



INVESTMENT FACT SHEETFOR THE MONTH OF JULY 2020

FROM INVESTMENT DESK

ECONOMY AND CAPITAL MARKETS UPDATE

ECONOMIC SUMMARY				
KEY INDICATORS	reported Month	CURRENT	PREVIOUS	YTD
CPI Inflation	Jul	9.30%	8.59%	9.30%
Trade Deficit (USD mn)	Jun	(1,981)	(1,541)	(19,914)
Remittances (USD mn)	Jun	2,466	1,866	23,120
Current A/C (USD mn)	Jun	(96)	344	(2,966)
FDI (USD mn)	Jun	1 <i>7</i> 5	120	2,561
Tax Collection ** (PKR bn)	Jul	300	411	300
M2 Growth*				-1.67%
FX Reserves* (USD bn)	Jul			18.91

Source SBP. FBS

Latest monthly figures **provisional figures

KSE-100 ONE YEAR PERFORMANCE 400 Volume (mn Shares) Index (RHS) 50,000 45,000 350 40,000 300 35,000 250 30,000 25,000 200 20,000 150 15,000 100 10,000

SECONDARY MARKET PKRVS			
TENOR	JUL-20	JUN-20	CHANGE (bps)
30 Days	7.01	7.09	(8)
60 Days	6.97	7.10	(13)
3 Months	6.95	7.09	(14)
6 Months	6.98	7.05	(7)
1 Year	7.02	7.05	(3)
3 Year	7.96	7.53	43
5 Year	8.60	8.11	49
10 Year	9.19	8.69	50

Source: MUFAP

ECONOMIC REVIEW

CPI rose by 9.30% YoY in Jul'20, beating market expectations. Monthly headline inflation clocked in at 2.50%, led by surge in Food index (+3.86% MoM) and Transport index (+9.60% MoM). On the external side our Current Account slipped back into deficit of USD 96 mn in Jun'20 after the previous month's surplus of USD 344 mn. This can be attributed to a worsening of the trade deficit in goods and services by USD 660 mn while remittances goods and services by USD 660 mn while remittances grew by USD 600 mn from the previous month. Our Current Account Deficit (CAD) improved significantly in FY20; Import curtailment led to trade deficit shrinking by 28% YoY to USD 19.9 bn while remittances rose 6% YoY to USD 23.1 bn, which reduced CAD by USD 10.4 bn (78% YoY) to USD 2.9 bn. Our foreign exchange reserves continue to steadily climb, closing Jul'20 with USD 18.91 bn (+USD 0.94 bn MoM) on the back of inflows from multilateral institutions including USD 505 mn from World Bank. On the fiscal side FBR collected PKR 300 bn in July'20 (+8% YoY), exceeding the month's tax revenue July'20 (+8% YoY), exceeding the month's tax revenue target by PKR 57 bn, owing to gradual resuming of economic activities.

EQUITY MARKET REVIEW

The stock market rallied in Jul'20 after two months of stability, with KSE 100 surging by 14.1% to 39,258 points, making this month the best performing July in seventeen years, while average daily trading volumes shot up 94% to 380 mn shares. Primary factors behind this robust performance are improvement in the domestic COVID-19 infection and recovery rates, stability in the PKR-USD parity amid monetary support from multilateral institutions, end of corporal induced lockdown as well as reinstatement of corona induced lockdown as well as reinstatement of pre-corona market hours which aided volumes and attracted investment in the market. Investors' sentiments were also boosted by the cumulative interest rate cuts (625 bps) this year which have pushed equities to become the preferred asset class. However, foreigners continue to sell equities with USD 68 mn outflow in Jul'20 which was absorbed mostly by local Insurance (USD 34 mn) and Companies (USD 20 mn) while Banks were the chief seller with USD 14 mn. Sectors posted positive returns across the board with Cement (+24.9%) leading the index followed by Banks (+16.9%) and E&Ps (+11.2%). Going forward, Pakistan with forward P/E of 7.3x is trading at 48% discount compared to Asia Pacific regional average of 14.1x along with a dividend yield of ~6.2% versus ~2.4% offered by the region.

