



INVESTMENT FACT SHEET

FOR THE MONTH OF JUNE 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 Policyholders,

On June 9th, 2023, the current government unveiled the Federal Budget FY24, which allocated a budgetary outlay of PKR 14,461bn. This amount represents a significant increase of 30.40% compared to the revised budget estimates for FY23. The largest portion of the budget is dedicated to current expenditure, accounting for 90.10% of the total budget outlay. The previous fiscal year experienced a substantial decline in Pakistan's GDP growth, plummeting to 0.29% from the previous year's growth rate of 6.1%. Various challenges have contributed to this decline, including devastating floods that caused extensive damage to crops and infrastructure, resulting in disruptions to agricultural activities and an overall decline in GDP growth. For FY24, the government has set an overall GDP growth target of 3.50%, with individual growth targets of 3.50% for agriculture, 3.40% for the industrial sector, and 3.60% for services. This aims to revitalize the economy and drive growth in key sectors.

On a positive note, Pakistan has successfully reached a staff level agreement with the IMF under a new Stand-By Agreement (SBA), which replaces the 2019 Extended Fund Facility (EFF) program which was slated to expire on June 30, 2023. This agreement spans nine months and provides financial support amounting to USD 3bn. In addition, the price of petrol experienced a further decrease of PKR 8/ltr, reaching PKR 262/ltr at the beginning of June. This price remained unchanged throughout the month. Furthermore, the price of HSD decreased by PKR 5/ltr and stood at PKR 253/ltr. These price reductions aim to provide relief to consumers and mitigate the burden of fuel costs.

The major numbers during the month:

- **The country's current account stood at USD 255mn on May'23 and increased by 84.71% FYTD.**
- **The CPI for June'23 clocked in at 29.40% and average inflation for FY23 stood at 28.91%.**
- **PKR depreciated against USD by 0.51% during the month.**
- **Commodity prices (Brent Crude Oil increased by 3.83% MoM in June'23, Coal decreased by -0.50%)**

During the outgoing month, an emergency MPC meeting was convened, in which the policy rate was increased to 22%. Further, tightening economic measures persist to impact demand drivers of the economy as Cement dispatches decline by 22.80% and a decline of 15.70% by the end of FY23. Petroleum products registered a decline of 31.00% YoY and 26.00% for the fiscal year. Automobiles faced a further decline of 14% MoM and 38% for FY23.

The FX reserves increased by USD 405mn during the month, to stand at USD 9.74bn. The increase in reserves was on the back of inflows from rollover of Chinese loan.

ECONOMY UPDATE

MACROECONOMIC INDICATORS

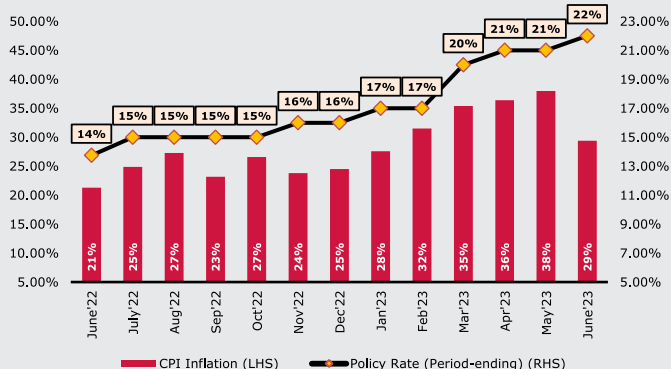
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	May	(1,194)	(1,576)	(22,444)
Remittances (USD mn)	May	2,103	2,198	24,770
Current A/C Balance (USD mn)	May	255	78	(2,621)
FDI (USD mn)	May	150	122	1,173
Tax Collection* (PKR bn)	June	800	572	7,008
M2 Growth				8.94%

Source SBP, FBR

* Provisional figures

The trade deficit decreased by 24.24% from USD 1,576mn to 1,194mn for the month of May'23 as government took strict administrative measures to control import. Furthermore, remittances saw a plunge of 4.32% for the month and stood at USD 2,103mn. FBR collected tax revenue of PKR 6,200bn in 11MFY23, against the target of PKR 7,640bn for the year.

