

HBL

ASSET MANAGEMENT LTD.

إيسيهب مینجمنٹ لمیٹڈ

AMC Rating : AM2+ by JCR-VIS

FUND MANAGER'S REPORT

December 2018

This report has been prepared in line with
MUFAP's recommended format.

ECONOMIC REVIEW

Pakistan's economic landscape continues to face pressures due to sustained twin deficits and uncertainty over external financing. Moreover, measures undertaken by the government to address these issues have also fueled expectations of GDP growth slowdown. On a positive note, the government has managed to secure USD6bn assistance, split equally between deferred oil payment facility and balance of payment support from UAE while China has also pledged to lend USD2bn to Pakistan.

During the outgoing month, CPI rose by 6.2% YoY but declined by 0.4% MoM mainly driven by decline in fresh vegetable prices (-22%) and transport costs (-2%). Core CPI maintained its higher trajectory and clocked in at 8.4% YoY. Current Account deficit for 5MFY19 was USD6.1bn compared to USD6.8bn in 5MFY18, largely driven by healthy remittances growth of 13% YoY. Despite steep PKR depreciation (+26%) during last one year, trade deficit (including services) for 5MFY19 remained flat at USD14.3bn, down 1% YoY with flattish trend in imports (-1%) and exports (+1%). Resilience of imports was largely due to higher international commodity prices as imports (ex. Petroleum and Fertilizers) declined by 9.3% YoY.

Moving ahead, with recent dip in international oil prices and decline in domestic fuel prices, we expect current account deficit may slow down while inflationary pressures would also ease which would potentially limit the scope of steep policy rate hikes. However, we believe that policy makers will have to augment recent policy steps (32% PKR depreciation and 425 bps interest rate hike) with fiscal austerity and an entry into the IMF program to stabilize the economy.

MONEY MARKET REVIEW

During the month of December-18, SBP conducted two T-bill auctions with a cumulative target of PKR 200bn against maturity of PKR 44bn. The total accepted amount was PKR 2,015.2bn all of which was for 3M tenor (excluding non-competitive bids). The cut-off yield increased by 150bps to 10.30% for the 3M tenor. SBP conducted Fixed PIB auction on 26th December 2018 with a target of PKR50bn against maturity of PKR 14.9bn. Cumulative participation of PKR 20.8bn was received in 3Y, 5Y and 10Y tenors. It was the first time since Jun-18 when government accepted bids in all three tenors to shape up the yield curve. The government accepted 6.2bn, 1.5bn and 9.0bn in 3Y, 5Y and 10Y tenor respectively. The cutoff yields were 12.25%, 12.70% and 13.15% for the 3Y, 5Y and 10Y tenor respectively.

Government injected PKR 950bn at 10.16% p.a through Open Market Operations in the last week of the month. During the month, yields across all the tenors increased by 66-116bps due to increase in policy rate by 150bps in November MPS.

Going forward, due to macroeconomic risks and expected entry into the IMF program we expect slight adjustment on the monetary policy front (50bps increase most likely) as focus of policy makers would shift towards fiscal austerity.

EQUITY MARKET REVIEW

Pakistan Equity Markets fell 8.5% during Dec-18 with the KSE100 Index closing at 37,067pts (-3,429pts MoM). The steep deterioration was driven by continued uncertainty on macroeconomic front, delay in IMF program, dwindling international oil prices and rise in possibility of a political agitation following the culmination of cases against opposition party heads.

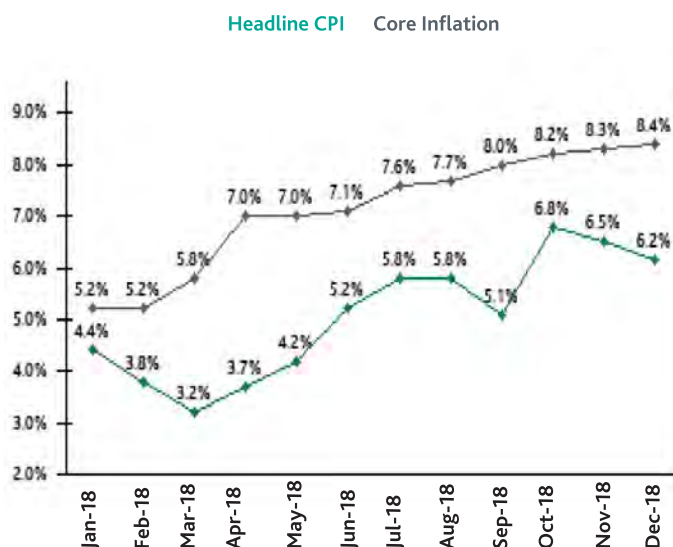
Commercial Banks led the decline in KSE-100 Index, causing an attrition of 971pts. HBL and UBL declined 13.2% and 13.3% respectively owing to continued regulatory concerns and possibility of foreign exchange losses in HBL following 3.3% depreciation in PKR on the last day of Nov-18. Average international oil prices continued to slide during the outgoing month, falling 8% MoM. This led to steep losses in E&P stocks where OGDC and PPL fell 11.6% while the sector contributed 719pts to the benchmark index's decline. Last month, foreign investors divested equities worth USD28mn from the domestic market. During the past year foreigner have sold USD537mn of equities.

Moving ahead, banks and E&Ps will continue to remain in the limelight as the recent interest rate hike and PKR depreciation bode well for both the sectors. These sectors constitute ~40% of the KSE100 Index weight, which will likely support the market. We will continue to focus on a "bottom-up" strategy and focus on stocks with strong fundamentals.

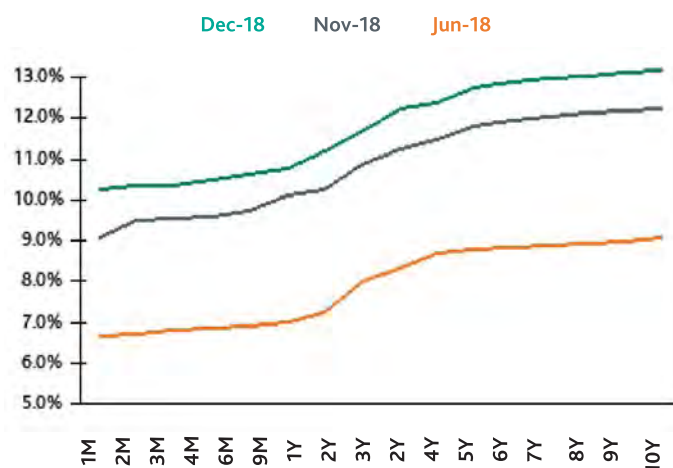
FUND MANAGER'S REPORT

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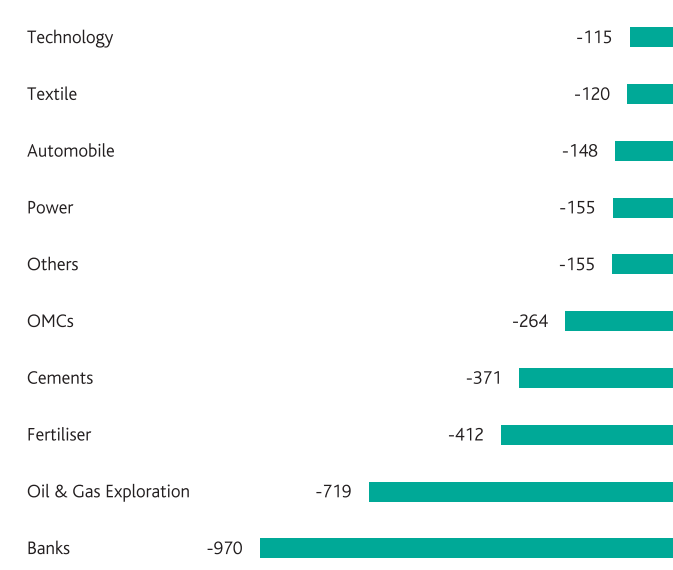
INFLATION TREND



YIELD CURVE



POINTS CONTRIBUTION TO KSE-100 INDEX



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 COMMENTS

The fund earned an annualized return of 8.44% against the benchmark return of 8.83%. During the month, fund size increased sharply by 11.8% to PKR 7,452 million compared to PKR 6,666 million in November 2018. At the end of the month, fund increased its exposure in placements with Banks and DFIs (including cash in DPA) to 68.1% of total assets compared to 53.98% held during last month. On the other hand, exposure in T-Bills was reduced to 31.38% of total assets compared to 45.85% in November 2018 in order to benefit from higher deposit rates offered by banks due to year end deposit requirements. Weighted average time to maturity of the fund stood at 32 days compared to 27 days in November 2018.

Going forward, we expect returns to remain competitive due to extensive placements in deposits at highly attractive rates.

FUND INFORMATION

Net Assets (PKR in mln)	7,452
Net Assets excluding Fund of Funds (PKR in mln)	7,452
NAV	105.7004
Launch Date	14-Jul-2010
Management Fee	10% of gross earning with floor of 0.75% & cap of 1% of the avg. daily Net Asset of the Scheme
Expense Ratio with Levies	0.70%
Expense Ratio without Levies	0.53%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	70% three (3) months PKRV rates + 30% three (3) months average deposit rate of three (3) AA rated scheduled Bank as selected by MUFAP.
Type	Open End
Category	Money Market Scheme
Front end Load	NIL
Back end Load	NIL
AMC Rating	AM2+ (JCR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM [Same day redemption 09:30AM]
Price Mechanism	Backward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 05-Jan-17
Leverage	NIL
Risk	Low
Weighted Average Maturity (Days)	32

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	56.84%	41.85%
T-Bills	31.38%	45.85%
Placement with Banks & DFI	11.26%	12.13%
Others Including Receivables	0.52%	0.17%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	100.00%	100.00%

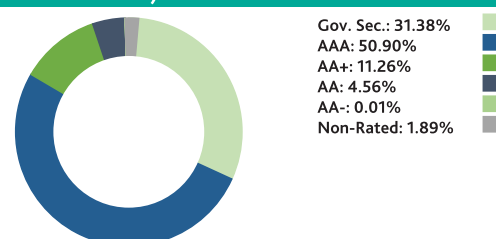
FUND RETURNS*

HBL MMF BENCHMARK

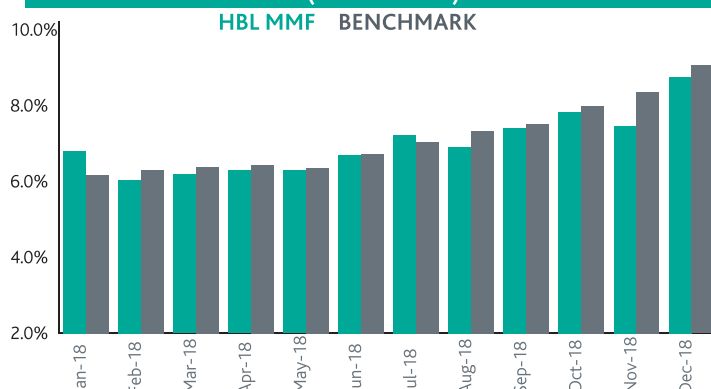
Annualized Return Since Inception	11.22%	7.39%
Year to Date Annualized Return	7.12%	7.36%
Calendar Year to Date Annualized Return	6.40%	6.45%
1 Month Annualized Return	8.44%	8.83%
3 Month Annualized Return	7.60%	8.10%
6 Month Annualized Return	7.12%	7.36%
1 Year Annualized Return	6.40%	6.45%
3 Years Annualized Return	6.29%	5.73%
5 Years Annualized Return	7.67%	6.37%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

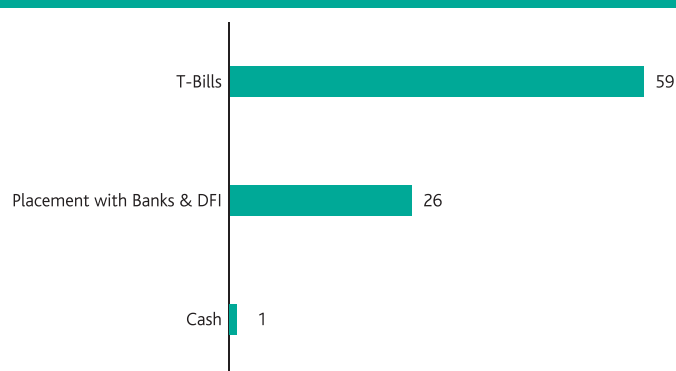
ASSET QUALITY (% Total Assets)



HBL MMF vs BENCHMARK (MoM Returns)



WEIGHTED AVERAGE MATURITY



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INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity. The Fund will aim to maximize returns through efficient utilization of investment and liquidity management tools.

FUND MANAGER'S COMMENTS

The fund earned an annualized return of 8.62% against the benchmark return of 8.83%. On CYTD basis, fund posted an annualized return of 6.52% compared to benchmark return of 6.45% and ranked among the top performing funds in cash fund category. During the month, fund increased its exposure in Bank deposits (37.20%) and placements with Banks & DFIs (21.75%) while offloading the exposure in Treasury Bills (36.17% of total assets). Fund size stood at PKR 10,314 million and weighted average time to maturity of the fund increased to 48 days from 24 days due to portfolio reallocation to higher return avenues.

Going forward, we expect returns to remain competitive due to extensive placements in deposits at highly attractive rates.

