



# INVESTMENT FACT SHEET

FOR THE MONTH OF FEBRUARY 2023

# 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,

The month of Feb-2023 began with a bleak note when Finance Supplementary Bill was announced which was a prerequisite for the staff level agreement of the 9th review of the IMF Program. This bill is an attempt to bridge the revised tax revenue targets wherein taxes on luxury items to the tune of 25% sales tax (GST) is implemented up from 17% whereas sales tax across all items was also increased by 1% to 18%. In continuation of this, gas tariffs were also increased to resolve circular debt accumulation whereby weighted average price increased by 42.5% from the previous tariffs. Petrol prices were also raised by 6.77% to PKR 267.72/ltr as a fallout of PKR depreciation witnessed in the last week of Jan'23. Moreover, following the delay in the IMF program, Moody's credit rating downgraded Pakistan to Caa3 from Caa1, the lowest rating in 30 years for the country. Forex reserves increased by USD 728mn to USD 3.81bn as of 24th February 2023, leaving the country with less than a month's worth of import cover. This increase in reserves was mainly on account of arrival of USD 700mn from China Development Bank while China also rolled over USD 1.3bn of debt which was payable in next 2 months PKR appreciated slightly against USD during this month from 267.88/USD to PKR 261.5/USD. Additionally, FBR achieved its collection target of PKT 527bn for the month of February.

Major economic numbers during the month:

- **The country's Current Account Deficit decreased MoM by 60.5% during Jan'23 standing at USD 242mn.**
- **The CPI for Feb'23 clocked in at 31.5%, mainly due to price hike in food and transport.**
- **Slight appreciation on rupee-dollar rate by 2.38% was seen during Feb'23, closing at PKR 261.5/USD during Feb'23.**
- **Commodity prices remained stable (Brent Crude Oil: 0.34% MoM increase in Feb'23).**

Economic front stayed vulnerable to the challenges as demand stayed on the lower side as evident by the most recent offtakes/sales numbers of Cement (+1.30% YoY in 7MFY23), Petroleum Products (-20% YoY in 7MFY23), Automobiles (-64.50% YoY in 7MFY23) and Fertilizer (+5.60% YoY in 7MFY23). Moreover, large scale manufacturing (LSM) continued a decline of 3.51% YoY in 1HFY23, mainly lead by food, tobacco, textile, garments, petroleum products, cement, pharmaceuticals, and automobile.

On the external side, the Current account deficit decreased by 60.5% MoM to reach USD 242mn in Jan'23. However, YoY it is 90.53% less than Jan'22 due to curb on imports and other restrictions.

Financial market signaled slow and nonvolatile momentum for the month because of the delay in staff level agreement (SLA) for IMF and due to relative stability in currency fluctuation. KSE-100 fell slightly by 0.40% MoM. FDI (Foreign Direct Investment) increased significantly to USD 223mn during the current fiscal year (7MFY23) hinting continuation of slow recovery in the rigid economic circumstances.

Inflation dialed in at 31.5% in Feb'23 which was noticeably high. This was mainly contributed by food and transport segments.

FX Reserves decreased slightly by 0.22% clocked it at USD 9.27bn as of 24th February 2023 from USD 8.74bn seen in the previous month.

# ECONOMY UPDATE

## MACROECONOMIC INDICATORS

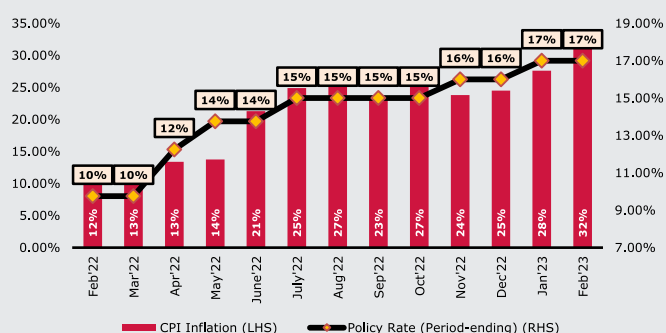
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	January	(1,717)	(1,923)	(16,398)
Remittances (USD mn)	January	1,894	2,041	15,944
Current A/C Balance (USD mn)	January	(242)	(400)	(3,668)
FDI (USD mn)	January	223	(17)	637
Tax Collection* (PKR bn)	February	527	537	4,487
M2 Growth				0.96%

Source SBP, FBR

\* Provisional figures

The trade deficit number of the country fell to USD 1,717mn (-10.71% MoM) for Jan'23. Moreover, the current account deficit decreased for the month to USD 242mn vs USD 400mn in the month of Jan'23. Remittances plunged by 7.21% during the month from USD 2,041mn to USD 1,894mn in Jan'23. FBR's tax collection in the current fiscal year stood at PKR 4,487bn in the 8MFY23.

