



# INVESTMENT FACT SHEET

## FOR THE MONTH OF NOVEMBER 2022

# 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,

In the month of Nov'22 there were various negative developments including increase in policy rate by 100bps, spike in Current Account Deficit, and a CPI consistent reading in excess of 20%. While major positive developments were rollover of USD3bn loan from Saudi Arabia, and the appointment of the new Army Chief which gave a boost to the market sentiments. On the side-line the other positive news was, possible announcement of USD13bn promised funding from China and Saudi Arabia, and announcement of Kissan Package of PKR 1,800bn.

Major economic numbers during the month:

- **The country's Current Account Deficit Increased M/M by 56% during Oct'22.**
- **The CPI for Nov'22 clocked in at 23.80%, on account of lower transport cost.**
- **Lower imports resulted in the appreciation of 1.39% M/M in PKR against greenback to close in at 223.95.**
- **Decrease in international commodity prices (Brent Crude Oil: 6.90% M/M Decrease in Nov'22).**
- **The market sentiment remained cautious with KSE-100 hovering in the range of 41,265-42,349.**

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 (-27.84% Y/Y in 5MFY23), Petroleum Products (-24.75% Y/Y in 5MFY23), Automobiles (-47.03% Y/Y in 4MFY23) and Fertilizer (-34.37% Y/Y in 4MFY23). Moreover, the LSM (Large Scale Manufacturing) witnessed a slight decline of 0.4% Y/Y in 1QFY23, mainly led by pharmaceuticals, automobiles, and coke & petroleum products.

On the external side, the Current account deficit increased by 56% M/M to reach USD 0.567mn in Oct'22 mainly due to lower exports and remittances. Another negative during the month was the Cotton output declining by 40% mainly because of climate change and floods at the time when exports are already declining.

Financial markets showed a positive momentum for the most part of the month due to stable exchange rate and the appointment of new Army Chief General Asim Munir. However, hike in interest rate by 1.00 bps during the last week of the month shook investor confidence. Tough economic circumstances in the country also resulted in the decline of FDI (Foreign Direct Investment) during the current fiscal year (4MFY23) by 52% to USD 348.3 million.

On the domestic front, Inflation declined marginally to 23.84% in Nov'22 due to decline in prices of transport and perishable food items, however, average inflation for the current fiscal year is still alarmingly high at 25.14% during 5MFY23. On the financing side, China promised to provide inflow of USD 9bn whereas Saudi Arabia committed USD 4bn. Saudi Arabia also provided a rollover in its deposits kept with SBP of USD 3bn.

The FX reserves weakened to USD 13.37bn as on 25th November 2022 from USD 14.67bn seen a month earlier due to repayment of foreign obligation.

# ECONOMY UPDATE

## MACROECONOMIC INDICATORS

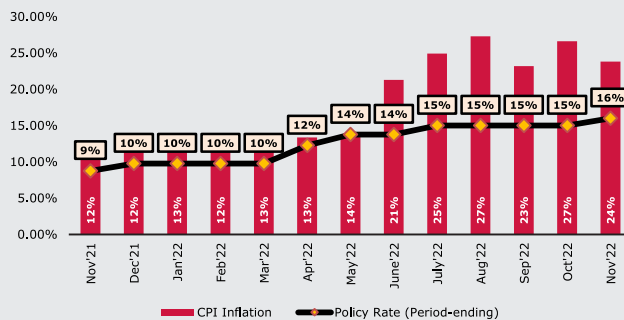
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	Oct'22	(2,305)	(2,321)	(10,792)
Remittances (USD mn)	Oct'22	2,216	2,437	9,901
Current A/C Balance (USD mn)	Oct'22	(567)	(316)	(2,821)
FDI (USD mn)	Oct'22	95	84	349
Tax Collection* (PKR bn)	Nov-22	538	512	2,682
M2 Growth				13.60%

Source SBP, FBR

\* Provisional figures

The trade deficit figures of the country declined to USD 2,305mn (-3% M/M) for Oct'22, however, the current account deficit also increased during the month to reach USD 567mn vs USD 363mn in the month of Oct'22. The remittances dipped by USD 221mn to land at USD 2,216mn in Oct'22. FBR's tax collection in the current fiscal year stood at PKR 2,682bn in the 5MFY23.

