



**INVESTMENT FACT SHEET**  
FOR THE MONTH OF JULY 2024

# GOVERNING COMMITTEES



## BOARD FINANCE & INVESTMENT COMMITTEE

- **SHAHID GHAFFAR**  
(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 Policyholders,

During the month of July 2024, the KSE-100 index reached another record high of 81,840 points, closing at 77,887 points, amidst positive developments including new IMF Staff-Level Agreement of 37- month Extended Fund Facility (EFF) amounting to USD 7bn, monetary easing with policy rate being further reduced by 100bps to 19.5% and improved long-term Issuer Default Rating (IDR) by Fitch from 'CCC' to 'CCC+' (second upgrade in a year), all of which has driven the market sentiments to reach new highs.

In contrast to this, electricity tariffs have sky rocketed following multiple adjustments as the Residential and Commercial tariff has reached PKR 48.84/ unit and PKR 77.15/ unit respectively. This has created social and economic unrest with demands of renegotiation of PPAs with the IPPs and an end to capacity payments.

Furthermore, The current account for June'24 posted a deficit (CAD) second month in a row, standing at US\$ 329mn vs a Current account Deficit (CAD) of US\$248mn in May'24. The country's total FX reserves remained stable M/M, reaching USD 14.39bn, with SBP reserves standing at USD 9.1bn. Moreover, foreign dividend and profit repatriation amounted to USD 2.2bn in FY24, reaching a six year high. Cumulatively, the price of petrol increased by PKR 11.27/ltr during the month reaching at PKR 269.43/ltr as of 1st August'24, meanwhile HSD rose by PKR 4.88/ltr to PKR 272.77/ltr. PKR remained relatively stable against USD in the inter-market, closing at PKR 278.74/USD. Lastly, FDI saw a significant decline of 38% M/M to USD 168.7mn in June'24.

The major numbers during the month:

- **The State Bank of Pakistan further reduced the key policy rate by 100 basis points to 19.5%.**
- **The current account deficit for June'24 stood at USD 329Mn with FY24 CAD reaching USD 681Mn.**
- **CPI inflation in July'24 clocked at 11.09% Y/Y, compared to 12.57% in June'24.**
- **PKR depreciated against USD by 0.4 rupees during the month, closing at PKR 278.74/ USD.**

The LSMI output for the month of May'24 increased by 7.33% Y/Y. Overall, the large-scale manufacturing sector has shown a growth of 0.99% during 11MFY24 with main contributors being Food (0.29%), Tobacco (-0.46%), Textile (-1.07%), Garments (1.33%), Non Metallic Mineral Products (-0.30%), Petroleum Products (0.54%), Chemicals (0.45%), Pharmaceuticals (0.87%), Iron & Steel products (-0.18%), Electrical Equipment (-0.27%), Automobiles (-0.73%), and Furniture (0.51%).

Cement dispatches declined by 6.81% Y/Y decline in July'24, with total dispatches at 3.01MT compared to 3.23MT in July'23. The total sales of petroleum products witnessed a decline of 17% M/M and clocked in at 1.2MT in July'24 due to hike in price of MS and HSD, resulting in lower consumption. Moreover, the country's auto sales for June'24 recorded 13,284 units, a growth of 21.3% compared to the previous month.

