



# INVESTMENT FACT SHEET

FOR THE MONTH OF JANUARY 2023

## NOTICE TO POLICY-HOLDERS

In compliance with the Notification of Securities and Exchange Commission of Pakistan (SECP) Amendments to the Unit Linked Product and Fund Rules, 2015, bearing Reference # SRO.1014(I)/2022 dated 5th July 2022, Jubilee Life Insurance Company Limited has changed the name of its Conventional Funds as mentioned below:

OLD FUND NAME	REVISED/NEW FUND NAME
Managed Fund	Jubilee Life Balanced Fund
Capital Growth Fund	Jubilee Life Aggressive Fund
Yaqeen Growth Fund	Jubilee Life Government Securities Fund
Meesaq	Meesaq Balanced Fund

# 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 Jan'2023 began on a pessimistic note as the World Bank's latest GDP forecast pointed a sharp, long-lasting slowdown with growth pegged at 1.7% for this year, compared to 3% forecasted earlier in June. Further, SBP raised the policy rate by 100 bps to 17% as the monthly CPI accelerated to 27.55%, a jump of 3.08% on a monthly basis. Furthermore, due to sharp PKR depreciation in last week of the month by 18.31%, the fuel prices were raised significantly wherein additionally, the levy on HSD was also increased by PKR 5.0/liter to PKR 40.0/liter. Forex reserves dropped by USD 2.50bn M/M to USD 3.09bn as of 27th January 2023, leaving the country with barely three weeks' worth of import cover. On the fiscal side, FBR provisionally collected PKR 537bn during January 2023, reflecting an increase of PKR 4bn against the target. The provisional tax collection of the FBR stood at PKR 3,965bn (7MFY23) against the assigned target of PKR 4,206bn, reflecting a shortfall of PKR 241bn.

Major economic numbers during the month:

- **The country's Current Account Deficit Increased MoM by 58% during Dec'22.**
- **The CPI for Jan'22 clocked in at 27.55%, mainly due to price hike in food and transport.**
- **PKR depreciated by 18.31% closing at 267.89 during Jan'22 as inter-bank rates converged with open market rates**
- **Commodity prices remained stable (Brent Crude Oil: 0.21% MoM decrease in Jan'22).**

The challenges on the economic front continued as demand remained muted during the current fiscal year as evident by the most recent offtake/sales numbers of Cement (-17.97% YoY in 7MFY23), Petroleum Products (-19% YoY in 7MFY23), Automobiles (-40% YoY in 6MFY23) and Fertilizer (-16% YoY in 6MFY23). Moreover, large scale manufacturing (LSM) witnessed a decline of 3.58% YoY in 5MFY23, mainly led by food, tobacco, textile, automobile, garments, petroleum products, cement, pharmaceuticals, and automobile.

On the external side, the Current account deficit increased by 58% MoM to reach USD 400mn in Dec'22 however, on a YoY basis it is 78% less than Dec'21 due to import restrictions. Moreover, Finance Minister Ishaq Dar has rejected the proposal to impose flood levy on the import of non-essential items from CY23 onwards.

Financial markets exhibited a slight positive momentum for the month because of the revival of the IMF negotiations and removal of the administrative cap on the currency exchange. Secondly, KSE-100 rose by 0.62% MoM. Tough economic circumstances in the country also resulted in the decline of FDI (Foreign Direct Investment) during the current fiscal year (5MFY23) by 51.4% to USD 430.1mn.

On the domestic front, Inflation demonstrated an upward trend clocking at 27.55% in Dec'22, major contributors are Food and Transport which pushed average inflation for the first half of current fiscal year to an alarming high of 25.40%.

The total FX reserves weakened to USD 8.742bn as of 27th January 2023 from USD 10.845bn seen a month earlier due to repayment of foreign obligations.

