



INVESTMENT FACT SHEET

FOR THE MONTH OF JANUARY 2023

NOTICE TO TAKAFUL PARTICIPANTS / MEMBERS

In compliance with the Notification of Securities and Exchange Commission of Pakistan (SECP) Amendments to the Unit Linked Product and Fund Rules, 2015, bearing Reference # SRO.1014(I)/2022 dated 5th July 2022, Jubilee Life Insurance Company Limited (Window Takaful Operations) has changed the name of its Takaful Funds as mentioned below:

OLD FUND NAME	REVISED/NEW FUND NAME
Managed Takaful Fund	Balanced Takaful Fund
Capital Growth Takaful Fund	Aggressive Takaful Fund

GOVERNING COMMITTEES



BOARD FINANCE & INVESTMENT COMMITTEE

- **SHAHID GHAFAR**
(CHAIRMAN)
- **RAFIUDDIN ZAKIR MAHMOOD**
(MEMBER)
- **OMER FAROOQ**
(MEMBER/SECRETARY)
- **JAVED AHMED**
(MEMBER/CEO)
- **JOHN JOSEPH METCALF**
(MEMBER)
- **SHAN RABBANI**
(MEMBER)

INVESTMENT MANAGEMENT COMMITTEE

- **JAVED AHMED**
(CHAIRMAN/CEO)
- **ZAHID BARKI**
(MEMBER)
- **SHAN RABBANI**
(MEMBER)
- **DILEEP KUMAR MAHESHWARI**
(MEMBER/SECRETARY)
- **OMER FAROOQ**
(MEMBER)
- **FARHAN AKHTAR FARIDI**
(MEMBER)
- **ASIF MOBIN**
(MEMBER)

EXTERNAL AUDITORS

- **A.F FERGUSON & CO PVT LTD**

APPOINTED ACTUARY

- **NAUMAN CHEEMA, NAUMAN ASSOCIATES, LAHORE**

KEY HIGHLIGHTS



Dear Participants,

The month of Jan'2023 began on a pessimistic note as the World Bank's latest GDP forecast pointed a sharp, long-lasting slowdown with growth pegged at 1.7% for this year, compared to 3% forecasted earlier in June. Further, SBP raised the policy rate by 100 bps to 17% as the monthly CPI accelerated to 27.55%, a jump of 3.08% on a monthly basis. Furthermore, due to sharp PKR depreciation in last week of the month by 18.31%, the fuel prices were raised significantly wherein additionally, the levy on HSD was also increased by PKR 5.0/liter to PKR 40.0/liter. Forex reserves dropped by USD 2.50bn M/M to USD 3.09bn as of 27th January 2023, leaving the country with barely three weeks' worth of import cover. On the fiscal side, FBR provisionally collected PKR 537bn during January 2023, reflecting an increase of PKR 4bn against the target. The provisional tax collection of the FBR stood at PKR 3,965bn (7MFY23) against the assigned target of PKR 4,206bn, reflecting a shortfall of PKR 241bn.

Major economic numbers during the month:

- **The country's Current Account Deficit Increased MoM by 58% during Dec'22.**
- **The CPI for Jan'22 clocked in at 27.55%, mainly due to price hike in food and transport.**
- **PKR depreciated by 18.31% closing at 267.89 during Jan'22 as inter-bank rates converged with open market rates**
- **Commodity prices remained stable (Brent Crude Oil: 0.21% MoM decrease in Jan'22).**

The challenges on the economic front continued as demand remained muted during the current fiscal year as evident by the most recent offtake/sales numbers of Cement (-17.97% YoY in 7MFY23), Petroleum Products (-19% YoY in 7MFY23), Automobiles (-40% YoY in 6MFY23) and Fertilizer (-16% YoY in 6MFY23). Moreover, large scale manufacturing (LSM) witnessed a decline of 3.58% YoY in 5MFY23, mainly led by food, tobacco, textile, automobile, garments, petroleum products, cement, pharmaceuticals, and automobile.

On the external side, the Current account deficit increased by 58% MoM to reach USD 400mn in Dec'22 however, on a YoY basis it is 78% less than Dec'21 due to import restrictions. Moreover, Finance Minister Ishaq Dar has rejected the proposal to impose flood levy on the import of non-essential items from CY23 onwards.