# ECONOMY UPDATE

## MACROECONOMIC INDICATORS

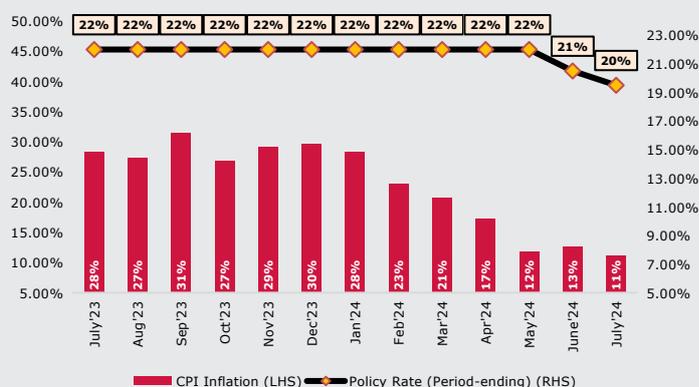
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	June	(2,198)	(2,045)	(22,077)
Remittances (USD mn)	June	3,158	3,243	30,250
Current A/C Balance (USD mn)	June	(329)	(248)	(681)
FDI (USD mn)	June	169	271	1,902
Tax Collection* (PKR bn)	July	659	1,183	659
M2 Growth				-3.48%

Source SBP, FBR

\* Provisional figures

The trade deficit for June'24 clocked in at USD 2.198bn, an increase of 7.5% M/M compared to a deficit of USD 2.045bn in May'24 with FY24 trade deficit reaching USD 22.07bn. Meanwhile for July'24, FBR collected PKR 659.2bn in taxes, against the target of PKR 656bn, reflecting an increase of PKR 3 billion over the monthly target.

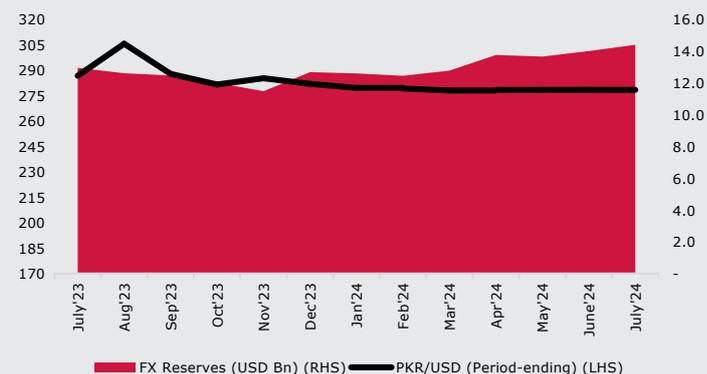
## INFLATION



Source: PBS

The national CPI for the month of July'24 clocked in at 11.09% Y/Y compared to 12.57% Y/Y in the previous month. On a M/M basis, inflation increased by 2.10% mainly due to 4.68% M/M increase in food inflation. Aside from that, other significant contributors to this increase were Health, Tobacco and Transport. Lastly, RIR remained positively wide at 8.41%.

## PKR/USD PARITY VS FX RESERVES



As of 26th July'24, Net reserves with SBP reached USD 9.1bn, while commercial banks held USD 5.29bn in reserves, bringing the country's total reserves to USD 14.39bn. On the other hand, PKR remained relatively stable against the US Dollar, standing at a rate of PKR 278.74/USD.

# CAPITAL MARKETS UPDATE

## EQUITY MARKET

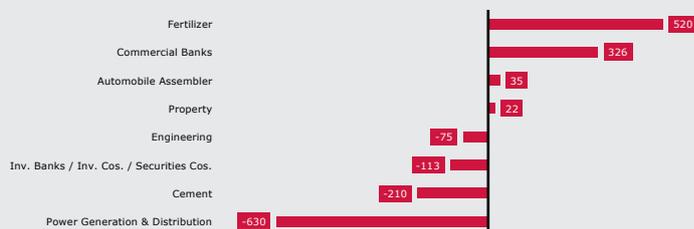
### KSE-100 ONE YEAR PERFORMANCE



Source: PSX

KSE-100 index hit another all time high of 81,840 points during July'24, however it was unable to sustain this level due to profit taking by mutual funds and companies, hence closing at 77,887 points, which is a 0.7% M/M decrease (-558 points). The Average volume traded were 405.6Mn shares, up by 1% M/M whereas Average value traded reached PKR 19.3Bn, reflecting 17% increase M/M. The major developments that contributed to the market's performance are 1) Reaching a new Staff Level Agreement with IMF on 37-month USD 7bn Extended Fund Facility (EFF) 2) A 100bps cut in key policy rate 3) Improved rating by Fitch and 4) Political and social unrest due to increased electricity prices.