# ECONOMY UPDATE

## MACROECONOMIC INDICATORS

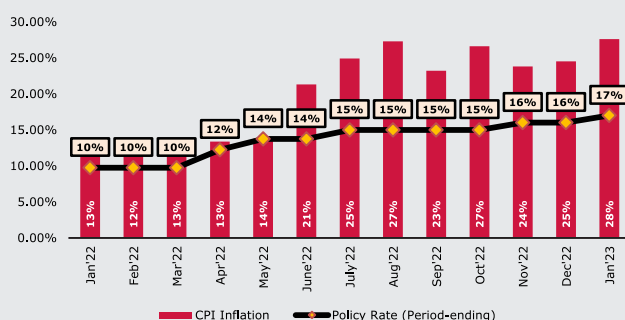
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	December	(1,923)	(2,029)	(14,681)
Remittances (USD mn)	December	2,041	2,108	14,050
Current A/C Balance (USD mn)	December	(400)	(252)	(3,426)
FDI (USD mn)	December	(17)	82	414
Tax Collection* (PKR bn)	January	537	740	3,965
M2 Growth				- 0.17%

Source SBP, FBR

\* Provisional figures

The trade deficit figures of the country declined to USD 1,923mn (-5.22% MoM) for Dec'22, however, the current account deficit also increased during the month to reach USD 400mn vs USD 252mn in the month of Dec'22. The remittances dipped by USD 67mn to land at USD 2,041 mn in Dec'22. FBR's tax collection in the current fiscal year stood at PKR 3,965bn in the 7MFY23.

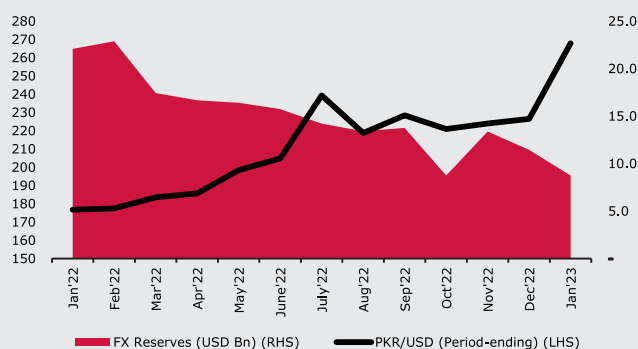
## INFLATION



Source: PBS

The national CPI during the month of Jan'22 clocked in at 27.55% compared to 24.50% in the previous month.

## PKR/USD PARITY VS FX RESERVES



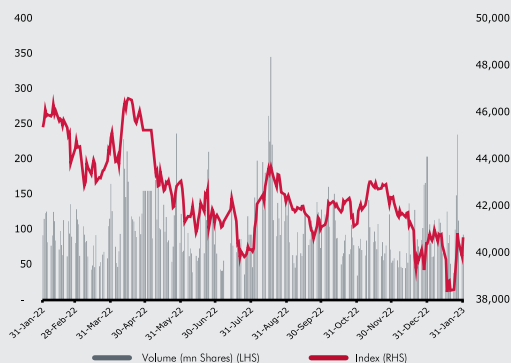
Source: SBP

Total FX reserves during the month fell by USD 2.7bn to stand at USD 8.74bn, while the PKR depreciated by 18% to PKR 267.89 against the USD.

# CAPITAL MARKETS UPDATE

## EQUITY MARKET

### KSE-100 ONE YEAR PERFORMANCE



Source: PSX

The index remained range bound during the month in the anticipation of revival of IMF program and free float of PKR/USD parity. For the context, KSE-100 gained (+253 points) during Jan'23 to clock in at 40,673 points while KSE-All Share value traded decreased by 7% (M/M) standing at PKR 7,442mn.

### SECTOR WISE TOP CONTRIBUTORS

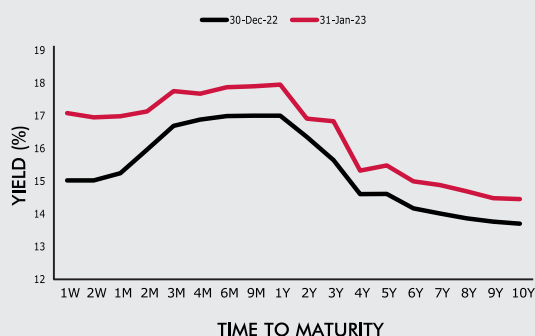


Source: PSX

The sectors that positively impacted the KSE-100 Index during the month of Jan'22 were Commercial Banks (+32.31 points), Miscellaneous (+310.45 points), Oil & Gas Exploration Companies (+354.58 points) and Fertilizers (+424.22 points). While the negatively contributing sectors during the month of Jan'22 were Cement (-232.99 points), Pharmaceuticals (-156.09 points), Technology & Communication (-108.37 points) and Food & Personal Care Products (-72.62 points).

