - February'17

## Money Market Review & Outlook

### Secondary Market Yields 1st-28th February 2017

	Feb-17	High	Low	Avg
<b>0-7 Days</b>	5.90%	5.90%	5.77%	5.90%
<b>03 Months</b>	5.94%	5.94%	5.92%	5.94%
<b>06 Months</b>	5.97%	5.97%	5.96%	5.97%
<b>12 Months</b>	5.99%	5.99%	5.98%	5.99%
<b>03 Years</b>	6.49%	6.49%	6.43%	6.49%
<b>05 Years</b>	7.05%	7.05%	7.02%	7.05%
<b>10 Years</b>	8.20%	8.20%	8.15%	8.20%

## Inflation - February 2017

	CPI	Core Inflation	
		NFNE	Trimmed Mean
<b>Year on Year</b>	4.22%	5.30%	4.10%
<b>12 Monthly Moving Avg</b>	3.82%	4.85%	4.85%
<b>12 Months High</b>	4.20%	5.40%	4.10%
<b>12 Months Low</b>	3.20%	4.40%	3.50%

## Treasury Bills Auction 16th February 2017

Amount in PKR Billions	Accepted	Latest Cut-off	Previous Cut-off
<b>3 Months</b>	286.8	5.95%	5.95%
<b>6 Months</b>	210.7	5.99%	5.99%
<b>12 Months</b>	143.3	5.99%	5.99%
<b>Total</b>	<b>640.7</b>		

## Latest PIB Auction 23rd February 2017

Amount in PKR Billions	Accepted	Latest Cut-off	Previous Cut-off
<b>3 Years</b>	59.698	6.41%	6.41%
<b>5 Years</b>	0.001	6.90%	6.90%
<b>10 Years</b>	0.027	7.94%	7.94%
<b>Total</b>	<b>59.726</b>		

## Analysis

- Consumer Price Index (CPI) for Feb'17 stood at 4.22% YoY (-0.04% MoM), versus 3.7% in Jan'17. Average annual inflation in the 8MFY17 stood at 3.9% and last year's average inflation of 2.9%. Main reason behind the increase in CPI was increase in perishable food item prices. For FY17, SBP has forecasted inflation between 4.5% - 5.5%.
- The overall CPI has been suspended between the 4% range, and we keep our CPI estimate of 4.5% - 5.0% intact for FY17. In line with this, we may see an upward revision in interest rates during 1HCY17.
- During 7MFY17, The Current Account Deficit posted an amount of USD 4.716bn, as compared to a deficit of USD 2.479bn during the same period last year, widening the deficit by around 90%. This was on account of both; a high trade deficit (+28.676% YoY) and low workers' remittances inflow (-1.87% YoY).
- The Government mostly managed to maintain FX reserves for the month of Feb 2017 to USD 22bn but towards the end of the month due to foreign repayment the reserves fell to USD 21.8bn reserves.

## Equity Market Review & Outlook

### Performance of 10 stocks with highest weights in KSE-100 index

Company	Price	% Change
Habib Bank Ltd.	273.0	7.2%
United Bank Ltd.	243.2	4.7%
Lucky Cement Ltd.	864.0	4.4%
Oil & Gas Development Company Ltd.	158.2	4.1%
MCB Bank Ltd.	228.4	4.0%
Engro Corporation Ltd.	381.0	4.0%
Hub Power Company Ltd.	130.1	3.9%
Pakistan Petroleum Ltd.	173.0	3.3%
Fauji Fertilizer Company Ltd.	108.8	3.0%
DG Khan Cement Ltd.	236.7	2.3%

## Foreign Investors Portfolio Investment (USD Mn)

<b>Month to date</b>	(29.6)
<b>From 1 July' 16 to Date</b>	(438.4)

## Major Commodities

	Closing Price	% Change
<b>Oil (USD/bbl)</b>	53.2	4.85%
<b>Gold (USD/oz)</b>	1,209.8	2.89%
<b>Silver (USD/oz)</b>	17.5	4.66%
<b>Cotton (US\$/lb)</b>	85.0	0.89%

## Performance of Stock Market Indexes and Stock Funds managed by UBL Funds

	FYTD	CYTD
<b>KSE-100 Index</b>	28.45%	1.52%
<b>USF</b>	30.12%	4.38%
<b>KMI-30</b>	26.31%	2.86%
<b>ASSF</b>	31.27%	4.63%

## Analysis

- The KSE-100 Index remained below the 50,000 points landmark due to the regulator's efforts to curb brokerage houses fraudulent activities; however the market fundamentals look highly attractive with Pakistan's inclusion into the MSCI-EM Index, opening up a huge scope of opportunities for the investors and marking itself as a top stock market in the region. The index gave a negative return of 1.86% during the month, while translating into a positive CYTD/FYTD return of 1.52%/28.45%.
- Major developments during the month included Trump-led U.S. policies of Trade, OPEC and Non-OPEC countries ensuring compliance of agreement to reduce oil output, set-up and inclusion of new LNG-FRSU plants, imposition of definitive anti-dumping duty on Chinese imports of galvanized steel coils/sheets, Bestway Cement acquisition of DCL plant, divestment of 18.9% of Mari Petroleum shares by GoP and China's plan to build a chemical and automobile city in Gwadar under CPEC project.
- Going forward, Pakistan's stock market is anticipated to continue its upward drive, and the country's case for expansion in valuation multiples (after MSCI-EM index reclassification) endures to be strong. This combined with Chinese stakeholders joining the PSX and Chinese investment into the CPEC project, makes the long-term outlook on the market highly positive.

Sr. No.	Fund Category	Fund Name	Symbol	Fund size	Inception date	Return (net of all expenses including Management Fee)			
						CYTD (%)		Since Inception CAGR (%)	
						Fund	Benchmark	Fund	Benchmark
1	Money Market	<b>UBL Liquidity Plus Fund</b>	ULPF	3,217	21-Jun-09	11.66%	5.26%	9.00%	8.27%
2	Money Market	<b>UBL Money Market Fund</b>	UMMF	542	14-Oct-10	9.20%	5.26%	8.55%	9.24%
3	Income	<b>UBL Government Securities Fund</b>	UGSF	8,990	27-Jul-11	5.52%	5.94%	10.12%	8.12%
4	Income	<b>UBL Income Opportunity Fund</b> (Formerly UBL Financial Sector Bond Fund)	UIOF	227	29-Mar-13	5.24%	6.00%	7.97%	7.65%
5	Aggressive Income	<b>UBL Growth and Income Fund</b>	UGIF	5,034	2-Mar-06	6.96%	6.16%	6.42%	10.45%
6	Commodity	<b>UBL Gold Fund</b>	UGF	130	13-Feb-13	6.86%	6.58%	-1.41%	-2.28%
7	Asset Allocation	<b>UBL Asset Allocation Fund</b>	UAAF	2,557	19-Aug-13	1.75%	1.30%	17.36%	11.30%
8	Equity	<b>UBL Stock Advantage Fund</b>	USF	7,629	4-Aug-06	2.80%	1.99%	17.72%	13.90%
9	Capital Protected	<b>UBL Capital Protected Fund III</b>	UCPF III	420	24-Jan-17	-0.11%	0.35%	-0.11%	0.35%
10	Voluntary Pension Scheme	<b>UBL Retirement Savings Fund</b>	URSF		19-May-10				
		<i>Equity Sub Fund</i>	-	1,368	-	3.99%	N.A	34.45%	N.A
		<i>Debt Sub Fund</i>	-	775	-	9.49%	N.A	10.93%	N.A
		<i>Money Market Sub Fund</i>	-	542	-	5.11%	N.A	7.71%	N.A
		<i>Commodity Sub Fund</i>	-	36	-	7.24%	N.A	3.23%	N.A

# UBL Liquidity Plus Fund

Fund Managers Report - February'17

## Investment Objective

ULPF is an open-end Money Market Fund, investing in a diversified portfolio of low risk assets. The Fund seeks to provide attractive daily returns while maintaining comparatively high liquidity.