DEBT MARKET REVIEW

Investors continued to flock towards government papers in Jul'20; T-bill auctions witnessed PKR 1,650 bn worth of bids received against target of PKR 400 bn while the central bank accepted PKR 417 bn. Latest cut-off rates decreased to 6.95% for 3 month tenor (-85 bps MoM), 7.10% for 6 month tenor (-39 bps MoM), and 7.14% for 12 month tenor (-22 bps MoM). Abundant interest was also recorded in PIB auctions with floaters receiving PKR 1,164 bn worth of bids against target of PKR 360 bps 1,164 bn worth of bids against target of PKR 360 bn while SBP accepted PKR 472 bn at 27-68 bps over benchmark, Fixed PIBs saw less enthusiasm with PKR 275 benchmark. Fixed PIBs saw less enthusiasm with PKR 275 bn worth of bids received against target of PKR 140 bn while SBP accepted PKR 208 bn at 7.37% (-60 bps MoM) for 3 yr tenor, 8.37% (-7 bps MoM) for 5 yr tenor, 8.99% (no change) for 10 yr tenor, 9.75% (-15 bps MoM) for 15 yr tenor, and 10.40% (-11 bps MoM) for 20 yr tenor. Secondary market yields fell 3-14 bps for shorter tenors while longer tenors showed rise of 43-50 bps as investors foresee stable monetary policy. bps as investors foresee stable monetary policy.

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 95,422 Mi ll ion	
Launch Date	31.12.1996	
Bid Price	PKR 99.50	
(31.12.1996)		
Bid Price	PKR 1,280.31	
(31.07.2020)		
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

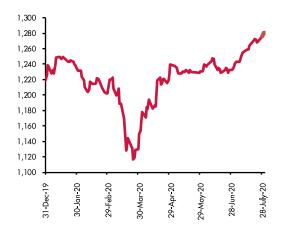
MEMBERS	DESIGNATION	
Shahid Ghaffar	Chairman	
Javed Ahmed	Member / CEO	
Rafiuddin Zakir Mahmood	Member	
John Joseph Metcalf	Member	
Lilly R. Dossabhoy	Member/Secretary	
Shan Rabbani	Member	

INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION	
Javed Ahmed	Chairman/CEO	
Lilly R. Dossabhoy	Member	
Zahid Barki	Member	
Kashif Naqvi	Member	
Shan Rabbani	Member	
Asif Mobin	Member/Secretary	
Dileep Kumar Maheshwari	Member	

FUND MANAGER'S COMMENTS

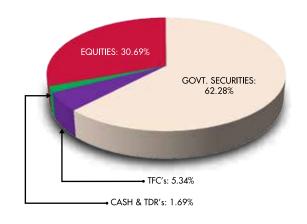
During the month of July 2020 Managed Fund's (MF) Unit Price increased by PKR 45.4 (3.68%) net of fund management fee.



FUND RETURNS

PERIOD	RATE OF RETURN
1 month	3.68%
3 months	3.31%
12 months	20.39%
Calendar YTD	5.06%
Since Inception	1186.75%
Since Inception (annualized)	11.43%
5 Years	31.63%
10 Years	158.68%

ASSETS	JULY-20	JUNE-20
Government Securities	62.28%	66.17%
Term Finance Securities	5.34%	5.57%
Cash and Short Term Deposits	1.69%	1.86%
Equities	30.69%	26.40%



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 26,972 Mi ll ion	
Launch Date	28.07.2004	
Bid Price	PKR 100	
(28.07.2004)		
Bid Price	PKR 803.88	
(31.07.2020)		
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

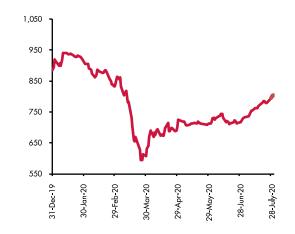
MEMBERS	DESIGNATION	
Shahid Ghaffar	Chairman	
Javed Ahmed	Member / CEO	
Rafiuddin Zakir Mahmood	Member	
John Joseph Metcalf	Member	
Lilly R. Dossabhoy	Member/Secretary	
Shan Rabbani	Member	

INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION	
Javed Ahmed	Chairman/CEO	
Lilly R. Dossabhoy	Member	
Zahid Barki	Member	
Kashif Naqvi	Member	
Shan Rabbani	Member	
Asif Mobin	Member/Secretary	
Dileep Kumar Maheshwari	Member	

FUND MANAGER'S COMMENTS

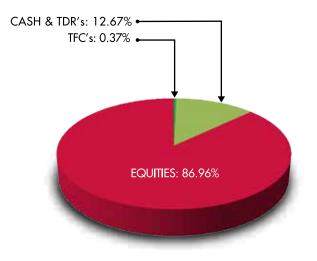
During the month of July 2020 Capital Growth Fund's (CGF) Unit Price increased by PKR 82.58 (11.45%) net of fund management fee.