## DEBT MARKET

### YIELD CURVE



Source: MUFAP

During the month, SBP accepted PKR 1,624bn in auction of T-bills against the target of PKR 1,600bn, the cut-off rates closed at multi decade high of 17.9374% (+94 bps MoM) for 3-month, whereas bids for 6-month and 12-month tenor were rejected, respectively. The floating-rate PIB auctions witnessed significant participation of PKR 1,394bn against target of PKR 240bn on account of appealing yield on offer, of which MoF accepted bids worth PKR 595bn at cut-off spreads ranging between 70-105 bps. In addition to this, fixed rate PIBs attracted lacklustre participation of PKR 73bn only, however, GoP rejected all bids across the tenors as participation range was significantly higher compared to previous cut-offs.

### INTEREST RATE

INSTRUMENT	JAN-23	DEC-22
Kibor-3 Month	17.87%	17.00%
Kibor-6 Month	17.97%	17.04%
Kibor-12 Month	18.29%	17.34%

Source: SBP



# STRATEGY & OUTLOOK



## EQUITY MARKET:

We continue to adhere to our long-term positive stance on the equity market, as the PSX 100 index trades at historically low P/E levels (forward P/E multiple of 3.1x) and a deep discount to its regional peers. However, in the short term, macroeconomic instability and political noise is likely to limit any potential rebound hence we maintain a cautious approach. Key triggers which can have an impact on the benchmark index include:

- **Change in monetary tightening regime impacting the corporate profitability resulting in a delayed recovery in equities.**
- **Restrictive measures to limit trade imports are expected to keep supply bottlenecks intact.**
- **If hikes in energy prices are continued it can erode purchasing power.**
- **Continued drop in forex reserves.**
- **Likely continuation of IMF program which can unlock much needed flow of USD.**
- **Softening trend in international commodity prices.**

We remain cautiously optimistic on the equity market in the near term, however, lack of clarity on both the political and economic fronts will make any surge in the equity index short lived.

## DEBT MARKET:

In outgoing month, the Conventional money market cut-offs witnessed an all time high since 2000 aided by an increase in the MPS by 100 bps announced during the month, Islamic money markets also moved in similar fashion. Yields across the tenors inched up significantly in the range of 75 bps - 223 bps. Short term yields closed at 17.75%, 17.87% and 17.95% for 3 months, 6 Months, 1 year, whereas 3,5 and 10 years closed at 16.83%, 15.48% and 14.45% up by 223bps, 131bps and 75bps respectively. Going forward, Debt market is likely to remain under pressure in expectations of another hike in the policy rate followed by the recent increase of 100 bps during the month. The plight of inflation will keep the interest rates in check for CY23. Going forward, tone for the fixed income market will be set by the continuation of the IMF program and the government's commitment to adhere to a stringent plan to put the economy on the right track. Keeping in close view of the above 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 JL Aggressive fund is reduced to 63% in order to safeguard the 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 37% 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 48% allocation in low duration instruments, along with 25% exposure in high yielding deposits, thereby allowing maximum benefit from any opportunity in the yield curve. Furthermore, keeping in view uncertain macroeconomic situation, equities allocation of the fund is reduced to 2% to safeguard the capital erosion.

# JUBILEE LIFE BALANCED FUND

Fund Manager's Report  
January 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.

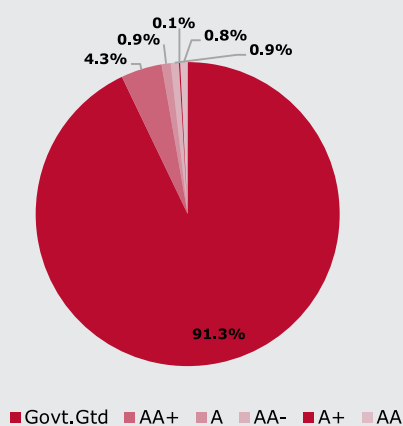
## FUND MANAGER'S COMMENTS

During the month of January 2023 Balanced Fund's (BF) Unit Price decreased by PKR .84 (-0.06%). The fund's allocation to government securities stands at 86.93% at month end against 84.63% last month while allocation to equities is at 4.89% versus 7.09% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 43.03% followed by Pharmaceuticals, Automobile Assembler & Parts and Miscellaneous with a sector allocation of 20.15%, 12.25% and 7.33% respectively.

