



INVESTMENT FACT SHEET

FOR THE MONTH OF APRIL 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 Policy Holders,

April'22 was another volatile month for the Pakistan economy where a mix of events occurred that kept market participants on their toes. Key developments during the month were as follows:

- **Success of the No-Confidence Vote which ousted the PTI-led government in favor of a PML-N government**
- **Increase in benchmark policy rate of 250 bps to 12.25%**
- **Increase in Current Account Deficit of ~100% on a monthly basis**
- **Inflation levels recorded at a 27-month high**

The outgoing month of April'22 witnessed the no-confidence vote finally following through which led to some respite in the uncertain market sentiments and reflected positivity on the bourse. However, economic conditions continued to weaken. Current account deficit doubled from last month on account of a higher trade deficit, and foreign exchange reserves remained under pressure. It is pertinent to mention that exports clocked-in at the highest ever level of \$3 Bn. Inflation continued to increase during the month, led by a surge in both perishable and non-perishable food items, owing to the Ramadan effect. Due to these elevated price levels, coupled with persistently high commodity prices, the MPC acted in response and raised policy rate by an unexpected 250 bps in an emergency meeting. Moreover, the committee highlighted increased risk and uncertainty on the inflation front and revised its forecasts upwards to slightly above 11% in FY22 before moderating in FY23.

The new government led by Shahbaz Sharif, decided to keep petroleum prices unchanged during the month, leading to ballooning of the price differential claim. Since global oil prices remained under pressure, the decision not to withdraw petroleum and electricity subsidies weakened the fiscal account position of the country. This led to increased fear among market participants, which was displayed by an overall flattish MoM return of 0.7%.

ECONOMY UPDATE

MACROECONOMIC INDICATORS

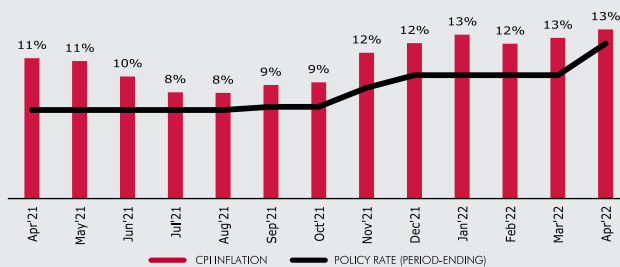
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	YTD
Trade Deficit (USD mn)	Mar'22	(3,172)	(2,255)	(30,097)
Remittances (USD mn)	Mar'22	2,810	2,190	22,952
Current A/C (USD mn)	Mar'22	(1,028)	(519)	(13,169)
FDI (USD mn)	Mar'22	(30)	91	1,286
Tax Collection** (PKR bn)	Apr'22	480	443	4,858
M2 Growth				3.47%

Source SBP, PBS

* latest monthly figures **provisional figures

The country's trade deficit clocked in at USD 3,172 mn (+40.67% MoM) for Mar'22 led by an increase of 21.41% in imports while exports and remittances increased by 6.40% and 28.30%, respectively. This led to the current account deficit clocking-in at USD 1,028 mn. Lastly, FBR's net revenue collection failed to meet its target for Apr'22 of PKR 485 bn and stood at PKR 480 bn.

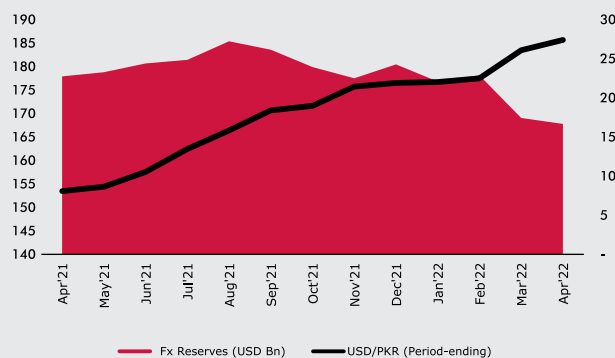
INFLATION



Source: ZAKHEERA

The National CPI docked in at 13.37% for the month of Apr'22. The most noteworthy increase this month was witnessed in Perishable Food Items (+29.57% YoY) followed by Transport Index (+28.34% YoY).