## Fund Performance

	ULPF <sup>1</sup>	ULPF <sup>2</sup>	Benchmark
FY-YTD (p.a.)	6.56%	6.63%	5.17%
February 2017 (p.a.)	4.71%	4.82%	5.27%
Since Inception (CAGR)		9.00%	8.27%
Standard Deviation*		0.98%	0.11%
Sharpe Ratio**		0.40	(6.76)
Weighted Avg Time to Maturity		58 Days	
Expense Ratio <sup>3</sup>		1.00%	

	Jan'17	Feb'17	%Δ
Fund Size (PKR Mn)	2,741	3,217	17.34%
NAV (PKR)	104.5357	104.9135	0.36%

<sup>1</sup> Simple Annualized Return | <sup>2</sup> Morning Star Return

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

<sup>3</sup> This includes 0.27% representing government levy, Worker's Welfare Fund and SECP fee.

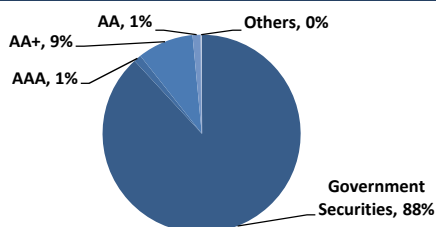
**Note:** Benchmark has been changed effective from October 2016; Previously 50% 3M PKRV + 50% 3M TDR (with AA or better banks)

## Fund Information

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Money Market
<b>Risk Profile</b>	Low
<b>Launch Date</b>	21-Jun-09
<b>Benchmark</b>	70% Average of 3M PKRV rates + 30% 3M average deposit rate of three 3 AA rated scheduled Banks as selected by MUFAP
<b>Listing</b>	Pakistan Stock Exchange (PSX)
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	BDO Ebrahim & Co
<b>Management Co. Rating</b>	AM2++ (JCR-VIS)
<b>Fund Stability Rating</b>	AA (JCR-VIS)
<b>Minimum Investment</b>	Rs. 500
<b>Load</b>	Nil (Front-end)
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	Issuance: 4:00 PM   Redemption: 9:30 AM
<b>Pricing Mechanism</b>	Backward
<b>Management Fee*</b>	10% of all gross earnings (with min. fee of 0.5% p.a. & max. fee of 1% p.a.)
<b>Fund Manager</b>	Usama Bin Razi
<b>Investment Committee Members</b>	Yasir Qadri   Hasnain Raza Nensey Ali Alvi   Farhan Bashir Khan   Aly Osman   Usama Bin Razi

\*Actual Management Fees charged for the month is 0.60% based on average net assets (annualized).

## Portfolio Quality (% of Total Assets)



## Key Interest Rates

KIBOR (1M, 6M, 1Y, 3Y)*	6.01%	6.01%	6.15%	6.41%
T-Bill Cut-Off (3M, 6M, 12M)		5.95%	5.99%	5.99%
PIB Cut-Off (3Yr, 5Yr, 10Yr)		6.41%	6.90%	7.94%
Discount Rate				6.25%
CPI(Feb) Y-o-Y Basis				4.22%

\* Average during month

Asset Allocation (% of Total Assets)	Dec'16	Jan'17	Feb'17
Placements with Banks	0%	0%	0%
Placements with DFIs	0%	0%	9%
Placements with NBFCs	0%	0%	0%
Reverse Repo	0%	0%	0%
T-Bills	20%	98%	88%
PIBs	0%	0%	0%
Cash	80%	1%	3%
Others	0%	1%	0%
Leverage	0%	0%	0%

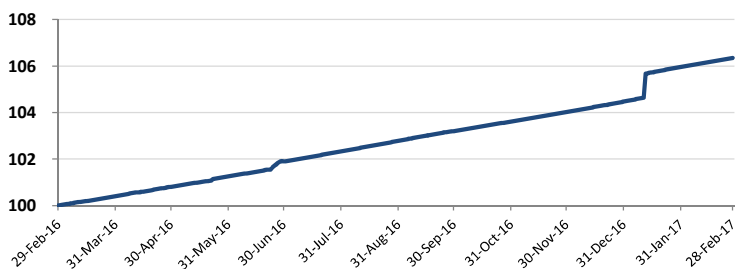
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>ULPF (p.a)</b>	9.38%	7.11%	6.35%	7.11%	7.79%	9.00%
<b>Benchmark</b>	5.27%	5.23%	5.19%	6.46%	7.23%	8.27%

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. 4,727,464, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.15/0.15%.

## Value of 100 Rupees invested 12 months ago



Monthly Yield*	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
<b>ULPF</b>	4.87%	4.95%	5.34%	8.04%	5.14%	5.34%	4.90%	4.92%	4.93%	5.17%	18.22%	4.82%	11.66%
<b>Benchmark</b>	5.31%	5.31%	5.17%	5.06%	5.03%	5.02%	5.04%	5.24%	5.26%	5.29%	5.25%	5.27%	5.26%

\*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

**Disclaimer:** This publication is for informational purpose only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. All returns are calculated assuming reinvested dividends.

# UBL Money Market Fund

Fund Managers Report - February'17

## 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 more than 50% of the portfolio in short term government securities

## Fund Performance

	UMMF <sup>1</sup>	UMMF <sup>2</sup>	Benchmark
FY-YTD (p.a.)	5.70%	5.76%	5.33%
February 2017 (p.a.)	4.01%	4.09%	5.27%
Since Inception (CAGR)		8.55%	9.24%
Standard Deviation*		0.71%	0.18%
Sharpe Ratio**		(0.69)	(2.83)
Weighted Avg Time to Maturity		28 Days	
Expense Ratio <sup>3</sup>		1.27%	

	Jan'17	Feb'17	%Δ
Fund Size (PKR Mn)	509	542	6.39%
NAV (PKR)	103.9288	104.2485	0.31%

<sup>1</sup> Simple Annualized Return | <sup>2</sup> Morning Star Return

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

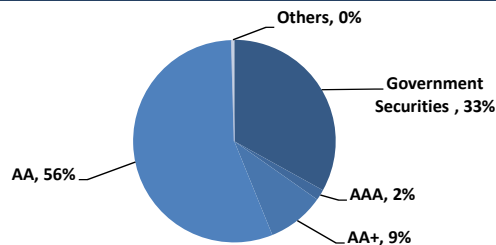
<sup>3</sup> This includes 0.32% representing government levy, Worker's Welfare Fund and SECP fee.

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

## Fund Information

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Money Market
<b>Risk Profile</b>	Low
<b>Launch Date</b>	14-Oct-10
<b>Benchmark</b>	70% Average of 3M PKRV rates + 30% 3M average deposit rate of three 3 AA rated scheduled Banks as selected by MUFAP
<b>Listing</b>	Pakistan Stock Exchange (PSX)
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	KPMG – Taseer Hadi & Co
<b>Management Co. Rating</b>	AM2++ (JCR-VIS)
<b>Fund Stability Rating</b>	AA (JCR-VIS)
<b>Minimum Investment</b>	Rs. 500
<b>Load</b>	1% (Front-end)
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	Issuance: 4:00 PM (Mon-Fri) Redemption: 9:30 AM (Mon-Fri)
<b>Pricing Mechanism</b>	Backward
<b>Management Fee</b>	1% p.a.
<b>Fund Manager</b>	Jawad Naeem
<b>Investment Committee Members</b>	Yasir Qadri   Hasnain Raza Nensey Ali Alvi   Farhan Bashir Khan   Aly Osman   Jawad Naeem

## Portfolio Quality (% of Total Assets)



## Asset Allocation (% of Total Assets)

	Dec'16	Jan'17	Feb'17
Placements with Banks	0%	0%	0%
Placements with DFIs	0%	0%	9%
PIB	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
T-Bills	52%	91%	33%
Cash	47%	8%	57%
Others	0%	1%	0%
Leverage	Nil	Nil	Nil

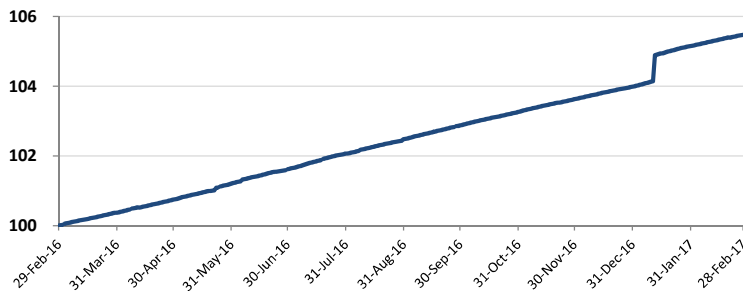
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UMMF (p.a.)	7.43%	5.98%	5.47%	6.59%	7.51%	8.55%
Benchmark	5.27%	5.29%	5.44%	7.00%	8.21%	9.24%

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. 1,112,656, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.21/0.21%.