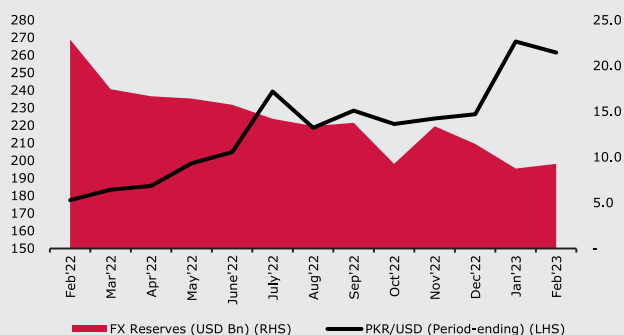
## INFLATION



Source: PBS

The national CPI during the month of Feb'23 clocked in at 31.5% compared to 27.60% in the previous month.

## PKR/USD PARITY VS FX RESERVES



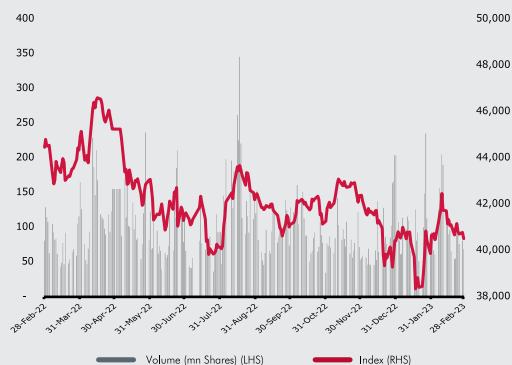
Source: SBP

Total FX reserves during the month fell by USD 20mn to stand at USD 8.72bn, while the PKR appreciated by 2.38% to PKR 261.50 against the USD.

# CAPITAL MARKETS UPDATE

## EQUITY MARKET

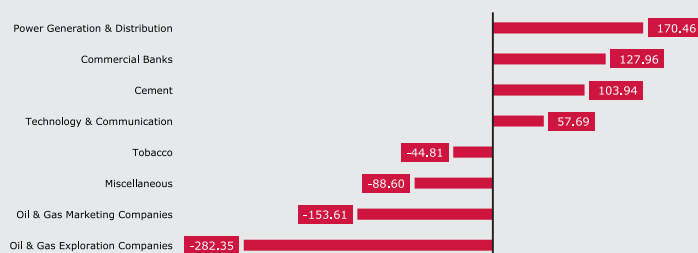
### KSE-100 ONE YEAR PERFORMANCE



Source: PSX

The index inclined downwards during the month in the anticipation of revival of IMF program and impact of the mini budget. For the context, KSE-100 was down with (-110 points) during Feb'23 to clock in at 40,510 points while KSE-All Share value traded decreased by 24% (M/M) standing at PKR 5,649mn.

### SECTOR WISE TOP CONTRIBUTORS

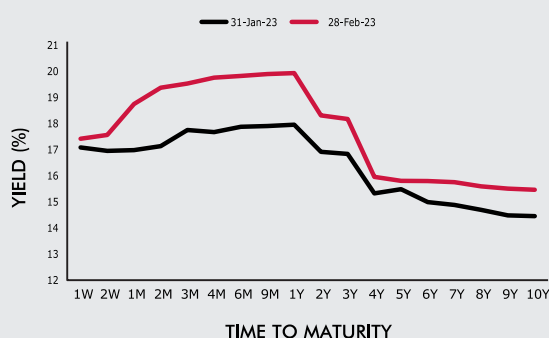


Source: PSX

The sectors that positively impacted the KSE-100 Index during the month of Feb'23 were Technology & Communication (+57.69 points), Cement (+103.94 points), Commercial Banks (+127.96 points) and Power Generation & Distribution (+170.46 points). While the negatively contributing sectors during the month of Feb'23 were Oil & Gas Exploration Companies (-282.35 points), Oil & Gas Marketing Companies (-153.61 points), Miscellaneous (-88.60 points) and Tobacco (-44.81 points).