Financial markets exhibited a slight positive momentum for the month because of the revival of the IMF negotiations and removal of the administrative cap on the currency exchange. Secondly, KSE-100 rose by 0.62% MoM. Tough economic circumstances in the country also resulted in the decline of FDI (Foreign Direct Investment) during the current fiscal year (5MFY23) by 51.4% to USD 430.1mn.

On the domestic front, Inflation demonstrated an upward trend clocking at 27.55% in Dec'22, major contributors are Food and Transport which pushed average inflation for the first half of current fiscal year to an alarming high of 25.40%.

The total FX reserves weakened to USD 8.742bn as of 27th January 2023 from USD 10.845bn seen a month earlier due to repayment of foreign obligations.

ECONOMY UPDATE

MACROECONOMIC INDICATORS

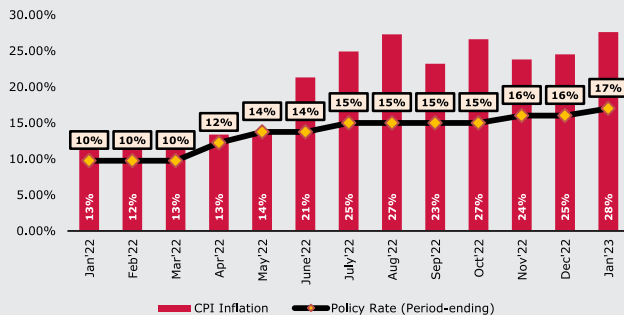
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	December	(1,923)	(2,029)	(14,681)
Remittances (USD mn)	December	2,041	2,108	14,050
Current A/C Balance (USD mn)	December	(400)	(252)	(3,426)
FDI (USD mn)	December	(17)	82	414
Tax Collection* (PKR bn)	January	537	740	3,965
M2 Growth				- 0.17%

Source SBP, FBR

* Provisional figures

The trade deficit figures of the country declined to USD 1,923mn (-5.22% MoM) for Dec'22, however, the current account deficit also increased during the month to reach USD 400mn vs USD 252mn in the month of Dec'22. The remittances dipped by USD 67mn to land at USD 2,041mn in Dec'22. FBR's tax collection in the current fiscal year stood at PKR 3,965bn in the 7MFY23.

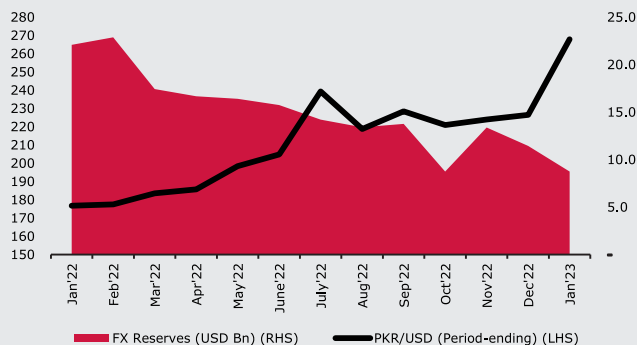
INFLATION



Source: PBS

The national CPI during the month of Jan'22 clocked in at 27.55% compared to 24.50% in the previous month.

PKR/USD PARITY VS FX RESERVES



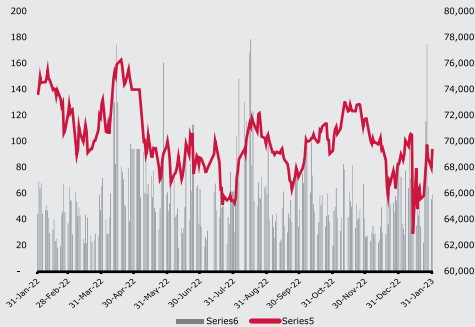
Source: SBP

Total FX reserves during the month fell by USD 2.7bn to stand at USD 8.74bn, while the PKR depreciated by 18% to PKR 267.89 against the USD.