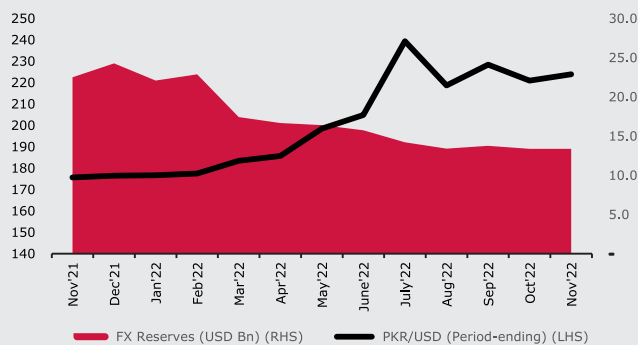
## INFLATION



Source: ZAKHEERA

The national CPI during the month of Nov'22 clocked in at 23.80% compared to 26.60% in the previous month.

## PKR/USD PARITY VS FX RESERVES



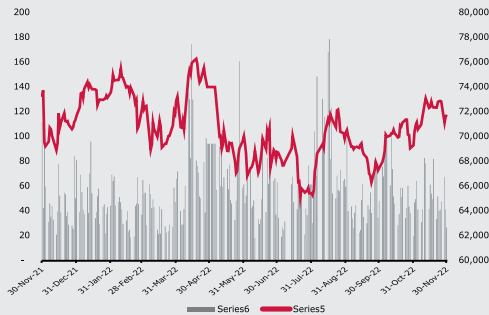
Source: ZAKHEERA

FX reserves during the month fell by (USD 1,300mn) to stand at (USD13.37bn), while the PKR appreciated by 1.34% to PKR 223.95 against the USD.

# CAPITAL MARKETS UPDATE

## EQUITY MARKET

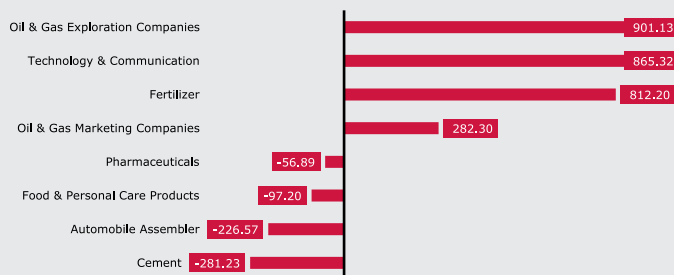
### KMI-30 ONE YEAR PERFORMANCE



Source: PSX

The KMI-30 index gained 2,458 points during Nov'22 (3.55% M/M), The index increased during the month on account of rupee stability. Average Traded Volume stood at 51mn shares posting a decrease of 14% M/M compared to the last month, while Average Traded Value dipped to PKR 72,008mn in Nov'22 (2.79% M/M).

### SECTOR WISE TOP CONTRIBUTORS



Source: ZAKHEERA

The sectors contributing towards the index's gain during the month were topped by Power Generation & Distribution (901.13 points), Technology & Communication (865.32 points), Fertilizer (812.20), Oil & Gas Marketing (282.30 points) while the negative contributors were Cement which contributed (-281.23 points), Automobile Assembler (-226.57), Food & Personal Care Products (-97.20) and Pharmaceuticals (-56.89).

## SECONDARY MARKET PKISRV

INSTRUMENT	NOV-22	OCT-22	CHANGE
GOPIS 30-04-2025	96.66	96.90	(0.24)
GOPIS 29-05-2025	99.93	100.10	(0.17)
GOPIS 24-06-2025	99.59	99.73	(0.14)
GOPISV-29-07-2025	99.96	100.28	(0.32)
GOPISF-29-07-2025	88.45	88.80	(0.35)
GOPISV-09-12-2025	100.04	99.77	0.27
GOPISF-20-01-2026	93.08	93.69	(0.61)
GOPISV-06-10-2026	99.60	99.75	(0.15)
GOPISF-06-10-2026	91.84	92.38	(0.54)
GOPISV-29-10-2026	99.70	99.87	(0.17)
GOPISF-15-12-2026	95.76	96.00	(0.24)
GOPISF-27-04-2027	98.50	98.70	(0.20)
GOPISV-27-04-2027	99.86	99.87	(0.01)
GOPISV-26-10-2027	99.88	-	99.88

Source: MUJAP

Secondary market of GoP Ijara (VRR) prices lost the bullish momentum gained in contrast to the previous month. Auction of variable as well as fixed rate rental GOP Ijara was conducted during the month. Targets for both VRR and FRR were PKR 70 billion and PKR 30 billion. VRR attracted lacklustre participation of worth PKR 14bn out of which no bid was accepted. Following, the lacklustre participation of VRR only PKR 0.08 bn was received in FRR and was pertinent to be rejected by GoP.



