



# **INVESTMENT FACT SHEET**

## FOR THE MONTH OF DECEMBER 2021

# FROM INVESTMENT DESK

## ECONOMY AND CAPITAL MARKETS UPDATE

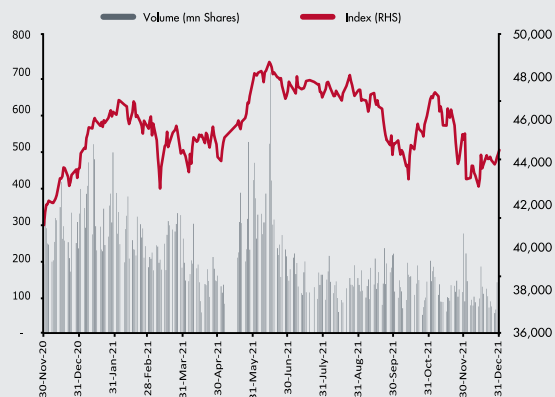
### ECONOMIC SUMMARY

KEY INDICATORS	REPORTED MONTH	CURRENT	PREVIOUS	YTD
CPI Inflation	December	12.28%	11.53%	9.79%
Trade Deficit (USD mn)	November	(3,707)	(3,647)	(17,571)
Remittances (USD mn)	November	2,352	2,518	12,905
Current A/C (USD mn)	November	(1,908)	(1,760)	(7,089)
FDI (USD mn)	November	134	220	758
Tax Collection ** (PKR bn)	December	600	470	2,920
M2 Growth*				1.80%
FX Reserves* (USD bn)	December			24.27

Source: SBP, PBS

\* Latest monthly figures \*\*provisional figures

### KSE-100 ONE YEAR PERFORMANCE



Source: PSX

### SECONDARY MARKET PKRVs

TENOR	DEC-21	NOV-21	CHANGE (bps)
30 Days	10.14	9.12	102
60 Days	10.25	9.47	78
3 Months	10.35	9.74	61
6 Months	11.30	10.17	113
1 Year	11.38	10.72	66
3 Year	11.42	11.37	5
5 Year	11.46	11.48	-2
10 Year	11.62	11.94	-32

Source: MUFAP

### ECONOMIC REVIEW

The rising trend in the country's inflation continued as National CPI for the month of Dec'21 climbed sharply to stand at 12.28% on a Year-on-Year (YoY) basis, touching a 21-month high. Top contributors to the rising inflation included Transport Index (+24.07% YoY) and Housing and Fuels Index (+16.56% YoY). On the external front, the surging import bill led to trade deficit for Nov'21 to experience an increase of 103% / 1.65% on an YoY / MoM basis and stood at USD 3,707mn. Additionally, remittances experienced a MoM decline of 6.60% to stand at USD 2,352mn. This takes Current Account Deficit (CAD) for Nov'21 to USD 1,908mn vs. surplus of USD 563mn in Nov'20. In 5MFY22, CAD stood at USD 7,089mn vs. surplus of USD 1,876mn in same period last year. Despite slippages on external front, foreign exchange reserves increased by USD 1.7bn to close CY21 at USD 24.27bn; this was due to receipt of USD 3bn deposits from Saudi Fund for Development bringing stability to the PKR. During the month, SBP monetary policy committee increased policy rate by 100bps citing concerns over macros. Tax collection continued to outperform expectations as FBR's net revenue collection for the month of Dec'21 stood at PKR 600bn (+18.0% YoY). In 1HFY22, FBR's net revenue collection stood at PKR 2,920bn as compared to PKR 2,204bn SPLY, an increase of ~32% YoY and exceeding target collection by PKR 287bn.