USD/PKR PARITY VS FX RESERVES



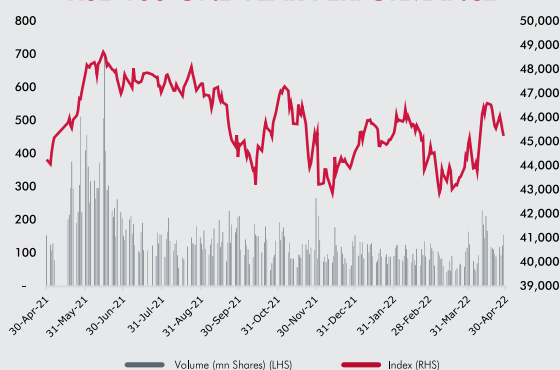
Source: ZAKHEERA

FX reserves during the month fell by USD 0.76 bn to stand at USD 16.67 bn, while PKR depreciated by 1.20% against USD and stood at 185.69 at monthend.

CAPITAL MARKETS UPDATE

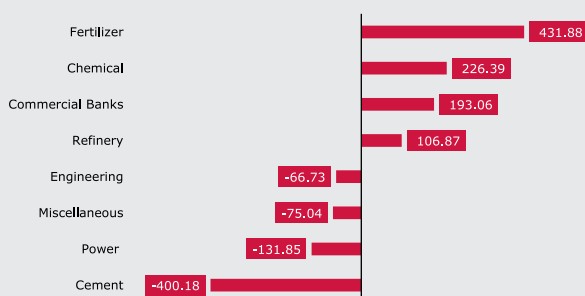
EQUITY MARKET

KSE-100 ONE YEAR PERFORMANCE



The index remained somewhat range-bound during the month, up by 321 points (0.71% MoM). Average traded volume and value of the KSE-All Share Index increased by 47.36% and 35.97% MoM to stand at 290 mn shares and PKR 8,289 mn, respectively.

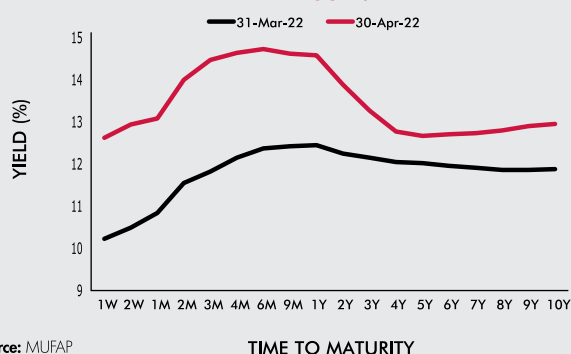
SECTOR WISE TOP CONTRIBUTORS



The sectors hauling the index downwards included Cement (-400.18 points), Power (-131.85 points), Miscellaneous (-75.04 points) and Engineering (-66.73 points) while Refinery (+106.87 points), Commercial Banks (193.06 points), Chemicals (+226.39 points), and Fertilizer (+431.88 points) contributed positively for the month of April-22.

DEBT MARKET

YIELD CURVE



The SBP held an emergency monetary policy meeting in April-22 and raised policy rate by 250 basis points (bps) to 12.25%. The Monetary Policy Committee was of the view that due to surge in commodity prices the outlook for inflation and external position has deteriorated, requiring a proactive policy response.

Consequently, yield across the tenors increase in the range of 58 bps to 265 bps. On the other hand, 6-Month KIBOR also touched its 13-year high.

INTEREST RATE

INSTRUMENT	APRIL 22	MARCH 22
Kibor-3 Month	14.65%	11.95%
Kibor-6 Month	14.83%	12.52%
Kibor-12 Month	15.13%	12.84%

Source: SBP

During the month, in the T-Bill auctions, bids worth PKR 2,370 bn were received against the target of PKR 1,700 bn. An amount of PKR 1,846 bn was accepted while cut-off rates rose to 14.7898% (+279 bps MoM), 14.9901% (+249 bps) and 14.8050% (+210 bps MoM) for the 3-month, 6-month and 12-month tenor, respectively.