# STRATEGY & OUTLOOK



## EQUITY MARKET:

We maintain our long-term bullish stance on the equity market as it continues to trade on highly alluring valuation levels (P/E multiple of less than 4x), which is one of the lowest in the region. The market's multiple is lower than historical average of 8x. However, despite attractive valuations, investors are expected to remain sideline primarily due to macroeconomic challenges and higher yield on offer from alternate asset class. Key triggers which can propel the benchmark index include:

- **Expectation of USD 13bn financial support from China and Saudi Arabia.**
- **Decrease in international commodity prices (Brent Crude Oil: 6.90% M/M Decrease in Nov'22)**
- **Lower imports resulted in the appreciation of 1.39% (M/M) in PKR against greenback to close in at 223.95.**
- **Increase in policy rate by 100bps from 15% to 16% in Nov'22**

Although the local political noise is likely to remain elevated until the general elections are held, we remain cautiously optimistic in the near term due to the above-mentioned reasons.

## DEBT MARKET:

During the last month, the Conventional money market witnessed the highest cut-offs since 2000 after the unprecedented announcement of 100 bps hike in policy rate, whereas Islamic money markets remained tempestuous across the board. Following the trend across the primary market, secondary market yields also gained momentum across the board with yields inching in between +44 bps to +123 bps across the tenors and instruments. Going forward, Debt market is likely to remain under pressure in expectation of austerity measures to be taken to improve economic outlook, currency stabilization and avert potential default on foreign currency exposures. Closing of 9th IMF review will be prominent importance as most of bilateral and multilateral support funds are tied with it. Our fixed income portfolios are optimally allocated in shorter duration instruments and longer tenor fixed rate instruments.

## FUND WISE STRATEGY

- **Managed Takaful Fund:** This fund offers an ideal mix of high yielding deposits (51%), government securities (39%) and 7% high rated corporate sukuk. Taking a prudent approach in current uncertain economic situation, exposure in equities is contained to mere 3%.
- **Capital Growth Takaful Fund:** The participants of Capital Growth Takaful Fund are expected to earn decent risk adjusted returns from its equity exposure of 57% in an optimal mix of blue chip and growth stocks. Remaining exposure is well poised in high yielding shariah compliant debt instruments.
- **Takaful Income Fund:** Our takaful income Fund provides a diverse exposure in fixed rate GoP Ijara Sukuk, variable rate GoP Ijara Sukuk, bank deposits and corporate Sukuk. This optimal mix is well poised to benefit from movement in interest rates to earn a sustainable return over the long and medium term.
- **Takaful Balanced Fund:** With its moderate risk profile this fund aims to provide sustainable long-term returns while limiting and downside risk through a diverse holding of fixed rate GoP Ijara Sukuk, variable rate GoP Ijara Sukuk, bank deposits and corporate Sukuk. The participants of Takaful Balance Fund are expected to earn a decent risk adjusted return as the fund plans to gradually build exposure in equities.

# MANAGED TAKAFUL FUND

## FUND OBJECTIVE

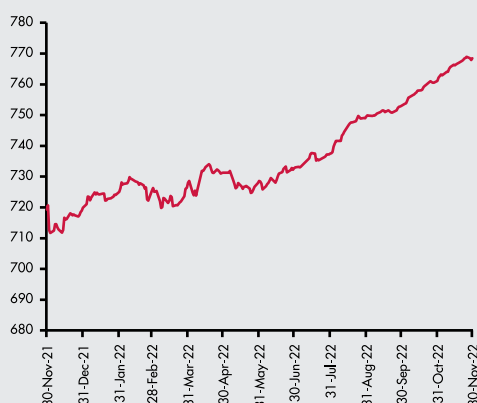
To optimize aggregate long term risk adjusted return through capital appreciation, dividend and profit income by investing in a Balanced Portfolio comprising of Shariah compliant equities, equity mutual funds, Sukuks (Government and Corporate), deposits with Islamic Banks and Windows or any other approved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

The Fund was launched on July 7, 2015.

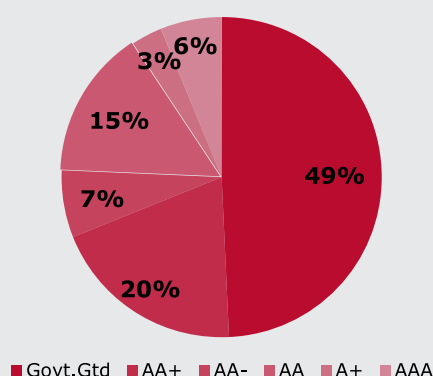
## FUND MANAGER'S COMMENTS

During the month of November 2022 Managed Takaful Fund's (MTF) Unit Price increased by PKR 7.35 (0.97%). The fund's allocation to government securities stands at 39.09% at month end against 33.56% last month while allocation to equities is at 2.69% versus 3.84% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 31.16% followed by Pharmaceuticals, Cement and Miscellaneous with a sector allocation of 30.11%, 21.09% and 11.24% respectively.