FUND RETURNS

PERIOD	RATE OF RETURN
1 month	11.45%
3 months	10.89%
12 months	9.92%
Calendar YTD	-9.05%
Since Inception	703.88%
Since Inception (annualized)	13.90%
5 Years	12.05%
10 Years	252.84%

ASSETS	JULY-20	JUNE-20
Government Securities	0.00%	0.00%
Term Finance Securities	0.37%	0.44%
Cash and Short Term Deposits	12.67%	18.98%
Equities	86.96%	80.57%



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 8,616 Mi ll ion	
Launch Date	27.03.2008	
Bid Price	PKR 475.00	
(27.03.2008)		
Bid Price	PKR 1,103.86	
(31.07.2020)		
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

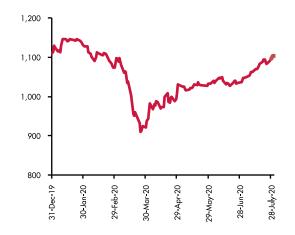
MEMBERS	DESIGNATION	
Shahid Ghaffar	Chairman	
Javed Ahmed	Member / CEO	
Rafiuddin Zakir Mahmood	Member	
John Joseph Metcalf	Member	
Lilly R. Dossabhoy	Member/Secretary	
Shan Rabbani	Member	

INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION	
Javed Ahmed	Chairman/CEO	
Lilly R. Dossabhoy	Member	
Zahid Barki	Member	
Kashif Naqvi	Member	
Shan Rabbani	Member	
Asif Mobin	Member/Secretary	
Dileep Kumar Maheshwari	Member	

FUND MANAGER'S COMMENTS

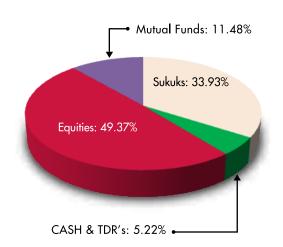
During the month of July 2020 Meesaq Fund's (MEF) Unit Price increased by PKR 66.33 (6.39%) net of fund management fee.



FUND RETURNS

PERIOD	RATE OF RETURN
1 month	6.39%
3 months	7.09%
12 months	15.03%
Calendar YTD	-0.42%
Since Inception	132.39%
Since Inception (annualized)	7.06%
5 Years	28.22%

ASSETS	JULY-20	JUNE-20
Sukuks	33.93%	27.15%
Cash and Short Term Deposits	5.22%	15.32%
Equities	49.37%	45.51%
Mutual Funds	11.48%	12.02%



YAQEEN 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 3,925 Million
Launch Date	01.06.2009
Bid Price	PKR 475.00
(01.06.2009)	
Bid Price	PKR 1,340.12
(31.07.2020)	
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

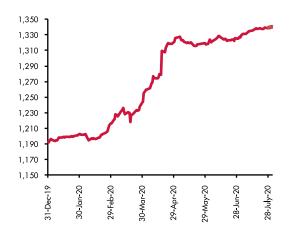
DESIGNATION	
Chairman	
Member / CEO	
Member	
Member	
Member/Secretary	
Member	

INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION	
Javed Ahmed	Chairman/CEO	
Lilly R. Dossabhoy	Member	
Zahid Barki	Member	
Kashif Naqvi	Member	
Shan Rabbani	Member	
Asif Mobin	Member/Secretary	
Dileep Kumar Maheshwari	Member	

FUND MANAGER'S COMMENTS

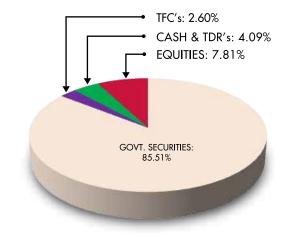
During the month of July 2020 Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 12.6 (0.95%) net of fund management fee.



FUND RETURNS

PERIOD	RATE OF RETURN	
1 month	0.95%	
3 months	1.07%	
12 months	23.00%	
Calendar YTD	12.46%	
Calendar YTD (annualized)	22.29%	
Since Inception	182.13%	
Since Inception (annualized)	9.73%	
5 Years	50.46%	

ASSETS	JULY-20	JUNE-20
Government Securities	85.51%	84.15%
Term Finance Securities	2.60%	2.71%
Cash and Short Term Deposits	4.09%	8.18%
Equities	7.81%	4.96%



JUBILEELIFE.COM

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