### EQUITY MARKET REVIEW

Bearish sentiment continued to drag the KSE-100 Index down for the second consecutive month as the Index closed the year at 44,596 points, down by 476 points (-1.06%) on MoM basis. In 2021, KSE-100 posted increase of 841 points (+1.92% YoY). Key events hampering positive sentiment at the bourse included SBP's hike of policy rate, proposal of the Supplementary Finance Bill 2021 creating fear of further inflationary pressure and political noise over SBP amendment Bill. Average traded volume and value of the KSE-All Share saw a decrease of 25% and 34% MoM and stood at 236mn shares and PKR 8,309mn, respectively. The sectors pulling the index down included Banks (-410 points), Cement (-79 points) and Power (-62 points) while Technology & Communication (+246 points), E&Ps (+94 points) and Tobacco (+43 points) contributed positively. Foreigners were net buyers with the net buying amounting to USD 5.3mn with the largest inflows recorded in Technology (USD 3.4mn) followed by Fertilizers (USD 3.3mn). On the local front, Companies (USD 17.0mn), Insurance companies (USD 6.5mn) and Individuals (USD 6.2mn) were the largest buyers while Mutual Funds (USD 28.2mn) and Broker Prop. (USD 4.6mn) were sellers. Going forward, from a valuation perspective, Pakistan with a forward P/E of 5.00x and dividend yield of 8.90% is trading at a massive discount of 67% with respect to Asia Pacific regional markets.

### DEBT MARKET REVIEW

With monetary policy committee (MPC) increasing the policy rate by 100bps to 9.75%, secondary market yields increased across short and mid tenors. However, longer tenor instruments witnessed a correction as MPC shared the forward guidance of broadly unchanged monetary settings in the near-term expecting that the goal of mildly positive real interest rates was close to being achieved on forward looking basis. Moreover, to build market confidence, State Bank of Pakistan started conducting a 63-days Open Market Operation (injection) to clear uncertainty about monetary tightening in short term. This led to some respite in secondary market yields compared to their peaks.

The outgoing month was quite dynamic for money market players as it had massive maturities of T-Bills. Like the previous months, the auctions witnessed unabated interest of PKR 4,623bn, out of which approximately 60% of the participation was in 3-month instrument. Against the target of PKR 3,350bn, bids of PKR 2,818bn were accepted. Latest cut-off rate rose to 10.5902% (+209 bps MoM) for the 3-month tenor, 11.4501% for the 6-month tenor and 11.5100% for the 12-month tenor. On the other hand, against a target of PKR 300bn, bids worth PKR 396bn were received in PIB floaters while total acceptance stood at PKR 241bn. Cut-off spreads rose to 50-70bps over the benchmark rate. Fixed rate PIBs also witnessed a renewed interest as against the target of PKR 100bn, participation of PKR 432bn was witnessed while bids of PKR 138bn were accepted. Cut-off rates for 3-year, 5-year and 10-year stood at 11.5000% (+16bps MoM), 11.5740% (-2bps) and 11.7640% (-3bps), respectively.

# MANAGED FUND

## 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 INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Managed Fund
Fund Size	PKR 90,593 Million
Launch Date	31.12.1996
Bid Price (31.12.1996)	PKR 99.50
Bid Price (31.12.2021)	PKR 1,328.38
Category	Balanced Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

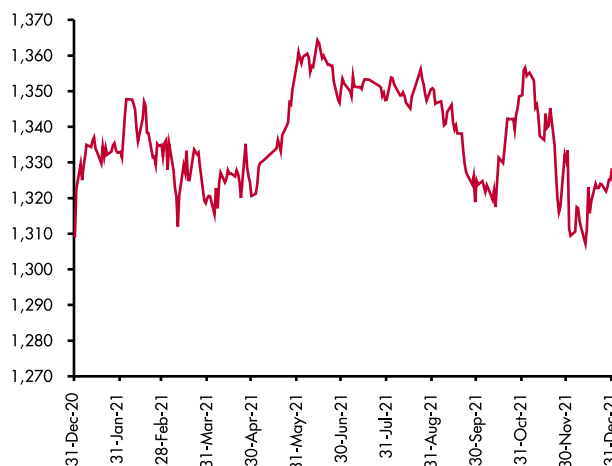
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Omer Farooq	Member/Secretary
Shan Rabbani	Member

## INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION
Javed Ahmed	Chairman/CEO
Omer Farooq	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of December 2021 Managed Fund's (MF) Unit Price decreased by PKR 2.22 (-0.17%) net of fund management fee.