STRATEGY & OUTLOOK



EQUITY MARKET:

We are upbeat on the equities on medium to long term basis as Pakistan is trading at an attractive P/E of ~4.7x, compared to an average P/E 8x in last 20 years. Furthermore, on a regional and peer basis, Pakistan Market discount remains at a healthy discount of 64% to MSCI EM and MSCI FM Indices. These unwarranted valuations are expected to garner investor interest and provides a solid foundation for broad-based rally. Key triggers for the market in 2022 are:

- Proactive monetary and fiscal policy adjustments
- Favorable movement in commodity cycle
- Low P/E & double-digit Earnings Growth
- Resolution of Circular debt.

However, in near term, unrest in domestic politics and prolong tension on geopolitical front are expected to drive market sentiments.

DEBT MARKET:

The developing Russia-Ukraine conflict has created uncertainty about the future path of the interest rates as commodity prices witnessed a sharp increase. Being the net oil importer, Pakistan's external indicators are expected to worsen and therefore some monetary tightening should not be ruled out. Even though, uncertainty is at its peak, the current developments are expected to generate interest in longer tenor fixed rate PLBs at elevated levels.

FUND WISE STRATEGY

- **Managed Fund:** Our managed fund policyholders are well poised with an optimum allocation of 26% in equities to cater broad-based rally in the equities in medium to long term. For Fixed Income, an allocation of 75% primarily in low duration instruments is ideal to capture any opportunity in the yield curve.
- **Capital Growth Fund:** Current equity allocation of capital growth Fund with ideal mix of growth and value stocks is expected to generate decent risk adjusted returns to our policyholders in medium to long term.
- **Yaqeen Growth Fund:** With policy rate in higher single digit range, YGF policyholders are expected to yield a decent return in medium term. Furthermore, Yaqeen Growth Fund is staged well to capitalize any opportunity in the yield curve.
- **Meesaq Fund:** Our Meesaq fund policyholders with a conservative equity allocation of 23% are set to gain decent risk adjusted return in medium to long term. For Fixed Income, an allocation of 42% primarily in high rated debt securities is ideal to capture any opportunity in the yield curve.

MANAGED FUND

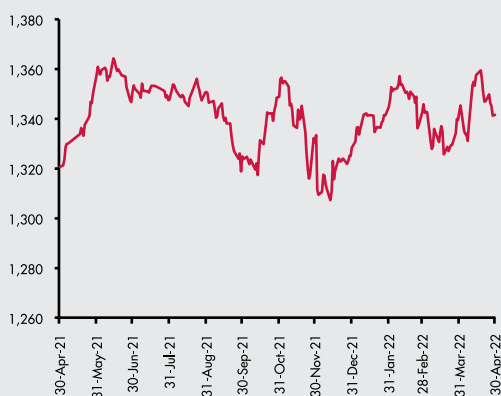
FUND OBJECTIVE

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

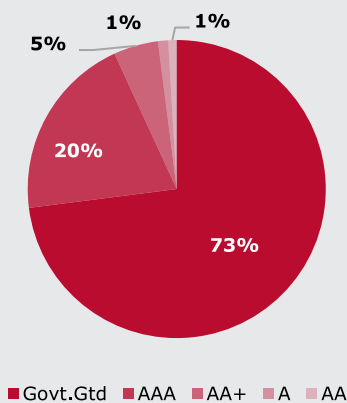
FUND MANAGER'S COMMENTS

During the month of April 2022 Managed Fund's (MF) Unit Price decreased by PKR 1.35 (-0.1%). The fund's allocation to government securities stands at 67.62% at month end against 52.45% last month while allocation to equities is at 25.87% versus 28.02% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 23.8% followed by Oil & Gas (Exploration Companies), Cement and Pharmaceuticals with a sector allocation of 16.34%, 13.39% and 7.96% respectively.

