

IDLC ASSET MANAGEMENT LIMITED

ASSET MANAGER'S REPORT September 30, 2020



SIP অ্যাড রিল্যাক্স

প্রতিমাসে ন্যূনতম ৫,০০০ টাকা ইনভেস্ট করার সুযোগ করে দিচ্ছে IDLC SIP (Systematic Investment Plan)

- নিয়মিত ইনভেস্ট করার মাধ্যমে বিনিয়োগ করা টাকা রিঙ্ক ম্যানেজ করে ভালো বেড়ে উঠতে পারে
- ইনভেস্টমেন্টের পুরো টাকাই ট্যাক্স রিবেটের জন্য দেখানো যায়
- খুবই অল্প প্রিমিয়ামে লাইফ ইন্স্যুরেন্স নেয়া যায়

IDLC SIP-এর আরো অনেক সুবিধা সম্পর্কে জানতে-

১৬৪০৯  aml.idlc.com

* মিউচুয়াল ফান্ডে বিনিয়োগ কাপিটাল মার্কেটের সুবিকির সাথে সম্পর্কিত। বিনিয়োগের আগে সংশ্লিষ্ট ডকুমেন্টস অধ্যয়ন করে পড়ে ও বুঝে নিন।

DATE OF PUBLICATION: October 29, 2020

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.

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 **IDLC**
Asset Management Limited
financing happiness

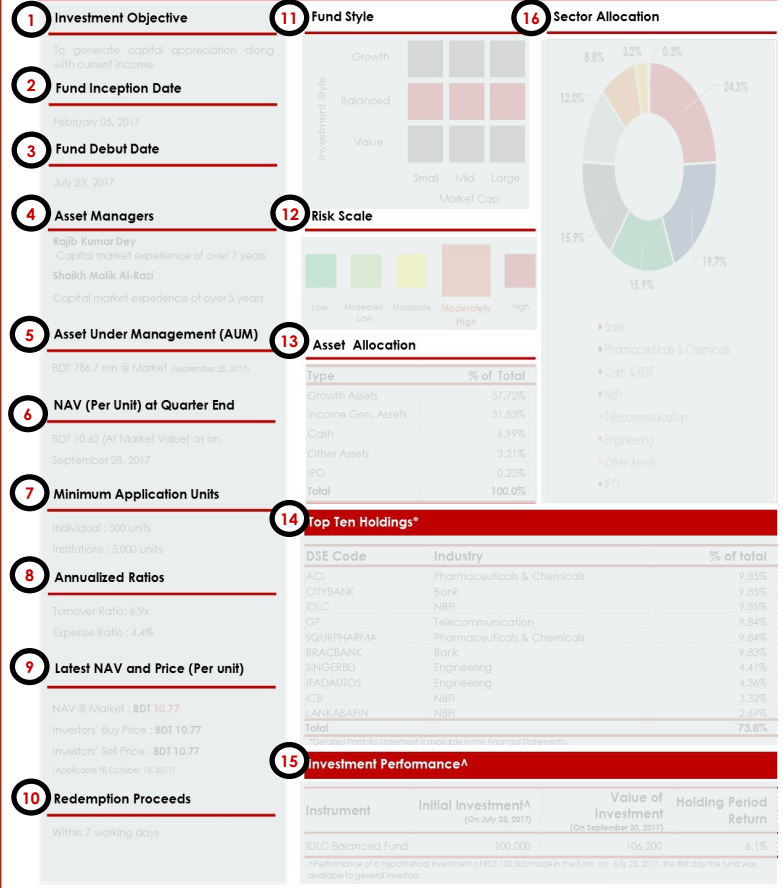
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GUIDE TO THE FACTSHEET

- 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 amount/number of units an investor (individual/institution) has to subscribe.
- 8 **Turnover ratio** is calculated by dividing the total amount of securities purchased or sold, whichever is lower, by the 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 (except for 2% exit load if units are surrendered in less than 30 calendar days. For IDLC SIP Investors, this only applies against surrender of 1st installment).
- 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 MUTUAL 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 Graphical presentation of value of investment of a hypothetical amount of BDT 100,000 in respective IDLC mutual funds and value of similar investment in DSEX/DSES over time from the respective inception dates of the mutual funds
- 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.

From July 2020 to September 2020, IDLC Balanced Fund, IDLC Growth Fund and IDLC AML Shariah Fund have generated return of 16.2%, 15.2% and 11.5% respectively. In comparison to that, during the same period, our benchmark DSEX and DSES generated 24.4% and 21.1% return respectively. IDLC Balanced Fund, which was launched in 2017, has generated 27.6% excess return since inception. Similarly, IDLC Growth Fund, which was launched in 2018, has also generated excess return of 22.4% since inception. Our latest fund, IDLC AML Shariah Fund was launched in December 2019, has generated an excess return of – 0.9% since inception.