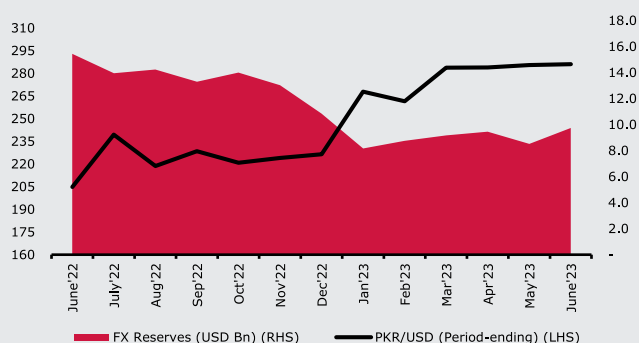
INFLATION



Source: PBS

Inflation for June'23 clocked in at 29.40% and average inflation for FY23 stood at 28.91%.

PKR/USD PARITY VS FX RESERVES



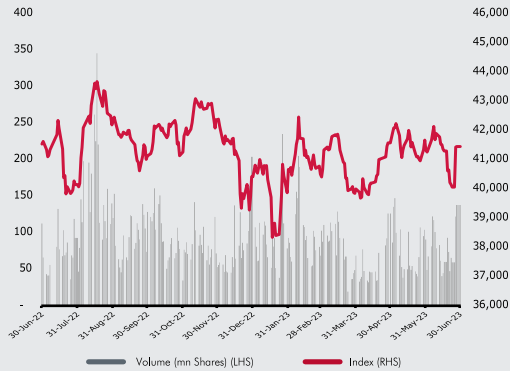
Source: SBP

PKR depreciated against USD by 0.51% MoM hovering at PKR 286.00/USD. FX reserves saw an increase of USD 405mn sustaining at USD 9.74bn at the end of June'23.

CAPITAL MARKETS UPDATE

EQUITY MARKET

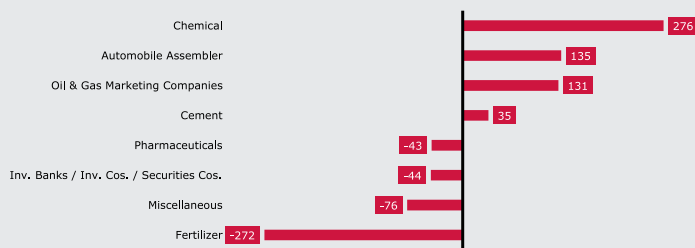
KSE-100 ONE YEAR PERFORMANCE



Source: PSX

Stock market performance remain rangebound during the outgoing month of June'23. The KSE-100 index saw slight increase of 122 points, reflecting a MoM gain of ~0.30%. The increase was mainly led by anticipation of Budget FY24 that would support the 9th review under the stalled IMF program. However, the initial enthusiasm quickly dissipated due to the inability to fulfill the IMF's previous requirements, resulting in a state of uncertainty. Average traded volumes recorded at 83mn shares which was an increase of 8.20% MoM, while average traded value stood at PKR 4,898mn, a decline of ~0.72% MoM.

SECTOR WISE TOP CONTRIBUTORS

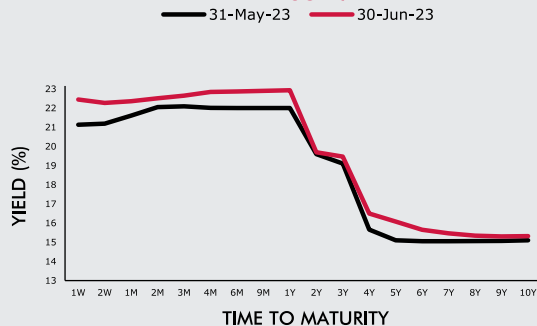


Source: PSX

The major sectors which depicted an upbeat performance during the month were Cements (35 points), Oil & Gas Marketing Companies (131 points), Automobile Assembler (135 points), and Chemical (276 points). Meanwhile, negative contribution was received from Fertilizer (-272 points), Pharmaceuticals (-43 points), and Miscellaneous (-76 points).