CAPITAL MARKETS UPDATE

EQUITY MARKET

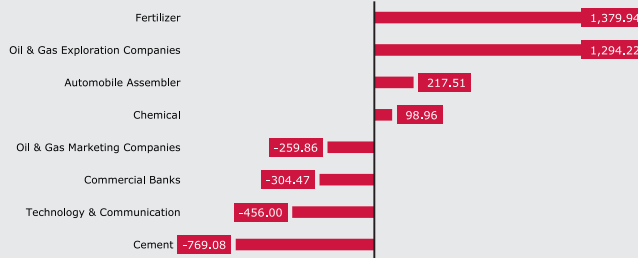
KMI-30 ONE YEAR PERFORMANCE



Source: PSX

The KMI-30 index gained 1,162 points during Jan'23 (+1.70% MoM). The index increased during the month in the anticipation of revival of IMF program and free float of PKR/USD parity. Average Traded Volume stood at 60mn shares posting a decrease of 27% MoM compared to the last month, while Average Traded Value climbed to PKR 68,072mn in Jan'22 (-1% MoM).

SECTOR WISE TOP CONTRIBUTORS



Source: PSX

The sectors contributing towards the index's gain during the month were topped by Fertilizers (+1,379.94 points), Oil & Gas Exploration Companies (+1,294.22 points), Automobile (+217.51 points) and Chemical (+98.96 points) while the negative contributors were Oil & Gas Marketing Companies which contributed (-259.86 points), Commercial Banks (-304.47 points), Technology & Communication (-456.00 points), and Cement (-769.08 points).

SECONDARY MARKET PKISRV

INSTRUMENT	JAN-23	DEC-22	CHANGE
GOPI3 30-04-2025	96.53	96.55	(0.02)
GOPI3 29-05-2025	99.58	99.54	0.04
GOPI3 24-06-2025	99.46	99.54	(0.08)
GOPI3V-29-07-2025	100.06	99.90	0.16
GOPI3F-29-07-2025	87.45	87.62	(0.17)
GOPI3V-09-12-2025	99.90	99.92	(0.02)
GOPI3F-20-01-2026	91.72	92.92	(1.20)
GOPI3V-06-10-2026	99.44	99.43	0.01
GOPI3F-06-10-2026	90.73	90.70	0.03
GOPI3V-29-10-2026	99.47	99.40	0.07
GOPI3F-15-12-2026	94.68	94.73	(0.05)
GOPI3F-27-04-2027	97.90	98.15	(0.25)
GOPI3V-27-04-2027	99.57	99.58	(0.01)
GOPI3V-26-10-2027	99.26	99.53	(0.27)

Source: MUJAP

Secondary market of GoP Ijara (VRR) prices remained volatile as compared to previous month. However, major development during the month was introduction of 3 Year FRR and VRR GoP Ijara Sukuk by MoF. During the month, Targets were revised for both VRR and FRR to PKR 120bn and PKR 50bn. VRR attracted total participation of worth PKR 62bn during the month out of which PKR 10bn was accepted at -25spread. Further, no participation bid was received in FRR and was rejected by GoP.

STRATEGY & OUTLOOK



EQUITY MARKET:

We continue to adhere to our long-term positive stance on the equity market, as the PSX 100 index trades at historically low P/E levels (forward P/E multiple of 3.1x) and a deep discount to its regional peers. However, in the short term, macroeconomic instability and political noise is likely to limit any potential rebound hence we maintain a cautious approach. Key triggers which can have an impact on the benchmark index include:

- **Change in monetary tightening regime impacting the corporate profitability resulting in a delayed recovery in equities.**
- **Restrictive measures to limit trade imports are expected to keep supply bottlenecks intact.**
- **If hikes in energy prices are continued it can erode purchasing power.**
- **Continued drop in forex reserves.**
- **Likely continuation of IMF program which can unlock much needed flow of USD.**
- **Softening trend in international commodity prices.**

We remain cautiously optimistic on the equity market in the near term, however, lack of clarity on both the political and economic fronts will make any surge in the equity index short lived.