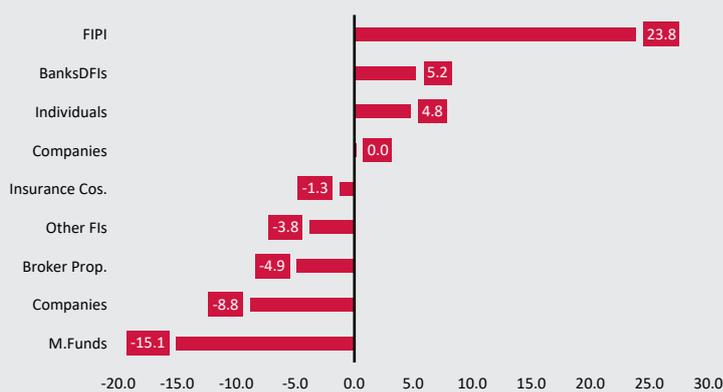
### SECTOR WISE TOP CONTRIBUTORS



Source: PSX

The major sectors driving the robust performance of equity benchmark during the month were Fertilizer (+520.18 points), Commercial Banks (+326.47 points), Automobile Assembler (+34.8 points), Property (+21.71 points). On the other hand, sectors that contributed negatively to market performance are Power Generation & Distribution (-629.63 points), Cement (-209.67 points), Inv. Banks/ Inv. Cos/ Securities Cos. (-112.56 points), Engineering (-74.5 points).

### FIPI LIPI



Foreigners were net buyers aggregating USD 23.8mn with major inflows recorded in Tech & Communication (USD 6.1mn), Banks (USD 5.8mn), Textile Comp. (USD 2.2mn) Power (USD 2.0mn) and Others (USD 12.0mn). On the other hand, outflow was recorded in Cement (USD 3.4mn), Food and Personal (USD 2.0mn) & Fertilizer (USD 1.6mn).

On the domestic front, Bank DFIs (USD 5.2mn), and Individuals (USD 4.8mn) were the major buyers, while Mutual Funds (USD 15.1mn), Companies (USD 8.8mn), Broker Prop. (USD 4.9mn), Other FIs (USD 3.8mn), and Insurance Cos. (USD 1.3mn) were major sellers.

# CAPITAL MARKETS UPDATE

## DEBT MARKET

### YIELD CURVE



Source: MUFAP

Secondary market yields for 3, 6 and 12-months T-bills closed at 19.41% (-56 bps MoM), 19.09% (-82 bps MoM) and 18.06% (-62 bps MoM) respectively. Yields for longer term instruments including 3-year fixed rate PIBs closed at 16.25% (-25 bps MoM), 5-year closing at 15.25% (-12 bps MoM) and 10-year closing at 14.07% (-2 bps MoM) respectively.

### KIBOR

INSTRUMENT	JULY-24	JUNE-24
Kibor-3 Month	19.51%	20.24%
Kibor-6 Month	19.39%	20.14%
Kibor-12 Month	18.50%	19.22%

Source: SBP

During the month, the Kibor rates for the 3-month, 6-month and 12-month periods wrapped up at 19.51% (-73bps MoM), 19.39% (-75bps MoM) and 18.50% (-72bps MoM).