DEBT MARKET

YIELD CURVE



Source: MUFAP

During the month, SBP accepted bids worth PKR 6,272 bn in auction of T-bills, which succeeded against the target of PKR 5,250 bn, the cut-off rates remained unvarying at 21.99%, 21.97% and 21.99% for 3, 6 and 12-months, respectively. The floating-rate PIB auctions witnessed participation worth PKR 511 bn which remained below against the revised target of PKR 550 bn. Spread across the tenor remained consistent and in line with the market expectation, the MoF however only accepted bids worth PKR 253 bn at cut-off spreads ranging between 99-195 bps. Furthermore, the fixed rate PIB auction received significant participation worth PKR 237 bn against the revised target of PKR 160 bn at significantly higher rates. Appropriately, SBP accepted bids worth PKR 106 bn only for 3-year PIBs a newly issued instrument at a yield of 19.35% (-4 bps MoM). Bids for the remaining tenors were rejected by SBP.

INTEREST RATE

INSTRUMENT	JUN-23	MAY-23
Kibor-3 Month	22.91%	22.19%
Kibor-6 Month	22.97%	22.18%
Kibor-12 Month	23.27%	22.42%

Source: SBP

STRATEGY & OUTLOOK



EQUITY MARKET:

Despite our continued bullish stance for the long term, we maintain a positive perspective on the equity market. The PSX indexes have presented attractive low P/E levels, with a Forward P/E multiple of 3.74x compared to the regional average of 11.03x. Furthermore, the implementation of a new IMF program and the external financing support from friendly nations have contributed to the reduction of macroeconomic instability. However, it is important to note that political uncertainty remains unresolved.

Key triggers which can have an impact on benchmark include:

- **The new USD 3bn Stand-By Agreement (SBA) with IMF has given a breather to the economy. Pakistan is expected to receive USD 1.1bn after the IMF board approval scheduled on 12th July 2023.**
- **With IMF onboard, Pakistan will get external financing support from the multilateral and bilateral countries jacking up the gross foreign reserves.**
- **On the political front, investors are expected to monitor the political developments preceding the elections.**

We are closely monitoring the performance of the equity market and will capitalize on any opportunity that comes in way to maximize policyholder's return.

DEBT MARKET:

Post announcement of policy rate hike in emergent MPC, yields in the secondary market gained momentum. Secondary market yields for 3, 6 and 12-months T-bills closed at 22.65%/22.87%/22.93% increasing by 56 bps/87 bps/93 bps respectively on monthly basis. While yield for 3-year closed at 19.47%, 5-year and 10-year tenors PKRVs closed at 16.08%/15.32% increasing by 37 bps, 98 bps and 22 bps respectively.

Moving forward, the introduction of a new Stand-By Arrangement by the IMF, amounting to USD 3 billion over a span of 9 months, offers promising support to the economy in the foreseeable future. This development is also expected to have an impact on the trajectory of debt market yields. Considering the current macroeconomic conditions and the projected interest rate trends, our fixed income portfolios have been strategically allocated with a higher proportion in shorter duration instruments. This allocation aims to achieve a favorable balance between risk and return for our policyholders.

FUND WISE STRATEGY

- **Jubilee Life Balanced Fund:** Jubilee Life Balanced Fund is well poised to generate sustainable risk adjusted returns with sizable allocation (98%) in high yielding fixed income instruments and minimal allocation (2%) in equities.
- **Jubilee Life Aggressive Fund:** Equity allocation in JL Aggressive fund is reduced to 24% to minimize volatility in fund prices amid fragile macro-economic situation. Investment in government securities and bank placements is increased to 76% which is yielding higher risk adjusted returns.
- **Jubilee Life Government Securities Fund:** GSF's concentration in sovereign short-term fixed income instruments positions it favourably for capturing attractive yields while also providing the fund with the flexibility to increase exposure to long-term instruments when appropriate.
- **Meesaq Balanced Fund:** Our Meesaq Balanced fund offers its policyholders sustainable return through 85% allocation in low duration instruments, along with 5% exposure in high yielding deposits, thereby maximizing the benefits derived from opportunities in the yield curve.