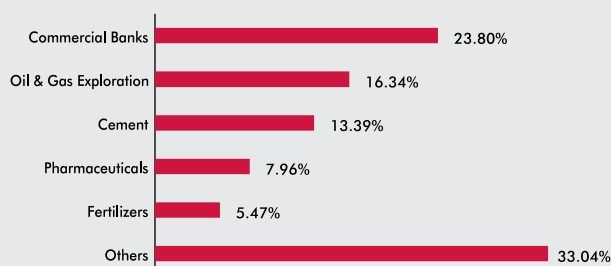
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Managed Fund
Fund Size	PKR 87,701 Million
Launch Date	31.12.1996
Bid Price (31.12.1996)	PKR 99.50
Bid Price (30.04.2022)	PKR 1,341.63
Category	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	- 0.10%
3 months	- 0.24%
12 months	1.59%
Calendar YTD (annualized)	3.06%
Since Inception (annualized)	10.81%
5 Years (annualized)	2.43%
10 Years (annualized)	8.00%

ASSET ALLOCATION

ASSETS	APRIL-22	MARCH-22
Government Securities	67.62%	52.45%
Term Finance Securities	5.70%	5.36%
Cash and Short Term Deposits	0.81%	14.17%
Equities	25.87%	28.02%

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.

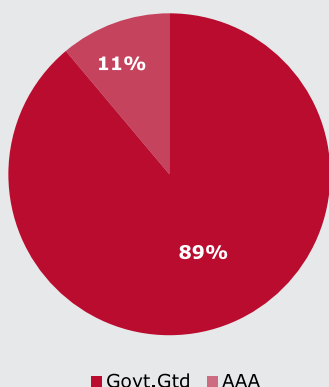
FUND MANAGER'S COMMENTS

During the month of April 2022 Capital Growth Fund's (CGF) Unit Price decreased by PKR 9.69 (-1.26%). The fund's allocation to government securities stands at 14.41% at month end against 12.76% last month while allocation to equities is at 83.97% versus 86.55% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 22.86% followed by Oil & Gas (Exploration Companies), Cement and Pharmaceuticals with a sector allocation of 19.15%, 13.24% and 7.06% respectively.

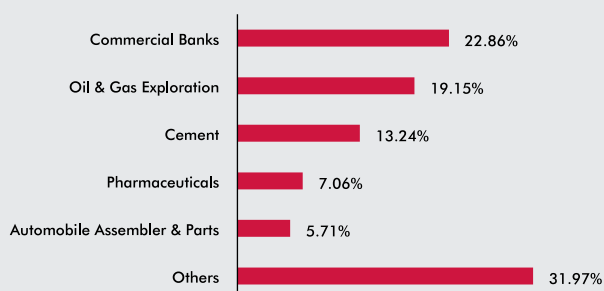
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Capital Growth Fund
Fund Size	PKR 27,337 Million
Launch Date	28.07.2004
Bid Price (27.04.2004)	PKR 100.00
Bid Price (30.04.2022)	PKR 760.43
Category	Equity 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	- 1.26%
3 months	- 3.98%
12 months	- 7.18%
Calendar YTD (annualized)	- 7.56%
Since Inception (annualized)	12.10%
5 Years (annualized)	- 7.63%
10 Years (annualized)	10.45%

ASSET ALLOCATION

ASSETS	APRIL-22	MARCH-22
Government Securities	14.41%	12.76%
Cash and Short Term Deposits	1.61%	0.69%
Equities	83.97%	86.55%

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.