DEBT MARKET:

In outgoing month, the Conventional money market cut-offs witnessed an all time high since 2000 aided by an increase in the MPS by 100 bps announced during the month. Islamic money markets also moved in similar fashion. Yields across the tenors inched up significantly in the range of 75 bps - 223 bps. Short term yields closed at 17.75%, 17.87% and 17.95% for 3 months, 6 Months, 1 year, whereas 3, 5 and 10 years closed at 16.83%, 15.48% and 14.45% up by 223bps, 131bps and 75bps respectively. Going forward, Debt market is likely to remain under pressure in expectations of another hike in the policy rate followed by the recent increase of 100 bps during the month. The plight of inflation will keep the interest rates in check for CY23. Going forward, the tone for the fixed income market will be set by the continuation of the IMF program and the government's commitment to adhere to a stringent plan to put the economy on the right track. Keeping in close view of the above, our fixed income portfolios are optimally allocated in shorter duration instruments and longer tenor fixed rate instruments.

FUND WISE STRATEGY

- **Jubilee Life Balanced Takaful Fund:** Jubilee Life Balanced Takaful Fund offers its participants high yielding return with optimal allocation of 40% in low duration instruments, along with 25% exposure in high yielding deposits and 5% in corporate sukuks, thereby allowing policy holders to capitalize maximum benefit from any opportunity in the yield curve. Furthermore, keeping in view uncertain macroeconomic situation, equities allocation of the fund is reduced to 3% to safeguard the capital erosion.
- **Aggressive Takaful Fund:** Equity allocation in JL Aggressive Takaful fund is reduced to 42% in order to safeguard the participants in current uncertain macroeconomic situation. Furthermore, an optimal mix of blue chip and growth stocks within equities provides an ideal avenue for long term capital growth, while 58% allocation is placed at high yielding shariah compliant debt instruments.
- **Family Takaful Income Fund:** With Takaful Income Fund participants are expected to earn sustainable returns in medium-term through exposure in low risk GoP Ijara Sukuk and bank deposits. Fund allocation is well poised in GoP Ijara (42%) and Bank deposits (43%).
- **Family Takaful Balanced Fund:** Family Takaful Balanced Fund offers its participants high yielding return with optimal allocation of 36% in low duration instruments, along with 31% exposure in high yielding deposits and 2% in corporate sukuks, thereby allowing policyholders to capitalize maximum benefit from any opportunity in the yield curve.

JUBILEE LIFE BALANCED TAKAFUL FUND

Fund Manager's Report
January 2023

FUND OBJECTIVE

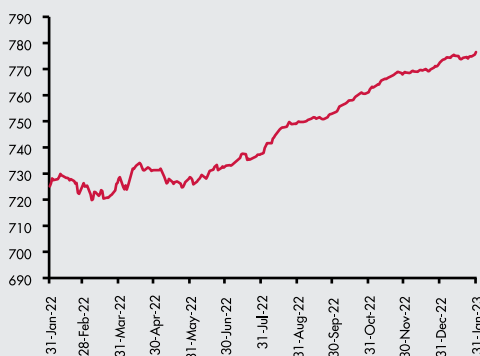
To optimize aggregate long term risk adjusted return through capital appreciation, dividend and profit income by investing in a Balanced Portfolio comprising of Shariah compliant equities, equity mutual funds, Sukuks (Government and Corporate), deposits with Islamic Banks and Windows or any other approved Shariah compliant avenues.

The Fund was launched on July 7, 2015.

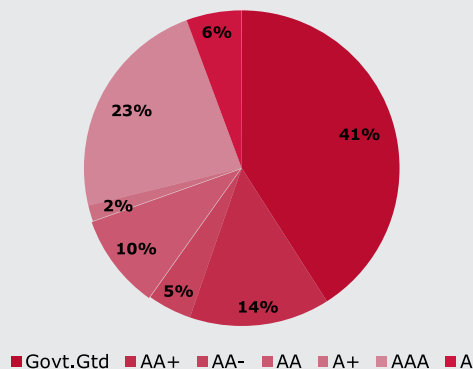
FUND MANAGER'S COMMENTS

During the month of January 2023 Balanced Takaful Fund's (BTF) Unit Price increased by PKR 4.02 (0.52%). The fund's allocation to government securities stands at 40.58% at month end against 40.69% last month while allocation to equities is at 0.82% versus 2.33% last month. Within sectors, the fund is tilted towards Pharmaceuticals with a total allocation of 68.79% followed by Miscellaneous, Engineering and Oil & Gas (Exploration Companies) with a sector allocation of 21.39%, 9.82% and 0.% respectively.

