

IDLC ASSET MANAGEMENT LIMITED

ASSET MANAGER'S REPORT September 30, 2017

aml.idlc.com

- হাজার ষ্টার্টআপ
- ডিজিটাল টেকনোলজি
- স্কুল বি-অ্যান্ডমিস্তান
- প্রি-স্কুল

স্বপ্নরা বড় হয় সাধ্য কেন নয়?

আইডিএলসি মিউচুয়াল ফান্ড

সন্তানের উজ্জ্বল ভবিষ্যৎ সুনিশ্চিত করতে প্রয়োজন দীর্ঘমেয়াদী আর্থিক পরিকল্পনা। আর এরকম পরিকল্পনাগুলো বাস্তবায়নে দক্ষ ফান্ড ম্যানেজার দ্বারা পরিচালিত মিউচুয়াল ফান্ড-ই হতে পারে আপনার সর্বোত্তম বিনিয়োগ মাধ্যম। তাই আইডিএলসি নিয়ে এসেছে IDLC Balanced Fund।

বিনিয়োগের ঝুঁকি ব্যবস্থাপনা করে সর্বোত্তম লাভের সম্ভাবনা
বার্ষিক আয় ও দীর্ঘমেয়াদী প্রবৃদ্ধি
কোন কি/চার্জ ছাড়াই যেকোন সময় fund withdrawal সুবিধা

তাই স্বপ্নপূরণে আপনার বিশ্বস্ত বিনিয়োগ মাধ্যম হিসেবে বেছে নিন
IDLC Balanced Fund

IDLC
Asset Management Limited
financing happiness

বিস্তারিত জানতে ডায়াল করুন ১৬৪০৯

* মিউচুয়াল ফান্ডে বিনিয়োগ ঝুঁকিপূর্ণ। বিনিয়োগের আগে প্রসেক্টাস ভালো করে পড়ে ও বুঝে নিন।

Sponsor : IDLC Finance Ltd.
Asset Manager : IDLC Asset Management Ltd.
Trustee & Custodian : Investment Corporation of Bangladesh

DATE OF PUBLICATION: OCTOBER 15, 2017

Mutual Funds are subject to market risks. Investors are highly encouraged to know all the risks associated with investment from the prospectus of respective mutual funds.

To know more and invest, please visit aml.idlc.com or call 16409.

Head office: South Avenue Tower (5th floor),
Unit no: 502, House: 50, Road: 3,
7 Gulshan Avenue, Dhaka.

IDLC
Asset Management Limited
financing happiness

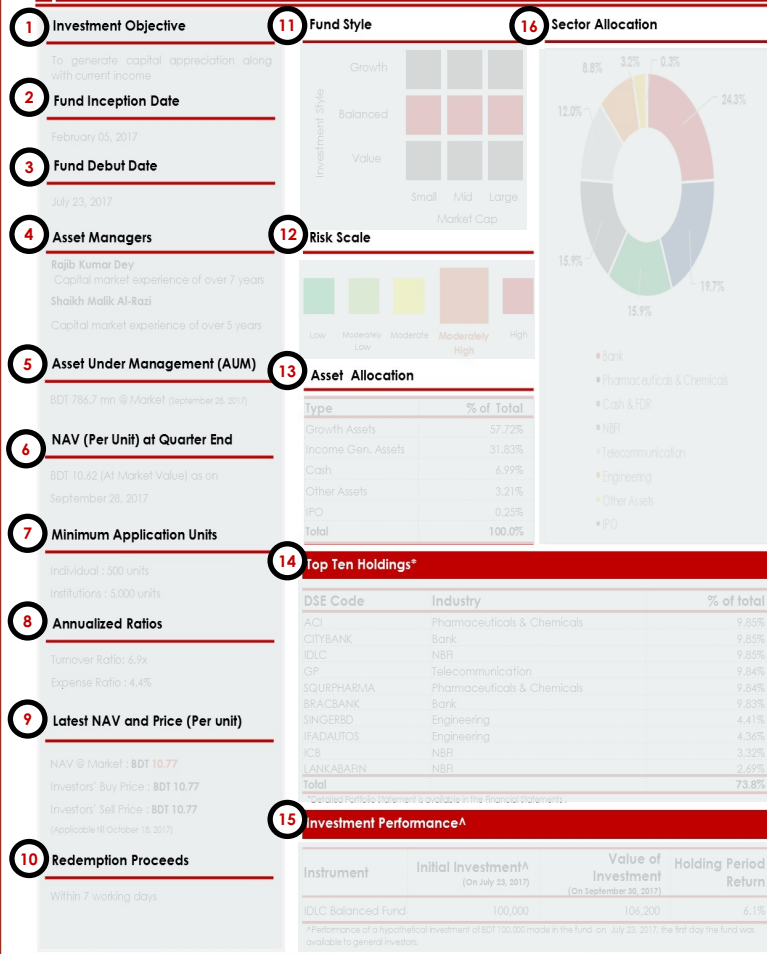
INDEX

Particulars	Page No.
Guide to the Factsheet	03
Asset Manager's Remarks	04
IDLC Balanced Fund Factsheet	05
Disclaimer	06