## Value of 100 Rupees invested 12 months ago



## Monthly Yield\*

	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
UMMF	4.43%	4.63%	5.56%	5.02%	5.34%	4.86%	4.80%	4.51%	4.39%	4.14%	14.04%	4.09%	9.20%
Benchmark	5.75%	5.75%	5.65%	5.49%	5.44%	5.43%	5.45%	5.24%	5.26%	5.29%	5.25%	5.27%	5.26%

\*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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# UBL Government Securities Fund

Fund Managers Report - February'17

## Investment Objective

The objective of the fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities.

## Fund Performance

	UGSF <sup>1</sup>	UGSF <sup>2</sup>	Benchmark
FY-YTD (p.a.)	4.54%	4.57%	5.71%
February 2017 (p.a.)	4.41%	4.50%	5.96%
Since Inception (CAGR)		10.12%	8.12%
Standard Deviation*		0.52%	0.26%
Sharpe Ratio**		(0.85)	(1.16)
Weighted Avg Time to Maturity		0.78 Years	
Expense Ratio <sup>3</sup>		1.09%	

	Jan'17	Feb'17	%Δ
Fund Size (PKR Mn)	10,785	8,990	-16.64%
NAV (PKR)	108.2988	108.6653	0.34%

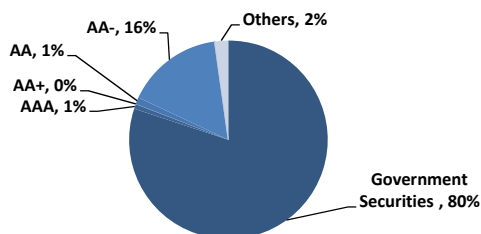
<sup>1</sup> Simple Annualized Return | <sup>2</sup> Morning Star Return

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

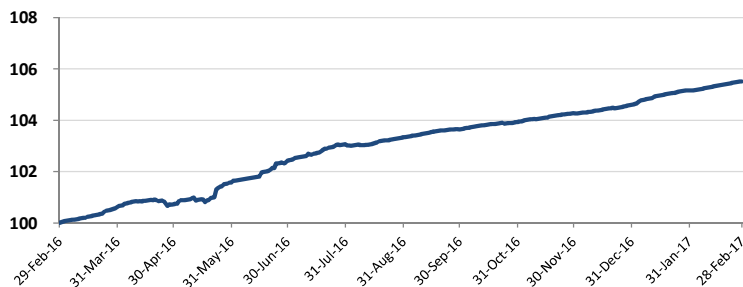
<sup>3</sup> This includes 0.27% representing government levy, Worker's Welfare Fund and SECP fee.

**Note:** Benchmark has been changed effective from October 2016; Previously 70% 6M PKRV rate + 30% average of 3M Deposit rates of AA- and above rated bank

## Portfolio Quality (% of Total Assets)



## Value of 100 Rupees invested 12 months ago



Monthly Yield*	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
UGSF	7.56%	1.33%	10.33%	10.67%	7.73%	3.05%	3.65%	3.22%	4.27%	3.72%	6.45%	4.50%	5.52%
Benchmark	5.63%	5.63%	5.54%	5.38%	5.31%	5.33%	5.36%	5.91%	5.93%	5.98%	5.92%	5.96%	5.94%

\*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

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Income
<b>Risk Profile</b>	Low
<b>Launch Date</b>	27-Jul-11
<b>Benchmark</b>	Average of 6M PKRV rates.
<b>Listing</b>	Pakistan Stock Exchange (PSX)
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	BDO Ebrahim & Co
<b>Management Co. Rating</b>	AM2++ (JCR-VIS)
<b>Fund Stability Rating</b>	A (JCR-VIS)
<b>Minimum Investment</b>	Rs. 500
<b>Load</b>	1.00% (Front-end), Nil (Back-end)
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	4:00 PM
<b>Pricing Mechanism</b>	Forward
<b>Management Fee</b>	10% of all gross earnings (with min. fee of 1% p.a. & max. fee of 1.25% p.a.)
<b>Fund Manager</b>	Jawad Naeem
<b>Investment Committee Members</b>	Yasir Qadri   Hasnain Raza Nensey Ali Alvi   Farhan Bashir Khan   Aly Osman   Jawad Naeem

Asset Allocation (% of Total Assets)	Dec'16	Jan'17	Feb'17
Placements with banks	1%	1%	2%
PIB	46%	51%	56%
GOP Ijarah Sukuk	0%	0%	0%
Reverse Repo	0%	0%	0%
T-Bills	29%	32%	24%
Cash	23%	14%	16%
Others	1%	2%	2%
Leverage	Nil	Nil	Nil

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGSF (p.a)	4.90%	4.30%	5.52%	10.21%	9.77%	10.12%
Benchmark	5.95%	5.85%	5.66%	6.91%	7.79%	8.12%

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. 16,931,502, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.20/0.19%.



# UBL Income Opportunity Fund

(Formerly UBL Financial Sector Bond Fund)  
Fund Managers Report - February'17

## Investment Objective

The Objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments.

## Fund Performance

	UIOF <sup>1</sup>	UIOF <sup>2</sup>	Benchmark
FY-YTD (p.a.)	4.98%	5.02%	5.86%
February 2017 (p.a.)	5.19%	5.31%	6.01%
Since Inception (CAGR)		7.97%	7.65%
Standard Deviation*		1.12%	0.13%
Sharpe Ratio**		0.77	(0.87)
Weighted Avg Time to Maturity		0.54 Year	
Expense Ratio <sup>3</sup>		1.65%	

	Jan'17	Feb'17	%Δ
Fund Size (PKR Mn)	232	227	-2.31%
NAV (PKR)	112.9818	113.4314	0.40%

<sup>1</sup> Simple Annualized Return | <sup>2</sup> Morning Star Return

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

<sup>3</sup> This includes 0.33% representing government levy, Worker's Welfare Fund and SECP fee.