FUND INFORMATION

Net Assets (PKR in mln)	10,314
Net Assets excluding Fund of Funds (PKR in mln)	10,158
NAV	100.9932
Launch Date	13-Dec-2010
Management Fee	7.5% of gross return subject to a floor of 0.50% and a cap of 1% of average annual Net Assets
Expense Ratio with Levies	0.58%
Expense Ratio without Levies	0.42%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	70% three (3) months PKRV rates + 30% three (3) months average deposit rate of three (3) AA rated scheduled Bank as selected by MUFAP.
Type	Open End
Category	Money Market Scheme
Front end Load	Upto 1.00%
Back end Load	NIL
AMC Rating	AM2+ (JCR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM [Same day redemption 09:30AM]
Price Mechanism	Backward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 05-Jan-17
Leverage	NIL
Risk	Low
Weighted Average Maturity (Days)	48

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

ASSET ALLOCATION (% of Total Assets)

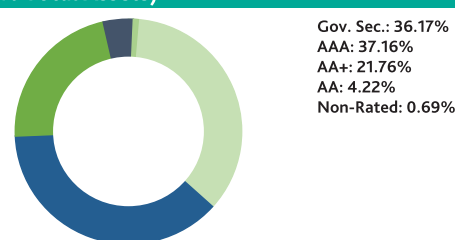
	Dec-18	Nov-18
Cash	37.20%	19.63%
T-Bills	36.17%	53.88%
Commercial Paper	4.22%	5.29%
Placement with Banks & DFI	21.75%	17.79%
Others Including Receivables	0.66%	3.41%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	98.48%	98.74%

FUND RETURNS*

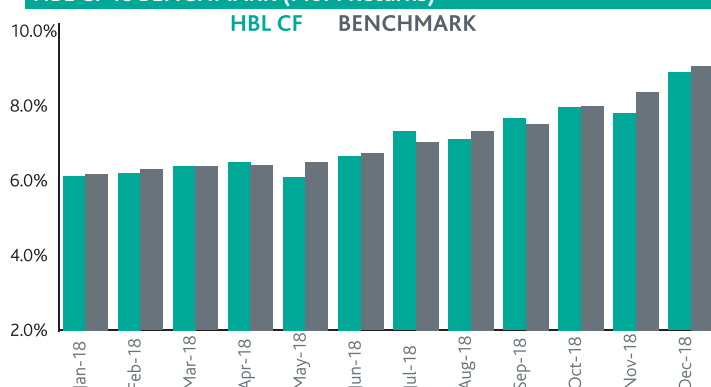
	HBL CF	BENCHMARK
Annualized Return Since Inception	11.50%	6.86%
Year to Date Annualized Return	7.37%	7.36%
Calendar Year to Date Annualized Return	6.52%	6.45%
1 Month Annualized Return	8.62%	8.83%
3 Month Annualized Return	7.86%	8.10%
6 Month Annualized Return	7.37%	7.36%
1 Year Annualized Return	6.52%	6.45%
3 Years Annualized Return	6.85%	5.41%
5 Years Annualized Return	8.66%	5.84%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

ASSET QUALITY (% Total Assets)

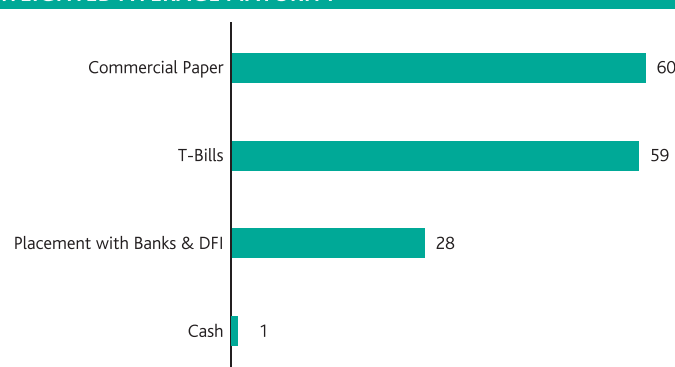


HBL CF vs BENCHMARK (MoM Returns)



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

WEIGHTED AVERAGE MATURITY



FUND MANAGER'S REPORT

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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 COMMENTS

The fund posted an annualized return of 9.13% against the benchmark return of 10.63%. Fund size decreased slightly to PKR 2,040 million from 2,092 million in November 2018. During the month, exposure in TFCs was maintained at 45.68% of total assets due to dismal trading activity in the secondary market for fixed income instruments. Investment in bank deposits (DPA) was increased to 52.63% of total assets compared to 46.17% in last month due to higher bank rates being offered on account of year end. Weighted average time to maturity of the fund slightly reduced to 848 days compared to 851 days in November 2018.

Going forward, we anticipate returns to improve further due to coupon resetting of major TFC portfolio incorporated recent increase of 150 bps in discount rate.

FUND INFORMATION

Net Assets (PKR in mln)	2,040
Net Assets excluding Fund of Funds (PKR in mln)	1,973
NAV	109.6712
Launch Date	17-Mar-2007
Management Fee	12.5% of gross earning with floor of 1.25% & cap of 1.50% of the avg. daily Net Asset of the scheme
Expense Ratio with Levies	1.06%
Expense Ratio without Levies	0.86%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Six (6) months KIBOR average
Type	Open End
Category	Income Scheme
Front end Load	Upto 1.50%
Back end Load	NIL
AMC Rating	AM2+ (JCR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A(f) (JCR VIS) 01-Nov-2017
Leverage	NIL
Risk	Moderate
Weighted Average Maturity (Days)	848

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	52.63%	46.17%
TFCs / Sukuks	45.68%	45.62%
Others Including Receivables	1.69%	8.21%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	96.73%	96.83%

FUND RETURNS*

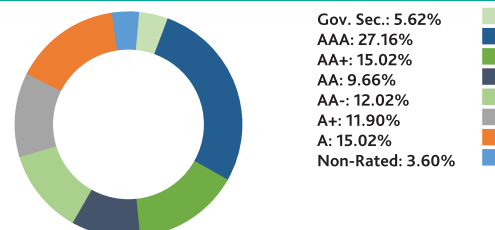
	HBL IF	BENCHMARK
Annualized Return Since Inception	14.63%	10.01%
Year to Date Annualized Return	7.28%	8.96%
Calendar Year to Date Annualized Return	6.49%	7.76%
1 Month Annualized Return	9.13%	10.63%
3 Month Annualized Return	8.71%	9.98%
6 Month Annualized Return	7.28%	8.96%
1 Year Annualized Return	6.49%	7.76%
3 Years Annualized Return	5.65%	6.70%
5 Years Annualized Return	8.74%	7.51%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

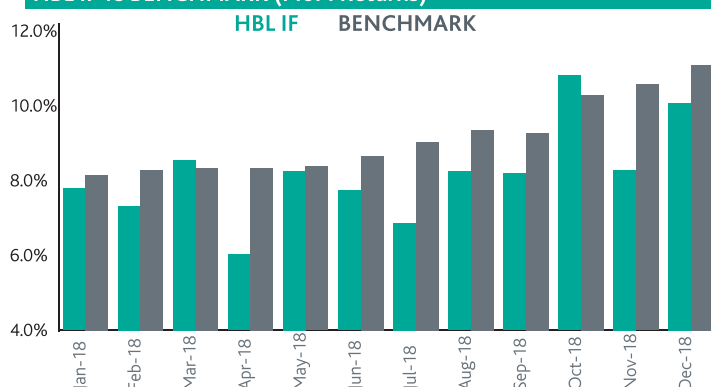
INVESTMENT COMMITTEE

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Muhammad Imran	Chief Investment Officer
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

ASSET QUALITY (% Total Assets)



HBL IF vs BENCHMARK (MoM Returns)



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TOP TEN HOLDINGS TFCs/SUKUKS (% of Total Assets)

Dawood Hercules Corp. Ltd. Sukuk I	11.16%
The Bank of Punjab Ltd.	9.65%
JS Bank Ltd. TFC II	9.44%
Water & Power Development Authority (WAPD)	5.62%
Jahangir Siddiqui & Co. Ltd. TFC XI	2.38%
JSCL/TFC/180717	1.90%
JS Bank Ltd. TFC I	1.78%
TPL Corp. Ltd. TFC	1.59%
Jahangir Siddiqui & Co. Ltd. TFC IX	1.48%
Ghani Gases Ltd. Sukuk	0.68%

INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide consistent returns to its investors through active investments in a blend of short, medium and long term securities issued and / or guaranteed by Government of Pakistan. The Fund will aim to provide superior risk adjusted returns through active duration and liquidity management tools.

FUND MANAGER'S COMMENTS

The fund earned an annualized return of 9.59% compared to the benchmark return of 10.49%. On CYTD basis, HBL GSF is ranked as the best performing fund in peer's comparison with 6.51% return. HBL Government Securities Fund maintained 70% of net assets in government securities (on monthly average basis) to comply with regulatory requirement, however at month end exposure in T-Bills were minimized to get maximum benefit of high rate DPA accounts on year end. Weighted average time to maturity of the portfolio reduced to 16 days compared to 12 days in last month.

Going ahead, we expect government will shift their maturity profile to medium and long term instruments, this will offer the fund an opportunity to book the assets at higher yield along with increasing the trading opportunities in PIBs to boost the fund return.

FUND INFORMATION

Net Assets (PKR in mln)	209
Net Assets excluding Fund of Funds (PKR in mln)	209
NAV	109.8533
Launch Date	23-Jul-2010
Management Fee	12.5% of Gross Earning with floor of 1% & cap of 1.25% of the avg. daily Net Assets of the Fund
Expense Ratio with Levies	1.09%
Expense Ratio without Levies	0.89%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	Six (6) months PKRV rates
Type	Open End
Category	Sovereign Income Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (JCR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A+(f)(JCR VIS) 15-Jan-2018
Leverage	NIL
Risk	Moderate
Weighted Average Maturity (Days)	16

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	74.85%	86.93%
MTS / Spread Transaction	0.79%	0.12%
T-Bills	0.34%	0.18%
Commercial Paper	21.97%	11.56%
Others Including Receivables	2.05%	1.21%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	100.00%	100.00%

FUND RETURNS*

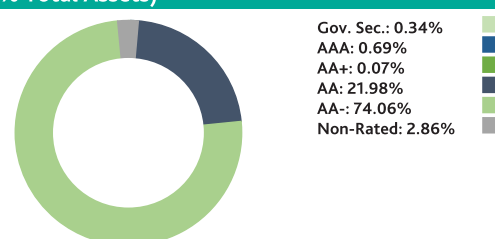
	HBL GSF	BENCHMARK
Annualized Return Since Inception	12.41%	8.92%
Year to Date Annualized Return	7.84%	8.72%
Calendar Year to Date Annualized Return	6.51%	7.56%
1 Month Annualized Return	9.59%	10.49%
3 Month Annualized Return	8.26%	9.70%
6 Month Annualized Return	7.84%	8.72%
1 Year Annualized Return	6.51%	7.56%
3 Years Annualized Return	6.57%	6.49%
5 Years Annualized Return	8.94%	7.28%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

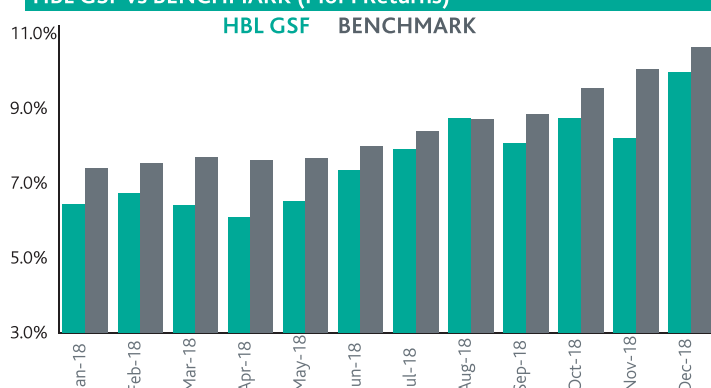
INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
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ASSET QUALITY (% Total Assets)

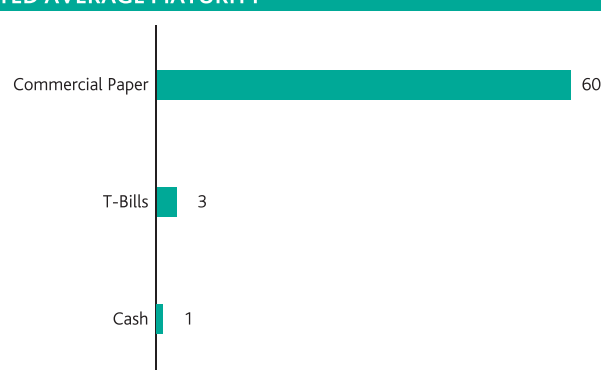


HBL GSF vs BENCHMARK (MoM Returns)



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WEIGHTED AVERAGE MATURITY



FUND MANAGER'S REPORT

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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, money market instruments, etc.

FUND MANAGER'S COMMENTS

The fund posted a return of negative 5.66% during the month an underperformance of 127 bps compared to the benchmark return of negative 4.39%. The month of December proved to be the worst month in terms of return as KSE-100 index dropped a massive 3,429 points depicting a -8.47% MoM return to close the second consecutive year in red, a feat attained after almost 24 years. The major reasons for the massive decline in December were 1) Higher than expected hike (150 bps) in Policy rate by the SBP 2) Further Weakening (5% in December) of the Rupee against the Dollar 3) No development on the IMF front. The sentiment in the market was so dampened that the announcement of USD 3bn from UAE for BOP support failed to excite the investors.

Major contribution in market performance was led by the index heavy-weight banking Sector (-971pts) owing to continued regulatory concerns mainly in HBL & UBL (down by 13.2% & 13.3% respectively). E&P sector followed (-719pts) as it contributed negatively during the month primarily due to average 8% decline in International oil prices during the month that came after a substantial 20% drop last month. Foreign selling continued for another month, however the pace slowed down as foreigners offloaded USD 28mn in Dec-18 vs. USD 100mn in the previous month. On the local front, Mutual Funds outpaced foreigners and emerged as the largest sellers in the market, off-loading equities worth USD 35 million. Individuals, Insurance Companies, and Companies absorbed the selling to the tune of USD 23 million, USD 21 million, USD 21 million, respectively. The fund was invested in equities up to 53.22%.

We expect market to consolidate in the short term and believe that majority of the negatives with respect to economy and its repercussions on the corporate earnings are largely incorporated in the market. We continue to favor defensive sectors in the current economic scenario and are constantly focusing on companies with strong earnings prospects.