GUIDE TO THE FACTSHEET

- 1 This section describes The objective of the particular fund.
- 2 The date on which the fund was formed.
- 3 The date on which the fund was open for the investors after IPO.
- 4 The name of the asset managers and their tenure of experience. Asset managers are employees of Asset Management Company (AMC) who manage the mutual funds.
- 5 AUM or Asset under management refers to the market value of all the investments of a mutual fund as on the specific date mentioned.
- 6 NAV is defined as the market value of all assets in the fund less liabilities. This section states the quarter end NAV of the Fund.
- 7 This is the minimum number of units an investor (individual/institution) has to subscribe.
- 8 **Turnover ratio** is calculated as Total Turnover divided by Average Fund Size. The higher the ratio, the quicker the Asset Manager reshuffles the portfolio and incurs transaction fees.
Expense ratio is calculated as Total Expenses incurred divided by Average Fund Size. The expenses include management fee, trustee fee, custodian fee, auditor fee, transaction fee and other operational fees. The higher the ratio, the higher the extent of expenses incurred by the fund.
- 9 **Latest NAV** is the last published NAV before the publication of the fact sheet.
Investors' buy price is the price at which investors can purchase one unit of the fund.
Investors' sell price is the price at which investors can sell one unit of the fund.
IDLC Asset Management Limited does not charge entry/exit load. Investors can buy and sell units at NAV.
- 10 This states the maximum number of days that investors need to wait to get their money after sale of units.
- 11 **Fund style** matrix shows the position of the fund in terms of investment style (Value, Balanced and Growth) and market cap (Small, Mid and Large) of invested securities.

IDLC BALANCED FUND FACTSHEET



- 12 **Risk Scale** shows the level of risk an investor has to assume when investing in the fund. Details of risk profile can be found in the respective fund's prospectus.
- 13 **Asset allocation** shows what portion of the total AUM is invested in each asset class.
- 14 This section shows the top ten holdings of the fund in terms of percentage of total AUM.
- 15 **Initial investment** shows an hypothetical amount of investment in the fund at the time of IPO.
Value of investment is the latest total market value of the hypothetical initial investment as of a specified date
Cumulative return is the total return that an investor could have get by the specified date on the hypothetical initial investment.
- 16 This section shows the sector-wise asset allocation of the total AUM of the Fund.

ASSET MANAGER'S REMARKS

Get the updates on the investments and the performance of your Fund right from your Asset Manager.

By the end of Sep 2017, return of IDLC Balanced fund stood at 6.2% since its debut, while our Hypothetical Balanced Portfolio generated a return of 3.6%. During the same period, DSEX yielded 5.4% and an investor of fixed deposit would have earned 0.9% return.

Our portfolio is tilted towards growth assets with a weight of 57.7% while 31.8% allocation is given to income generating assets; this is in line with our stated fund management objective of balancing between growth and income generating asset.

We believe in concentrated portfolio management; accordingly, 59.0% of our assets are allocated in only 6 scrips.

Our highest exposure rested in Banks (24.3%), which is supported by the fact that private sector credit growth stood 58-month high in August. We believe that selective banks will outpace the market and explore new revenue streams while maintaining healthy growth in traditional business.

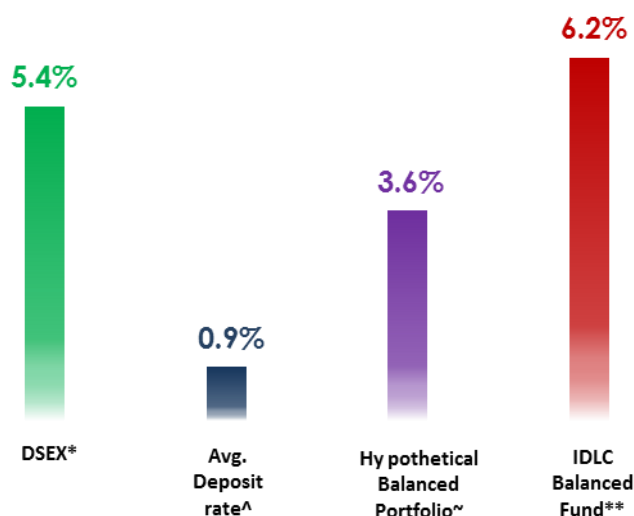
In our understanding both Banks and NBFIs with large capital market operation will outperform the rest of the sectors due to the recent surge of business from bull market. Our exposure in NBFIs remained 15.9% by the end of September quarter.

Our second highest exposure is in pharmaceuticals (19.7%). We believe the sector has some unique advantages due to TRIPS exemption and growth will come from both local and export market. One of our highest holding under pharmaceutical sector is a conglomerate which also has a strong presence in retail business.

To take advantage of the overall digital transformation of the country we also took healthy allocation in Telecom sector (12.0%). Our Telco holdings are mostly long term focused.

We believe our portfolio is well guarded to thrive through bull and bear cycles.