In the recent months, Bangladesh Securities and Exchange Commission took a number of initiatives and actions for the sustainable development of capital market of the country. It has greatly helped to restore the confidence of both retail and institutional investors. At the same time, in the post COVID world, we are observing a secular trend of gradual decline in the interest rate across the world. Bangladesh is also seeing a similar trend where government is trying to revive the economy by increasing money supply and lowering interest rate. Thanks to the influx of inbound foreign remittance which continued over the last two quarters, banks are flooded with liquidity. Lower interest along with low economic activity made capital market an attractive destination for investors and market started to rally despite the ongoing COVID situation.

We have also increased our exposure to equity and shifted from fixed return investments. By the end of September, only 10%-12.0% of our investments were in the form of STD in both IDLC Balance Fund and Growth Fund. However, roughly 23.0% remained in liquid form in our IDLC AML Shariah Fund, since the Shariah investment universe is limited. In both IDLC Balanced Fund and Growth Fund we took roughly 20.0% exposure in Pharmaceuticals Sector, while in IDLC AML Shariah Fund roughly 24.0% exposure remained with Pharmaceuticals. Another 16%-17% were invested in Banking Sector in both IDLC Balanced and Growth Fund while we maintained 19.0% exposure in IDLC AML Shariah Fund. It is to be noted that, IDLC Balanced Fund and Growth Fund can invest in both conventional and Shariah Compliant banks whereas IDLC AML Shariah Fund invests only in Shariah Compliant Islamic Banks.

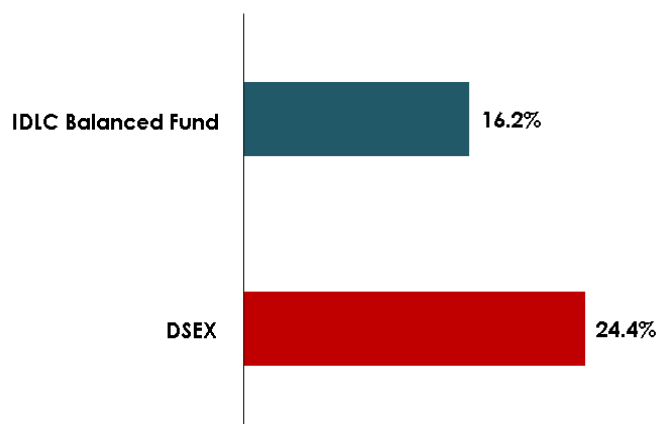
Our investment philosophy remains unchanged, that is long term investment in companies with growth and well established governance practices.

Market has revived from its bottom thanks to abundant money supply and low interest rate. We believe the interest rate scenario is unlikely to change in the near future and we may see a money supply driven bull-run. However, due to the ongoing pandemic, we are not bullish across the board and trading rather carefully. Despite our caution, we are bullish on the longer term potential of our holdings.

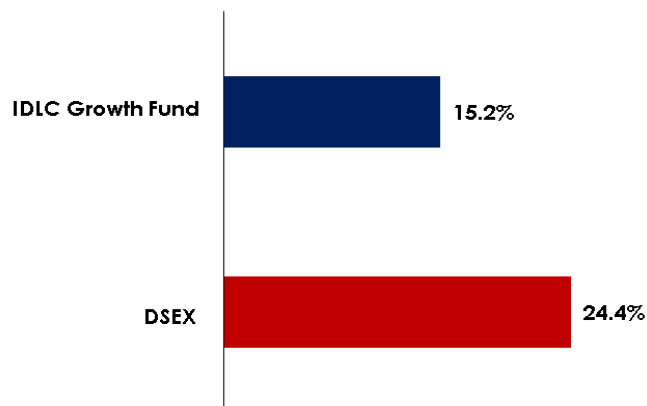
Return of IDLC AML Mutual Funds for the period

1st Jul, 2020 - 30th Sep, 2020

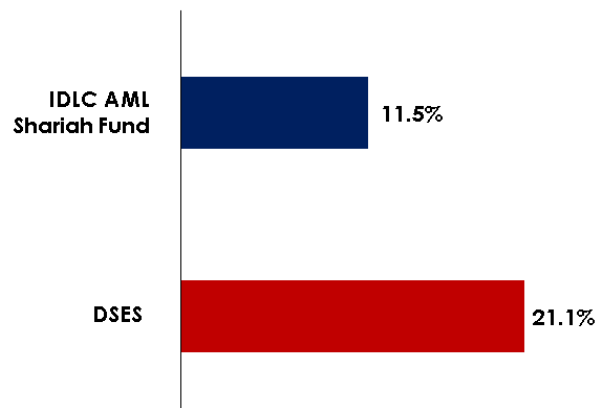
IDLC Balanced Fund



IDLC Growth Fund



IDLC AML Shariah Fund



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

Shaikh Malik Al-Razi

Capital market experience over 8 years

Md Arman Chy Nayan

Capital market experience over 7 years

Asset Under Management (AUM)