FUND INFORMATION

Net Assets (PKR in mln)	266
NAV	98.2805
Launch Date	17-Dec-2007
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.68%
Expense Ratio without Levies	1.49%
Selling & Marketing expense	0.08%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Weighted average daily return of KSE-100 and 6M average PKRV rates based on the actual proportion of investment in Equity and Fixed Income/Money Market component
Type	Open End
Category	Balanced Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	Moderate to High

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

TOP TEN TFCs/SUKUKs HOLDINGS (% of Total Assets)

The Bank of Punjab Ltd.	9.44%
Dawood Hercules Corp. Ltd. Sukuk II	1.77%

HBL MAF vs. BENCHMARK (12M Rolling Returns)



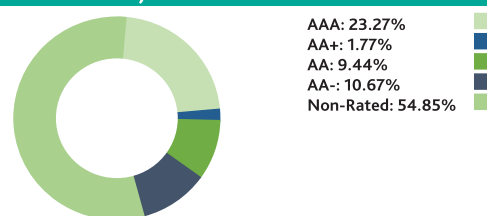
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ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	33.94%	33.69%
Stock / Equities	53.22%	54.27%
TFCs / Sukuks	11.21%	10.17%
Others Including Receivables	1.63%	1.87%

ASSET QUALITY (% Total Assets)



FUND RETURNS* HBL MAF BENCHMARK

Cumulative Return Since Inception	175.75%	139.35%
Year to Date Return (Cumulative)	-6.45%	-4.94%
Calendar Year to Date Return (Cumulative)	-1.98%	-1.75%
1 Month Cumulative Return	-5.66%	-4.39%
3 Month Cumulative Return	-5.66%	-4.39%
6 Month Cumulative Return	-6.45%	-4.94%
1 Year Cumulative Return	-1.98%	-1.75%
3 Year Cumulative Return	10.51%	15.07%
5 Year Cumulative Return	27.48%	39.68%
Standard Deviation**	10.30%	9.15%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

**Calculated on 12Month trailing data.

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Commercial Banks	15.12%	15.74%
Oil & Gas Exploration Companies	12.48%	12.68%
Fertilizer	8.81%	7.69%
Power Generation & Distribution	4.88%	4.08%
Oil & Gas Marketing Companies	3.09%	2.64%
Others	8.84%	11.44%

TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	4.52%
Pakistan Petroleum Ltd	3.62%
Oil & Gas Development Co Ltd	3.55%
Mari Petroleum Company Ltd	3.26%
Hub Power Company Ltd	3.26%
Habib Bank Ltd	3.15%
United Bank Limited	3.12%
MCB Bank Ltd	2.90%
Lucky Cement Ltd	2.60%
Bank Al-Habib Limited	2.48%

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 COMMENTS

The fund posted a return of negative 9.64% during the month an outperformance of 111 bps compared to the benchmark return of negative 10.75%. The month of December proved to be the worst month in terms of return as KSE-100 index dropped a massive 3,429 points depicting a -8.47% MoM return to close the second consecutive year in red, a feat attained after almost 24 years. The major reasons for the massive decline in December were 1) Higher than expected hike (150 bps) in Policy rate by the SBP 2) Further Weakening (5% in December) of the Rupee against the Dollar 3) No development on the IMF front. The sentiment in the market was so dampened that the announcement of USD 3bn from UAE for BOP support failed to excite the investors.

Major contribution in market performance was led by the index heavy-weight banking Sector (-971pts) owing to continued regulatory concerns mainly in HBL & UBL (down by 13.2% & 13.3% respectively). E&P sector followed (-719pts) as it contributed negatively during the month primarily due to average 8% decline in International oil prices during the month that came after a substantial 20% drop last month. Foreign selling continued for another month, however the pace slowed down as foreigners offloaded USD 28mn in Dec-18 vs. USD 100mn in the previous month. On the local front, Mutual Funds outpaced foreigners and emerged as the largest sellers in the market, off-loading equities worth USD 35 million. Individuals, Insurance Companies, and Companies absorbed the selling to the tune of USD 23 million, USD 21 million, USD 21 million, respectively. The fund was invested in equities up to 77.89%.

We expect market to consolidate in the short term and believe that majority of the negatives with respect to economy and its repercussions on the corporate earnings are largely incorporated in the market. We continue to favor defensive sectors in the current economic scenario and are constantly focusing on companies with strong earnings prospects.

FUND INFORMATION

Net Assets (PKR in mln)	3,354
Net Assets excluding Fund of Funds (PKR in mln)	3,150
NAV	94.7188
Launch Date	31-Aug-2007
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.75%
Expense Ratio without Levies	1.57%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE-30 (Total Return Index)
Type	Open End
Category	Equity Scheme
Front end Load	Upto 2.50%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	13.30%	9.27%
Stock / Equities	77.89%	88.88%
Others Including Receivables	8.81%	1.85%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	93.92%	94.82%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Commercial Banks	25.21%	28.77%
Oil & Gas Exploration Companies	17.09%	19.21%
Fertilizer	10.06%	9.27%
Power Generation & Distribution	7.33%	7.95%
Oil & Gas Marketing Companies	4.05%	5.11%
Others	14.15%	18.57%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*

	HBL SF	BENCHMARK
Cumulative Return Since Inception	172.24%	195.36%
Year to Date Return (Cumulative)	-11.53%	-13.99%
Calendar Year to Date Return (Cumulative)	-7.14%	-10.29%
1 Month Cumulative Return	-9.64%	-10.75%
3 Month Cumulative Return	-10.45%	-12.30%
6 Month Cumulative Return	-11.53%	-13.99%
1 Year Cumulative Return	-7.14%	-10.29%
3 Year Cumulative Return	3.33%	7.63%
5 Year Cumulative Return	19.27%	39.82%
Standard Deviation**	16.01%	18.23%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)
**Calculated on 12Month trailing data.

HBL SF vs. BENCHMARK (12M Rolling Returns)



TOP TEN HOLDINGS (% of Total Assets)

United Bank Limited	6.32%
Engro Corporation Ltd	6.27%
Hub Power Company Ltd	5.51%
Pakistan Petroleum Ltd	5.27%
Bank Al-Habib Limited	5.17%
Oil & Gas Development Co Ltd	4.76%
Mari Petroleum Company Ltd	4.36%
Bank Al-Falah Ltd	3.45%
MCB Bank Ltd	3.31%
Habib Bank Ltd	3.26%

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

FUND MANAGER'S REPORT

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INVESTMENT OBJECTIVE

The 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 COMMENTS

The fund posted a return of -10.10% during Dec-18 outperforming the KSE30TR index by 0.65%. The benchmark KSE-100 index remained under pressure throughout the month closing at 37,067pts (-3,429pts MoM) down 8.47% on a MoM basis. The steep deterioration in December can primarily be attributed to the continued macroeconomic uncertainty, tightening policies with a higher than expected 150 bps hike in the policy rate, further weakening of PKR/US parity, further delay in the IMF programme and dwindling international oil prices. During the month, market performance was broadly driven by Commercial Banks and E&P stocks causing an attrition of 970pts and 719pts respectively. HBL and UBL declined 13.2% and 13.3% respectively owing to continued regulatory concerns and possibility of foreign exchange losses in HBL following 3.3% depreciation in PKR on the last day of Nov-18. Average international oil prices continued to slide during the outgoing month, falling 8% MoM. This led to steep losses in E&P stocks where OGDCL and PPL fell 11.6%. Foreigners remained net sellers during the month divesting equities worth USD28mn taking cumulative FIPI outflow during the outgoing CY18 to USD537mn.

Moving ahead, we believe that market performance will be driven by index heavyweights (Banks and E&Ps) as reversal in International Oil prices, higher than expected interest rate hike and PKR Depreciation would bode well for these sectors. Thus, we maintain our focus on "bottom-up" strategy and stocks with strong earnings potential. At the end of the month, your fund was 83.63% invested in equities.

FUND INFORMATION

Net Assets (PKR in mln)	834
NAV	12.4186
Launch Date***	25-Jun-2013
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.70%
Expense Ratio without Levies	1.50%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	KSE-30 (Total Return)
Type	Open End
Category	Equity Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

***Conversion from Closed-End to Open-End Fund

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	15.57%	12.06%
Stock / Equities	83.63%	87.42%
Others Including Receivables	0.80%	0.52%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Exploration Companies	45.77%	46.39%
Oil & Gas Marketing Companies	22.40%	26.38%
Power Generation & Distribution	15.46%	14.65%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*

	HBL EF	BENCHMARK
Cumulative Return Since Inception	40.73%	67.31%
Year to Date Return (Cumulative)	-15.44%	-13.99%
Calendar Year to Date Return (Cumulative)	-12.34%	-10.29%
1 Month Cumulative Return	-10.10%	-10.75%
3 Month Cumulative Return	-13.12%	-12.30%
6 Month Cumulative Return	-15.44%	-13.99%
1 Year Cumulative Return	-12.34%	-10.29%
3 Year Cumulative Return	12.33%	7.63%
5 Year Cumulative Return	24.99%	39.82%
Standard Deviation**	15.52%	18.23%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

**Calculated on 12Month trailing data.

HBL EF vs. BENCHMARK (12M Rolling Returns)



TOP TEN HOLDINGS (% of Total Assets)

Oil & Gas Development Co Ltd	13.58%
Pakistan Petroleum Ltd	12.26%
Mari Petroleum Company Ltd	12.00%
Pakistan State Oil Company Ltd	11.65%
Hub Power Company Ltd	8.53%
Pakistan Oilfields Ltd	7.93%
Sui Northern Gas Pipeline Ltd	5.73%
K-Electric Limited	4.84%
Hascol Petroleum Ltd	2.88%
Attock Petroleum Ltd	2.14%

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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 COMMENTS

The fund posted a return of negative 9.30% during the month an underperformance of 83 bps compared to the benchmark return of negative 8.47%. The month of December proved to be the worst month in terms of return as KSE-100 index dropped a massive 3,429 points depicting a -8.47% MoM return to close the second consecutive year in red, a feat attained after almost 24 years. The major reasons for the massive decline in December were 1) Higher than expected hike (150 bps) in Policy rate by the SBP 2) Further Weakening (5% in December) of the Rupee against the Dollar 3) No development on the IMF front. The sentiment in the market was so dampened that the announcement of USD 3bn from UAE for BOP support failed to excite the investors.

Major contribution in market performance was led by the index heavy-weight banking Sector (-971pts) owing to continued regulatory concerns mainly in HBL & UBL (down by 13.2% & 13.3% respectively). E&P sector followed (-719pts) as it contributed negatively during the month primarily due to average 8% decline in International oil prices during the month that came after a substantial 20% drop last month. Foreign selling continued for another month, however the pace slowed down as foreigners offloaded USD 28mn in Dec-18 vs. USD 100mn in the previous month. On the local front, Mutual Funds outpaced foreigners and emerged as the largest sellers in the market, off-loading equities worth USD 35 million. Individuals, Insurance Companies, and Companies absorbed the selling to the tune of USD 23 million, USD 21 million, USD 21 million, respectively. The fund was invested in equities up to 87.30%.

We expect market to consolidate in the short term and believe that majority of the negatives with respect to economy and its repercussions on the corporate earnings are largely incorporated in the market. We continue to favor defensive sectors in the current economic scenario and are constantly focusing on companies with strong earnings prospects.

FUND INFORMATION

Net Assets (PKR in mln)	270
Net Assets excluding Fund of Funds (PKR in mln)	270
NAV	98.7442
Launch Date	26-Sep-2011
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.96%
Expense Ratio without Levies	1.74%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	KSE 100 Index
Type	Open End
Category	Equity Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	10.20%	9.45%
Stock / Equities	87.30%	86.91%
Others Including Receivables	2.50%	3.64%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Commercial Banks	28.23%	28.27%
Oil & Gas Exploration Companies	18.75%	18.75%
Fertilizer	10.98%	9.53%
Power Generation & Distribution	7.95%	7.76%
Oil & Gas Marketing Companies	4.66%	4.91%
Others	16.73%	17.69%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*

	HBL EQF	BENCHMARK
Cumulative Return Since Inception	185.16%	221.45%
Year to Date Return (Cumulative)	-10.61%	-11.56%
Calendar Year to Date Return (Cumulative)	-5.84%	-8.41%
1 Month Cumulative Return	-9.30%	-8.47%
3 Month Cumulative Return	-9.69%	-9.59%
6 Month Cumulative Return	-10.61%	-11.56%
1 Year Cumulative Return	-5.84%	-8.41%
3 Year Cumulative Return	7.56%	12.95%
5 Year Cumulative Return	41.61%	46.73%
Standard Deviation**	15.89%	16.11%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

**Calculated on 12Month trailing data.

HBL EQF vs. BENCHMARK (12M Rolling Returns)



TOP TEN HOLDINGS (% of Total Assets)

United Bank Limited	6.75%
Engro Corporation Ltd	6.47%
Hub Power Company Ltd	5.79%
Bank Al-Habib Limited	5.76%
Pakistan Petroleum Ltd	5.67%
Oil & Gas Development Co Ltd	5.41%
Mari Petroleum Company Ltd	4.87%
Habib Bank Ltd	3.97%
MCB Bank Ltd	3.95%
Lucky Cement Ltd	3.90%

FUND MANAGER'S REPORT

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INVESTMENT OBJECTIVE

The objective of HBL Growth Fund is to maximize the wealth of the unit holders by investing primarily in listed equities in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

FUND MANAGER'S COMMENTS

The fund posted a return of -14.42% during Dec-18 as SNGP (down 3.20%) and PSO (down -16.1%) experienced sharp drops. The benchmark KSE-100 index remained under pressure throughout the month closing at 37,067pts (-3,429pts MoM) down 8.47% on a MoM basis. The steep deterioration in December can primarily be attributed to the continued macroeconomic uncertainty, tightening policies with a higher than expected 150 bps hike in the policy rate, further weakening of PKR/US parity, further delay in the IMF programme and dwindling international oil prices. During the month, market performance was broadly driven by Commercial Banks and E&P stocks causing an attrition of 970pts and 719pts respectively. HBL and UBL declined 13.2% and 13.3% respectively owing to continued regulatory concerns and possibility of foreign exchange losses in HBL following 3.3% depreciation in PKR on the last day of Nov-18. Average international oil prices continued to slide during the outgoing month, falling 8% MoM. This led to steep losses in E&P stocks where OGDCL and PPL fell 11.6%. Foreigners remained net sellers during the month divesting equities worth USD28mn taking cumulative FIPI outflow during the outgoing CY18 to USD537mn.

Moving ahead, we believe that market performance will be driven by index heavyweights (Banks and E&Ps) as reversal in International Oil prices, higher than expected interest rate hike and PKR Depreciation would bode well for these sectors. Thus, we maintain our focus on "bottom-up" strategy and stocks with strong earnings potential. At the end of the month, your fund was 96.56% invested in equities with all of it in the frozen portfolio.