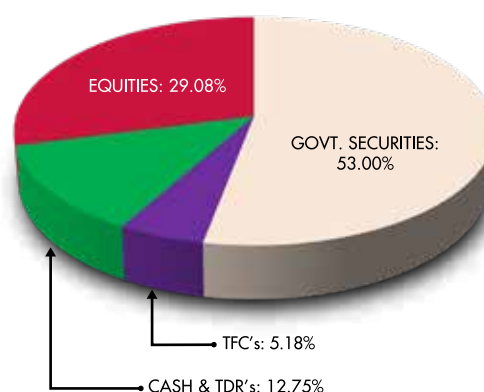


## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-0.17%
3 months	0.26%
12 months	1.49%
Calendar YTD	1.49%
Since Inception	1235.06%
Since Inception (annualized)	10.92%
5 Years	14.96%
10 Years	128.28%

## ASSET ALLOCATION

ASSETS	DECEMBER-21	NOVEMBER-21
Government Securities	53.00%	64.95%
Term Finance Securities	5.18%	5.17%
Cash and Short Term Deposits	12.75%	0.68%
Equities	29.08%	29.20%



# CAPITAL GROWTH FUND

## 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 INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Capital Growth Fund
Fund Size	PKR 28,175 Million
Launch Date	28.07.2004
Bid Price (28.07.2004)	PKR 100.00
Bid Price (31.12.2021)	PKR 780.35
Category	Equity Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

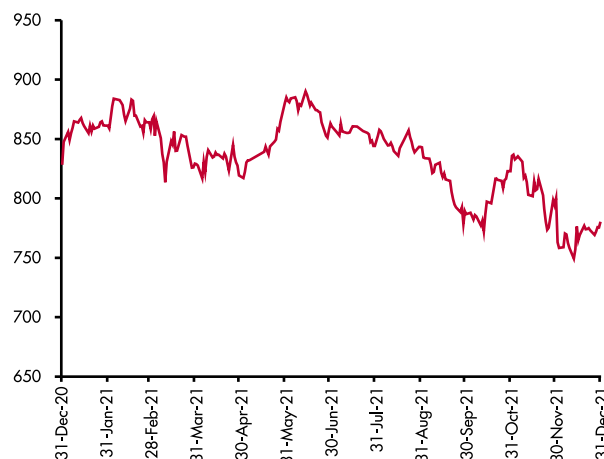
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Omer Farooq	Member/Secretary
Shan Rabbani	Member

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Javed Ahmed	Chairman/CEO
Omer Farooq	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of December 2021 Capital Growth Fund's (CGF) Unit Price decreased by PKR 13.81 (-1.74%) net of fund management fee.

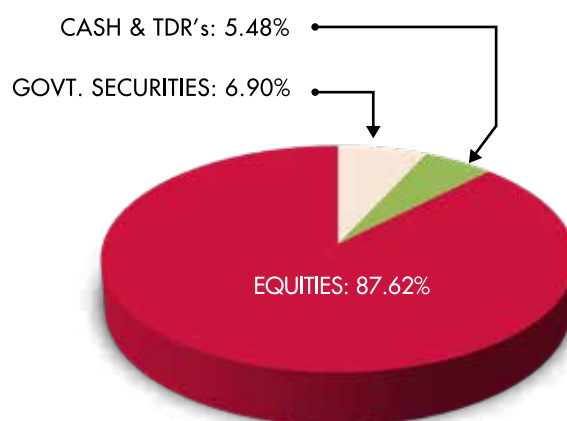


## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-1.74%
3 months	-1.11%
12 months	-5.79%
Calendar YTD	-5.79%
Since Inception	680.35%
Since Inception (annualized)	12.50%
5 Years	-24.83%
10 Years	231.12%

## ASSET ALLOCATION

ASSETS	DECEMBER-21	NOVEMBER-21
Government Securities	6.90%	12.02%
Cash and Short Term Deposits	5.48%	0.34%
Equities	87.62%	87.64%



# MEESAQ FUND

## 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 INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Fund
Fund Size	PKR 7,095 Million
Launch Date	27.03.2008
Bid Price (27.03.2008)	PKR 475.00
Bid Price (31.12.2021)	PKR 1,140.19
Category	Non-interest bearing Investment portfolio
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Omer Farooq	Member/Secretary
Shan Rabbani	Member

## INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION
Javed Ahmed	Chairman/CEO
Omer Farooq	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of December 2021 Meesaq Fund's (MEF) Unit Price decreased by PKR 5.3 (-0.46%) net of fund management fee.