BDT 681.0 mn @ Market (Sep 30, 2020)

NAV (Per Unit) at Quarter End

BDT 10.34 (At Market Value) as on Sep 30, 2020

Minimum Application Requirement

SIP: BDT 5,000 (Individuals)
BDT 10,000 (Institutions)

Non SIP: 500 units (Individuals)
5,000 units (Institutions)

Annualized Ratios

Turnover Ratio: 162.9%
Expense Ratio : 3.2%

Latest NAV (Per unit)

NAV @ Market : BDT 10.12 (as on Oct 20, 2020)
Investors' Buy Price: BDT 10.12
Investors' Sell Price: BDT 10.12
(Applicable till Oct 28, 2020)

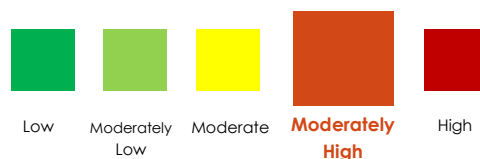
Redemption Proceeds

Within 3 working days after transfer of units

Fund Style



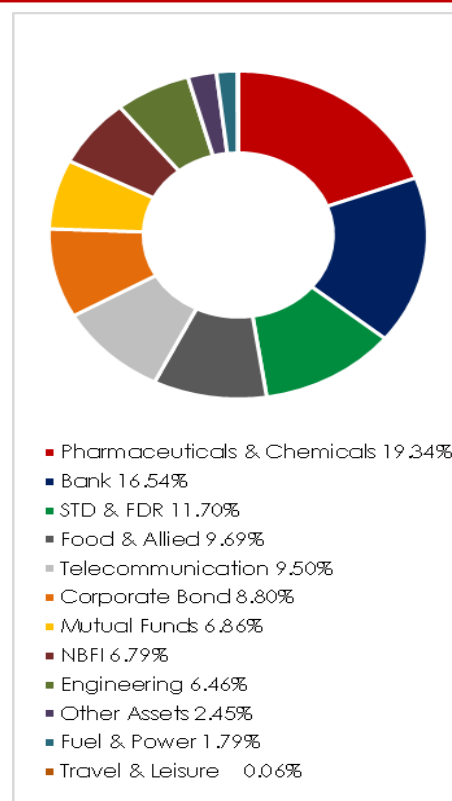
Risk Scale



Asset Allocation

Type	% of Total Assets
Growth	54.51%
Income Generating	31.32%
STD	11.70%
Other Assets	2.45%
IPO	0.02%
Total	100.00%

Sector Allocation

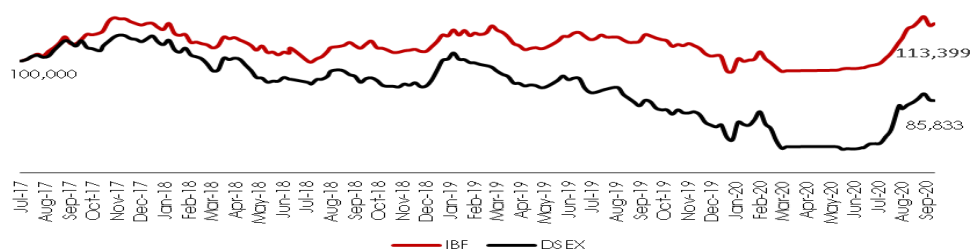


Top Ten Holdings*

DSE Code	Industry	% of Total Assets
BXPHERMA	Pharmaceuticals & Chemicals	9.85%
BATBC	Food & Allied	9.69%
GP	Telecommunication	9.50%
SQURPHARMA	Pharmaceuticals & Chemicals	9.49%
CITYBANK	Bank	9.37%
APSCLBOND	Corporate Bond	8.80%
ICB	NBFI	6.79%
SINGERBD	Engineering	4.70%
GREENDELMF	Mutual Funds	4.60%
EXIMBANK	Bank	2.73%
Total		75.51%

*Detailed Portfolio is available in the Portfolio Statement.

Investment Performance^ of IDLC Balanced Fund (IBF) vs DSEX



^Value of BDT 100,000 invested in IBF vs value of similar investment in DSEX over time, both made on July 23, 2017, fund debut date of IBF.