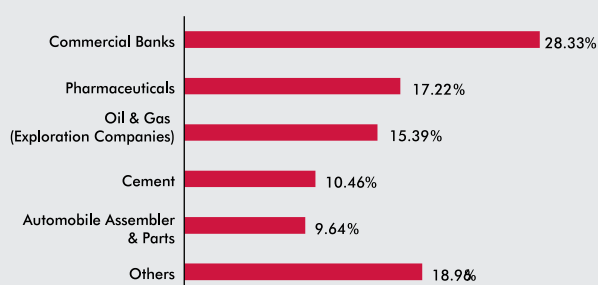
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Fund
Net Assets	PKR 78,922 Million
Launch Date	31.12.1996
NAV Per Unit At Launch Date (31.12.1996)	PKR 99.50
NAV Per Unit At Month end (31.01.2023)	PKR 1,360.74
Category	Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio	0.13%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	- 0.06%
3 months	- 0.07%
12 months (365 days)	1.19%
Calendar YTD	- 0.06%
Since Inception (annualized)	10.54%
5 Years (annualized)	3.72%
10 Years (annualized)	7.18%

## ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Government Securities	86.93%	84.63%
Term Finance Securities	7.19%	7.22%
Cash and Short Term Deposits	0.99%	1.05%
Equities	4.89%	7.09%



# JUBILEE LIFE AGGRESSIVE FUND

Fund Manager's Report  
January 2023

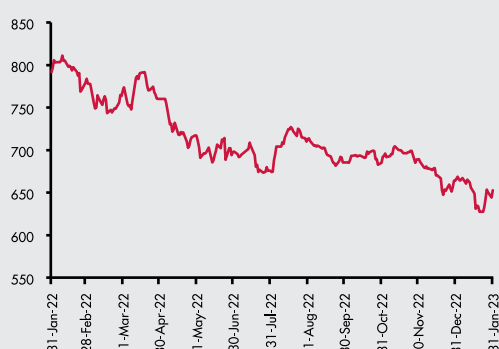
## FUND OBJECTIVE

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.

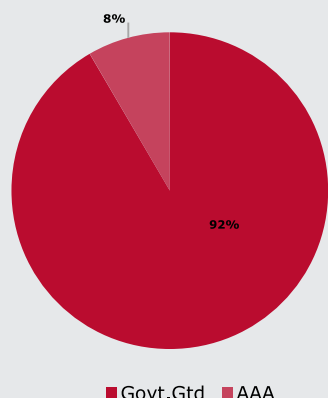
## FUND MANAGER'S COMMENTS

During the month of January 2023 Aggressive Fund's (AF) Unit Price decreased by PKR 11.29 (-1.7%). The fund's allocation to government securities stands at 33.61% at month end against 27.91% last month while allocation to equities is at 63.29% versus 70.96% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 23.81% followed by Commercial Banks, Cement and Fertilizers with a sector allocation of 23.03%, 11.78% and 8.12% respectively.

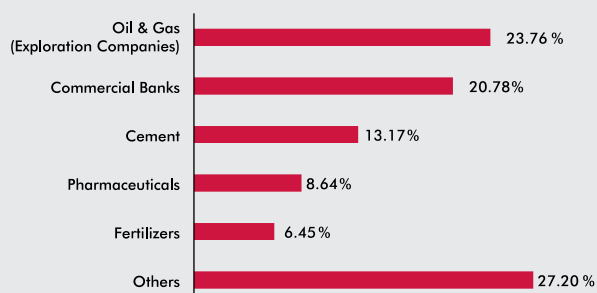
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Aggressive Fund
Net Assets	PKR 22,886 Million
Launch Date	28.07.2004
NAV Per Unit At Launch Date (28.07.2004)	PKR 100.00
NAV Per Unit At Month end (31.01.2023)	PKR 653.02
Category	Aggressive Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio	0.14%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	- 1.70%
3 months	- 4.69%
12 months (365 days)	- 17.55%
Calendar YTD	- 1.70%
Since Inception (annualized)	10.66%
5 Years (annualized)	- 7.68%
10 Years (annualized)	6.84%

## ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Government Securities	33.61%	27.91%
Cash and Short Term Deposits	3.11%	1.14%
Equities	63.29%	70.96%

# MEESAQ BALANCED FUND

Fund Manager's Report  
January 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.