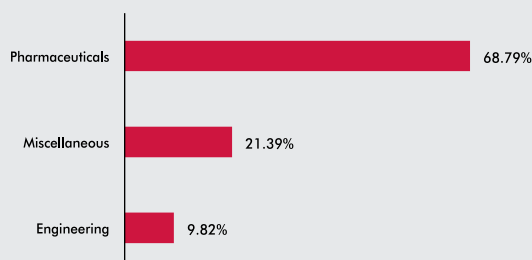
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Takaful Fund
Net Assets	PKR 15,640 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.01.2023)	PKR 776.56
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio	0.13%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.52%
3 months	2.03%
12 months (365 days)	7.10%
Calendar YTD	0.52%
Since Inception (annualized)	6.03%
5 Years (annualized)	4.63%

ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Government Securities	40.58%	40.69%
Sukuks	5.11%	6.56%
Cash and Short Term Deposits	35.02%	28.49%
Equities	0.82%	2.33%
Mutual Funds	18.46%	21.93%

AGGRESSIVE TAKAFUL FUND

Fund Manager's Report
January 2023

FUND OBJECTIVE

To optimize aggregate long term risk adjusted return through capital appreciation, dividend and profit income by investing in an Aggressive Portfolio primarily comprising of Shariah compliant equities and equity mutual funds with any excess liquidity being invested in Sukuks (Government and Corporate) or deposits with Islamic Banks and Islamic Windows of Conventional Banks.

The Fund was launched on July 7, 2015.

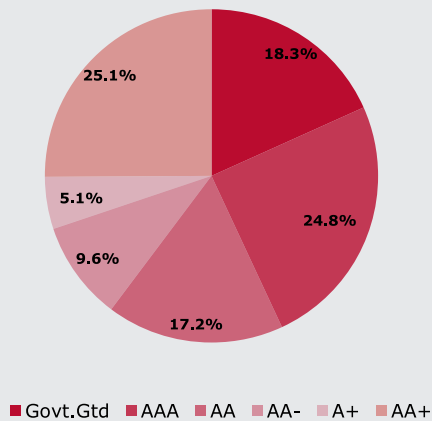
FUND MANAGER'S COMMENTS

During the month of January 2023 Aggressive Takaful Fund's (ATF) Unit Price decreased by PKR 11.3 (-1.9%). The fund's allocation to equities stands at 41.9% at month end against 49.94% last month while allocation to government securities is at 10.87% versus 10.64% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 32.53% followed by Cement, Pharmaceuticals and Fertilizers with a sector allocation of 13.7%, 9.43% and 6.95% respectively.

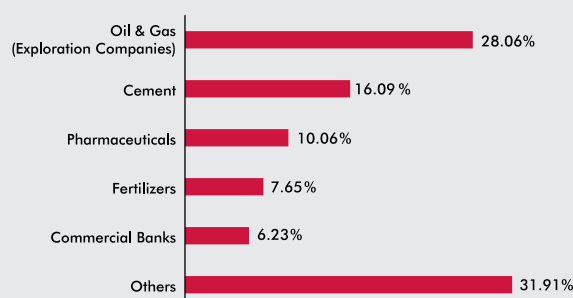
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Aggressive Takaful Fund
Net Assets	PKR 10,799 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.01.2023)	PKR 583.76
Category	Aggressive Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio	0.14%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	- 1.90%
3 months	- 4.19%
12 months (365 days)	- 11.66%
Calendar YTD	- 1.90%
Since Inception (annualized)	2.08%
5 Years (annualized)	- 2.20%

ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Government Securities	10.87%	10.64%
Sukuks	4.69%	4.54%
Cash and Short Term Deposits	27.76%	15.52%
Equities	41.90%	49.94%
Mutual Funds	14.78%	19.36%

FAMILY TAKAFUL INCOME FUND

Fund Manager's Report
January 2023

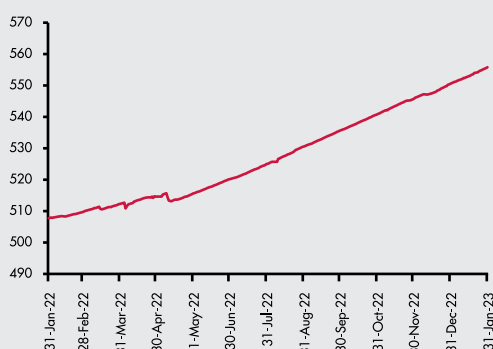
FUND OBJECTIVE

The investment objective of the fund is to provide sustainable returns to its policy holders over medium to long-term by investing in a diversified portfolio of securities consisting of different Shariah compliant money market and debt instruments.