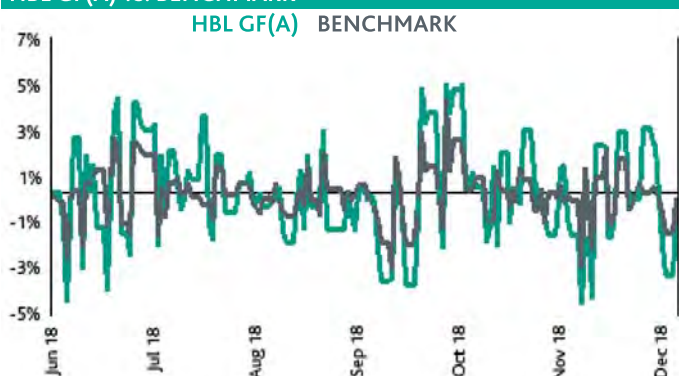
FUND INFORMATION

Net Assets (PKR in mln)	6,091
NAV	21.4836
Launch Date***	02-Jul-2018
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.50%
Expense Ratio without Levies	1.32%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE 100 Index
Type	Open End (Frozen)
Category	Equity Scheme
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

***Conversion from Closed-End to Open-End Fund

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

HBL GF(A) vs. BENCHMARK


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ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	3.34%	3.06%
Stock / Equities	96.56%	96.88%
Others Including Receivables	0.10%	0.06%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Marketing Companies	96.56%	96.88%

FUND RETURNS*
HBL GF(A) BENCHMARK

Cumulative Return Since Inception	-15.78%	-11.56%
Year to Date Return (Cumulative)	-15.78%	-11.56%
Calendar Year to Date Return (Cumulative)	N/A	N/A
1 Month Cumulative Return	-14.42%	-8.47%
3 Month Cumulative Return	-13.99%	-9.59%
6 Month Cumulative Return	-15.78%	-11.56%
1 Year Cumulative Return	N/A	N/A
3 Year Cumulative Return	N/A	N/A
5 Year Cumulative Return	N/A	N/A
Standard Deviation**	N/A	N/A

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)
 **Calculated on 12Month trailing data.

TOP TEN HOLDINGS (% of Total Assets)

Pakistan State Oil Company Ltd	84.07%
Sui Northern Gas Pipeline Ltd	12.49%

FUND MANAGER'S REPORT

INVESTMENT OBJECTIVE

The objective of HBL Growth Fund is to maximize the wealth of the unit holders by investing primarily in listed equities in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

FUND MANAGER'S COMMENTS

The fund posted a return of -9.55% during Dec-18 underperforming the benchmark by 1.08%. The benchmark KSE-100 index remained under pressure throughout the month closing at 37,067pts (-3,429pts MoM) down 8.47% on a MoM basis. The steep deterioration in December can primarily be attributed to the continued macroeconomic uncertainty, tightening policies with a higher than expected 150 bps hike in the policy rate, further weakening of PKR/US parity, further delay in the IMF programme and dwindling international oil prices. During the month, market performance was broadly driven by Commercial Banks and E&P stocks causing an attrition of 970pts and 719pts respectively. HBL and UBL declined 13.2% and 13.3% respectively owing to continued regulatory concerns and possibility of foreign exchange losses in HBL following 3.3% depreciation in PKR on the last day of Nov-18. Average international oil prices continued to slide during the outgoing month, falling 8% MoM. This led to steep losses in E&P stocks where OGDC and PPL fell 11.6%. Foreigners remained net sellers during the month divesting equities worth USD28mn taking cumulative FIPI outflow during the outgoing CY18 to USD537mn.

Moving ahead, we believe that market performance will be driven by index heavyweights (Banks and E&Ps) as reversal in International Oil prices, higher than expected interest rate hike and PKR Depreciation would bode well for these sectors. Thus, we maintain our focus on "bottom-up" strategy and stocks with strong earnings potential. At the end of the month, your fund was 83.21% invested in equities.

FUND INFORMATION

Net Assets (PKR in mln)	4,782
Net Assets excluding Fund of Funds (PKR in mln)	4,782
NAV	17.0063
Launch Date***	02-Jul-2018
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.63%
Expense Ratio without Levies	1.43%
Selling & Marketing expense	0.20%
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	Up to 2.00% [Class C]; Nil [Class B]
Back end Load	Up to 10.00% [Class B]; Nil [Class C]
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

***Conversion from Closed-End to Open-End Fund

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	15.04%	13.73%
Stock / Equities	83.21%	85.34%
Others Including Receivables	1.75%	0.93%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Commercial Banks	27.19%	27.02%
Oil & Gas Exploration Companies	17.51%	18.44%
Fertilizer	10.90%	8.89%
Power Generation & Distribution	6.54%	6.56%
Oil & Gas Marketing Companies	4.94%	5.32%
Others	16.13%	19.11%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*

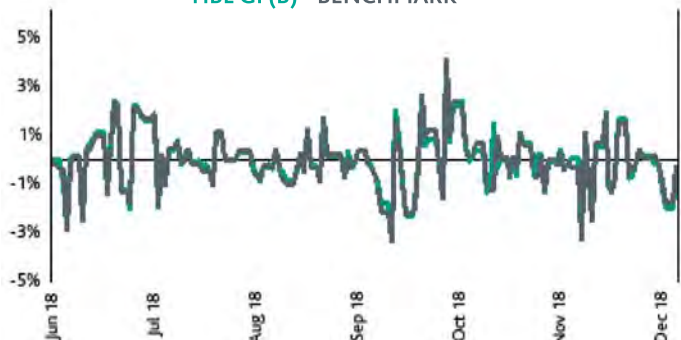
HBL GF(B) BENCHMARK

Cumulative Return Since Inception	-11.43%	-11.56%
Year to Date Return (Cumulative)	-11.43%	-11.56%
Calendar Year to Date Return (Cumulative)	N/A	N/A
1 Month Cumulative Return	-9.55%	-8.47%
3 Month Cumulative Return	-10.44%	-9.59%
6 Month Cumulative Return	-11.43%	-11.56%
1 Year Cumulative Return	N/A	N/A
3 Year Cumulative Return	N/A	N/A
5 Year Cumulative Return	N/A	N/A
Standard Deviation**	N/A	N/A

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)
**Calculated on 12Month trailing data.

HBL GF(B) vs. BENCHMARK

HBL GF(B) BENCHMARK



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

TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	6.57%
United Bank Limited	5.90%
Bank Al-Habib Limited	5.61%
Pakistan Petroleum Ltd	5.48%
Hub Power Company Ltd	5.19%
Oil & Gas Development Co Ltd	4.78%
Mari Petroleum Company Ltd	4.60%
Bank Al-Falah Ltd	4.45%
Habib Bank Ltd	4.12%
Pakistan State Oil Company Ltd	3.67%

FUND MANAGER'S REPORT

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INVESTMENT OBJECTIVE

The objective of HBL Investment Fund is to maximize the wealth of the unit holders by investing primarily in listed equities in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

FUND MANAGER'S COMMENTS

The fund posted a return of -14.84% during Dec-18 as SNGP (down 3.20%) and PSO (down -16.1%) experienced sharp drops. The benchmark KSE-100 index remained under pressure throughout the month closing at 37,067pts (-3,429pts MoM) down 8.47% on a MoM basis. The steep deterioration in December can primarily be attributed to the continued macroeconomic uncertainty, tightening policies with a higher than expected 150 bps hike in the policy rate, further weakening of PKR/US parity, further delay in the IMF programme and dwindling international oil prices. During the month, market performance was broadly driven by Commercial Banks and E&P stocks causing an attrition of 970pts and 719pts respectively. HBL and UBL declined 13.2% and 13.3% respectively owing to continued regulatory concerns and possibility of foreign exchange losses in HBL following 3.3% depreciation in PKR on the last day of Nov-18. Average international oil prices continued to slide during the outgoing month, falling 8% MoM. This led to steep losses in E&P stocks where OGDCL and PPL fell 11.6%. Foreigners remained net sellers during the month divesting equities worth USD28mn taking cumulative FIPI outflow during the outgoing CY18 to USD537mn.

Moving ahead, we believe that market performance will be driven by index heavyweights (Banks and E&Ps) as reversal in International Oil prices, higher than expected interest rate hike and PKR Depreciation would bode well for these sectors. Thus, we maintain our focus on "bottom-up" strategy and stocks with strong earnings potential. At the end of the month, your fund was 96.39% invested in equities with all of it in the frozen portfolio.

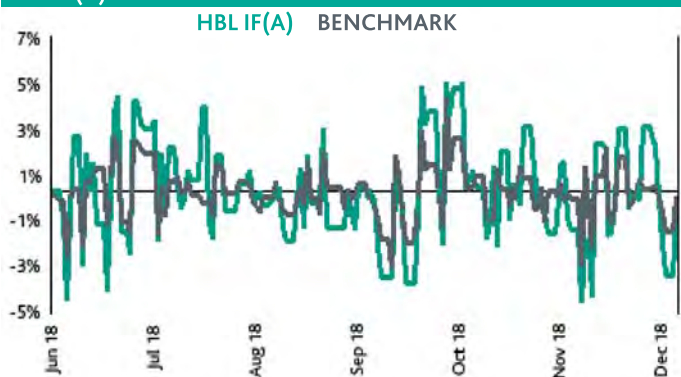
FUND INFORMATION

Net Assets (PKR in mln)	2,184
NAV	7.6872
Launch Date***	02-Jul-2018
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.55%
Expense Ratio without Levies	1.37%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE 100 Index
Type	Open End (Frozen)
Category	Equity Scheme
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

***Conversion from Closed-End to Open-End Fund

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

HBL IF(A) vs. BENCHMARK


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ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	3.52%	3.18%
Stock / Equities	96.39%	96.74%
Others Including Receivables	0.09%	0.08%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Marketing Companies	96.39%	96.74%

FUND RETURNS*
HBL IF(A) BENCHMARK

Cumulative Return Since Inception	-15.43%	-11.56%
Year to Date Return (Cumulative)	-15.43%	-11.56%
Calendar Year to Date Return (Cumulative)	N/A	N/A
1 Month Cumulative Return	-14.84%	-8.47%
3 Month Cumulative Return	-14.01%	-9.59%
6 Month Cumulative Return	-15.43%	-11.56%
1 Year Cumulative Return	N/A	N/A
3 Year Cumulative Return	N/A	N/A
5 Year Cumulative Return	N/A	N/A
Standard Deviation**	N/A	N/A

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

**Calculated on 12Month trailing data.

TOP TEN HOLDINGS (% of Total Assets)

Pakistan State Oil Company Ltd	87.65%
Sui Northern Gas Pipeline Ltd	8.74%

FUND MANAGER'S REPORT

INVESTMENT OBJECTIVE

The objective of HBL Investment Fund is to maximize the wealth of the unit holders by investing primarily in listed equities in the best available opportunities, while considering acceptable risk parameters and applicable rules and regulations.

FUND MANAGER'S COMMENTS

The fund posted a return of -9.60% during Dec-18 underperforming the benchmark by 1.13%. The benchmark KSE-100 index remained under pressure throughout the month closing at 37,067pts (-3,429pts MoM) down 8.47% on a MoM basis. The steep deterioration in December can primarily be attributed to the continued macroeconomic uncertainty, tightening policies with a higher than expected 150 bps hike in the policy rate, further weakening of PKR/US parity, further delay in the IMF programme and dwindling international oil prices. During the month, market performance was broadly driven by Commercial Banks and E&P stocks causing an attrition of 970pts and 719pts respectively. HBL and UBL declined 13.2% and 13.3% respectively owing to continued regulatory concerns and possibility of foreign exchange losses in HBL following 3.3% depreciation in PKR on the last day of Nov-18. Average international oil prices continued to slide during the outgoing month, falling 8% MoM. This led to steep losses in E&P stocks where OGDC and PPL fell 11.6%. Foreigners remained net sellers during the month divesting equities worth USD28mn taking cumulative FIPI outflow during the outgoing CY18 to USD537mn.

Moving ahead, we believe that market performance will be driven by index heavyweights (Banks and E&Ps) as reversal in International Oil prices, higher than expected interest rate hike and PKR Depreciation would bode well for these sectors. Thus, we maintain our focus on "bottom-up" strategy and stocks with strong earnings potential. At the end of the month, your fund was 82.96% invested in equities.

FUND INFORMATION

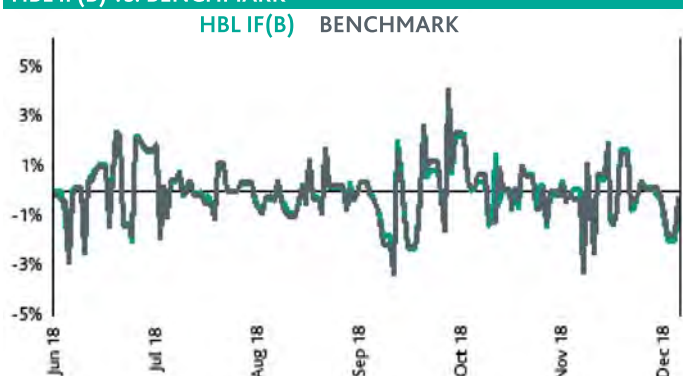
Net Assets (PKR in mln)	2,497
Net Assets excluding Fund of Funds (PKR in mln)	2,497
NAV	8.8907
Launch Date***	02-Jul-2018
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.65%
Expense Ratio without Levies	1.45%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KSE 100 Index
Type	Open End
Category	Equity Scheme
Front end Load	Up to 2.00% [Class C]; Nil [Class B]
Back end Load	Up to 10.00% [Class B]; Nil [Class C]
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

***Conversion from Closed-End to Open-End Fund

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

HBL IF(B) vs. BENCHMARK



FUND MANAGER'S REPORT

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ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	15.24%	13.51%
Stock / Equities	82.96%	85.44%
Others Including Receivables	1.80%	1.05%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Commercial Banks	26.81%	26.95%
Oil & Gas Exploration Companies	17.53%	18.41%
Fertilizer	10.85%	8.86%
Power Generation & Distribution	6.43%	6.52%
Oil & Gas Marketing Companies	4.93%	5.31%
Others	16.41%	19.39%

FUND RETURNS*

	HBL IF(B)	BENCHMARK
Cumulative Return Since Inception	-11.45%	-11.56%
Year to Date Return (Cumulative)	-11.45%	-11.56%
Calendar Year to Date Return (Cumulative)	N/A	N/A
1 Month Cumulative Return	-9.60%	-8.47%
3 Month Cumulative Return	-10.47%	-9.59%
6 Month Cumulative Return	-11.45%	-11.56%
1 Year Cumulative Return	N/A	N/A
3 Year Cumulative Return	N/A	N/A
5 Year Cumulative Return	N/A	N/A
Standard Deviation**	N/A	N/A

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

**Calculated on 12Month trailing data.

TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	6.56%
United Bank Limited	5.78%
Pakistan Petroleum Ltd	5.59%
Bank Al-Habib Limited	5.56%
Hub Power Company Ltd	5.12%
Oil & Gas Development Co Ltd	4.74%
Mari Petroleum Company Ltd	4.56%
Bank Al-Falah Ltd	4.42%
Habib Bank Ltd	3.92%
Pakistan State Oil Company Ltd	3.64%

INVESTMENT OBJECTIVE

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

FUND MANAGER'S COMMENTS

EQUITY SUB FUND: The fund posted a return of -9.51% vs KSE-100 Index return of -8.47% M/M during Dec-18. The equity exposure at the end of the month stood at 91.91%.