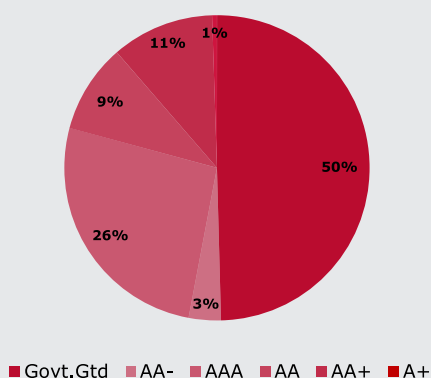
## FUND MANAGER'S COMMENTS

During the month of January 2023 Meesaq Balanced Fund's Unit Price increased by PKR 4.73 (0.39%). The fund's allocation to sukus stands at 56.54% at month end against 55.15% last month while allocation to equities is at 2.31% versus 5.13% last month. Within sectors, the fund is tilted towards Pharmaceuticals with a total allocation of 68.68% followed by Oil & Gas (Exploration Companies), Engineering and Miscellaneous with a sector allocation of 22.57%, 6.87% and 1.88% respectively.

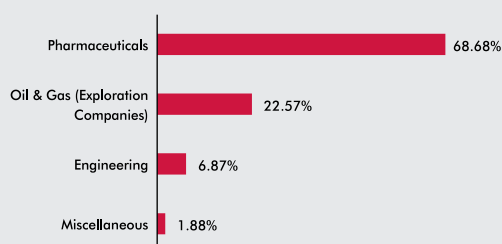
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Balanced Fund
Net Assets	PKR 6,002 Million
Launch Date	27.03.2008
NAV Per Unit At Launch Date (27.03.2008)	PKR 475.00
NAV Per Unit At Month end (31.01.2023)	PKR 1,207.74
Category	Balanced Fund (Non-interest bearing)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio	0.13%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.39%
3 months	1.48%
12 months (365 days)	4.87%
Calendar YTD	0.39%
Since Inception (annualized)	6.48%
5 Years (annualized)	2.81%
10 Years (annualized)	6.62%

## ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Sukus	56.54%	55.15%
Cash and Short Term Deposits	31.64%	30.48%
Equities	2.31%	5.13%
Mutual Funds	9.51%	9.25%

# JUBILEE LIFE GOVERNMENT SECURITIES FUND

Fund Manager's Report  
January 2023

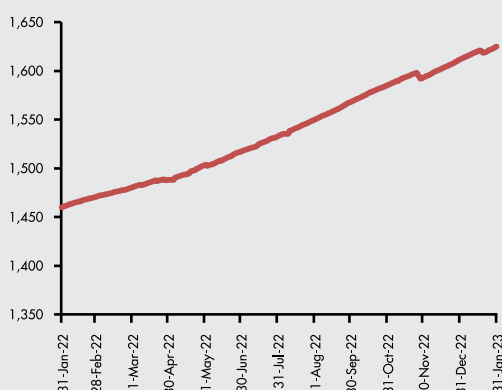
## FUND OBJECTIVE

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.

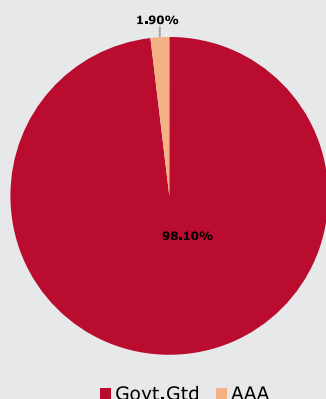
## FUND MANAGER'S COMMENTS

During the month of January 2023 Government Securities Fund's (GSF) Unit Price increased by PKR 13.3 (0.83%). The fund's allocation to government securities stands at 98.07% at month end against 90.98% last month while allocation to cash and short term deposits is at 1.93% versus 9.02% 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 12,425 Million
Launch Date	01.06.2009
NAV Per Unit At Launch Date (01.06.2009)	PKR 475.00
NAV Per Unit At Month end (31.01.2023)	PKR 1,624.89
Category	Government Securities Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio	0.13%
Pricing Days	Monday to Friday
Weighted Average Maturity	145 Days

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.83%
3 months	2.52%
12 months (365 days)	11.28%
Calendar YTD (annualized)	10.16%
Since Inception (annualized)	9.41%
5 Years (annualized)	9.55%
10 Years (annualized)	9.19%

## ASSET ALLOCATION

ASSETS	JANUARY-23	DECEMBER-22
Government Securities	98.07%	90.98%
Cash and Short Term Deposits	1.93%	9.02%

JUBILEELIFE.COM

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