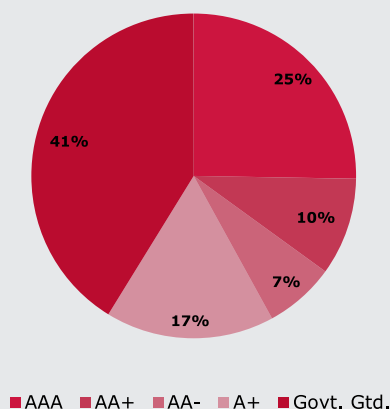
FUND MANAGER'S COMMENTS

During the month of January 2023 Family Takaful Income Fund's (FTIF) Unit Price increased by PKR 5.29 (0.96%). The fund's allocation to government securities stands at 41.67% at month end against 43.42% last month while allocation to cash and short term deposits is at 58.33% versus 56.58% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Income Fund
Net Assets	PKR 1,454 Million
Launch Date	01.08.2021
NAV Per Unit At Launch Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (31.01.2023)	PKR 555.85
Category	Income Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio	0.13%
Pricing Days	Monday to Friday
Weighted Average Maturity	462 Days

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.96%
3 months	2.78%
12 months (365 days)	9.47%
Calendar YTD (annualized)	11.92%
Since Inception (annualized)	7.31%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Government Securities	41.67%	43.42%
Cash and Short Term Deposits	58.33%	56.58%

FAMILY TAKAFUL BALANCED FUND

Fund Manager's Report
January 2023

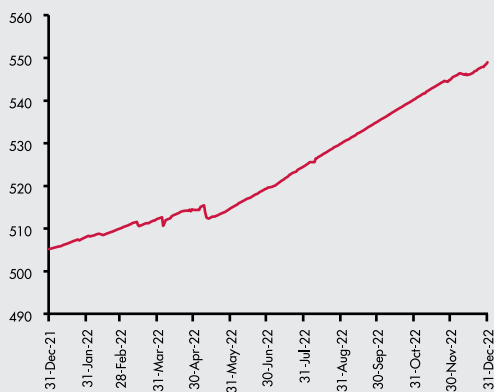
FUND OBJECTIVE

The investment objective of the fund is to earn competitive long-term risk adjusted return through capital appreciation, dividend and profit income by investing in Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instrument as permitted by regulations.

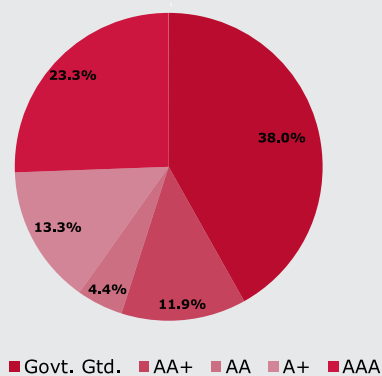
FUND MANAGER'S COMMENTS

During the month of January 2023 Family Takaful Balance Fund's (FTBF) Unit Price increased by PKR 5.77 (1.05%). The fund's allocation to government securities stands at 36.43% at month end against 37.96% last month while allocation to cash and short term deposits is at 44.96% versus 31.17% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Balanced Fund
Net Assets	PKR 477 Million
Launch Date	01.08.2021
NAV Per Unit At Launch Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (31.01.2023)	PKR 554.75
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio	0.13%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.05%
3 months	2.68%
12 months (365 days)	9.18%
Calendar YTD	1.05%
Since Inception (annualized)	7.17%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Government Securities	36.43%	37.96%
Term Finance Securities	1.73%	7.77%
Cash and Short Term Deposits	44.96%	31.17%
Mutual Funds	16.88%	23.10%

JUBILEEFAMILYTAKAFUL.COM

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