### AUCTION UPDATE

TENORS	CUT OFF	PREVIOUS CUT OFF	CHANGE
<b>T-BILLS</b>			
3-Month	19.4899%	20.1498%	-66 bps
6-Month	19.2891%	19.9640%	-67 bps
12-Month	18.2389%	18.5400%	-30 bps
<b>FIXED RATE PIBS</b>			
3 year	16.25%	16.60%	-36 bps
5 year	15.30%	15.45%	-15 bps
10 year	-	14.25%	-
<b>FLOATING RATE PIBS - QUARTERLY</b>			
2 year	-	-	-
3 year	61	-	-
<b>FLOATING RATE PIBS - SEMI ANNUAL</b>			
5 year	114 bps	115 bps	1 bps
10 year	139 bps	139 bps	-

Source: SBP

During the month, the State Bank of Pakistan received bids worth PKR 3,022 bn in Treasury bills auction, outweighing the overall target of PKR 300 bn. SBP acceptance was worth PKR 777 bn. The latest cut-off rates stand at 19.4899% (-66 bps MoM), 19.2891% (-67 bps MoM) and 18.2389% (-30 bps MoM) for 3-months, 6-months and 12-months respectively.

In addition, participation of PKR 673 bn was observed in auction of floating-rate bonds at relatively higher rate against the target of PKR 440 billion. The Ministry of Finance (MoF) accepted bids worth PKR 199 bn only in semi-annual reset FRBs, and 25 bn in 3-year QRB, rejecting fortnightly reset instrument altogether. Latest cut-off spread closed at 62 bps for 3-year, 114bps for 5-year and 139bps for 10-year FRBs. During the same period participation worth PKR 566 bn was observed in fixed rate PIBs auction against the target of PKR 315 bn. MoF only accepted a total of PKR 208 bn across the tenors as most of the participation was at significantly higher rates than previous cut-offs. The Cutoffs for 3-year clocked in at 16.24% (-36 bps MoM), 5-year at 15.29% (-15 bps MoM) while bids in 10-year PIB were rejected.

# STRATEGY & OUTLOOK



## EQUITY MARKET:

Looking ahead, we anticipate improved investor confidence post the finalization of IMF program, debt relief from China and overall monetary easing with further rate cuts, however, any change in economic indicators, new government policies, corporate earnings, global events, and heightened political noise would potentially reshape market expectations.

### Key triggers which can have an impact on benchmark include:

- Finalization of IMF Agreement of 37-month Extended Fund Facility (EFF) worth USD 7bn.
- Expected re-profiling of foreign debt, mainly from China.
- Anticipations of further policy rate cuts in the near term.
- Increase in Inflation due to newly introduced taxes and increased electricity tariffs.

We remain vigilant of the equity market's performance and will capitalize on any opportunity that arises to maximize returns for our policyholders.

## DEBT MARKET:

In the backdrop of receding inflationary pressure, the Monetary Policy Committee reduced the policy rate by 100 basis points to 19.50% on 29 July 2024. The inflation for the month of Jul'24 stood at 11.10% marking an increase of 2.1% MoM, largely driven by the rise in food price index.

Real interest rates remain significantly intact in the positive territory. The inflationary impact of the FY25 budgetary measures is broadly in line with earlier expectations. However, stringent conditions of IMF's EFF potential future adjustments in electricity and gas tariffs pose a risk of increasing inflation. Nevertheless, a comfortable external account position and anticipated long-term IMF program is expected to ensure the funding gap is adequately met and will further ease pressure from the currency.

Given the current economic conditions and positive outlook, it is anticipated that the MPC will consider further rate cuts in its upcoming meetings in the second half of the calendar year 2024, leading to a downward shift in the yield curve. This scenario would make long-term fixed-income instruments more attractive to investors compared to short-term durations, as they seek to lock in higher yields before further rate cuts.

Considering the existing macroeconomic conditions and projected interest rates, our portfolios are well calibrated in longer-tenor Treasury Bills, Floating rate bonds, and Fixed rate PIBs. Furthermore, we remain vigilant about any developments that could affect our investment strategy.