## DEBT MARKET

### YIELD CURVE



Source: MUFAP

### INTEREST RATE

INSTRUMENT	FEB-23	JAN-23
Kibor-3 Month	19.85%	17.87%
Kibor-6 Month	20.06%	17.97%
Kibor-12 Month	20.36%	18.29%

Source: SBP

During the month, SBP accepted PKR 591bn in auction of T-bills against the target of PKR 1,100bn, the cut-off rates closed at new multi decade high of 19.9500% (+201 bps MoM) for 3-month, 6-month closing at 19.9000% and 12-month closing at 19.7900%, respectively. The floating-rate PIB auctions witnessed significant participation of PKR 808bn against target of PKR 310bn on account of appealing spread offered, of which MoF accepted bids worth PKR 499bn at cut-off spreads ranging between 99-155 bps. In addition to this, lacklustre participation of PKR 55bn was witnessed in fixed rate PIB auction, which was rejected by GoP.



# STRATEGY & OUTLOOK



## EQUITY MARKET:

We continue to recommend our long-term stance on equity market, as the PSX index floated at appealingly low P/E Levels (Forward P/E multiple of 3.82x) with the attractive discounts to its regional peers. Political instability and macroeconomic disturbances still limit the chance of any major recovery in equities. Key contributions that may have an impact on the benchmark index include:

- Further monetary tightening could dent corporate profits amidst the already challenging macroeconomic environment.
- Continued strain on availability of raw materials due to curbs on imports which has kept the supply chain bottleneck.
- Hike in inflation along with increase in fuel prices deteriorates purchasing power parity.
- Any further delay in revival of the IMF program may dampen investor sentiments and consequentially limit any upside trigger in equities.

We remain vigilant on the performance of the equity market however, uncertainty on both the political and economic fronts will keep the equity index under duress.

## DEBT MARKET:

In outgoing month, the Conventional money market cut-offs witnessed new highs since 2000 aided by the view of increase in policy rate by 200 to 300 bps in the upcoming MPS. Yields across the tenors inched up significantly in the range of 200 bps - 300 bps. Short term yields closed at 19.53%, 19.82% and 19.93% for 3 months, 6 Months, 1 year, whereas 3,5 and 10 years closed at 18.17%, 15.80% and 15.46% up by 134bps, 32bps and 101bps respectively. Going forward, the debt market is likely to remain under pressure in expectation of continued monetary tightening and macro-economic deterioration. Further sticky inflation will keep the interest rates in check for CY23. Keeping in macro-economic environment and interest rate outlook, our fixed income portfolios are optimally allocated in shorter duration instruments and longer tenor fixed rate instruments.

## FUND WISE STRATEGY

- **Jubilee Life Balanced Fund :** Jubilee Life Balanced Fund is well poised in current uncertain economic conditions with sizable allocation (95%) in high yielding fixed income instruments and low allocation (5%) in equities.
- **Jubilee Life Aggressive Fund :** Equity allocation in JLI Aggressive fund is reduced to 53% in order to reduce volatility for policyholders in current uncertain macroeconomic situation. Furthermore, an optimal mix of growth stocks within equities provides an ideal avenue for long term capital growth, while a 42% allocation is placed at high yielding fixed income instruments.
- **Jubilee Life Government Securities Fund :** GSF tilt in sovereign short-term fixed income makes it ideally placed for capturing high yields on offer. While low duration allows fund enough flexibility to capture any opportunity to increase exposure to long term instruments.
- **Meesaq Balanced Fund :** Our Meesaq Balanced fund offers its policyholders sustainable return through 49% allocation in low duration instruments, along with 22% exposure in high yielding deposits, thereby allowing maximum benefit from any opportunity in the yield curve. Furthermore, an optimal mix of growth stocks within equities allocation of 2% provides an ideal avenue for long term capital growth.

# JUBILEE LIFE BALANCED FUND

Fund Manager's Report  
February 2023

## 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.

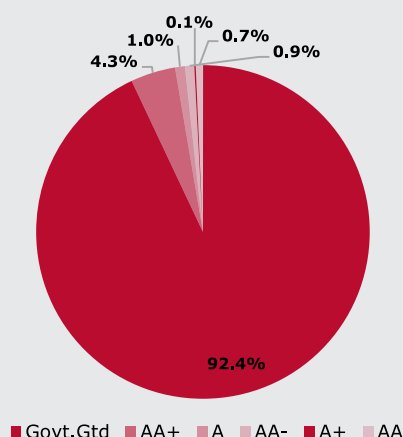
## FUND MANAGER'S COMMENTS

During the month of February 2023 Balanced Fund's (BF) Unit Price increased by PKR 2.7 (0.2%). The fund's allocation to government securities stands at 87.74% at month end against 86.93% last month while allocation to equities is at 4.84% versus 4.89% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 42.96% followed by Pharmaceuticals, Automobile Assembler & Parts and Miscellaneous with a sector allocation of 21.92%, 13.07% and 7.43% respectively.

