



# INVESTMENT FACT SHEET

## FOR THE MONTH OF MARCH 2023

# 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,

Pakistan introduced a PKR3.8/unit surcharge on electricity tariffs (15% raise) and reduced energy subsidies for zero-rated sectors. This seemed to move Pakistan closer to resuming the IMF programme, however in the absence of fresh bilateral flows, especially from GCC countries, and the resultant funding gap is preventing the successful completion of the IMF's 9th review. Although assistance from China has materialized via fresh disbursements from ICBC, and the rollover of USD2bn in SAFE deposits with the SBP appears likely, Pakistan is having to wait on funds from GCC countries. On the political front, the Election Commission has postponed the Punjab and Khyber Pakhtunkhwa provincial elections from April to October, after the finance ministry and army expressed inability to provide funds and security, respectively. A postponement in provincial elections will possibly lay grounds for a delay in national elections also. On a more positive note, the current account deficit has narrowed (USD74mn in February) and FX reserves with the SBP have increased to more than USD4bn, up about USD1bn from the January levels. However, the real economy is still under significant stress.

Major economic numbers during the month:

- **The country's Current Account Deficit decreased MoM by 69.2% during Feb'23 standing at USD 74mn.**
- **The CPI for Mar'23 clocked in at 35.4%, driven majorly by changes in non-alcoholic beverages, transport, tobacco and food indices.**
- **Depreciation on rupee-dollar rate by 9.13% was seen during Mar'23 (PKR 283.6/USD), closing at PKR 259.9/USD during Feb'23.**
- **Commodity prices remained stable (Brent Crude Oil: 3.9% MoM decrease in Mar'23).**

Economic front stayed vulnerable to the challenges as demand stayed on the lower side depicted by the most recent offtakes/sales numbers of Cement (-1.0% YoY in 9MFY23), Petroleum Products (-21% YoY in 9MFY23), Automobiles (-47.6% YoY in 8MFY23) and Fertilizer (-26.7% YoY in 8MFY23).

On the external side, the Current account deficit decreased by 69.2% MoM to reach USD 74 mn in Feb'23.

Financial markets signalled slow and nonvolatile momentum for the month due to the delay in IMF and uncertainty on the political front. KSE-100 fell slightly by 1.26% MoM.

Inflation dialed in at 35.4% in Mar'23 which was noticeably high, this was mainly contributed by non-alcoholic beverages, tobacco transport and food indices.

FX Reserves clocked in at USD 9.75bn as of 31st March 2023.

# ECONOMY UPDATE

## MACROECONOMIC INDICATORS

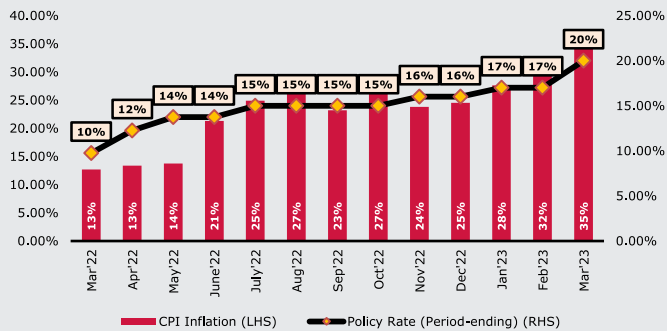
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	February	(1,733)	(1,717)	(18,131)
Remittances (USD mn)	February	1,988	1,894	17,932
Current A/C Balance (USD mn)	February	(74)	(242)	(3,742)
FDI (USD mn)	February	101	223	738
Tax Collection* (PKR bn)	March	663	527	5,150
M2 Growth				1.82%

Source SBP, FBR

\* Provisional figures

The trade deficit docked in at USD 1,733mn (+0.9% MoM) for Feb'23, however current account deficit decreased for the month to USD 74mn vs USD 242mn in the month of Feb'23. Remittances increased by 5.0% during the month from USD 1,894mn to USD 1,988mn. FBR's tax collection in the current fiscal year stood at PKR 5,150bn in the 9MFY23.