## FUND WISE STRATEGY

- **Jubilee Life Balanced Fund:** Jubilee Life Balanced Fund is well poised to generate sustainable risk adjusted returns with sizable allocation of 96% in high yielding fixed income instruments and minimal allocation of 4% in equities.
- **Jubilee Life Aggressive Fund:** Equity allocation in JL Aggressive fund is reduced to 24% to minimize volatility in fund prices amid fragile macro-economic situation. Investment in government securities and bank placements is increased to 76% which is yielding higher risk adjusted returns.
- **Jubilee Life Government Securities Fund:** GSF's concentration in sovereign fixed income instruments positions it favorably for capturing attractive yields while also providing the fund with exposure to duration.
- **Meesaq Balanced Fund:** Our Meesaq Balanced fund offers its policyholders sustainable return through 71% allocation in government backed instruments, along with 29% exposure in high yielding corporate Sukuks, bank deposits and mutual funds, thereby maximizing the benefits derived from opportunities in the yield curve.

# JUBILEE LIFE BALANCED FUND

Fund Manager's Report  
July 2024

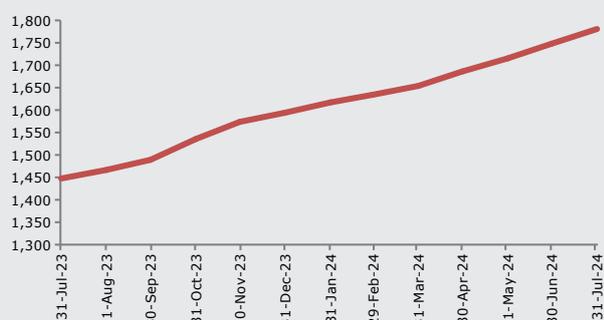
## FUND OBJECTIVE

To maximize capital appreciation by investing in a balanced portfolio of wide range of shares, Government and other fixed income securities and bank deposits.

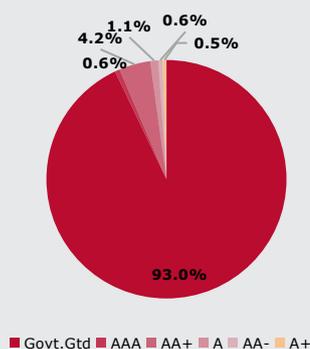
## FUND MANAGER'S COMMENTS

During the month of July 2024 Balanced Fund's (BF) Unit Price increased by PKR 32.74 (1.87%). The fund's allocation to government securities stands at 6.15% at month end against 6.17% last month while allocation to equities is at 4.41% versus 3.57% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 85.24% followed by Paper & Board, Miscellaneous and Oil & Gas (Exploration Companies) with a sector allocation of 8.62%, 2.32% and 2.62% respectively.

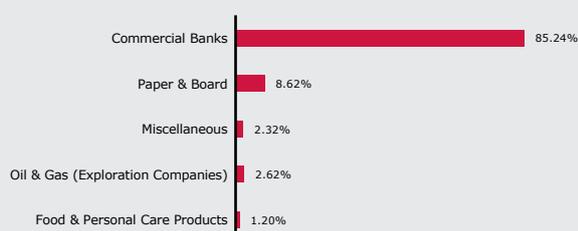
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Fund
Net Assets	PKR 71,364 Million
Launch Date	31.12.1996
NAV Per Unit At Launch Date (31.12.1996)	PKR 99.50
NAV Per Unit At month end (31.07.2024)	PKR 1,780.72
Category	Balanced Fund
Pricing Mechanism Risk	Forward on daily basis
Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.88%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.87%
3 months	5.61%
12 months (365 days)	23.02%
Calendar YTD	11.70%
Since Inception (annualized)	11.02%
5 Years (annualized)	10.85%
10 Years (annualized)	8.12%

## ASSET ALLOCATION

ASSETS	JULY-24	JUNE-24
Government Securities	88.857%	86.088%
Term Finance Securities	6.145%	6.174%
Cash and Short Term Deposits	0.576%	1.078%
Equities	4.413%	3.575%
Mutual Funds	0.000%	3.075%
Others Including Receivables	0.009%	0.010%