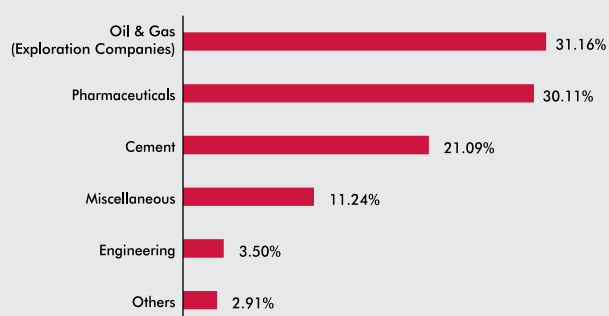
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Managed Takaful Fund
Fund Size	PKR 15,003 Million
Launch Date	07.07.2015
Bid Price (07.07.2015)	PKR 500.00
Bid Price (30.11.2022)	PKR 768.48
Category	Shariah Compliant Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Moderate
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.97%
3 months	2.52%
12 months	6.83%
Calendar YTD	6.75%
Since Inception (annualized)	6.03%
5 Years (annualized)	5.08%

## ASSET ALLOCATION

ASSETS	NOVEMBER-22	OCTOBER-22
Government Securities	39.09%	33.56%
Sukuks	6.57%	6.86%
Cash and Short Term Deposits	40.66%	44.73%
Equities	2.69%	3.84%
Mutual Funds	11.00%	11.01%

# CAPITAL GROWTH TAKAFUL FUND

## 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.

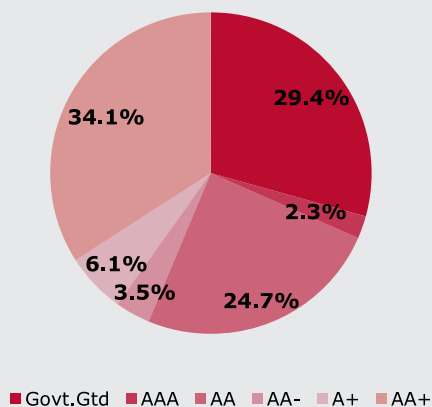
## FUND MANAGER'S COMMENTS

During the month of November 2022 Capital Growth Takaful Fund's (CGTF) Unit Price increased by PKR 5.81 (0.95%). The fund's allocation to equities stands at 52.73% at month end against 52.88% last month while allocation to government securities is at 11.81% versus 10.89% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 26.99% followed by Cement, Pharmaceuticals and Fertilizers with a sector allocation of 15.8%, 10.58% and 7.05% respectively.

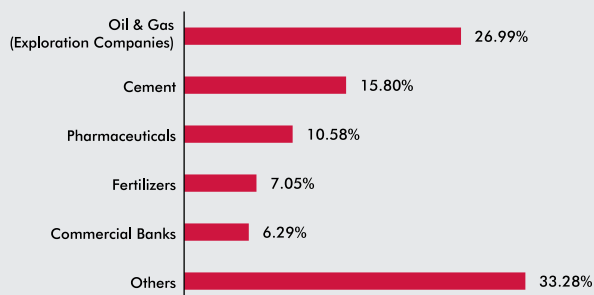
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Capital Growth Takaful Fund
Fund Size	PKR 11,375 Million
Launch Date	07.07.2015
Bid Price (07.07.2015)	PKR 500.00
Bid Price (30.11.2022)	PKR 615.13
Category	Shariah Compliant Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.95%
3 months	- 1.42%
12 months	- 7.59%
Calendar YTD	- 6.07%
Since Inception (annualized)	2.86%
5 Years (annualized)	- 0.24%

## ASSET ALLOCATION

ASSETS	NOVEMBER-22	OCTOBER-22
Government Securities	11.81%	10.89%
Sukuks	4.63%	4.91%
Cash and Short Term Deposits	16.39%	17.04%
Equities	52.73%	52.88%
Mutual Funds	14.44%	14.27%