**Note:** Benchmark has been changed effective from October 2016; Previously 75% 6M Rolling average of 6M KIBOR & 25% average of 6M deposit rate of 3 banks rated A and above

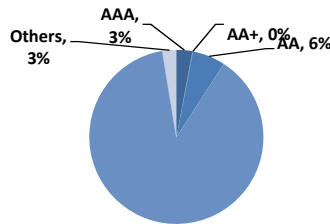
## Fund Information

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Income
<b>Risk Profile</b>	Moderate
<b>Launch Date</b>	29-Mar-13
<b>Benchmark</b>	Average of 6M KIBOR rates.
<b>Listing</b>	Pakistan Stock Exchange (PSX)
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	KPMG – Taseer Hadi & Co
<b>Management Co. Rating</b>	AM2++ (JCR-VIS)
<b>Fund Stability Rating</b>	A - (JCR-VIS)
<b>Minimum Investment</b>	Rs. 500
<b>Load</b>	1.5% (Front-end)
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	4:00 PM
<b>Pricing Mechanism</b>	Forward
<b>Management Fee</b>	1.50% p.a.
<b>Fund Manager</b>	Jawad Naeem
<b>Investment Committee Members</b>	Yasir Qadri   Hasnain Raza Nensey Ali Alvi   Farhan Bashir Khan   Aly Osman   Jawad Naeem

## Top Ten Holdings (% of Total Assets)

TFC/SUKUK-Bank Al Habib (17-MAR-16)	4.40%
SCB (PAK) LTD-TFC (29-06-12)	2.61%

## Portfolio Quality (% of Total Assets)



## Asset Allocation (% of Total Assets)

	Dec'16	Jan'17	Feb'17
Term Finance Certificates / Sukuks	7%	7%	7%
Placements with Banks	0%	0%	0%
Placements with NBFCs	0%	0%	0%
PIBs	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
T-Bills	0%	0%	0%
Cash	91%	91%	90%
Others	2%	3%	3%
Leverage	Nil	Nil	Nil

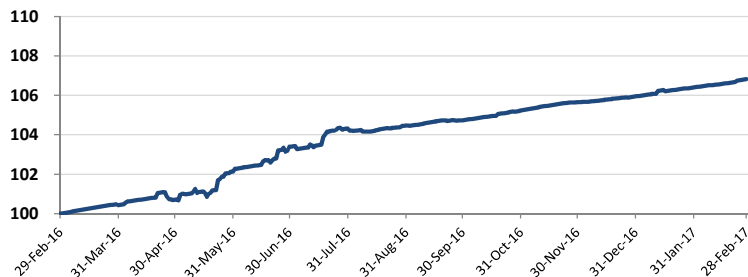
	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UIOF (p.a)	4.57%	4.59%	6.82%	8.11%	-	7.97%
Benchmark	6.01%	5.93%	5.84%	7.36%	-	7.65%

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. 371,622, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.19/0.16%.

## Value of 100 Rupees invested 12 months ago



Monthly Yield*	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
UIOF	5.21%	3.31%	18.13%	15.99%	11.17%	1.65%	3.06%	5.76%	5.01%	3.29%	5.17%	5.31%	5.24%
Benchmark	5.79%	5.85%	5.82%	5.78%	5.68%	5.64%	5.64%	5.93%	5.96%	6.01%	6.00%	6.01%	6.00%

\*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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# UBL Growth and Income Fund

Fund Managers Report - February'17

## Investment Objective

UGIF is an open-end Aggressive Fixed Income Fund, investing in medium to long-term fixed income instruments as well as short-tenor money market instruments and seeks to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term.

## Fund Performance

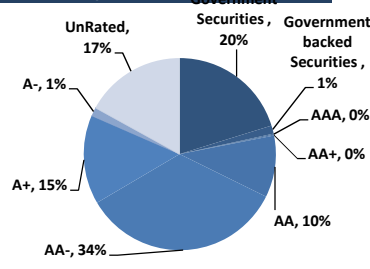
	UGIF <sup>1</sup>	UGIF <sup>2</sup>	Benchmark
FY-YTD (p.a.)	7.13%	7.22%	6.13%
February 2017 (p.a.)	4.68%	4.78%	6.15%
Since Inception (CAGR)		6.42%	10.45%
Standard Deviation*		2.10%	0.09%
Sharpe Ratio**		1.74	2.53
Weighted Avg Time to Maturity		1.36 Years	
Expense Ratio <sup>3</sup>		1.70%	
	Jan'17	Feb'17	%Δ
Fund Size (PKR Mn)	4,744	5,034	6.12%
NAV (PKR)	88.5147	88.8322	0.36%

<sup>1</sup> Simple Annualized Return | <sup>2</sup> Morning Star Return | <sup>\*</sup>12M Trailing, <sup>\*\*</sup>12M Trailing & 3M PKRV yield is used as a risk-free rate | <sup>3</sup> This includes 0.43% representing government levy, Worker's Welfare Fund and SECP fee.

## Top Ten Holdings (% of Total Assets)

TFC/SUKUK-JS Bank Limited (14-DEC-16)	4.7%
TFC/SUKUK-Soneri Bank Limited (08-JUL-15)	2.3%
TFC/SUKUK-NIB Bank Limited (19-JUN-14)	2.1%
Commercial Paper (Pak Elektron)	1.9%
TFC/SUKUK-Bank Al Habib Limited (17-MAR-16)	1.7%
TFC/SUKUK-GHANI GASES LIMITED (03-FEB-17)	1.5%
TFC/SUKUK-WAPDA. (27-SEP-13)	1.4%
TPL Tracker	1.0%
BAFL-TFC (20-02-13)	1.0%
TFC/SUKUK-Engro Fertilizer Ltd. (09-JUL-14)	0.3%

## Portfolio Quality (% of Total Assets)



## Disclosure of Non-Compliant Investments as at February 28, 2017

Name of Investment	Type	Value Before Provision	Provision held (if any)	Value after Provision	% of Net Assets	% of Gross Assets
Azgard Nine	Pref. Shares	850,000	850,000	-	0.00%	0.00%
Agritech	Ord. Shares	62,487,645	-	62,487,645	1.24%	1.23%
Property	Real Estate	12,000,000	12,000,000	-	0.0%	0.00%

## Disclosure of Excess Exposure (Per Issue) as at February 28, 2017

Name of Investment	Exposure Type	% of Issue	Limit	Excess
Trust Investment Bank Ltd-TFC (04-07-08)	Per Issue	20%	10%	10%
Agritech Ltd-TFC (30-11-07)	Per Issue	19%	10%	9%
Security Leasing Corp.Ltd-PPTFC (28-03-06)	Per Issue	19%	10%	9%
New Allied Electronics (15-05-07)	Per Issue	17%	10%	7%
Security Leasing Corp. Ltd-Sukuk (01-06-07) - I	Per Issue	16%	10%	6%
Security Leasing Corp. Ltd-Sukuk (19-09-07) - II	Per Issue	13%	10%	3%
Agritech Ltd-TFC (14-01-08)	Per Issue	11%	10%	1%

The UGIF scheme holds certain non-compliant investments. Before making any investment decision, investor should review the latest monthly Fund Manager Report and Financial Statements.

## Value of 100 Rupees invested 12 months ago



## Monthly Yield\*

	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
UGIF	19.41%	1.74%	20.04%	17.81%	34.91%	0.25%	2.42%	-0.39%	6.81%	3.39%	8.96%	4.78%	6.96%
Benchmark	6.37%	6.31%	6.28%	6.24%	6.16%	6.10%	6.05%	6.12%	6.15%	6.18%	6.16%	6.15%	6.16%

\*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	Aggressive Fixed Income
Risk Profile	Moderate
Launch Date	2-Mar-06
Benchmark	Average of 1 year KIBOR rates.
Listing	Pakistan Stock Exchange (PSX)
Trustee	Central Depository Company (CDC)
Auditor	KPMG - Taseer Hadi & Co.
Management Co.Rating	AM2++ (JCR-VIS)
Fund Stability Rating	BBB+ (JCR-VIS)
Minimum Investment	Rs. 500
Load (Income Units)	1.5% (Front-end)
Load (Growth Units)	Stepped-down structure (Back-end)
Dealing Days	Monday to Friday
Cut off times	4:00 PM
Pricing Mechanism	Forward
Management Fee	1.5% p.a.
Fund Manager	Usama Bin Razi
Investment Committee Members	Yasir Qadri   Hasnain Raza Nensey Ali Alvi   Farhan Bashir Khan   Aly Osman   Usama Bin Razi

Note: Benchmark has been changed effective from October 2016; Previously 6 Month Rolling Average of 6M KIBOR

## Asset Allocation (% of Total Assets)

	Dec'16	Jan'17	Feb'17
Term Finance Certificates/ Sukuks	16%	16%	16%
Commercial Paper	0%	2%	2%
Placements with DFIs	0%	0%	0%
Placements with Banks	0%	0%	5%
Cash	71%	33%	40%
T-Bills	0%	5%	2%
PIBs	8%	25%	18%
GOP Ijarah Sukuk	0%	0%	0%
Spread Transaction	2%	13%	12%
Others	3%	6%	5%
Leverage	Nil	Nil	Nil

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGIF (p.a)	5.71%	4.27%	9.62%	12.52%	12.13%	6.42%
Benchmark	6.17%	6.14%	6.19%	7.89%	8.86%	10.45%

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. 8,595,319, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.15/0.17%.