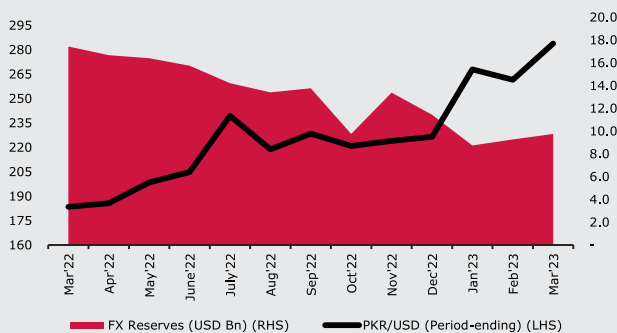
## INFLATION



Source: PBS

The national CPI during Mar'23 docked in at 35.4% compared to 31.5% in the previous month.

## PKR/USD PARITY VS FX RESERVES



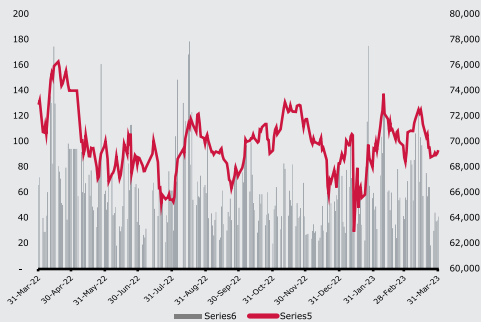
Source: SBP

FX Reserves as of 31st March 2023 were reported at USD 9.75bn, while the PKR depreciated by 9.13% to PKR 283.6 against the USD.

# CAPITAL MARKETS UPDATE

## EQUITY MARKET

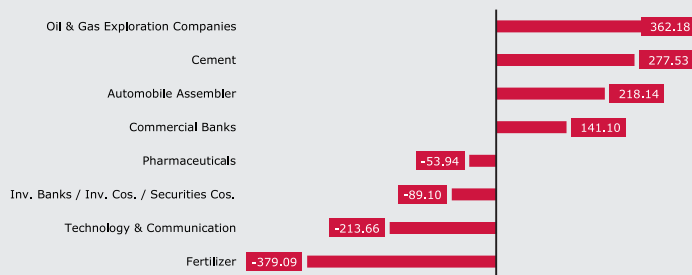
### KMI -30 ONE YEAR PERFORMANCE



Source: PSX

The KMI-30 index increased by 576 points during March'23 (+0.84% MoM). The index responded slightly positive during the month due to fresh disbursement of USD2bn from Peoples Bank OF China. Stability of CAD and FX reserve also contributed to the change of trend for Equity market. Average traded volumes stood at 41mn shares posting an increase of 5% MoM, while Average Traded Value stood at PKR4,412mn in March'23 a plunge of -30% Mom.

### SECTOR WISE TOP CONTRIBUTORS



Source: PSX

The major sectors that contributed positively to KMI 30 were Oil & Gas Exploration Companies (362.18 points), Cement (277.53 points), Automobile Assembler (218.14 points) and Commercial Banks (141.10 points) while the sectors contributing negatively were Pharmaceuticals (-53.94 points), Inv.Banks/ Inv. Cos./ Securities Cos. (-89.10 points), Technology & Communication (-213.66) and Fertilizers (-379.09).

## SECONDARY MARKET PKISRV

INSTRUMENT	MAR-23	FEB-23	CHANGE
GOPISV20-02-2024	98.8	0	-
GOPISF20-02-2024	97.95	0	-
GOPISV08-03-2024	100.19	0	-
GOPISF08-03-2024	100.28	0	-
GOPIS 30-04-2025	96.50	96.50	0.00
GOPIS 29-05-2025	99.08	99.17	(0.09)
GOPIS 24-06-2025	99.11	99.03	0.08
GOPISV29-07-2025	99.40	99.37	0.03
GOPISF29-07-2025	86.00	86.25	(0.25)
GOPISV09-12-2025	99.72	99.77	(0.05)
GOPISV05-01-2026	97.20	98.38	(1.18)
GOPISF20-01-2026	88.80	89.92	(1.12)
GOPISV06-10-2026	99.23	99.18	0.05
GOPISF06-10-2026	89.20	89.83	(0.63)
GOPISV29-10-2026	99.05	98.82	0.23
GOPISF15-12-2026	90.60	90.83	(0.23)
GOPISF27-04-2027	93.20	94.00	(0.80)
GOPISV27-04-2027	98.75	98.52	0.23
GOPISV26-10-2027	99.04	98.58	0.46
GOPISF16-11-2027	96.90	96.96	(0.06)