DEBT SUB FUND: The Funds return for the month of Dec-18 stood at 6.86% p.a, Fund Increased exposure in bank balance, and decreased exposure in T Bill. Weighted average maturity of the fund stood at 414 days.

MONEY MARKET SUB FUND: The Funds monthly return stood at 7.33% p.a. During the month fund maintained exposure in Bank Balance, Treasury- Bill and Commercial Paper. Weighted average maturity of the fund stood at 33 days

FUND INFORMATION

Launch Date	16-Dec-2011
Management Fee	1.50% p.a.
Trustee	Central Depository Co. of Pakistan
Auditor	KPMG Taseer Hadi & Co.
Category	Pensions Scheme
Front end Load	Upto 3.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	Investor Dependent

RELATED INFORMATION

	MMSF	DSF	ESF
Net Assets (PKR in mln)	166	174	219
NAV	151.8849	163.7395	330.4818
WAM (Days)	33	414	N/A

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

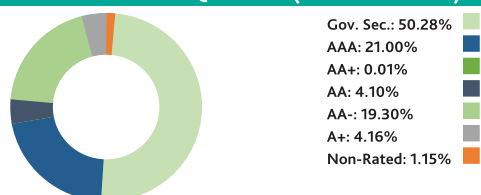
FUND RETURNS*

	MMSF	DSF	ESF
Cumulative Return Since Inception	7.36%	9.04%	230.48%
Year to Date Return (Cumulative)	6.22%	5.22%	-9.78%
Calendar Year to Date Return (Cumulative)	5.33%	4.79%	-4.94%
1 Month Cumulative Return	7.33%	6.86%	-9.51%
3 Month Cumulative Return	6.77%	6.45%	-9.75%
6 Month Cumulative Return	6.22%	5.22%	-9.78%
1 Year Cumulative Return	5.33%	4.79%	-4.94%
3 Year Cumulative Return	4.87%	5.21%	10.12%
5 Year Cumulative Return	5.95%	7.79%	57.01%
Standard Deviation**	1.12%	1.44%	16.47%

*Funds returns computed on NAV to NAV (excluding sales load if any)

**Calculated on 12Month trailing data.

MONEY MARKET SUB-FUND ASSET QUALITY (% Total Assets)



ASSET ALLOCATION (% of Total Assets)

Money Market Sub-Fund	Dec-18	Nov-18
Cash	40.61%	38.48%
T-Bills	50.28%	51.74%
Commercial Paper	7.97%	8.79%
Others Including Receivables	1.14%	0.99%

Debt Sub Fund

	Dec-18	Nov-18
Cash	19.24%	2.97%
TFCs / Sukuks	25.48%	25.45%
T-Bills	46.85%	63.35%
Commercial Paper	6.96%	6.90%
PIBs	0.03%	0.03%
Others Including Receivables	1.44%	1.30%

Equity Sub Fund

	Dec-18	Nov-18
Cash	8.02%	9.30%
Stock / Equities	91.91%	90.34%
Others Including Receivables	0.07%	0.36%

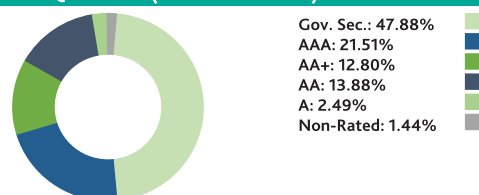
SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Commercial Banks	28.73%	27.27%
Oil & Gas Exploration Companies	21.35%	19.03%
Fertilizer	12.30%	10.15%
Textile Composite	6.65%	4.96%
Power Generation & Distribution	5.10%	6.16%
Others	17.78%	22.77%

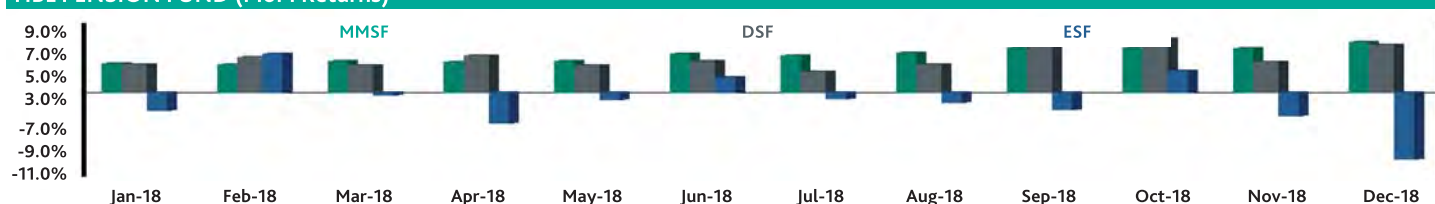
TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	7.29%
United Bank Limited	6.48%
Bank Al-Habib Limited	6.16%
Oil & Gas Development Co Ltd	6.08%
Pakistan Petroleum Ltd	5.80%
Mari Petroleum Company Ltd	5.35%
MCB Bank Ltd	5.09%
Nishat Mills Ltd	4.47%
Bank Al-Falah Ltd	4.22%
Pakistan Oilfields Ltd	4.12%

DEBT SUB-FUND ASSET QUALITY (% Total Assets)



HBL PENSION FUND (MoM Returns)



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INVESTMENT OBJECTIVE

To generate returns on Investment as per the respective Allocation Plan by investing in Mutual Funds in line with the risk tolerance of the Investor.

FUND MANAGER'S COMMENTS

CONSERVATIVE ALLOCATION PLAN: The plan posted a return of -1.35% during the month under review against the benchmark return of -1.13%.

ACTIVE ALLOCATION PLAN: The plan posted a return of -6.06% during the month under review against the benchmark return of -5.09%.

STRATEGIC ALLOCATION PLAN: The plan posted a return of -5.08% during the month under review against the benchmark return of -4.13%.

FUND INFORMATION

Launch Date	10-Oct-2017
Management Fee	NIL (1.0% p.a. Management Fee will be charged if investment is made in funds other than HBL Asset Management)
Listing	Pakistan Stock Exchange
Trustee	MCB Financial Services Limited (MCB FSL)
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	Weighted Avg. Daily Return of KSE-100 Index, 6M KIBOR and 3M PKRV (70%) & 3M deposit avg.rate of three AA rated banks (30%)
Type	Open End
Category	Fund of Funds Scheme
Front end Load	Upto 2.00%
Back end Load	SAP:(1% for 1 Year and 0.5% thereon)
AMC Rating	AM2+ (JCR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	Investor Dependent (Medium to High)

RELATED INFORMATION

	CAP	AAP	SAP
Net Assets (PKR in mln)	67	172	192
NAV	104.1590	95.8727	97.2577
Expense Ratio with Levies	0.32%	0.26%	0.36%
Expense Ratio without Levies	0.25%	0.21%	0.31%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

ASSET ALLOCATION (% of Total Assets)

CAP	Dec-18	Nov-18
Cash	1.23%	0.40%
Fixed Income Funds	79.49%	79.14%
Equity Funds	17.87%	19.65%
Others Including Receivables	1.41%	0.81%
AAP		
Cash	0.97%	0.71%
Fixed Income Funds	41.42%	27.60%
Equity Funds	56.95%	71.08%
Others Including Receivables	0.66%	0.61%
SAP		
Cash	0.02%	0.03%
Fixed Income Funds	50.97%	39.59%
Equity Funds	48.71%	60.05%
Others Including Receivables	0.30%	0.33%

FUND RETURNS*

	CAP	BENCHMARK
Cumulative Return Since Inception	4.16%	4.66%
Year to Date Return (Cumulative)	0.38%	0.67%
Calendar Year to Date Return (Cumulative)	3.26%	3.72%
1 Month Cumulative Return	-1.35%	-1.13%
3 Month Cumulative Return	-0.58%	-0.25%
6 Month Cumulative Return	0.38%	0.67%
1 Year Cumulative Return	3.26%	3.72%

FUND RETURNS*

	AAP	BENCHMARK
Cumulative Return Since Inception	-4.13%	-3.59%
Year to Date Return (Cumulative)	-6.60%	-5.90%
Calendar Year to Date Return (Cumulative)	-5.28%	-4.97%
1 Month Cumulative Return	-6.06%	-5.09%
3 Month Cumulative Return	-6.41%	-5.36%
6 Month Cumulative Return	-6.60%	-5.90%
1 Year Cumulative Return	-5.28%	-4.97%

FUND RETURNS*

	SAP	BENCHMARK
Cumulative Return Since Inception	-2.74%	-1.08%
Year to Date Return (Cumulative)	-5.14%	-4.01%
Calendar Year to Date Return (Cumulative)	-3.72%	-2.50%
1 Month Cumulative Return	-5.08%	-4.13%
3 Month Cumulative Return	-5.16%	-4.07%
6 Month Cumulative Return	-5.14%	-4.01%
1 Year Cumulative Return	-3.72%	-2.50%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load)

FUND MANAGER'S REPORT

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Islamic Funds

INVESTMENT OBJECTIVE

The objective of HBL Islamic Money Market Fund is to seek high liquidity, competitive return and maximum possible preservation of capital for investors by investment in low risk Shariah Compliant securities.

FUND MANAGER'S COMMENTS

The fund earned an annualized return of 8.54% compared to the return of 6.66% in last month and 3.19% against the benchmark return. Fund returns improved as we negotiated better rates with Islamic banks due to year end phenomena. On YTD basis, HBL IMMIF yielded an annualized return of 6.60%, showing an outperformance of 379 bps over the benchmark. During the month, fund size increased by 13.50% to close at PKR 967 million compared to PKR 852 million in November 2018. The fund maintained its exposure in commercial papers to 12.14% of total assets while remaining 87.07% of the fund was maintained in Daily Product account with Islamic Banks.

Going forward, we expect returns to remain competitive due to placement of funds at higher rates

FUND INFORMATION

Net Assets (PKR in mln)	967
Net Assets excluding Fund of Funds (PKR in mln)	967
NAV	104.1794
Launch Date	10-May-2011
Management Fee	10% of gross earning with floor of 0.75% and cap of 1% of the avg. daily Net Asset of the scheme
Expense Ratio with Levies	0.77%
Expense Ratio without Levies	0.60%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Three months average deposit rates of three (3) AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP
Type	Open End
Category	Islamic Money Market Scheme
Front end Load	NIL
Back end Load	NIL
AMC Rating	AM2+ (JCR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM [Same day redemption 09:30AM]
Price Mechanism	Backward Pricing
Fund Stability Rating	AA(f) (JCR VIS) 05-Jan-2017
Leverage	NIL
Risk	Low
Weighted Average Maturity (Days)	8

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

ASSET ALLOCATION (% of Total Assets)

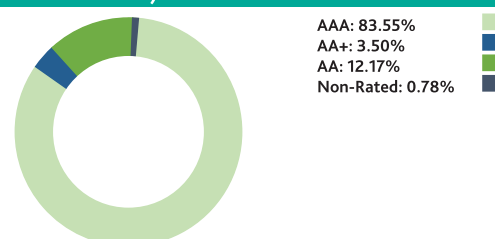
	Dec-18	Nov-18
Cash	87.07%	85.65%
Commercial Paper	12.14%	13.67%
Others Including Receivables	0.79%	0.68%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	100.00%	100.00%

FUND RETURNS*

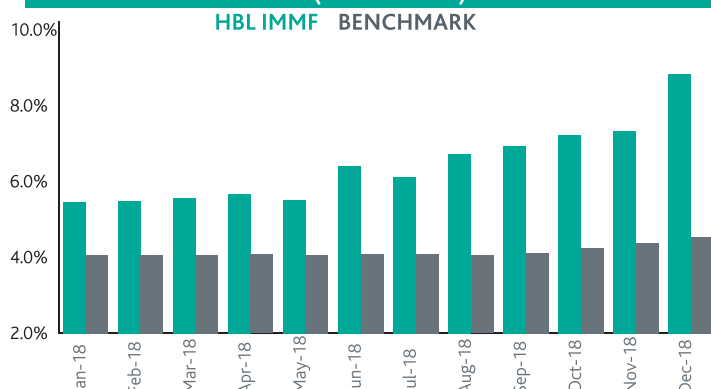
	HBL IMMIF	BENCHMARK
Annualized Return Since Inception	8.12%	5.44%
Year to Date Annualized Return	6.60%	2.81%
Calendar Year to Date Annualized Return	5.68%	2.70%
1 Month Annualized Return	8.54%	3.19%
3 Month Annualized Return	7.32%	3.00%
6 Month Annualized Return	6.60%	2.81%
1 Year Annualized Return	5.68%	2.70%
3 Years Annualized Return	4.81%	3.27%
5 Years Annualized Return	5.82%	4.54%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

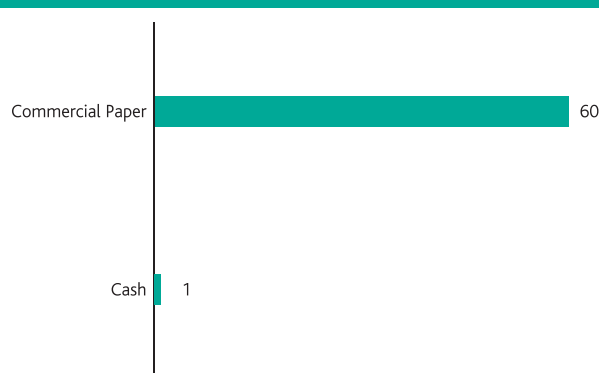
ASSET QUALITY (% Total Assets)



HBL IMMIF vs BENCHMARK (MoM Returns)



WEIGHTED AVERAGE MATURITY



FUND MANAGER'S REPORT

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INVESTMENT OBJECTIVE

The Investment Objective of the Fund is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking in to account liquidity considerations.