## Investment Objective

The investment objective of the Fund is to provide Unit-holders exposure to Gold as an asset class by investing significant portion of Fund's net assets in Gold based instruments, while investing the remaining portion in high-rated money market instruments.

## Fund Performance

	UGF	Benchmark
<b>FY-YTD</b>	-5.42%	-2.13%
<b>Feb-17</b>	2.77%	2.82%
<b>Since Inception (CAGR)***</b>	-1.41%	-2.28%
<b>Standard Deviation*</b>	12.39%	10.80%
<b>Sharpe Ratio</b>	(0.47)	(0.25)
<b>Expense Ratio <sup>1</sup></b>	2.11%	

	Jan'17	Feb'17	%Δ
<b>Fund Size (PKR Mn)</b>	130	130	-0.71%
<b>NAV (PKR)</b>	82.5571	84.841	2.77%

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

\*\*\*Returns have been annualized using Morningstar Methodology

<sup>1</sup> This includes 0.44% representing government levy, Worker's Welfare Fund and SECP fee.

The Gold price is taken from PMEX and it is the price of the future gold contract closest to maturity.

**Note:** Benchmark has been changed effective from October 2016; Previously 80% Daily Closing Pakistan Rupee Spot Gold Prices at the PMEX + 20% Average of 3M Deposit rates of 5 AA and above rated banks

## Top Ten Holdings (% of Total Assets)

GO10OZ-AP17	86.52%
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## Fund Information

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Commodity
<b>Risk Profile</b>	High
<b>Launch Date</b>	13-Feb-13
<b>Benchmark</b>	70% composition of daily closing USD/oz Gold price at PMEX + 30% Average deposit rates of 3 AA rated scheduled banks as selected by MUFAP
<b>Listing</b>	Pakistan Stock Exchange (PSX)
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	Ernst & Young Ford Rhodes Sidat Hyder & Co.
<b>Management Co. Rating</b>	AM2++ (JCR-VIS)
<b>Fund Stability Rating</b>	Not yet rated
<b>Minimum Investment</b>	Rs. 500/- initial & subsequent
<b>Load</b>	2.00% (Front-end), Nil (Back-end)
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	4:00 PM
<b>Pricing Mechanism</b>	Forward
<b>Management Fee</b>	1.5% p.a.
<b>Fund Manager</b>	Syed H. Haider, CFA
<b>Investment Committee</b>	Yasir Qadri   Hasnain Raza Nensey
<b>Members</b>	Ali Alvi   Farhan Bashir Khan   Aly Osman   Syed H. Haider, CFA

## Asset Allocation (% of Total Assets)

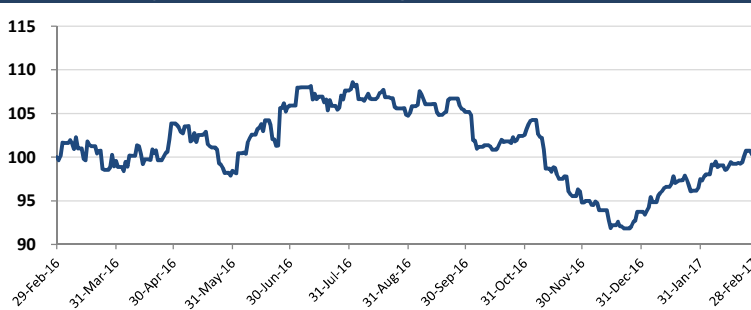
	Dec'16	Jan'17	Feb'17
Gold	83%	83%	87%
T-Bills	0%	0%	0%
Cash	69%	67%	64%
Others*	-53%	-51%	-51%
Leverage	Nil	Nil	Nil

\*The negative 'others' position represents liabilities for the futures contracts, and these are fully funded by a combination of t-bills and cash assets of the fund.

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UGF</b>	5.67%	-4.35%	0.16%	4.27%	-	-5.59%
<b>Benchmark</b>	5.40%	-1.97%	3.31%	1.34%	-	-8.89%

Returns are on absolute basis

## Value of 100 Rupees invested 12 months ago



## Disclosures regarding Sindh Workers Welfare Fund

The Fund/Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 325,397, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.21/0.25%.

Monthly Yield	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
<b>UGF</b>	-0.44%	4.32%	-5.21%	7.57%	1.63%	-2.70%	0.43%	-2.51%	-7.55%	-1.11%	3.98%	2.77%	6.86%
<b>Benchmark</b>	0.03%	2.60%	-3.88%	7.00%	0.76%	-0.91%	0.80%	-2.08%	-5.78%	-1.11%	3.66%	2.82%	6.58%

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

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# UBL Asset Allocation Fund

Fund Managers Report - February '17

## Investment Objective

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

## Fund Performance

	UAAF	Benchmark
<b>FY-YTD</b>	12.55%	6.69%
<b>Feb-17</b>	0.10%	0.62%
<b>Since Inception (CAGR)***</b>	17.36%	11.30%
<b>Standard Deviation*</b>	4.74%	2.47%
<b>Sharpe Ratio**</b>	3.40	3.47
<b>Expense Ratio<sup>1</sup></b>	1.66%	

	Jan'17	Feb'17	%Δ
<b>Fund Size (PKR Mn)</b>	2,400	2,557	6.54%
<b>NAV (PKR)</b>	139.5178	139.659	0.10%

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

\*\*\*Returns have been annualized using Morningstar Methodology

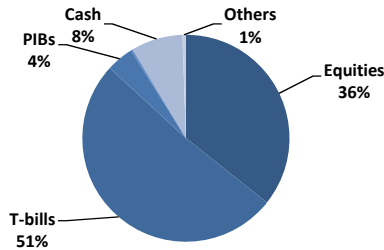
<sup>1</sup> This includes 0.60% representing government levy, Worker's Welfare Fund and SECP fee.

**Note:** Benchmark has been changed effective from October 2016; Previously 70% 6 Month KIBOR + 30% KSE-100 Index

## Fund Information

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Asset Allocation
<b>Risk Profile</b>	Medium
<b>Launch Date</b>	19-Aug-13
<b>Benchmark</b>	Average of 6M KIBOR rate + 2%
<b>Listing</b>	Pakistan Stock Exchange (PSX)
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	KPMG – Taseer Hadi & Co
<b>Management Co.Rating</b>	AM2++ (JCR-VIS)
<b>Minimum Investment</b>	Rs. 10,000/- initial & subsequent
<b>Load</b>	1.5% (Front-end)
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	4:00 PM
<b>Pricing Mechanism</b>	Forward
<b>Management Fee</b>	1% p.a.
<b>Fund Manager</b>	Usama Bin Razi
<b>Investment Committee</b>	Yasir Qadri   Hasnain Raza Nensey
<b>Members</b>	Ali Alvi   Farhan Bashir Khan
	Aly Osman   Usama Bin Razi