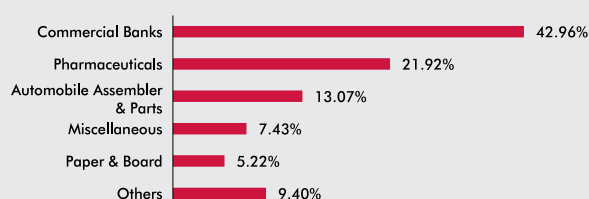
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Fund
Net Assets	PKR 77,475 Million
Launch Date	31.12.1996
NAV Per Unit At Launch Date (31.12.1996)	PKR 99.50
NAV Per Unit At Month end (28.02.2023)	PKR 1,363.44
Category	Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.25%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.20%
3 months	0.22%
12 months (365 days)	1.54%
Calendar YTD	0.14%
Since Inception (annualized)	10.52%
5 Years (annualized)	3.97%
10 Years (annualized)	7.11%

## ASSET ALLOCATION

ASSETS	FEBRUARY-23	JANUARY-23
Government Securities	87.74%	86.93%
Term Finance Securities	7.37%	7.19%
Cash and Short Term Deposits	0.05%	0.99%
Equities	4.84%	4.89%

# JUBILEE LIFE AGGRESSIVE FUND

Fund Manager's Report  
February 2023

## 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.

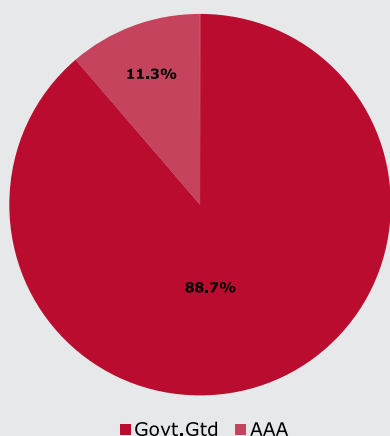
## FUND MANAGER'S COMMENTS

During the month of February 2023 Aggressive Fund's (AF) Unit Price increased by PKR 7.99 (1.22%). The fund's allocation to government securities stands at 41.54% at month end against 33.61% last month while allocation to equities is at 53.12% versus 63.29% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 25.72% followed by Oil & Gas (Exploration Companies), Pharmaceuticals and Fertilizers with a sector allocation of 24.99%, 10.04% and 9.72% respectively.

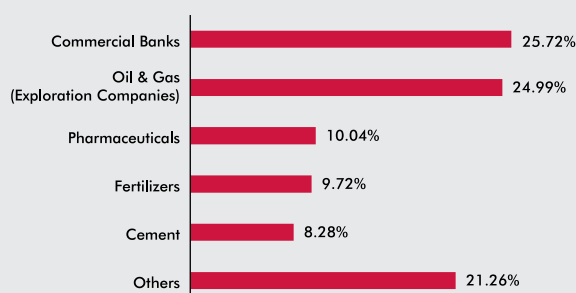
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Aggressive Fund
Net Assets	PKR 22,944 Million
Launch Date	28.07.2004
NAV Per Unit At Launch Date (28.07.2004)	PKR 100.00
NAV Per Unit At Month end (28.02.2023)	PKR 661.01
Category	Aggressive Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.28%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.22%
3 months	- 4.05%
12 months (365 days)	- 15.17%
Calendar YTD	- 0.50%
Since Inception (annualized)	10.69%
5 Years (annualized)	- 7.01%
10 Years (annualized)	6.92%

## ASSET ALLOCATION

ASSETS	FEBRUARY-23	JANUARY-23
Government Securities	41.54%	33.61%
Cash and Short Term Deposits	5.34%	3.11%
Equities	53.12%	63.29%



# MEESAQ BALANCED FUND

Fund Manager's Report  
February 2023

## FUND OBJECTIVE

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

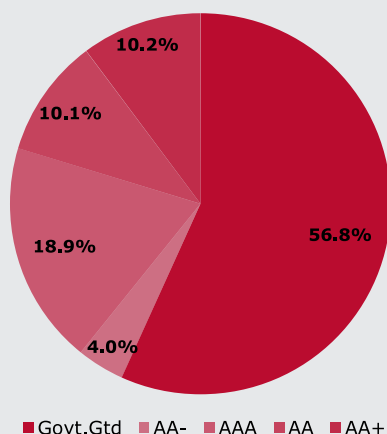
## FUND MANAGER'S COMMENTS

During the month of February 2023 Meesaq Balanced Fund's Unit Price increased by PKR 4.47 (0.37%). The fund's allocation to sukuks stands at 57.76% at month end against 56.54% last month while allocation to equities is at 2.07% versus 2.31% last month. Within sectors, the fund is tilted towards Pharmaceuticals with a total allocation of 63.55% followed by Oil & Gas (Exploration Companies), Engineering and Miscellaneous with a sector allocation of 26.84%, 7.48% and 2.12% respectively.