FUND MANAGER'S COMMENTS

The fund earned an annualized return of 7.31% against the benchmark of 3.20%. Fund size also increased to PKR 3,733 million from 3,645 million in November 2018. On CYTD basis, HBL Islamic Income Fund posted an annualized return of 6.12% compared to benchmark performance of 2.64% thus showing a significant outperformance of 3.48% due to active portfolio management and closed the year among the top performing funds in Islamic Income Fund category. At the end of the month, asset allocation comprised of investment in bank deposit at 31.45% of total assets, placement with Islamic banks at 9.18% & investment in commercial papers at 17.57% of total assets. Moreover, exposure in Sukuk stood at 40.32% of total assets compared to 42.27% in November 2018. The weighted average time to maturity of the portfolio reduced to 669 days compared to 717 days in last month.

Going forward, returns are expected to improve due to replacement of TDRs and Commercial papers maturities along with profit resetting of Sukuk portfolio on higher rates due to recent increase of 150 bps in discount rate.

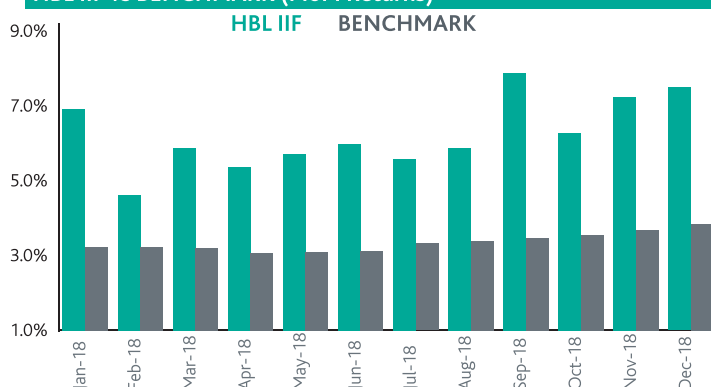
FUND INFORMATION

Net Assets (PKR in mln)	3,733
Net Assets excluding Fund of Funds (PKR in mln)	1,217
NAV	104.6778
Launch Date	28-May-2014
Management Fee	10% of gross earnings subject to a min fee of 0.50% and a max fee of 1.50% of average daily Net Assets
Expense Ratio with Levies	0.83%
Expense Ratio without Levies	0.66%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	Six (6) months average deposit rates of three (3) A rated scheduled Islamic Banks or Islamic widows of conventional banks selected by MUFAP.
Type	Open End
Category	Shariah Compliant Income Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (JCR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Fund Stability Rating	A+(f) (JCR VIS) 05-Jan-17
Leverage	NIL
Risk	Low
Weighted Average Maturity (Days)	669

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

HBL IIF vs BENCHMARK (MoM Returns)



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

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ASSET ALLOCATION (% of Total Assets)

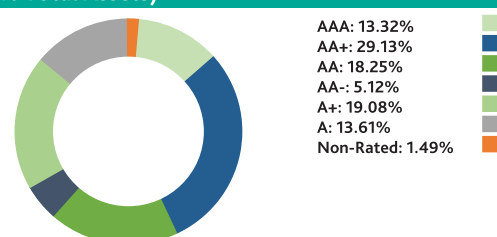
	Dec-18	Nov-18
Cash	31.45%	29.03%
TFCs / Sukuks	40.32%	42.27%
Commercial Paper	17.57%	17.98%
Placement with Banks & DFI	9.18%	9.44%
Others Including Receivables	1.48%	1.28%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	32.61%	34.92%

FUND RETURNS*

	HBL IIF	BENCHMARK
Annualized Return Since Inception	6.82%	4.31%
Year to Date Annualized Return	6.61%	2.85%
Calendar Year to Date Annualized Return	6.12%	2.64%
1 Month Annualized Return	7.31%	3.20%
3 Month Annualized Return	6.78%	3.02%
6 Month Annualized Return	6.61%	2.85%
1 Year Annualized Return	6.12%	2.64%
3 Years Annualized Return	5.87%	3.33%
5 Years Annualized Return	N/A	N/A

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

ASSET QUALITY (% Total Assets)



TOP TEN HOLDINGS TFCs/SUKUKS (% of Total Assets)

Dawood Hercules Corp. Ltd. Sukuk I	13.85%
AGP Ltd. Sukuk	5.30%
Dubai Islamic Bank Ltd. Sukuk I	5.13%
K-Electric Ltd. Sukuk	4.99%
International Brands Ltd.	2.88%
Ghani Gases Ltd. Sukuk	2.87%
Dawood Hercules Corp. Ltd. Sukuk II	2.65%
Agha Steel Industries Limited	2.65%

INVESTMENT OBJECTIVE

The objective of the Fund is to provide superior returns through investments in Shariah Compliant equity securities and Shariah Compliant income /money market instruments.

FUND MANAGER'S COMMENTS

The fund posted a return of negative 2.11% during the month an outperformance of 53 bps compared to the benchmark return of negative 2.64%. The month of December proved to be the worst month in terms of return as KSE-100 index dropped a massive 3,429 points depicting a -8.47% MoM return to close the second consecutive year in red, a feat attained after almost 24 years. The major reasons for the massive decline in December were 1) Higher than expected hike (150 bps) in Policy rate by the SBP 2) Further Weakening (5% in December) of the Rupee against the Dollar 3) No development on the IMF front. The sentiment in the market was so dampened that the announcement of USD 3bn from UAE for BOP support failed to excite the investors.

Major contribution in market performance was led by the index heavy-weight banking Sector (-971pts) owing to continued regulatory concerns mainly in HBL & UBL (down by 13.2% & 13.3% respectively). E&P sector followed (-719pts) as it contributed negatively during the month primarily due to average 8% decline in International oil prices during the month that came after a substantial 20% drop last month. Foreign selling continued for another month, however the pace slowed down as foreigners offloaded USD 28mn in Dec-18 vs. USD 100mn in the previous month. On the local front, Mutual Funds outpaced foreigners and emerged as the largest sellers in the market, off-loading equities worth USD 35 million. Individuals, Insurance Companies, and Companies absorbed the selling to the tune of USD 23 million, USD 21 million, USD 21 million, respectively. The fund was invested in equities up to 25.91%.

We expect market to consolidate in the short term and believe that majority of the negatives with respect to economy and its repercussions on the corporate earnings are largely incorporated in the market. We continue to favor defensive sectors in the current economic scenario and are constantly focusing on companies with strong earnings prospects.

FUND INFORMATION

Net Assets (PKR in mln)	2,233
NAV	103.6611
Launch Date	08-Jan-2016
Management Fee	1.50% p.a.
Expense Ratio with Levies	1.30%
Expense Ratio without Levies	1.15%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	Weighted average daily return of KMI-30 and 6M deposit rate of 3 A rated (and above) Islamic Banks as per MUFAP, based on the actual proportion held by the Scheme
Type	Open End
Category	Islamic Asset Allocation Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	Moderate to High

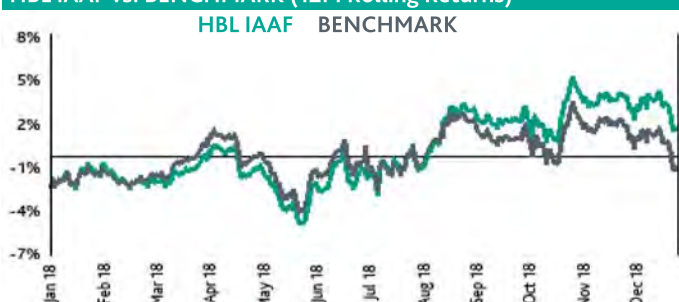
INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

TOP TEN TFCs/SUKUKs HOLDINGS (% of Total Assets)

Dawood Hercules Corp. Ltd. Sukuk II	8.87%
Dawood Hercules Corp. Ltd. Sukuk I	6.66%
Dubai Islamic Bank Ltd. Sukuk I	5.61%
K-Electric Ltd. Sukuk	5.38%
AGP Ltd. Sukuk	1.82%
Agha Steel Industries Limited	1.46%
International Brands Ltd.	0.44%

HBL IAAF vs. BENCHMARK (12M Rolling Returns)



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

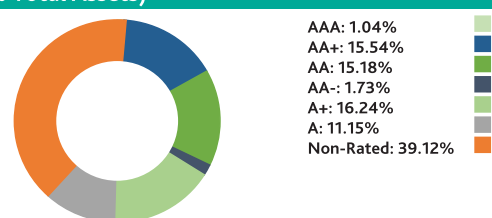
FUND MANAGER'S REPORT

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ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	15.63%	14.99%
Stock / Equities	25.91%	26.36%
TFCs / Sukuks	30.24%	29.32%
Commercial Paper	9.36%	8.80%
Placement with Banks & DFI	17.75%	16.87%
Others Including Receivables	1.11%	3.66%

ASSET QUALITY (% Total Assets)



FUND RETURNS*

	HBL IAAF	BENCHMARK
Cumulative Return Since Inception	11.75%	11.39%
Year to Date Return (Cumulative)	-0.78%	-2.74%
Calendar Year to Date Return (Cumulative)	1.97%	-0.91%
1 Month Cumulative Return	-2.11%	-2.64%
3 Month Cumulative Return	-1.28%	-2.50%
6 Month Cumulative Return	-0.78%	-2.74%
1 Year Cumulative Return	1.97%	-0.91%
3 Year Cumulative Return	N/A	N/A
5 Year Cumulative Return	N/A	N/A
Standard Deviation**	4.59%	4.73%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)
**Calculated on 12Month trailing data.

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Exploration Companies	8.55%	9.10%
Fertilizer	4.18%	3.57%
Power Generation & Distribution	3.09%	3.03%
Oil & Gas Marketing Companies	1.92%	1.75%
Cement	1.85%	2.87%
Others	6.32%	6.04%

TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	2.68%
Oil & Gas Development Co Ltd	2.63%
Pakistan Petroleum Ltd	2.62%
Hub Power Company Ltd	2.31%
Mari Petroleum Company Ltd	1.68%
Pakistan Oilfields Ltd	1.62%
Pakistan State Oil Company Ltd	1.47%
Lucky Cement Ltd	1.43%
Nishat Mills Ltd	1.19%
Meezan Bank Ltd	1.11%

INVESTMENT OBJECTIVE

The objective of the Fund is to achieve long-term capital growth by investing mainly in Shariah Compliant equity securities.

FUND MANAGER'S COMMENTS

The fund posted a return of negative 7.96% during the month an outperformance of 259 bps compared to the benchmark return of negative 10.55%. The month of December proved to be the worst month in terms of return as KSE-100 index dropped a massive 3,429 points depicting a -8.47% MoM return to close the second consecutive year in red, a feat attained after almost 24 years. The major reasons for the massive decline in December were 1) Higher than expected hike (150 bps) in Policy rate by the SBP 2) Further Weakening (5% in December) of the Rupee against the Dollar 3) No development on the IMF front. The sentiment in the market was so dampened that the announcement of USD 3bn from UAE for BOP support failed to excite the investors.

Major contribution in market performance was led by the index heavy-weight banking Sector (-971pts) owing to continued regulatory concerns mainly in HBL & UBL (down by 13.2% & 13.3% respectively). E&P sector followed (-719pts) as it contributed negatively during the month primarily due to average 8% decline in International oil prices during the month that came after a substantial 20% drop last month. Foreign selling continued for another month, however the pace slowed down as foreigners offloaded USD 28mn in Dec-18 vs. USD 100mn in the previous month. On the local front, Mutual Funds outpaced foreigners and emerged as the largest sellers in the market, off-loading equities worth USD 35 million. Individuals, Insurance Companies, and Companies absorbed the selling to the tune of USD 23 million, USD 21 million, USD 21 million, respectively. The fund was invested in equities up to 84.43%.

We expect market to consolidate in the short term and believe that majority of the negatives with respect to economy and its repercussions on the corporate earnings are largely incorporated in the market. We continue to favor defensive sectors in the current economic scenario and are constantly focusing on companies with strong earnings prospects.

FUND INFORMATION

Net Assets (PKR in mln)	2,238
Net Assets excluding Fund of Funds (PKR in mln)	1,025
NAV	101.9945
Launch Date	10-May-2011
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.70%
Expense Ratio without Levies	1.51%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KMI-30 Index
Type	Open End
Category	Islamic Equity Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	14.46%	12.54%
Stock / Equities	84.43%	86.21%
Others Including Receivables	1.11%	1.25%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	45.81%	46.49%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Exploration Companies	25.60%	26.23%
Fertilizer	14.27%	12.66%
Power Generation & Distribution	10.46%	10.41%
Oil & Gas Marketing Companies	6.70%	6.80%
Cement	6.29%	10.16%
Others	21.11%	19.95%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*

	HBL ISF	BENCHMARK
Cumulative Return Since Inception	149.36%	201.86%
Year to Date Return (Cumulative)	-8.79%	-13.91%
Calendar Year to Date Return (Cumulative)	-5.15%	-10.84%
1 Month Cumulative Return	-7.96%	-10.55%
3 Month Cumulative Return	-8.07%	-11.64%
6 Month Cumulative Return	-8.79%	-13.91%
1 Year Cumulative Return	-5.15%	-10.84%
3 Year Cumulative Return	5.09%	10.02%
5 Year Cumulative Return	24.57%	44.17%
Standard Deviation**	15.21%	17.90%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)
**Calculated on 12Month trailing data.

HBL ISF vs. BENCHMARK (12M Rolling Returns)



TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	8.93%
Oil & Gas Development Co Ltd	8.21%
Hub Power Company Ltd	7.78%
Pakistan Petroleum Ltd	7.54%
Mari Petroleum Company Ltd	5.85%
Lucky Cement Ltd	4.89%
Pakistan State Oil Company Ltd	4.89%
Meezan Bank Ltd	4.69%
Pakistan Oilfields Ltd	4.00%
Nishat Mills Ltd	3.98%

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FUND MANAGER'S REPORT

INVESTMENT OBJECTIVE

The objective of the Fund is to provide the maximum total return to the unit holders from investment in shariah compliant equity investments for the given level of risk.