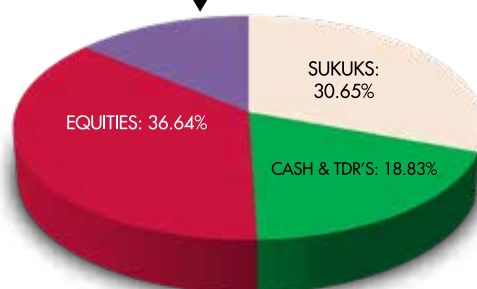
## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-0.46%
3 months	-0.62%
12 months	0.74%
Calendar YTD	0.74%
Since Inception	140.04%
Since Inception (annualized)	6.56%
5 Years	6.04%
10 Years	104.66%

## ASSET ALLOCATION

ASSETS	DECEMBER-21	NOVEMBER-21
Sukuks	30.65%	29.91%
Cash and Short Term Deposits	18.83%	20.04%
Equities	36.64%	37.25%
Mutual Funds	13.88%	12.80%

MUTUAL FUNDS: 13.88%



# YAQEEEN GROWTH FUND

## 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 INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Yaqeen Growth Fund
Fund Size	PKR 6,615 Million
Launch Date	01.06.2009
Bid Price (01.06.2009)	PKR 475.00
Bid Price (31.12.2021)	PKR 1,447.36
Category	Capital Protected Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

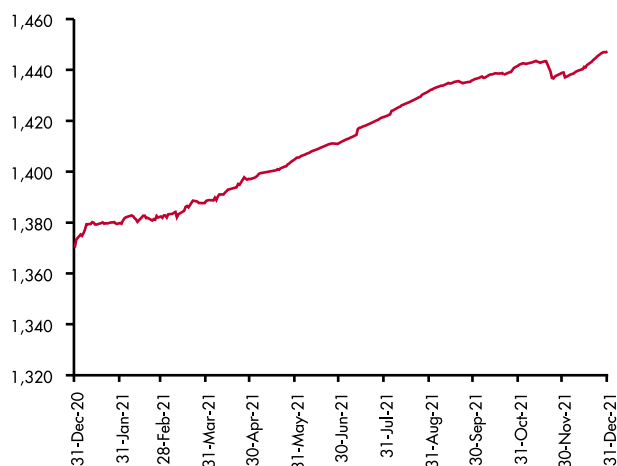
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Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Omer Farooq	Member/Secretary
Shan Rabbani	Member

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Javed Ahmed	Chairman/CEO
Omer Farooq	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of December 2021 Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 8.48 (0.59%) net of fund management fee.

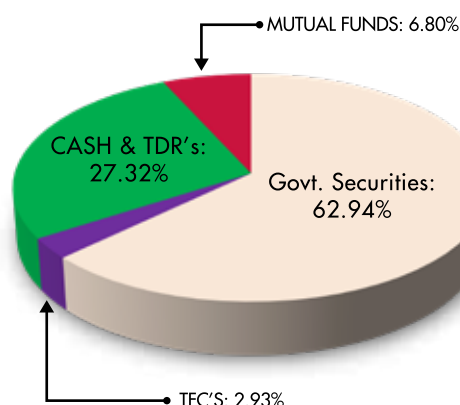


## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.59%
3 months	0.79%
12 months	5.64%
Calendar YTD	5.64%
Calendar YTD (annualized)	5.64%
Since Inception	204.71%
Since Inception (annualized)	9.25%
5 Years	44.62%
10 Years	137.60%