# JUBILEE LIFE AGGRESSIVE FUND

Fund Manager's Report  
July 2024

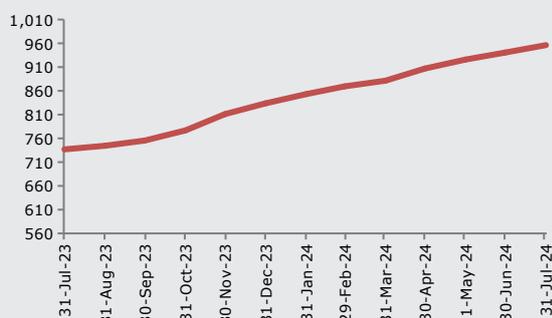
## FUND OBJECTIVE

The objective of the fund is to maximize returns to policyholders by investing mainly in equity portfolio and partly in Government securities, Term Finance Certificates and bank deposits.

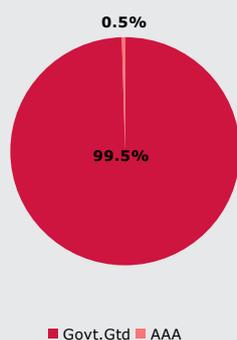
## FUND MANAGER'S COMMENTS

During the month of July 2024 Aggressive Fund's (AF) Unit Price increased by PKR 15.64 (1.66%). The fund's allocation to government securities stands at 75.98% at month end against 74.04% last month while allocation to equities is at 23.68% versus 23.22% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 55.54% followed by Commercial Banks, Textile Composite and Paper & Board with a sector allocation of 34.37%, 4.57% and 2.56% respectively.

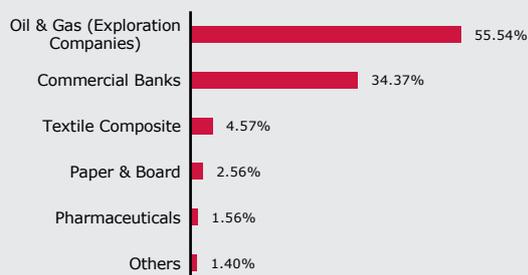
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Aggressive Fund
Net Assets	PKR 27,670 Million
Launch Date	28.07.2004
NAV Per Unit At Launch Date (28.07.2004)	PKR 100.00
NAV Per Unit At Month end (31.07.2024)	PKR 956.21
Category	Aggressive Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.89%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.66%
3 months	5.43%
12 months (365 days)	29.77%
Calendar YTD	14.68%
Since Inception (annualized)	11.94%
5 Years (annualized)	5.50%
10 Years (annualized)	5.27%

## ASSET ALLOCATION

ASSETS	JULY-24	JUNE-24
Government Securities	75.98%	74.04%
Cash & Short Term Deposits	0.34%	0.62%
Equities	23.68%	23.22%
Mutual Funds	0.00%	2.12%
Others Including Receivables	0.01%	0.01%

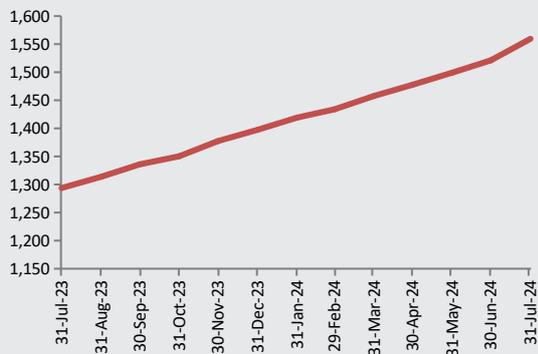
## FUND OBJECTIVE

The objective of the Meesaq fund is to provide an opportunity to investors who want interest free returns. The instruments in which the Meesaq fund invests are selective stocks, sukuk, short term deposits in Islamic banks / Islamic bank branches, Islamic mutual funds and other valid interest-free investments.