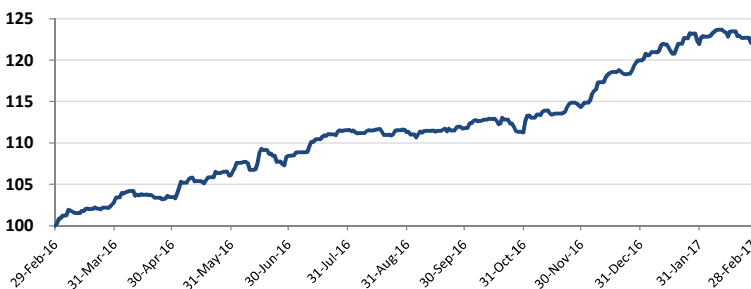
## Asset Allocation (% of Total Assets)



## Top Ten Equity Holdings (% of Total Assets)

Lucky Cement Ltd	2.2%	MCB Bank Ltd	1.6%
United Bank Ltd	2.1%	Habib Bank Ltd	1.6%
D. G. Khan Cement Co. Ltd	2.1%	Mari Petroleum Co. Ltd	1.5%
Mughal Iron and Steel	1.8%	Aisha Steel Mills Ltd	1.4%
Nishat Mills Ltd	1.7%	Pakistan State Oil Co. Ltd	1.4%

## Value of 100 Rupees invested 12 months ago



## Monthly Yield

	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
<b>UAAF</b>	2.85%	0.59%	2.56%	2.21%	2.84%	-0.19%	0.42%	-0.45%	2.74%	4.92%	1.65%	0.10%	1.75%
<b>Benchmark</b>	2.05%	1.78%	1.53%	1.79%	1.71%	0.59%	0.90%	0.68%	0.66%	0.68%	0.68%	0.62%	1.30%

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

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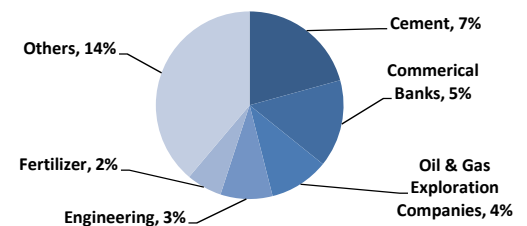
## Asset Allocation (% of Total Assets)

	Dec'16	Jan'17	Feb'17
Equities	38%	36%	36%
T-bills	45%	41%	51%
PIBs	5%	5%	4%
TFC	0%	0%	0%
Placements with banks	0%	0%	0%
Cash	10%	19%	8%
Others	2%	0%	1%
Leverage	Nil	Nil	Nil

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>UAAF</b>	6.76%	9.65%	22.07%	67.71%	-	75.98%
<b>Benchmark</b>	1.99%	4.29%	14.51%	36.98%	-	45.96%

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. 9,693,362, if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 0.53/0.38%.

# UBL Stock Advantage Fund

Fund Managers Report - February'17

## Investment Objective

USF is an open-end Equity Fund, investing primarily in equities listed on the KSE. 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

	USF	Benchmark	
FY-YTD	30.12%	28.03%	
Feb-17	1.54%	-0.46%	
Since Inception (CAGR)***	17.76%	13.74%	
Standard Deviation*	12.51%	10.51%	
Sharpe Ratio**	3.55	4.35	
Beta*	1.11	1.00	
Alpha*^	-1.29%		
R-Square^^	86%		
Price-to-Earning Ratio ^^^	12.36x	11.37x	
Dividend Yield ^^^	2.07%	6.50%	
Value at Risk	-1.09%	-0.95%	
Expense Ratio <sup>1</sup>	3.30%		
	Jan'17	Feb'17	%Δ
Fund Size (PKR Mn)	7,146	7,629	6.76%
NAV (PKR)	80.45	81.69	1.54%

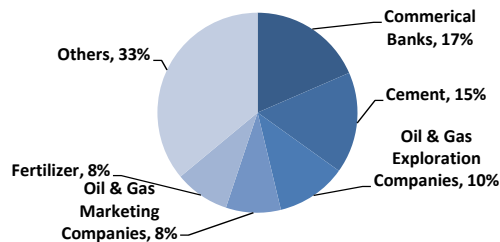
\*12M Trailing. \*\*12M Trailing, 3M PKRV yield used as Risk-Free rate. ^Alpha measures the risk adjusted performance of the fund vs. the benchmark. ^^ R-Square measures the correlation between the benchmark and the fund; ^^^ Benchmark figures are for KSE-100 Index only. \*\*\*Returns have been annualized using Morningstar Methodology, <sup>1</sup>This includes 1.10% representing government levy, Worker's Welfare Fund and SECP fee.

## Fund Information

Fund Type	Open-end
Fund Categorization	Equity
Risk Profile	High
Launch Date	4-Aug-06
Benchmark	KSE-100 Index
Listing	Pakistan Stock Exchange (PSX)
Trustee	Central Depository Company (CDC)
Auditor	Deloitte- M. Yousuf Adil Saleem & Co.
Management Co.Rating	AM2++ (JCR-VIS)
Minimum Investment	Rs. 500
Load	2.5% (Front-end)
Dealing Days	Monday to Friday
Cut off times	4:00 PM
Pricing Mechanism	Forward
Management Fee	2% p.a.
Fund Manager	Syed H. Haider, CFA
Investment Committee Members	Yasir Qadri   Hasnain Raza Nensey   Ali Alvi   Aly Osman   Farhan Bashir Khan   Syed H. Haider, CFA

Note: Benchmark has been changed effective from October 2016; Previously 85% of KSE-100 Index + 15% of MSCI-ACW Index

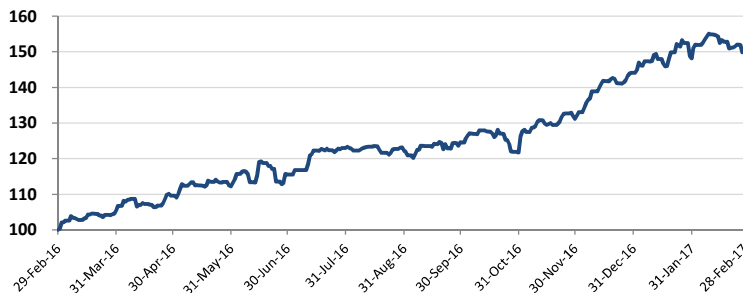
## Equity Sector Allocation (% of Total Assets)



## Top Ten Equity Holdings (% of Total Assets)

Lucky Cement Ltd	5.0%	Nishat Mills Limited	4.4%
Mcb Bank Limited	5.0%	The Hub Power Co. Limited	4.3%
D. G. Khan Cement Co. Limited	4.7%	Engro Corporation Limited	4.3%
Habib Bank Limited	4.6%	Engro Fertilizer Limited	3.8%
United Bank Limited	4.4%	Mari Petroleum Co. Limited	3.7%

## Value of 100 Rupees invested 12 months ago



Monthly Yield	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
USF	5.40%	3.99%	2.39%	2.98%	6.42%	-0.58%	1.88%	-2.26%	7.73%	9.84%	2.80%	1.54%	4.38%
Benchmark	5.88%	4.25%	3.26%	3.94%	4.51%	0.68%	1.64%	-1.60%	6.84%	12.16%	1.99%	-0.46%	1.52%

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

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# UBL Capital Protected Fund - III

Fund Managers Report - February'17

## Investment Objective

The investment objective of UBL Capital Protected Fund - III (UCPF-III) is to protect the principal investment of the investors upon maturity by placing a significant portion of the Trust Property as TDR with a minimum AA- rated Bank, and remaining in equity market or any other SECP permitted investments to provide investors with better returns.

## Fund Performance

	UCPF-III	Benchmark
<b>FY-YTD</b>	-0.11%	0.35%
<b>Feb-17</b>	-0.29%	0.29%
<b>Since Inception</b>	-0.11%	0.35%
<b>Standard Deviation*</b>	n/a	n/a
<b>Sharpe Ratio**</b>	n/a	n/a
<b>Expense Ratio<sup>1</sup></b>	0.17%	

	Jan'17	Feb'17	%Δ
<b>Fund Size (PKR Mn)</b>	421	420	-0.28%
<b>NAV (PKR)</b>	100.1788	99.8864	-0.29%

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

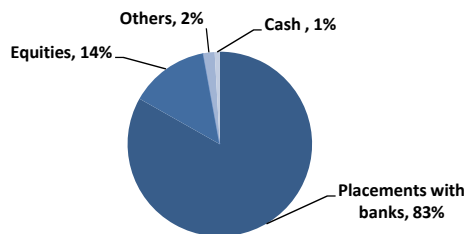
<sup>1</sup> This includes 0.02% representing government levy, Worker's Welfare Fund and SECP fee.