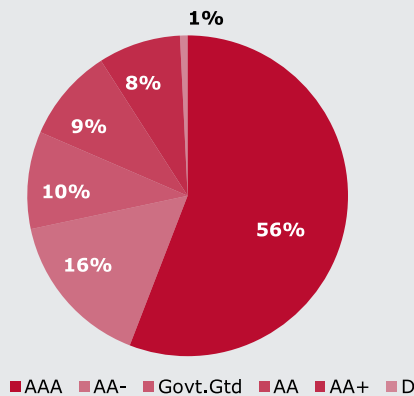
FUND MANAGER'S COMMENTS

During the month of April 2022 Meesaq Fund's Unit Price increased by PKR 4.34 (0.38%). The fund's allocation to sukuk stands at 42.05% at month end against 34.91% last month while allocation to equities is at 23.18% versus 30.7% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 22.23% followed by Cement, Commercial Banks and Pharmaceuticals with a sector allocation of 13.89%, 13.28% and 12.43% respectively.

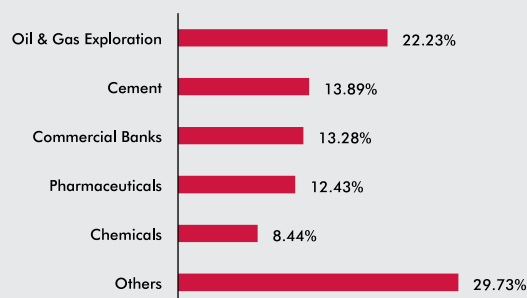
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Fund
Fund Size	PKR 6,772 Million
Launch Date	27.03.2008
Bid Price (27.03.2008)	PKR 475.00
Bid Price (30.04.2022)	PKR 1,151.58
Category	Non-interest bearing Investment portfolio
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	0.38%
3 months	- 0.01%
12 months	1.57%
Calendar YTD (annualized)	3.07%
Since Inception (annualized)	6.48%
5 Years (annualized)	0.24%
10 Years (annualized)	7.05%

ASSET ALLOCATION

ASSETS	APRIL-22	MARCH-22
Sukuk	42.05%	34.91%
Cash and Short Term Deposits	19.78%	19.59%
Equities	23.18%	30.70%
Mutual Funds	15.00%	14.80%

Yaqeen Growth Fund

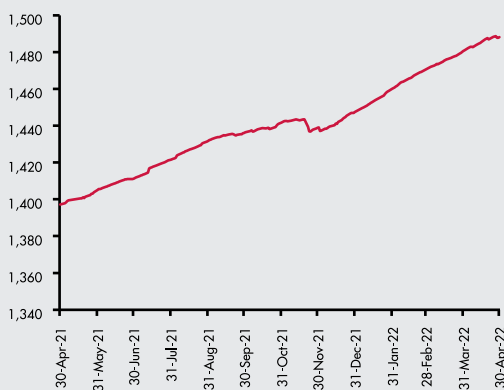
FUND OBJECTIVE

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.

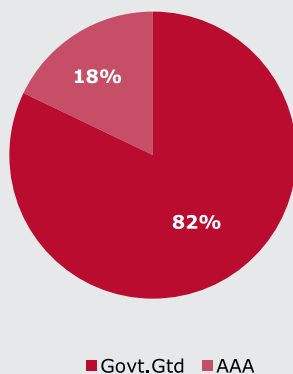
FUND MANAGER'S COMMENTS

During the month of April 2022 Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 7.62 (0.51%). The fund's allocation to government securities stands at 90.81% at month end against 73.76% last month while allocation to term finance securities is at 2.52% versus 2.56% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Yaqeen Growth Fund
Fund Size	PKR 7,572 Million
Launch Date	01.06.2009
Bid Price (01.06.2009)	PKR 475.00
Bid Price (30.04.2022)	PKR 1,488.10
Category	Capital Protected 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	0.51%
3 months	1.92%
12 months	6.51%
Calendar YTD (annualized)	8.81%
Since Inception (annualized)	9.24%
5 Years (annualized)	7.88%
10 Years (annualized)	8.98%

ASSET ALLOCATION

ASSETS	APRIL-22	MARCH-22
Government Securities	90.81%	73.76%
Term Finance Securities	2.52%	2.56%
Cash and Short Term Deposits	1.34%	18.26%
Mutual Funds	5.34%	5.42%

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