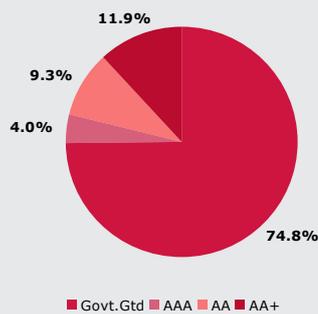
## FUND MANAGER'S COMMENTS

During the month of July 2024 Meesaq Balanced Fund's Unit Price increased by PKR 38.41 (2.53%). The fund's allocation to sukuk stands at 71.29% at month end against 83.24% last month while allocation to equities is at 21.15% versus 8.23% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Balanced Fund
Net Assets	PKR 4,596 Million
Launch Date	27.03.2008
NAV Per Unit At Launch Date (27.03.2008)	PKR 475.00
NAV Per Unit At Month end (31.07.2024)	PKR 1,559.49
Category	Balanced Fund (Non-interest Bearing)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.88%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	2.53%
3 months	5.54%
12 months (365 days)	20.54%
Calendar YTD	11.60%
Since Inception (annualized)	7.54%
5 Years (annualized)	10.19%
10 Years (annualized)	7.53%

## ASSET ALLOCATION

ASSETS	JULY-24	JUNE-24
Government Securities	71.29%	83.24%
Sukuk	5.11%	4.98%
Cash and Short Term Deposits	2.40%	3.53%
Mutual Funds	21.15%	8.23%
Others Including Receivables	0.04%	0.02%

# JUBILEE LIFE GOVERNMENT SECURITIES FUND

Fund Manager's Report  
July 2024

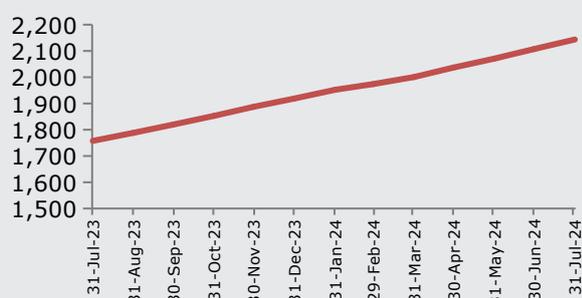
## FUND OBJECTIVE

This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum risk of capital erosion.

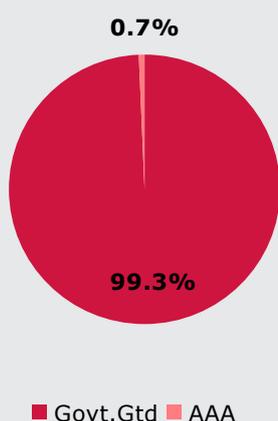
## FUND MANAGER'S COMMENTS

During the month of July 2024 Government Securities Fund's (GSF) Unit Price increased by PKR 36.4 (1.73%). The fund's allocation to government securities stands at 99.32% at month end against 98.58% last month while allocation to cash and short-term deposits is at 0.67% versus 1.42% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Government Securities Fund
Net Assets	PKR 24,847 Million
Launch Date	01.06.2009
NAV Per Unit At Launch Date (01.06.2009)	PKR 475.00
NAV Per Unit At Month end (31.07.2024)	PKR 2,143.61
Category	Government Securities Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.89%
Pricing Days	Monday to Friday
Weighted Average Maturity	846 Days

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.73%
3 months	5.24%
12 months (365 days)	21.96%
Calendar YTD (annualized)	20.91%
Since Inception (annualized)	10.44%
5 Years (annualized)	14.48%
10 Years (annualized)	10.78%

## ASSET ALLOCATION

ASSETS	JULY-24	JUNE-24
Government Securities	99.322%	98.577%
Cash and Short Term Deposits	0.674%	1.417%
Others Including Receivables	0.004%	0.006%

JUBILEELIFE.COM

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