## ASSET ALLOCATION

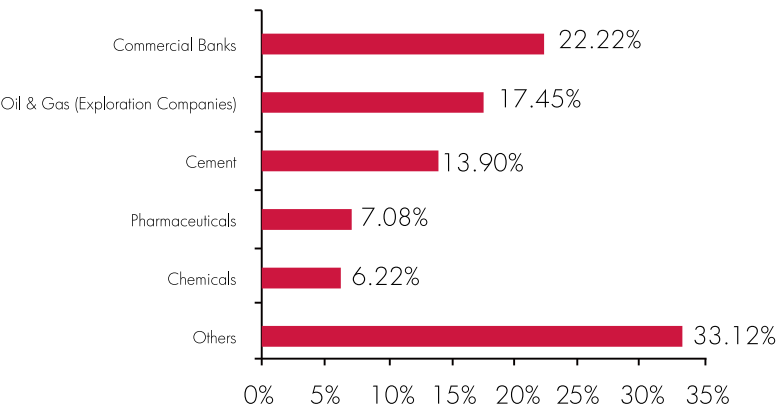
ASSETS	DECEMBER-21	NOVEMBER-21
Government Securities	62.94%	94.59%
Term Finance Securities	2.93%	3.14%
Cash and Short Term Deposits	27.32%	2.27%
Mutual Funds	6.80%	0.00%



# EQUITY PORTFOLIO DETAILS

## MANAGED FUND

### SECTOR ALLOCATION

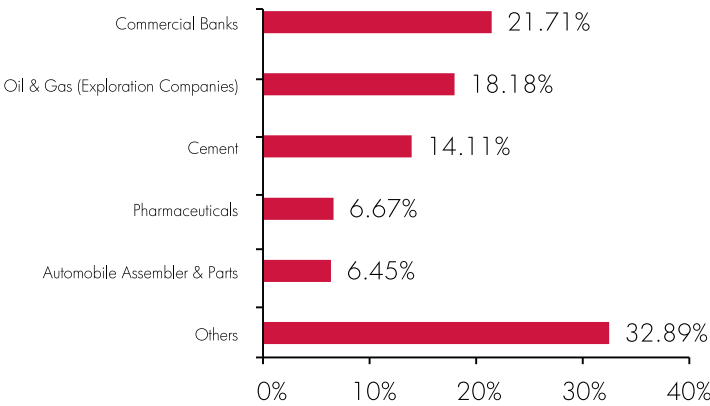


### TOP TEN HOLDINGS

ENGRO  
HBL  
HUBC  
ICI  
LUCK  
MARI  
MCB  
OGDC  
PPL  
THALL

## CAPITAL GROWTH FUND

### SECTOR ALLOCATION



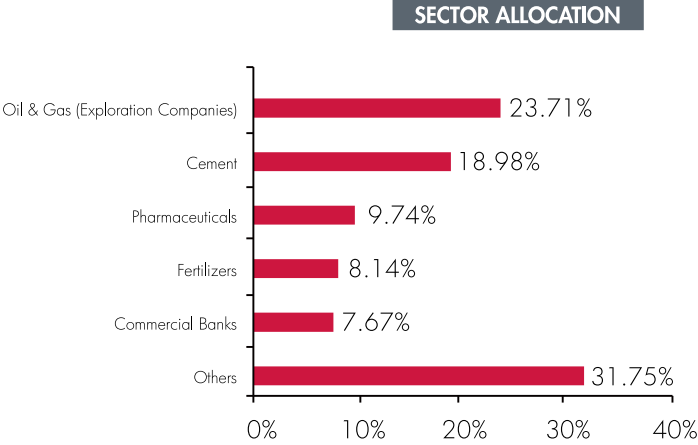
### TOP TEN HOLDINGS

ENGRO  
HBL  
ICI  
LUCK  
MARI  
MCB  
OGDC  
PPL  
THALL  
UBL



# EQUITY PORTFOLIO DETAILS

## MEESAQ FUND



TOP TEN HOLDINGS
ENGRO
HUBC
LUCK
MARI
MEBL
MLCF
OGDC
POL
PPL
PSO



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