# TAKAFUL INCOME FUND

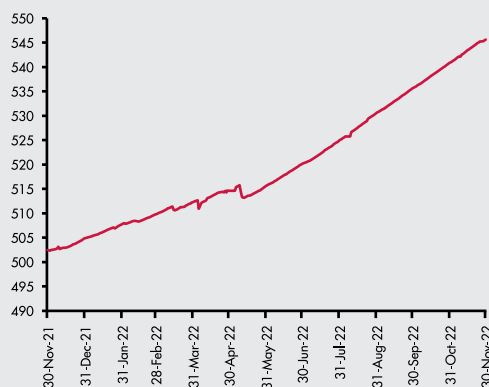
## FUND OBJECTIVE

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

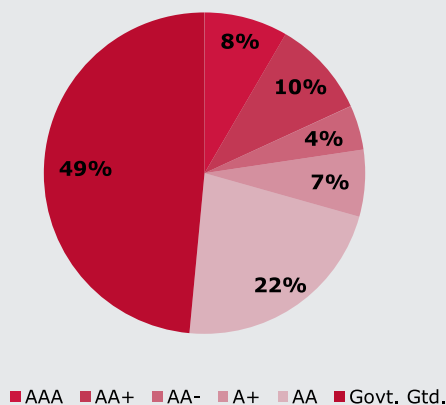
## FUND MANAGER'S COMMENTS

During the month of November 2022 Takaful Income Fund's (TIF) Unit Price increased by PKR 4.79 (0.89%). The fund's allocation to government securities stands at 38.5% at month end against 35.58% last month while allocation to cash and short term deposits is at 49.08% versus 50.88% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Takaful Income Fund
Fund Size	PKR 1,145 Million
Launch Date	01.08.2021
Bid Price (01.08.2021)	PKR 524.92
Bid Price (30.11.2022)	PKR 545.63
Category	Shariah Compliant Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.89%
3 months	2.83%
12 months	8.60%
Calendar YTD (annualized)	8.86%
Since Inception (annualized)	6.78%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

## ASSET ALLOCATION

ASSETS	NOVEMBER-22	OCTOBER-22
Government Securities	38.50%	35.58%
Term Finance Securities	5.14%	5.60%
Cash and Short Term Deposits	49.08%	50.88%
Mutual Funds	7.28%	7.94%

# TAKAFUL BALANCED FUND

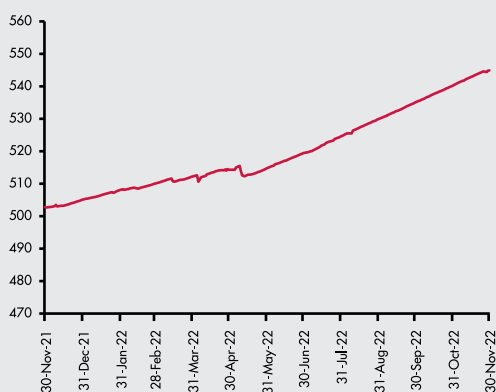
## FUND OBJECTIVE

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.

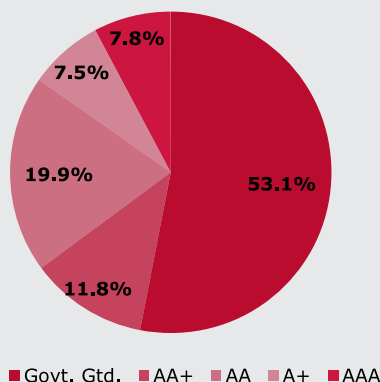
## FUND MANAGER'S COMMENTS

During the month of November 2022 Takaful Balance Fund's (TBF) Unit Price increased by PKR 4.62 (0.86%). The fund's allocation to government securities stands at 45.31% at month end against 42.35% last month while allocation to cash and short term deposits is at 40.65% versus 42.57% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Takaful Balanced Fund
Fund Size	PKR 388 Million
Launch Date	01.08.2021
Bid Price (01.08.2021)	PKR 544.89
Bid Price (30.11.2022)	PKR 540.27
Category	Shariah Compliant Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Moderate
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.86%
3 months	2.82%
12 months	8.37%
Calendar YTD	7.86%
Since Inception (annualized)	6.67%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

## ASSET ALLOCATION

ASSETS	NOVEMBER-22	OCTOBER-22
Government Securities	45.31%	42.35%
Term Finance Securities	9.10%	9.78%
Cash and Short Term Deposits	40.65%	42.57%
Mutual Funds	4.93%	5.30%

JUBILEEFAMILYTAKAFUL.COM

**Jubilee Life Insurance Company Limited**

**Window Takaful Operations**

74/1-A, Lalazar, M.T. Khan Road,  
Karachi - 74000, Pakistan

Phone: (021) 32120201, 35205094

Fax: (021) 35610959

UAN: (021) 111-111-554

SMS: Your Query to 8554

E-mail: info@jubileelife.com,  
complaints@jubileelife.com

Website: www.jubileefamilytakaful.com