FUND MANAGER'S COMMENTS

The fund posted a return of negative 7.96% during the month an outperformance of 259 bps compared to the benchmark return of negative 10.55%. The month of December proved to be the worst month in terms of return as KSE-100 index dropped a massive 3,429 points depicting a -8.47% MoM return to close the second consecutive year in red, a feat attained after almost 24 years. The major reasons for the massive decline in December were 1) Higher than expected hike (150 bps) in Policy rate by the SBP 2) Further Weakening (5% in December) of the Rupee against the Dollar 3) No development on the IMF front. The sentiment in the market was so dampened that the announcement of USD 3bn from UAE for BOP support failed to excite the investors.

Major contribution in market performance was led by the index heavy-weight banking Sector (-971pts) owing to continued regulatory concerns mainly in HBL & UBL (down by 13.2% & 13.3% respectively). E&P sector followed (-719pts) as it contributed negatively during the month primarily due to average 8% decline in International oil prices during the month that came after a substantial 20% drop last month. Foreign selling continued for another month, however the pace slowed down as foreigners offloaded USD 28mn in Dec-18 vs. USD 100mn in the previous month. On the local front, Mutual Funds outpaced foreigners and emerged as the largest sellers in the market, off-loading equities worth USD 35 million. Individuals, Insurance Companies, and Companies absorbed the selling to the tune of USD 23 million, USD 21 million, USD 21 million, respectively. The fund was invested in equities up to 84.18%.

We expect market to consolidate in the short term and believe that majority of the negatives with respect to economy and its repercussions on the corporate earnings are largely incorporated in the market. We continue to favor defensive sectors in the current economic scenario and are constantly focusing on companies with strong earnings prospects.

FUND INFORMATION

Net Assets (PKR in mln)	559
Net Assets excluding Fund of Funds (PKR in mln)	292
NAV	84.3406
Launch Date	28-May-2014
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.85%
Expense Ratio without Levies	1.64%
Selling & Marketing expense	0.20%
Listing	Pakistan Stock Exchange
Trustee	Central Depository Co. of Pakistan
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	KMI-30 Index
Type	Open End
Category	Islamic Equity Scheme
Front end Load	Upto 2.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	15.17%	12.98%
Stock / Equities	84.18%	85.67%
Others Including Receivables	0.65%	1.35%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	52.31%	52.34%

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Exploration Companies	25.67%	26.17%
Fertilizer	13.87%	12.60%
Power Generation & Distribution	10.27%	10.45%
Oil & Gas Marketing Companies	6.41%	6.75%
Cement	6.29%	10.31%
Others	21.67%	19.39%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*

	HBL IEF	BENCHMARK
Cumulative Return Since Inception	38.65%	30.92%
Year to Date Return (Cumulative)	-8.80%	-13.91%
Calendar Year to Date Return (Cumulative)	-5.15%	-10.84%
1 Month Cumulative Return	-7.96%	-10.55%
3 Month Cumulative Return	-8.02%	-11.64%
6 Month Cumulative Return	-8.80%	-13.91%
1 Year Cumulative Return	-5.15%	-10.84%
3 Year Cumulative Return	6.60%	10.02%
5 Year Cumulative Return	N/A	N/A
Standard Deviation**	15.43%	17.90%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)
**Calculated on 12Month trailing data.

HBL IEF vs. BENCHMARK (12M Rolling Returns)



TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	8.57%
Oil & Gas Development Co Ltd	8.34%
Hub Power Company Ltd	7.56%
Pakistan Petroleum Ltd	7.50%
Mari Petroleum Company Ltd	5.86%
Pakistan State Oil Company Ltd	4.94%
Lucky Cement Ltd	4.86%
Meezan Bank Ltd	4.71%
Pakistan Oilfields Ltd	3.97%
Nishat Mills Ltd	3.96%

FUND MANAGER'S REPORT

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INVESTMENT OBJECTIVE

The objective of the Fund is to provide capital appreciation to investors of `Fund of Funds` schemes by investing in Shariah compliant equity securities.

FUND MANAGER'S COMMENTS

The fund posted a return of negative 8.90% during the month an outperformance of 165 bps compared to the benchmark return of negative 10.55%. The month of December proved to be the worst month in terms of return as KSE-100 index dropped a massive 3,429 points depicting a -8.47% MoM return to close the second consecutive year in red, a feat attained after almost 24 years. The major reasons for the massive decline in December were 1) Higher than expected hike (150 bps) in Policy rate by the SBP 2) Further Weakening (5% in December) of the Rupee against the Dollar 3) No development on the IMF front. The sentiment in the market was so dampened that the announcement of USD 3bn from UAE for BOP support failed to excite the investors.

Major contribution in market performance was led by the index heavy-weight banking Sector (-971pts) owing to continued regulatory concerns mainly in HBL & UBL (down by 13.2% & 13.3% respectively). E&P sector followed (-719pts) as it contributed negatively during the month primarily due to average 8% decline in International oil prices during the month that came after a substantial 20% drop last month. Foreign selling continued for another month, however the pace slowed down as foreigners offloaded USD 28mn in Dec-18 vs. USD 100mn in the previous month. On the local front, Mutual Funds outpaced foreigners and emerged as the largest sellers in the market, off-loading equities worth USD 35 million. Individuals, Insurance Companies, and Companies absorbed the selling to the tune of USD 23 million, USD 21 million, USD 21 million, respectively. The fund was invested in equities up to 90.81%.

We expect market to consolidate in the short term and believe that majority of the negatives with respect to economy and its repercussions on the corporate earnings are largely incorporated in the market. We continue to favor defensive sectors in the current economic scenario and are constantly focusing on companies with strong earnings prospects.

FUND INFORMATION

Net Assets (PKR in mln)	495
Net Assets excluding Fund of Funds (PKR in mln)	NIL
NAV	93.8692
Launch Date	01-Oct-2018
Management Fee	2.00% p.a.
Expense Ratio with Levies	1.07%
Expense Ratio without Levies	0.99%
Selling & Marketing expense	0.09%
Trustee	MCB Financial Services Limited (MCB FSL)
Auditor	Deloitte Yousuf Adil Pakistan
Benchmark	KMI-30 Index
Type	Open End
Category	Shariah Compliant Dedicated Equity
Front end Load	NIL
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	High

ASSET ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Cash	7.23%	5.38%
Stock / Equities	90.81%	93.49%
Others Including Receivables	1.96%	1.13%
Total Including Fund of Funds	100.00%	100.00%
Total Excluding Fund of Funds	N/A	N/A

SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Exploration Companies	27.69%	29.52%
Fertilizer	15.26%	13.04%
Power Generation & Distribution	11.43%	12.10%
Oil & Gas Marketing Companies	6.44%	7.00%
Cement	5.98%	10.82%
Others	24.01%	21.01%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*

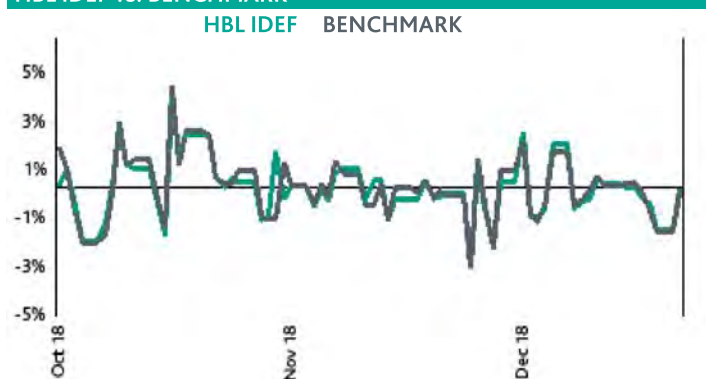
HBL IDEF BENCHMARK

Cumulative Return Since Inception	-6.13%	-4.45%
Year to Date Return (Cumulative)	N/A	N/A
Calendar Year to Date Return (Cumulative)	N/A	N/A
1 Month Cumulative Return	-8.90%	-10.55%
3 Month Cumulative Return	N/A	N/A
6 Month Cumulative Return	N/A	N/A
1 Year Cumulative Return	N/A	N/A
3 Year Cumulative Return	N/A	N/A
5 Year Cumulative Return	N/A	N/A
Standard Deviation**	N/A	N/A

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load if any)

**Calculated on 12Month trailing data.

HBL IDEF vs. BENCHMARK



TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	9.21%
Hub Power Company Ltd	8.71%
Pakistan Petroleum Ltd	8.52%
Oil & Gas Development Co Ltd	8.51%
Mari Petroleum Company Ltd	6.19%
Pakistan State Oil Company Ltd	4.94%
Meezan Bank Ltd	4.77%
Lucky Cement Ltd	4.58%
Pakistan Oilfields Ltd	4.47%
Thal Limited	4.13%

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FUND MANAGER'S REPORT

INVESTMENT OBJECTIVE

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

FUND MANAGER'S COMMENTS

MONEY MARKET SUB FUND: The fund posted a return of 7.03% during December 2018. The amount allocated in GoP Ijarah Sukuk matured and the amount was held in cash at bank which at month end was recorded at 72.42% versus 37.24% of total assets in November 2018. This enabled the Fund Manager to augment the returns as the DPA offered higher returns when compared with other asset classes.

DEBT SUB FUND: The fund posted a return of 6.89% during December 2018. The amount allocated in GOP Ijarah Sukuk partially matured and the exposure was shifted to Cash which at month end were recorded at 10% and 52.06% of total assets respectively.

EQUITY SUB FUND: The fund posted a return of -8.72% vs KMI-30 Index return of -10.55% M/M during Dec-18. The equity exposure at the end of the month stood at 89.94%.

FUND INFORMATION

Launch Date	16-Dec-2011
Management Fee	1.50% p.a.
Trustee	Central Depository Co. of Pakistan
Auditor	KPMG Taseer Hadi & Co.
Category	Shariah Compliant Pension scheme
Front end Load	Upto 3.00%
Back end Load	NIL
AMC Rating	AM2+ (ICR VIS) 29-Dec-17
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	Investor Dependent

RELATED INFORMATION	MMSF	DSF	ESF
Net Assets (PKR in mln)	94	111	185
NAV	143.2869	145.3743	357.1940
WAM (Days)	4	200	N/A

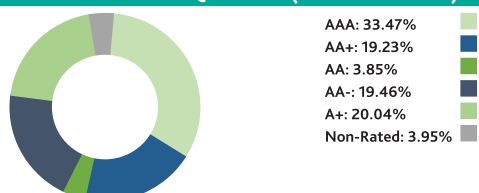
INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*	MMSF	DSF	ESF
Cumulative Return Since Inception	6.14%	6.44%	257.19%
Year to Date Return (Cumulative)	5.58%	4.97%	-8.00%
Calendar Year to Date Return (Cumulative)	4.56%	4.03%	-3.60%
1 Month Cumulative Return	7.03%	6.89%	-8.72%
3 Month Cumulative Return	6.14%	5.86%	-8.07%
6 Month Cumulative Return	5.58%	4.97%	-8.00%
1 Year Cumulative Return	4.56%	4.03%	-3.60%
3 Year Cumulative Return	4.10%	4.24%	10.44%
5 Year Cumulative Return	4.66%	4.88%	66.95%
Standard Deviation**	1.34%	1.83%	16.46%

*Funds returns computed on NAV to NAV (excluding sales load if any)
**Calculated on 12Month trailing data.

MONEY MARKET SUB-FUND ASSET QUALITY (% Total Assets)



ASSET ALLOCATION (% of Total Assets)

Money Market Sub-Fund	Dec-18	Nov-18
Cash	72.42%	37.24%
GoP Ijarah Sukuk	0.00%	33.71%
Commercial Paper	7.77%	8.50%
Placement with Banks & DFI	15.86%	17.46%
Others Including Receivables	3.95%	3.09%

Debt Sub Fund

Cash	52.06%	33.87%
TFCs / Sukuks	15.55%	16.72%
GoP Ijarah Sukuk	10.00%	28.86%
Commercial Paper	2.14%	2.18%
Placement with Banks & DFI	16.08%	16.45%
Others Including Receivables	4.17%	1.92%

Equity Sub Fund

Cash	9.99%	10.85%
Stock / Equities	89.94%	88.06%
Others Including Receivables	0.07%	1.09%

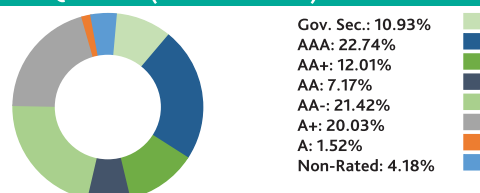
SECTOR ALLOCATION (% of Total Assets)

	Dec-18	Nov-18
Oil & Gas Exploration Companies	24.11%	23.50%
Fertilizer	16.73%	14.27%
Power Generation & Distribution	11.54%	11.01%
Textile Composite	7.78%	6.11%
Oil & Gas Marketing Companies	5.93%	7.48%
Others	23.85%	25.69%

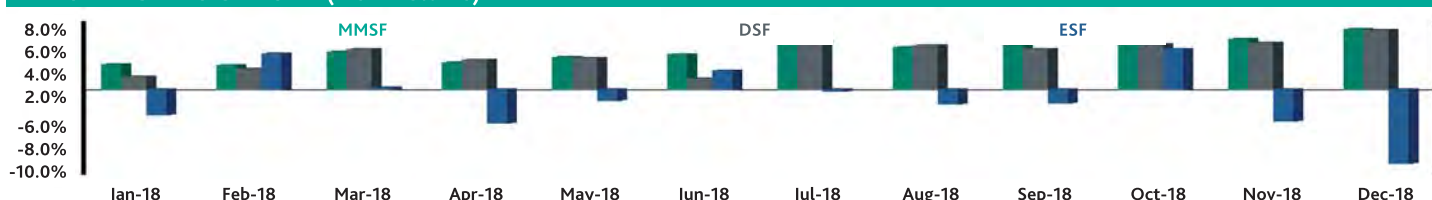
TOP TEN HOLDINGS (% of Total Assets)

Engro Corporation Ltd	9.19%
Hub Power Company Ltd	8.10%
Oil & Gas Development Co Ltd	7.85%
Pakistan Petroleum Ltd	7.32%
Meezan Bank Ltd	5.87%
Mari Petroleum Company Ltd	5.16%
Nishat Mills Ltd	5.09%
Thal Limited	4.31%
Pakistan State Oil Company Ltd	4.03%
Lucky Cement Ltd	3.81%

DEBT SUB-FUND ASSET QUALITY (% Total Assets)



HBL ISLAMIC PENSION FUND (MoM Returns)



FUND MANAGER'S REPORT

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INVESTMENT OBJECTIVE

To generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

FUND MANAGER'S COMMENTS

CONSERVATIVE ALLOCATION PLAN: The plan posted a return of -1.10% during the month under review against the benchmark return of -1.95%.