Source: MUFAP

The secondary market saw continued volatility for both GoP Ijara (VRR) and GoP Ijara (FRR). Despite introduction of short term Ijara Sukuk by SBP, total participation of PKR 46 billion was witnessed against combined target of PKR 150 billion of VRR and FRR. VRR attracted total participation of worth PKR 40bn across the tenors against the target of PKR 120 billion, out of which PKR 19.74bn was accepted at +75 spread in 1 year, while bids for 3 year and 5-year tenor were rejected. On the other hand, participation worth only PKR 6.15bn was witnessed against the target of PKR 30 billion. GoP accepted PKR 1.15 billion @ 20.70% in 1 year whereas 3 years and 5 year was rejected.



# STRATEGY & OUTLOOK



## EQUITY MARKET:

We adhere to our long term bullish stance on equity market. PSX index continued to float at attractive low P/E Levels (Forward P/E multiple of 3.7x) along with attractive discounts to its regional peers hovering at an average multiple of 11.5x P/E Levels. Very slim chances of any major recoveries in equity prevail mainly because of continued political instability and volatility in macroeconomics.

Corporate profits are expected to remain range bound amidst tough economic conditions.

- **Raw material bottlenecks remained intact due to lower import levels.**
- **Record high inflation has impaired the purchasing power capability.**
- **Additional cash inflow from friendly countries alongside IMF program revival may create upside trigger in equities but overall economic crises may lead to limit these triggers.**

We continue to observe the performance of equity market nevertheless, uncertain political and economical developments may not favor the equity index in near future.

## DEBT MARKET:

On the Islamic money market front, one-year GoP Ijara sukuk was issued at +75bps spread indicating policy rate adjustment of 100bps. In the Islamic money market, yields followed a similar trend to the conventional market, as both VRR and FRR marked new highs for all tenors. Going forward, with apparent momentum of increasing inflation in near term and central bank prudent approach to anchor inflation by increasing policy rate will likely keep the debt market under pressure. However, the conclusion of the SLA agreement with the IMF, coupled with support from friendly countries and political stability, is expected to guide rates towards stability and support stable yields. Keeping in view of macro-economic environment and interest rate outlook, our fixed income portfolios are optimally allocated in shorter duration instruments and longer tenor fixed rate instruments.

## FUND WISE STRATEGY

- **Balanced Takaful Fund:** Jubilee Life Balanced Takaful Fund offers its participants high yielding return with optimal allocation of 48% in low duration instruments, along with 6% exposure in high yielding deposits and 5% in corporate sukus, thereby allowing participants to capitalize maximum benefit from any opportunity in the yield curve.
- **Aggressive Takaful Fund:** Equity allocation in JL Aggressive Takaful fund is reduced to 19% to minimize the volatility for participants from the uncertain macro-economic environment effecting equity market. On the other hand, 81% allocation is placed at various high yielding shariah compliant debt and cash deposits.
- **Family Takaful Income Fund:** With Takaful Income Fund participants are expected to earn sustainable return in medium-term through exposure in low risk GoP Ijara Sukuk and bank deposits. Fund allocation is well poised in GoP Ijara (55%) and a total of Cash and Bank deposits of (45%).
- **Family Takaful Balanced Fund:** Family Takaful Balanced Fund offers its participants high yielding return with optimal allocation of 39% in low duration instruments, along with 12% exposure in high yielding deposits and 2% in corporate sukus, thereby allowing participants to capitalize maximum benefit from any opportunity in the yield curve.

# BALANCED TAKAFUL FUND

Fund Manager's Report  
March 2023

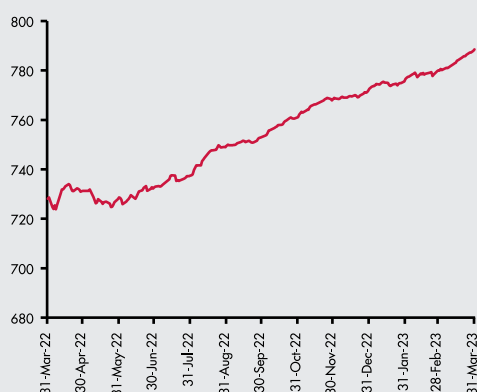
## FUND OBJECTIVE

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.