Return (23rd July-28th Sep 2017)



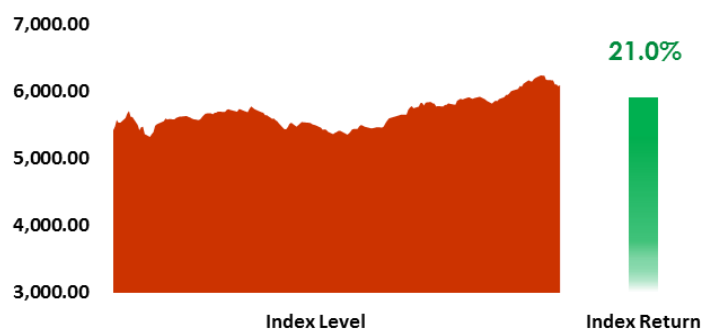
*DSEX return is calculated from 23rd July'17 to be more comparable with return of IDLC Balanced Fund.

^AThe latest Average deposit rate is taken from Bangladesh Bank website and is adjusted for the period that IDLC Balanced Fund was in operation.

[~]Hypothetical Balanced portfolio shows the return that could have been generated if a fixed allocation of 60% equity and 40% debt securities would have been maintained during the quarter.

^{**}The actual return of IDLC Balanced Fund during the quarter with active fund management.

DSEX (1st Jan-30th Sep 2017)



IDLC BALANCED FUND FACTSHEET

Investment Objective

To generate capital appreciation along with current income

Fund Inception Date

February 05, 2017

Fund Debut Date

July 23, 2017

Asset Managers

Rajib Kumar Dey

Capital market experience of over 7 years

Shaikh Malik Al-Razi

Capital market experience of over 5 years

Asset Under Management (AUM)

BDT 786.7 mn @ Market (September 28, 2017)

NAV (Per Unit) at Quarter End

BDT 10.62 (At Market Value) as on

September 28, 2017

Minimum Application Units

Individual : 500 units

Institutions : 5,000 units

Annualized Ratios

Turnover Ratio: 6.9x

Expense Ratio : 4.4%

Latest NAV and Price (Per unit)

NAV @ Market : **BDT 10.96**

Investors' Buy Price : **BDT 10.96**

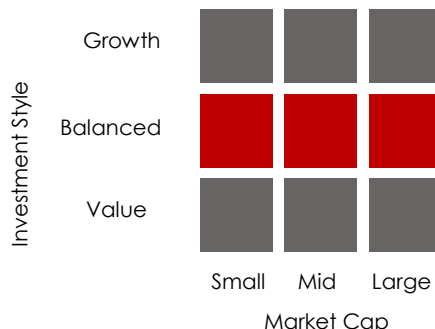
Investors' Sell Price : **BDT 10.96**

(Applicable till October 18, 2017)

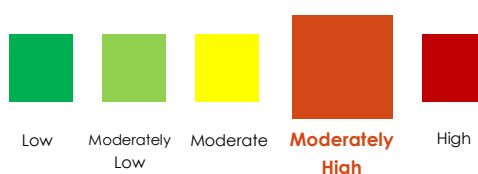
Redemption Proceeds

Within 7 working days

Fund Style



Risk Scale



Asset Allocation

Type	% of Total
Growth Assets	57.72%
Income Gen. Assets	31.83%
Cash	6.99%
Other Assets	3.21%
IPO	0.25%
Total	100.0%

Sector Allocation



- Bank 24.3%
- Pharmaceuticals & Chemicals 19.7%
- Cash & FDR 15.9%
- NBFI 15.9%
- Telecommunication 12.0%
- Engineering 8.8%
- Other Assets 3.2%
- IPO 0.3%

Top Ten Holdings*

DSE Code	Industry	% of total
ACI	Pharmaceuticals & Chemicals	9.85%
CITYBANK	Bank	9.85%
IDLC	NBFI	9.85%
GP	Telecommunication	9.84%
SQURPHARMA	Pharmaceuticals & Chemicals	9.84%
BRACBANK	Bank	9.83%
SINGERBD	Engineering	4.41%
IFADAUTOS	Engineering	4.36%
ICB	NBFI	3.32%
LANKABAFIN	NBFI	2.69%
Total		73.83%

*Detailed Portfolio Statement is available in the Portfolio Statement.

Investment Performance^

Instrument	Initial Investment^ (On July 23, 2017)	Value of Investment (On September 28, 2017)	Holding Period Return
IDLC Balanced Fund	100,000	106,200	6.2%

^Performance of a hypothetical investment of BDT 100,000 made in the fund on July 23, 2017, the first day the fund was available to general investors.

DISCLAIMER

Investors should know that the return from mutual funds is not guaranteed. Past performance of the Sponsor and their affiliates / AMC does not guarantee future performance of the funds. Name of the funds does not in any manner indicate either the quality of the funds or their future prospects and returns.

Mutual Funds are subject to market risks. Investors are highly encouraged to know all the risks associated with investment from the prospectus of respective mutual funds.

To know more and invest, please visit aml.idlc.com or call 16409.