ACTIVE ALLOCATION PLAN: The plan posted a return of -4.98% during the month under review against the benchmark return of -6.29%.

STRATEGIC ALLOCATION PLAN: The plan posted a return of -3.41% during the month under review against the benchmark return of -4.51%.

ISLAMIC CAPITAL PRESERVATION PLAN: The plan posted a return of -2.48% during the month under review against the benchmark return of -3.07%.

FUND INFORMATION

Launch Date	16-Jun-2017
Management Fee	NIL (1.0% p.a. Management Fee will be charged if investment is made in funds other than HBL Asset Management)
Listing	Pakistan Stock Exchange
Trustee	MCB Financial Services Limited (MCB FSL)
Auditor	BDO Ebrahim & Co. Chartered Accountants
Benchmark	Weighted Avg Return of KMI-30 Index, 6M(AA-) and 3M(AA) Avg. Deposit Rate of three Islamic Banks
Type	Open End
Category	Shariah Compliant Fund of Funds Scheme
Front end Load	Upto 2.00%
Back end Load	SAP & ICPP (1% for 1 Year and 0.5% thereon)
AMC Rating	AM2+ (JCR VIS) 28-Dec-18
Dealing Days	As per SBP/PSX
Cut-off time	9:00 AM-4:00 PM
Price Mechanism	Forward Pricing
Leverage	NIL
Risk	Investor Dependent (Medium to High)

ASSET ALLOCATION (% of Total Assets)

CAP	Dec-18	Nov-18
Cash	0.99%	0.97%
Fixed Income Funds	79.01%	79.38%
Equity Funds	19.85%	19.49%
Others Including Receivables	0.15%	0.16%
AAP		
Cash	0.39%	0.41%
Fixed Income Funds	43.18%	31.09%
Equity Funds	56.38%	68.45%
Others Including Receivables	0.05%	0.05%
SAP		
Cash	0.02%	0.02%
Fixed Income Funds	58.23%	53.36%
Equity Funds	41.70%	46.57%
Others Including Receivables	0.05%	0.05%
ICPP		
Cash	71.08%	64.06%
Equity Funds	28.00%	35.16%
Others Including Receivables	0.92%	0.78%

(Minimum 1.42 and Maximum 2.6 multiplier used)

RELATED INFORMATION	CAP	AAP	SAP	ICPP
Net Assets (PKR in mln)	25	194	4,138	469
NAV	102.1530	95.2140	98.3415	99.2644
Expense Ratio with Levies	0.22%	0.17%	0.17%	0.34%
Expense Ratio without Levies	0.15%	0.11%	0.12%	0.29%

INVESTMENT COMMITTEE

Farid Ahmed Khan, CFA	Chief Executive Officer
Muhammad Imran	Chief Investment Officer
Jawad Naeem	Specialist - Equity
Adeel Abdul Wahab	Specialist - Equity
Faizan Saleem	Head of Fixed Income
Wamiq Sakrani	Specialist-Fixed Income
Noman Ameer	Manager Risk
Sateesh Balani, CFA	Head of Research

FUND RETURNS*	ICPP	BENCHMARK
Cumulative Return Since Inception	1.54%	1.29%
Year to Date Return (Cumulative)	1.54%	1.29%
Calendar Year to Date Return (Cumulative)	1.54%	1.29%
1 Month Cumulative Return	1.54%	1.29%
3 Month Cumulative Return	1.54%	1.29%
6 Month Cumulative Return	1.54%	1.29%
1 Year Cumulative Return	1.54%	1.29%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load)

FUND RETURNS*	CAP	BENCHMARK
Cumulative Return Since Inception	2.48%	-1.63%
Year to Date Return (Cumulative)	0.73%	-1.63%
Calendar Year to Date Return (Cumulative)	3.39%	0.13%
1 Month Cumulative Return	-1.10%	-1.95%
3 Month Cumulative Return	-0.24%	-1.71%
6 Month Cumulative Return	0.73%	-1.63%
1 Year Cumulative Return	3.39%	0.13%

FUND RETURNS*	AAP	BENCHMARK
Cumulative Return Since Inception	-4.63%	-8.05%
Year to Date Return (Cumulative)	-5.18%	-8.02%
Calendar Year to Date Return (Cumulative)	-3.37%	-6.93%
1 Month Cumulative Return	-4.98%	-6.29%
3 Month Cumulative Return	-5.22%	-6.99%
6 Month Cumulative Return	-5.18%	-8.02%
1 Year Cumulative Return	-3.37%	-6.93%

FUND RETURNS*	SAP	BENCHMARK
Cumulative Return Since Inception	-1.29%	-4.20%
Year to Date Return (Cumulative)	-3.11%	-5.35%
Calendar Year to Date Return (Cumulative)	-1.32%	-4.01%
1 Month Cumulative Return	-3.41%	-4.51%
3 Month Cumulative Return	-3.48%	-4.80%
6 Month Cumulative Return	-3.11%	-5.35%
1 Year Cumulative Return	-1.32%	-4.01%

*Funds returns computed on NAV to NAV with the dividend reinvestment (excluding sales load)

Instrument	Type of Investment	Value before Provision (PKR mln)	Provision Held (PKR mln)	Value of Investment after Provision (PKR mln)	Limit	% of Net Assets	% of Total Assets
HBL Cash Fund							
Pak Oman Investment Company Ltd.	Placement	1,100.00	-	1,100.00	10.00%	10.67%	6.74%
Bank Alfalah Limited	Placement	1,175.00	-	1,175.00	10.00%	11.39%	7.20%
Pak Brunei Investment Company Ltd.	Placement	1,275.00	-	1,275.00	10.00%	12.36%	7.81%
HBL Government Securities Fund							
K-Electric Limited CP	CP	51.28	-	51.28	10.00%	24.58%	21.98%
HBL Growth Fund - Class B							
Banking Sector	Equity	1,440.64	-	1,440.64	30.00%	30.12%	27.19%
HBL Income Fund							
New Allied Electronics	TFC	19.02	19.02	-	-	-	-
New Allied Electronics	Sukuk	44.15	44.15	-	-	-	-
Agri Tech Limited	TFC	9.99	9.99	-	-	-	-
Saudi Pak Leasing Co. Ltd	TFC	5.55	5.55	-	-	-	-
World Telecom Limited	TFC	41.58	41.58	-	-	-	-
Dawood Hercules Corp. Ltd. Sukuk I	Sukuk	234.00	-	234.00	10.00%	11.47%	11.16%
JS Bank Ltd. TFC	TFC 1,2	235.40	-	235.44	10.00%	11.54%	11.22%
HBL Islamic Asset Allocation Fund							
K-Electric Ltd.	Sukuk & CP	332.18	-	332.18	15.00%	15.67%	15.53%
HBL Islamic Income Fund							
K-Electric Ltd.	Sukuk & CP	579.21	-	579.21	15.00%	15.26%	15.11%
Dawood Hercules Corp. Ltd.	Sukuk I & II	622.03	-	622.03	15.00%	16.66%	16.50%
HBL Multi Asset Fund							
Dewan Cement Limited	TFC	25.00	25.00	-	-	-	-
Saudi Pak Leasing Company Limited	TFC	15.20	15.20	-	-	-	-
BOP	TFC / Equity	28.66	-	28.66	10.00%	10.78%	10.15%
Banking Sector	TFC / Equity	69.40	-	69.40	25.00%	26.10%	24.56%
HBL Stock Fund							
Dewan Cement Limited	TFC	25.00	25.00	-	-	-	-
Banking Sector	Equity	1,063.57	-	1,063.57	30.00%	31.72%	25.21%

LAST FIVE YEAR PERFORMANCE

SINCE INCEPTION PERFORMANCE

Fund Name	FY-18	FY-17	FY-16	FY-15	FY-14	FY-18	FY-17	FY-16	FY-15	FY-14	FY-13
HBL Income Fund	4.98%	4.64%	6.12%	12.45%	9.91%	14.43%	14.63%	15.01%	15.15%	13.80%	13.12%
Benchmark	6.35%	6.10%	6.52%	9.01%	9.82%	10.05%	10.40%	10.88%	11.40%	11.73%	12.03%
HBL Money Market Fund	5.32%	6.45%	5.09%	8.80%	8.11%	11.08%	11.30%	11.38%	12.03%	11.81%	12.07%
Benchmark	5.35%	5.26%	5.58%	7.87%	8.46%	7.40%	7.79%	8.22%	8.70%	8.89%	9.02%
HBL Government Securities Fund	4.74%	5.54%	7.85%	11.75%	8.78%	12.21%	12.69%	13.16%	13.20%	12.14%	12.21%
Benchmark	6.20%	5.88%	6.27%	8.76%	9.57%	8.93%	9.32%	9.90%	10.63%	11.11%	11.64%
HBL Cash Fund	5.49%	7.18%	6.07%	10.51%	8.37%	11.35%	11.61%	11.58%	12.06%	11.31%	11.50%
Benchmark	5.35%	5.00%	4.71%	6.83%	7.16%	6.83%	7.05%	7.42%	8.01%	8.36%	8.80%
HBL Islamic Money Market Fund	4.32%	4.19%	4.29%	6.73%	6.86%	7.97%	8.21%	8.62%	9.28%	9.46%	9.99%
Benchmark	2.58%	3.22%	5.40%	6.75%	6.62%	5.62%	6.12%	6.68%	6.98%	7.06%	7.26%
HBL Islamic Income Fund	5.18%	5.52%	4.82%	8.37%	*8.95%	6.62%	6.74%	6.95%	8.48%	8.95%	
Benchmark	2.44%	3.37%	5.20%	6.57%	6.49%	4.48%	5.12%	5.93%	6.56%	6.49%	
HBL Stock Fund	-11.85%	23.89%	2.59%	8.13%	27.68%	207.72%	249.08%	181.76%	174.63%	153.98%	98.92%
Benchmark	-10.03%	20.79%	9.84%	16.01%	41.16%	243.38%	281.65%	215.97%	187.66%	147.97%	75.66%
HBL Islamic Stock Fund	-13.99%	24.51%	1.00%	11.82%	30.62%	173.40%	217.88%	155.32%	152.79%	126.08%	73.08%
Benchmark	-9.59%	18.80%	15.53%	20.10%	29.89%	250.64%	287.84%	226.48%	182.60%	135.31%	81.16%
HBL Energy Fund	-2.33%	30.12%	-2.86%	8.18%	23.92%	66.42%	70.39%	30.95%	34.80%	24.60%	**0.55%
Benchmark	-10.03%	20.79%	9.84%	16.01%	41.16%	94.51%	116.19%	78.98%	62.95%	40.46%	-0.50%
HBL Equity Fund	-11.38%	27.67%	6.71%	11.15%	41.93%	219.00%	259.95%	181.94%	164.22%	137.71%	67.49%
Benchmark	-10.00%	23.24%	9.84%	16.01%	41.16%	263.46%	303.82%	227.66%	198.31%	157.15%	82.16%
HBL Islamic Equity Fund	-12.32%	24.42%	10.96%	24.49%	*0.88%	52.04%	73.40%	39.36%	25.59%	0.88%	
Benchmark	-9.59%	18.80%	15.53%	20.10%	2.06%	52.08%	68.22%	41.60%	22.57%	2.06%	
HBL Multi Asset Fund	-6.28%	18.40%	5.90%	4.90%	24.09%	194.75%	214.50%	165.63%	150.82%	139.09%	92.69%
Benchmark	-4.08%	16.21%	7.41%	11.21%	23.06%	151.80%	162.52%	125.90%	110.32%	89.11%	53.68%
HBL Islamic Asset Allocation Fund	-0.78%	9.83%	*3.34%			12.63%	13.50%	3.34%			
Benchmark	-0.28%	7.63%	6.71%			14.53%	14.84%	6.71%			
HBL Islamic Financial Planning Fund (CAP)	1.40%	*0.34%				1.74%	0.34%				
Benchmark	0.18%	-0.19%				-0.01%	-0.19%				
HBL Islamic Financial Planning Fund (AAP)	0.40%	*0.17%				0.58%	0.17%				
Benchmark	-0.10%	0.01%				0.40%	0.01%				
HBL Islamic Financial Planning Fund (SAP)	1.36%	*0.51%				1.87%	0.51%				
Benchmark	1.01%	0.20%				1.21%	0.20%				
HBL Financial Planning Fund (CAP)	*3.76%					3.76%					
Benchmark	3.96%					3.96%					
HBL Financial Planning Fund (AAP)	*2.65%					2.65%					
Benchmark	2.46%					2.46%					
HBL Financial Planning Fund (SAP)	*2.52%					2.52%					
Benchmark	3.05%					3.05%					
HBL Pension Fund - Equity	-10.24%	27.33%	8.96%	31.58%	25.58%	266.32%	308.12%	220.52%	194.17%	123.57%	78.04%
HBL Pension Fund - Debt	3.99%	4.37%	8.06%	11.01%	7.44%	9.10%	9.64%	10.35%	10.18%	8.87%	9.13%
HBL Pension Fund - Money Market	4.38%	4.50%	4.16%	6.88%	7.13%	7.22%	7.41%	7.71%	8.37%	8.38%	8.58%
HBL Islamic Pension Fund - Equity	-12.02%	27.56%	5.56%	25.92%	44.41%	288.27%	341.33%	245.96%	227.76%	160.29%	80.25%
HBL Islamic Pension Fund - Debt	2.89%	5.06%	3.23%	4.97%	7.04%	6.39%	6.83%	6.87%	7.65%	8.29%	8.51%
HBL Islamic Pension Fund - Money Market	3.41%	4.15%	2.83%	5.28%	6.08%	6.01%	6.27%	6.47%	7.30%	7.69%	8.24%

* Since Inception

** Since conversion from Closed-End to Open-End

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