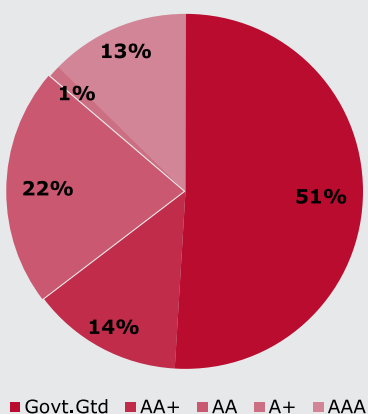
## FUND MANAGER'S COMMENTS

During the month of March 2023 Balanced Takaful Fund's (BTF) Unit Price increased by PKR 8.48 (1.09%). The fund's allocation to government securities stands at 50.3% at month end against 40.16% last month while allocation to equities is at 0.05% versus 0.69% last month. Within sectors, the fund is tilted towards Engineering with a total allocation of 100% followed by Pharmaceuticals, Miscellaneous and Oil & Gas (Exploration Companies) with a sector allocation of 0.%, 0% 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 15,926 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.03.2023)	PKR 788.51
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.37%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.09%
3 months	2.07%
12 months (365 days)	8.30%
Calendar YTD	2.07%
Since Inception (annualized)	6.11%
5 Years (annualized)	4.88%

## ASSET ALLOCATION

ASSETS	MARCH-23	FEBRUARY-23
Government Securities	50.30%	40.16%
Sukuks	4.88%	4.91%
Cash and Short Term Deposits	14.59%	35.65%
Equities	0.05%	0.69%
Mutual Funds	30.18%	18.59%

# AGGRESSIVE TAKAFUL FUND

Fund Manager's Report  
March 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.

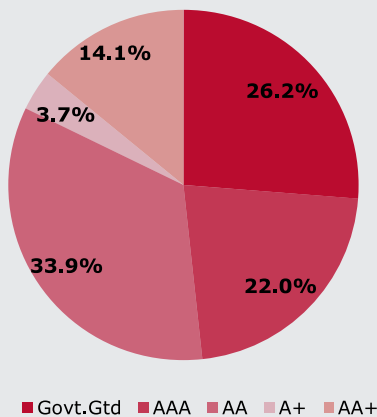
## FUND MANAGER'S COMMENTS

During the month of March 2023 Aggressive Takaful Fund's (ATF) Unit Price increased by PKR 5.15 (0.87%). The fund's allocation to equities stands at 19.06% at month end against 39.82% last month while allocation to government securities is at 21.23% versus 10.76% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 59.44% followed by Automobile Assembler & Parts, Textile Composite and Pharmaceuticals with a sector allocation of 8.11%, 8.07% and 7.18% respectively.

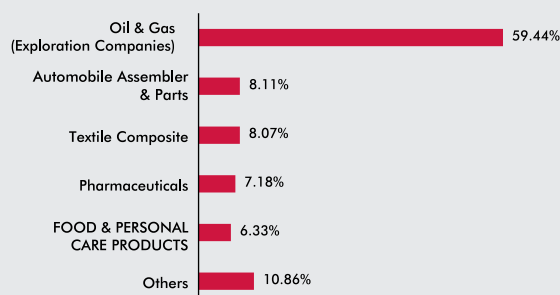
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Aggressive Takaful Fund
Net Assets	PKR 10,794 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.03.2023)	PKR 595.11
Category	Aggressive Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.42%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.87%
3 months	0.01%
12 months (365 days)	- 8.53%
Calendar YTD	0.01%
Since Inception (annualized)	2.29%
5 Years (annualized)	- 1.97%

## ASSET ALLOCATION

ASSETS	MARCH-23	FEBRUARY-23
Government Securities	21.23%	10.76%
Sukuks	4.25%	4.19%
Cash and Short Term Deposits	23.94%	25.08%
Equities	19.06%	39.82%
Mutual Funds	31.52%	20.14%



# FAMILY TAKAFUL INCOME FUND

Fund Manager's Report  
March 2023

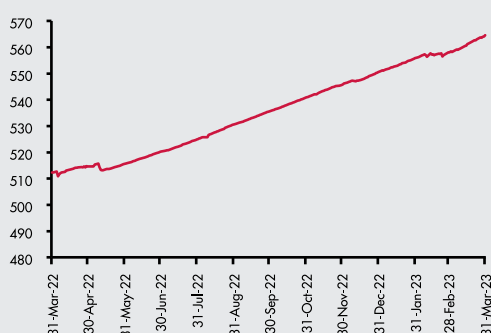
## FUND OBJECTIVE

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.