IDLC GROWTH FUND FACTSHEET

Investment Objective

To generate long-term capital appreciation from a portfolio of predominantly equity & equity related instruments.

Fund Inception Date

September 11, 2017

Fund Debut Date

May 08, 2018

Asset Managers

Shaikh Malik Al-Razi

Capital market experience over 8 years

Md Arman Chy Nayan

Capital market experience over 7 years

Asset Under Management (AUM)

BDT 343.7 mn @ Market (Sep 30, 2020)

NAV (Per Unit) at Quarter End

BDT 10.23 (At Market Value) as on Sep 30, 2020

Minimum Application Units

SIP: BDT 5,000 (Individuals)
BDT 10,000 (Institutions)

Non SIP: 500 units (Individuals)
5,000 units (Institutions)

Annualized Ratios

Turnover Ratio: 152.8%
Expense Ratio : 3.5%

Latest NAV (Per unit)

NAV @ Market : BDT 10.04 (as on Oct 22, 2020)

Investors' Buy Price: BDT 10.04

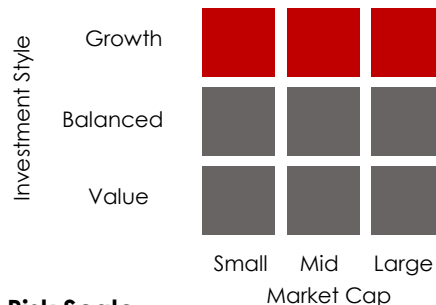
Investors' Sell Price: BDT 10.04

(Applicable till Oct 28, 2020)

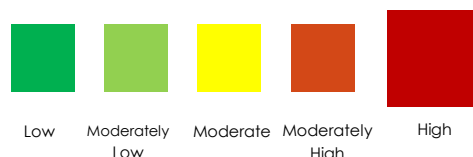
Redemption Proceeds

Within 3 working days after transfer of units

Fund Style



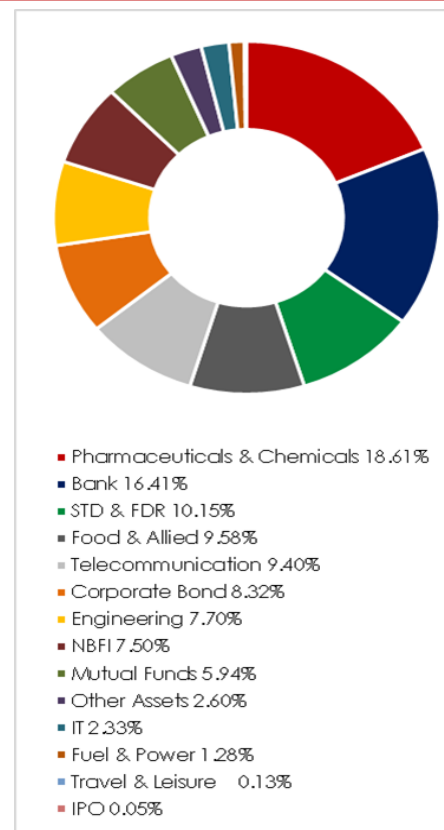
Risk Scale



Asset Allocation

Type	% of Total Assets
Growth	57.90%
Income Generating	29.30%
STD	10.15%
Other Assets	2.60%
IPO	0.05%
Total	100.00%

Sector Allocation

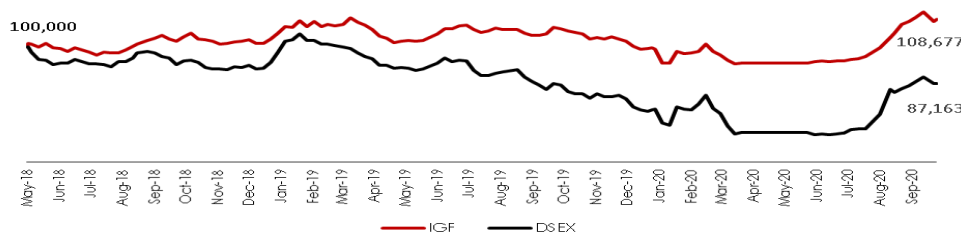


Top Ten Holdings*

DSE Code	Industry	% of Total Assets
BXPHARMA	Pharmaceuticals & Chemicals	9.74%
BATBC	Food & Allied	9.58%
GP	Telecommunication	9.40%
CITYBANK	Bank	9.31%
SQURPHARMA	Pharmaceuticals & Chemicals	8.87%
APSCLBOND	Corporate Bond	8.32%
ICB	NBFI	7.50%
SINGERBD	Engineering	4.21%
GREENDELMF	Mutual Funds	4.06%
WALTONHIL	Engineering	3.49%
Total		74.48%

*Detailed Portfolio is available in the Portfolio Statement.