## Fund Information

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Capital Protected
<b>Risk Profile</b>	Moderately Low
<b>Launch Date</b>	26-Jan-17
<b>Benchmark</b>	Weighted Average Daily Return of KSE-100 Index and Three (3) Months Deposit Rate of a Double A minus (AA-) or above rated Bank based on the Fund's actual Proportion in the Investment Segment and Capital Protection Segment.
<b>Listing</b>	Listing is in Process
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	BDO Ebrahim and Co.
<b>Management Co. Rating</b>	AM2++ (JCR-VIS)
<b>Fund Rating</b>	Not yet rated
<b>Minimum Investment</b>	Rs 10,000/- initial & subsequent
<b>Load</b>	1% (Front-End) 3% (Contingent Load)*
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	4:00 PM
<b>Pricing Mechanism</b>	Forward
<b>Management Fee</b>	0.75%
<b>Fund Manager</b>	Usama Bin Razi
<b>Investment Committee</b>	Yasir Qadri   Hasnain Raza Nensey   Ali Alvi
<b>Members</b>	Aly Osman   Farhan Bashir   Usama Bin Razi

\*Applicable on redemptions before maturity of the Fund.

## Asset Allocation (% of Total Assets)

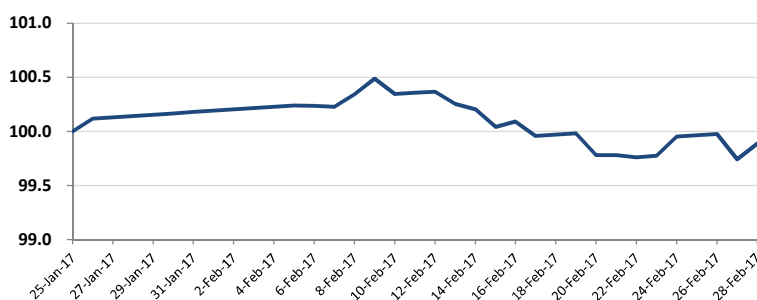


Asset Allocation (% of Total Assets)	Dec'16	Jan'17	Feb'17
Placements with banks	0%	83%	83%
Equities	0%	0%	14%
T-bills	0%	0%	0%
Spread Transactions	0%	0%	0%
Others	0%	2%	2%
Cash	0%	15%	1%
Leverage	Nil	Nil	Nil

## Top Ten Equity Holdings (% of Total Assets)

Cherat Cement Company Ltd.	1.9%	Mari Petroleum Company Ltd.	1.4%
Lucky Cement Ltd.	1.8%	ICI Pakistan Ltd.	1.3%
Pak Suzuki Motor Co. Ltd.	1.6%	International Steels Ltd.	1.0%
Nishat Mills Ltd.	1.5%	The Searle Company Ltd.	0.7%
Thal Ltd.	1.5%	Highnoon Laboratories Ltd.	0.7%

## Value of 100 Rupees invested at inception



Monthly Yield	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
<b>UCPF-III</b>	-	-	-	-	-	-	-	-	-	-	0.18%	-0.29%	-0.11%
<b>Benchmark</b>	-	-	-	-	-	-	-	-	-	-	0.06%	0.29%	0.35%

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

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# UBL Retirement Savings Fund

Fund Managers Report - February'17

## Investment Objective

URSF is an open-end fund that aims to provide a secure source of savings and regular income after retirement to the Participants. The Participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement.

## Fund Performance

	Debt	Money Market	Equity	Commodity
<b>FY-YTD</b>	4.13% p.a.	4.64% p.a.	29.66%	-4.08%
<b>Feb-17</b>	2.77% p.a.	3.94% p.a.	0.04%	2.87%

Simple annualization methodology used for Debt and Money Market Sub-Fund

	Debt	Money Market	Equity	Commodity
<b>FY-YTD</b>	4.16% p.a.	4.68% p.a.	29.66%	-4.08%
<b>Feb-17</b>	2.81% p.a.	4.01% p.a.	0.04%	2.87%
<b>Since Inception (CAGR)</b>	10.93% p.a.	7.71% p.a.	34.45% p.a.	3.23% p.a.

Returns have been annualized using Morningstar Methodology

	Debt	Money Market	Equity	Commodity
<b>Fund Size (PKR Mn)</b>	775	542	1,368	36
<b>NAV (PKR)</b>	202.70	165.88	751.40	109.58

## URSF Debt (% of Total Assets)

	Dec'16	Jan'17	Feb'17
Treasury Bills	18%	15%	52%
TFC/ Sukuks	3%	3%	4%
Placement against TFC	0%	0%	0%
Pakistan Investment Bonds	65%	70%	14%
Cash & Equivalent	4%	10%	15%
Placements with banks	9%	0%	0%
GoP Ijara Sukuk	0%	0%	0%
Others	2%	2%	15%

## URSF Money Market (% of Total Assets)

	Dec'16	Jan'17	Feb'17
Treasury Bills	65%	58%	62%
Pakistan Investment Bonds	0%	0%	0%
Cash & Equivalent	2%	23%	20%
Placements with banks	33%	18%	18%
TFC/ Sukuks	0%	0%	0%
Others	1%	1%	1%

## URSF Equity (% of Total Assets)

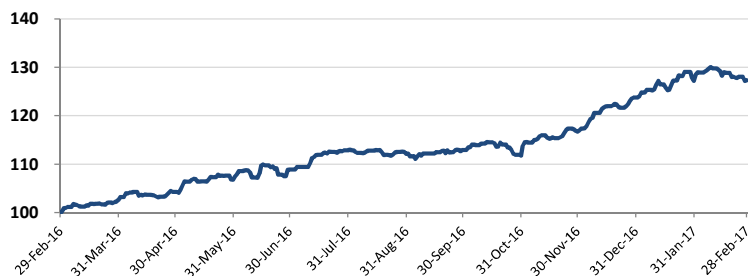
	Dec'16	Jan'17	Feb'17
Equities	92%	93%	91%
Cash & Equivalent	6%	6%	9%
Others	2%	2%	0%

## URSF Commodity (% of Total Assets)

	Dec'16	Jan'17	Feb'17
Gold	86%	86%	86%
T-Bills	0%	0%	0%
Cash	90%	87%	85%
Others*	-76%	-74%	-71%
Leverage	Nil	Nil	Nil

\*The negative 'others' position represents liabilities for the futures contracts, and these are fully funded by a combination of t-bills and cash assets of the fund.