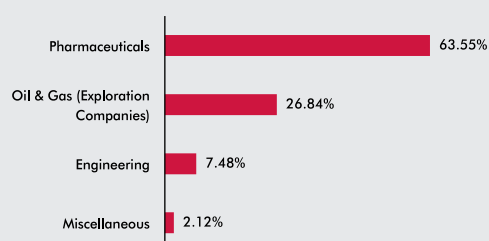
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Balanced Fund
Net Assets	PKR 5,860 Million
Launch Date	27.03.2008
NAV Per Unit At Launch Date (27.03.2008)	PKR 475.00
NAV Per Unit At Month end (28.02.2023)	PKR 1,212.21
Category	Balanced Fund (Non-interest bearing)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.25%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.37%
3 months	1.03%
12 months (365 days)	5.91%
Calendar YTD	0.76%
Since Inception (annualized)	6.47%
5 Years (annualized)	3.15%
10 Years (annualized)	6.56%

## ASSET ALLOCATION

ASSETS	FEBRUARY-23	JANUARY-23
Sukuks	57.76%	56.54%
Cash and Short Term Deposits	23.71%	31.64%
Equities	2.07%	2.31%
Mutual Funds	16.46%	9.51%

# JUBILEE LIFE GOVERNMENT SECURITIES FUND

Fund Manager's Report  
February 2023

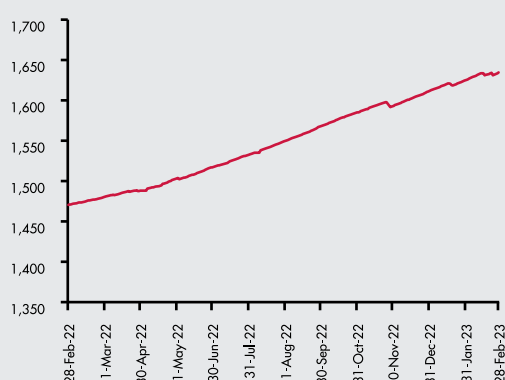
## FUND OBJECTIVE

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. Government Securities 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.

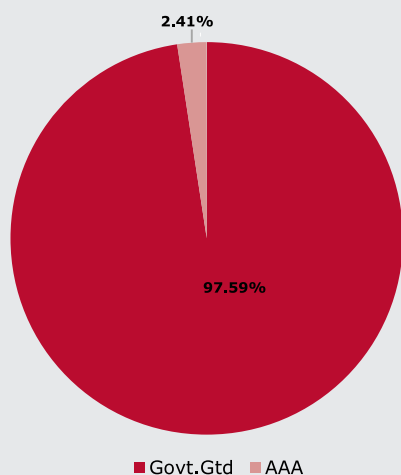
## FUND MANAGER'S COMMENTS

During the month of February 2023 Government Securities Fund's (GSF) Unit Price increased by PKR 9.5 (0.58%). The fund's allocation to government securities stands at 97.57% at month end against 98.07% last month while allocation to cash and short term deposits is at 2.43% versus 1.93% 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 12,882 Million
Launch Date	01.06.2009
NAV Per Unit At Launch Date (01.06.2009)	PKR 475.00
NAV Per Unit At Month end (28.02.2023)	PKR 1,634.39
Category	Government Securities Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.24%
Pricing Days	Monday to Friday
Weighted Average Maturity	124 Days

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.58%
3 months	2.62%
12 months (365 days)	11.14%
Calendar YTD (annualized)	9.08%
Since Inception (annualized)	9.40%
5 Years (annualized)	9.73%
10 Years (annualized)	9.20%

## ASSET ALLOCATION

ASSETS	FEBRUARY-23	JANUARY-23
Government Securities	97.57%	98.07%
Cash and Short Term Deposits	2.43%	1.93%

JUBILEELIFE.COM

**Jubilee Life Insurance Company Limited**

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.jubileelife.com