Investment Performance[^] of IDLC Growth Fund (IGF) vs DSEX



[^]Value of BDT 100,000 invested in IGF vs value of similar investment in DSEX over time, both made on May 08, 2018, fund debut date of IGF.

IDLC AML SHARIAH FUND FACTSHEET

Investment Objective

To generate profit by investing in a portfolio of Shariah compliant securities, vetted by the Shariah Advisory Board.

Fund Inception Date

July 28, 2019

Fund Debut Date

December 12, 2019

Asset Managers

Shaikh Malik Al-Razi

Capital market experience over 8 years

Md Arman Chy Nayan

Capital market experience over 7 years

Asset Under Management (AUM)

BDT 219.4 mn @ Market (Sep 30, 2020)

NAV (Per Unit) at Quarter End

BDT 10.92 (At Market Value) as on Sep 30, 2020

Minimum Application Units

SIP: BDT 5,000 (Individuals)
BDT 10,000 (Institutions)

Non SIP: 500 units (Individuals)
5,000 units (Institutions)

Annualized Ratios

Turnover Ratio: 167.5%
Expense Ratio : 4.1%

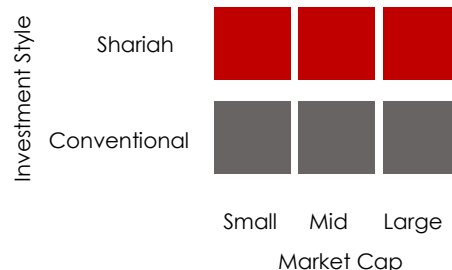
Latest NAV (Per unit)

NAV @ Market : BDT 10.84 (as on Oct 22, 2020)
Investors' Buy Price: BDT 10.84
Investors' Sell Price: BDT 10.84
(Applicable till Oct 28, 2020)

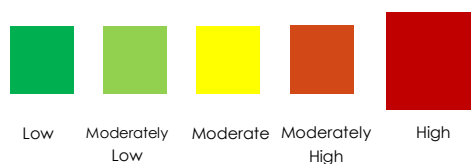
Redemption Proceeds

Within 3 working days after transfer of units

Fund Style



Risk Scale



Asset Allocation

Type	% of Total Assets
Growth	69.39%
Income Generating	0.00%
Cash	23.42%
Other Assets	7.12%
IPO	0.07%
Total	100.0%

Sector Allocation



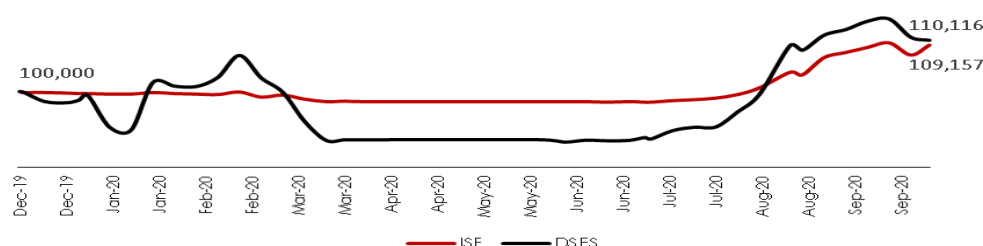
- Pharmaceuticals & Chemicals 24.15%
- Cash & MTD 23.42%
- Bank 19.01%
- Engineering 14.52%
- Telecommunication 9.49%
- Other Assets 7.12%
- IT 2.21%
- IPO 0.07%

Top Ten Holdings*

DSE Code	Industry	% of Total Assets
GP	Telecommunication	9.49%
ISLAMIBANK	Bank	9.44%
BXPHARMA	Pharmaceuticals & Chemicals	9.26%
SINGERBD	Engineering	9.14%
SQURPHARMA	Pharmaceuticals & Chemicals	7.70%
RECKITTEN	Pharmaceuticals & Chemicals	7.20%
WALTONHIL	Engineering	5.38%
FIRSTSBANK	Bank	4.97%
SHAHJABANK	Bank	4.60%
GENEXIL	IT	2.21%
Total		69.39%

*Detailed Portfolio is available in the Portfolio Statement.

Investment Performance[^] of IDLC AML Shariah Fund (ISF) vs DSES



[^]Value of BDT 100,000 invested in ISF vs value of similar investment in DSES over time, both made on December 12, 2019, fund debut date of ISF.

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.

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