## Value of 100 Rupees invested (medium volatility allocation\*) 12 months ago



\* 50% Equity, 40% Debt, 10% Money Market

Monthly Yield	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	CYTD
<b>URSF Debt (p.a)<sup>1</sup></b>	11.64%	-3.55%	20.28%	17.08%	6.13%	0.12%	2.23%	2.03%	3.67%	0.95%	15.91%	2.81%	9.49%
<b>URSF Money Market (p.a)<sup>1</sup></b>	5.41%	4.37%	4.59%	4.73%	4.63%	4.77%	4.99%	4.58%	3.94%	4.32%	6.10%	4.01%	5.11%
<b>URSF Equity</b>	4.35%	3.37%	3.43%	2.70%	6.53%	-1.25%	1.09%	-2.12%	7.99%	10.93%	3.95%	0.04%	3.99%
<b>URSF Commodity</b>	-0.42%	4.13%	-4.67%	6.70%	1.72%	-2.60%	0.62%	-2.47%	-6.93%	-1.16%	4.25%	2.87%	7.24%

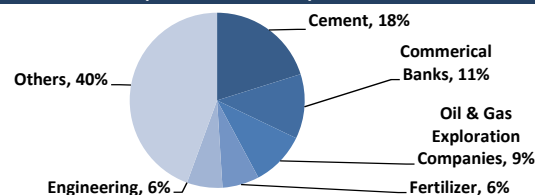
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MUFAP's Recommended Format

## Fund Information

<b>Fund Type</b>	Open-end
<b>Fund Categorization</b>	Voluntary Pension Scheme
<b>Risk Profile</b>	Investor dependent
<b>Launch Date</b>	19-May-10
<b>Benchmark</b>	N/A
<b>Trustee</b>	Central Depository Company (CDC)
<b>Auditor</b>	Ernst & Young Ford Rhodes Sidat Hyder & Co.
<b>Pension Manager Rating</b>	AM2++ (JCR-VIS)
<b>Fund Stability Rating</b>	Not yet rated
<b>Minimum Investment</b>	Rs. 500
<b>Load</b>	3% (Front-end)
<b>Dealing Days</b>	Monday to Friday
<b>Cut off times</b>	4:00 PM
<b>Pricing Mechanism</b>	Forward
<b>Management Fee</b>	1.5% p.a.
<b>Fund Manager</b>	Usama Bin Razi
<b>Investment Committee Members</b>	Yasir Qadri   Hasnain Raza Nensey   Ali Alvi   Farhan Bashir Khan   Aly Osman   Usama Bin Razi

## Equity Sector Allocation (% of Total Assets)



	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>URSF DSF<sup>1</sup></b>	6.47%	4.52%	6.41%	12.17%	10.96%	10.93%
<b>URSF MSF<sup>1</sup></b>	4.83%	4.67%	4.71%	5.85%	6.77%	7.71%
<b>URSF ESF<sup>2</sup></b>	15.35%	23.26%	48.58%	169.43%	475.65%	651.40%
<b>URSF CSF<sup>2</sup></b>	6.00%	-3.19%	1.16%	-	-	9.58%

<sup>1</sup> Debt and Money Market Sub-Fund returns have been annualized using Morningstar Methodology | <sup>2</sup> Returns are on absolute basis.

## Top Ten Equity Holdings (% of Total Assets)

Habib Bank Ltd	5.5%	The Hub Power Co. Ltd	4.1%
Lucky Cement Ltd	5.4%	Attock Cement Pakistan Ltd	4.1%
Mcb Bank Ltd	5.3%	Oil & Gas Development Co.	3.7%
D. G. Khan Cement Co. Ltd	5.1%	Cherat Cement Co. Ltd	3.7%
Nishat Mills Ltd	4.6%	Engro Corporation Ltd	3.5%

## Disclosures regarding Sindh Workers Welfare Fund

The Fund/Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 12,137,487 (URS-ESF), Rs. 2,303,097 (URS-DSF), Rs. 740,147 (URS-MSF) and Rs. 95,274 (URS-CSF), if the same were not made the NAV per unit/return of the Scheme would be higher by Rs. 6.67/0.89% (URS-ESF), Rs. 0.60/0.30% (URS-DSF), Rs. 0.23/0.14% (URS-MSF) and Rs. 0.29/0.26% (URS-CSF).

# 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'12	FY'13	FY'14	FY'15	FY'16
<b>UBL Liquidity Plus Fund</b>	11.34%	8.94%	8.02%	8.56%	5.53%
Benchmark	10.35%	8.50%	8.56%	7.97%	5.43%
<b>UBL Money Market Fund</b>	12.06%	9.31%	7.81%	7.98%	5.15%
Benchmark	13.03%	10.27%	10.06%	8.61%	5.91%
<b>UBL Government Securities Fund</b>	12.07%	9.90%	8.26%	15.47%	8.95%
Benchmark	11.42%	9.25%	9.23%	8.44%	5.79%
<b>UBL Income Opportunity Fund</b>	-	9.23%	6.99%	10.86%	7.69%
Benchmark	-	8.71%	9.06%	9.06%	6.55%
<b>UBL Growth &amp; Income Fund</b>	-12.29%	10.71%	18.35%	11.92%	12.09%
Benchmark	13.54%	11.00%	9.96%	10.03%	6.73%
<b>UBL Gold Fund</b>	-	-17.14%	12.88%	-6.02%	13.56%
Benchmark	-	-18.94%	6.43%	-5.58%	14.29%

	FY'12	FY'13	FY'14	FY'15	FY'16
<b>UBL Asset Allocation Fund</b>	-	-	13.47%	22.70%	12.31%
Benchmark	-	-	13.82%	11.50%	7.80%
<b>UBL Stock Advantage Fund</b>	12.40%	55.20%	31.48%	22.05%	14.01%
Benchmark	7.78%	45.98%	38.06%	13.47%	7.56%
<b>UBL Retirement Savings Fund</b>					
<i>Debt Sub Fund</i>	10.84%	9.90%	7.80%	19.42%	12.29%
<i>Money Market Sub Fund</i>	10.32%	8.52%	7.19%	7.27%	4.60%
<i>Equity Sub Fund</i>	11.53%	66.42%	39.90%	47.71%	20.33%
<i>Commodity Sub Fund</i>	-	-	3.33%	-2.83%	13.77%

## Since Inception Absolute returns

### ULPF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
-	8.7%	10.8%	23.9%	38.0%	50.3%	62.4%	76.3%	86.0%
-	10.6%	11.1%	23.1%	35.9%	47.5%	60.1%	72.9%	78.1%

### UMMF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
-	-	-	11.9%	21.6%	32.9%	43.2%	54.7%	62.6%
-	-	-	14.2%	24.5%	37.3%	51.1%	64.1%	69.7%

### UGSF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
-	-	-	-	12.1%	22.3%	32.4%	52.8%	66.5%
-	-	-	-	11.4%	20.9%	32.0%	43.2%	49.2%

### UIOF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
-	-	-	-	-	9.2%	9.5%	21.4%	30.8%
-	-	-	-	-	8.7%	11.5%	21.6%	28.5%

### UGIF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
25.9%	34.0%	46.5%	31.2%	15.1%	27.4%	50.8%	68.8%	89.2%
25.8%	44.1%	63.3%	85.8%	111.0%	134.2%	157.5%	183.4%	186.8%

### UGF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
-	-	-	-	-	-17.1%	-6.5%	-12.1%	-0.2%
-	-	-	-	-	-18.9%	-13.7%	-18.6%	-6.9%

### UAAF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
-	-	-	-	-	-	13.5%	39.2%	56.4%
-	-	-	-	-	-	13.8%	26.9%	36.8%

### USF vs Benchmark (Fund return in top row)

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
24.4%	-19.5%	0.0%	35.5%	52.4%	136.5%	210.9%	279.5%	333.0%
15.2%	-32.9%	-8.9%	16.1%	25.2%	82.7%	152.3%	186.3%	204.9%

### URSF

FY'08	FY'09	FY'10	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16
-	4.5%	12.0%	24.1%	36.4%	47.1%	75.6%	75.6%	96.7%

### MSF

-	5.4%	11.7%	23.3%	33.8%	43.4%	53.8%	53.8%	60.5%
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### ESF

-	-0.8%	25.5%	40.0%	133.1%	226.0%	381.6%	381.6%	479.5%
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### CSF

-	-	-	-	-	3.3%	0.4%	0.4%	6.2%
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 **UBLSmartSavings**  
AlAmeenFunds

 **Smart Savings with UBL Funds**  
Al-Ameen Funds

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[www.merasarmaya.com](http://www.merasarmaya.com) (Urdu)

 **UBL Fund Managers**  
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e-Price Alerts  
e-Statements  
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Mobile Price Alerts  
SMS Transaction Tracking  
Mobile Transaction Alerts

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