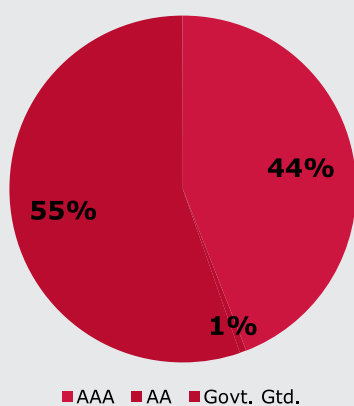
## FUND MANAGER'S COMMENTS

During the month of March 2023 Family Takaful Income Fund's (FTIF) Unit Price increased by PKR 6.47 (1.16%). The fund's allocation to government securities stands at 55.34% at month end against 39.91% last month while allocation to cash and short term deposits is at 44.66% versus 60.09% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Income Fund
Net Assets	PKR 1,652 Million
Launch Date	01.08.2021
NAV Per Unit At Launch Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (31.03.2023)	PKR 564.57
Category	Income Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.37%
Pricing Days	Monday to Friday
Weighted Average Maturity	442 days

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.16%
3 months	2.54%
12 months (365 days)	10.20%
Calendar YTD (annualized)	10.73%
Since Inception (annualized)	7.58%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

## ASSET ALLOCATION

ASSETS	MARCH-23	FEBRUARY-23
Government Securities	55.34%	39.91%
Cash and Short Term Deposits	44.66%	60.09%

# FAMILY TAKAFUL BALANCED FUND

Fund Manager's Report  
March 2023

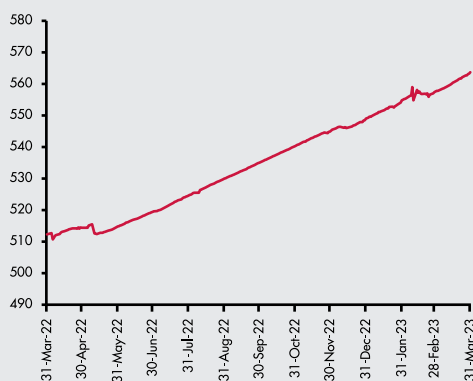
## FUND OBJECTIVE

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.

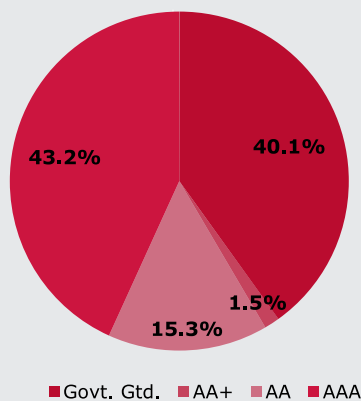
## FUND MANAGER'S COMMENTS

During the month of March 2023 Family Takaful Balance Fund's (FTBF) Unit Price increased by PKR 6.26 (1.12%). The fund's allocation to government securities stands at 40.07% at month end against 33.99% last month while allocation to cash and short term deposits is at 49.52% versus 38.46% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Balanced Fund
Net Assets	PKR 561 Million
Launch Date	01.08.2021
NAV Per Unit At Launch Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (31.03.2023)	PKR 563.67
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.37%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.12%
3 months	2.68%
12 months (365 days)	10.04%
Calendar YTD	2.68%
Since Inception (annualized)	7.47%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

## ASSET ALLOCATION

ASSETS	MARCH-23	FEBRUARY-23
Government Securities	40.07%	33.99%
Term Finance Securities	1.47%	1.64%
Cash and Short Term Deposits	49.52%	38.46%
Mutual Funds	8.94%	25.90%

# TOP TEN HOLDINGS

## BALANCED TAKAFUL FUND

AGHA

## AGGRESSIVE TAKAFUL FUND

FEROZ
HINOON
ILP
MARI
NATF
OGDC
POL
PPL
SPEL
THALL

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**Jubilee Life Insurance Company Limited**

**Window Takaful Operations**

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