JUBILEE LIFE BALANCED FUND

Fund Manager's Report
June 2023

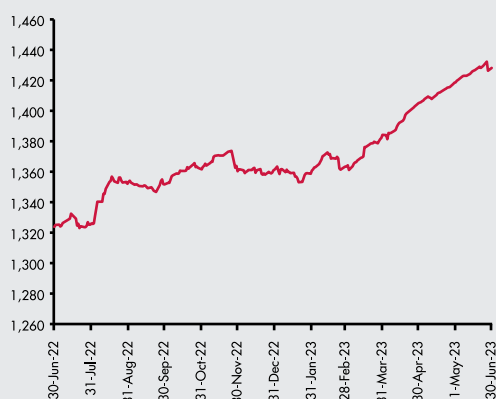
FUND OBJECTIVE

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

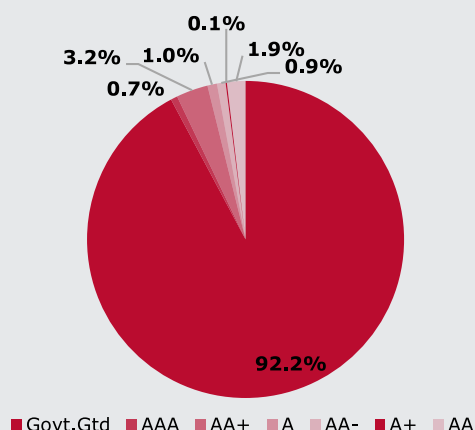
FUND MANAGER'S COMMENTS

During the month of June 2023 Balanced Fund's (BF) Unit Price increased by PKR 9.59 (0.68%). The fund's allocation to government securities stands at 89.96% at month end against 89.75% last month while allocation to equities is at 2.44% versus 2.43% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 69.82% followed by Paper & Board, Oil & Gas (Exploration Companies) and Automobile Assembler & Parts with a sector allocation of 12.62%, 7.23% and 4.5% respectively.

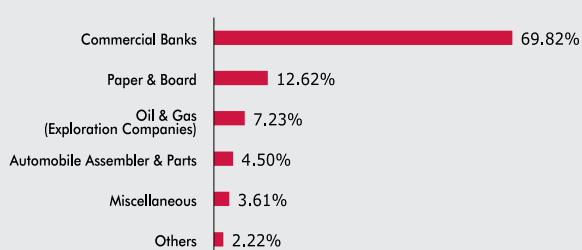
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Fund
Net Assets	PKR 74,952 Million
Launch Date	31.12.1996
NAV Per Unit At Launch Date (31.12.1996)	PKR 99.50
NAV Per Unit At Month end (30.06.2023)	PKR 1,428.27
Category	Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.75%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.68%
3 months	3.18%
12 months (365 days)	7.88%
Calendar YTD	4.90%
Since Inception (annualized)	10.57%
5 Years (annualized)	5.07%
10 Years (annualized)	7.14%

ASSET ALLOCATION

ASSETS	JUNE-23	MAY-23
Government Securities	89.96%	89.75%
Term Finance Securities	7.60%	7.65%
Cash and Short Term Deposits	0.001%	0.17%
Equities	2.44%	2.43%

JUBILEE LIFE AGGRESSIVE FUND

Fund Manager's Report
June 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.

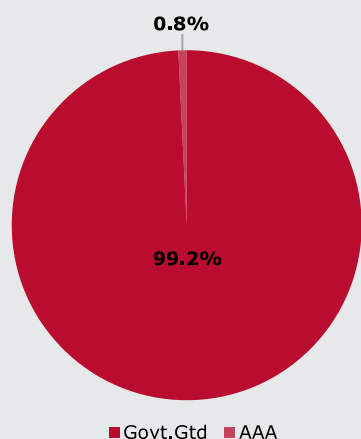
FUND MANAGER'S COMMENTS

During the month of June 2023 Aggressive Fund's (AF) Unit Price increased by PKR 5.72 (0.83%). The fund's allocation to government securities stands at 75.76% at month end against 74.99% last month while allocation to equities is at 23.65% versus 24.36% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 44.29% followed by Commercial Banks, Automobile Assembler & Parts and Pharmaceuticals with a sector allocation of 33.24%, 7.51% and 4.15% respectively.

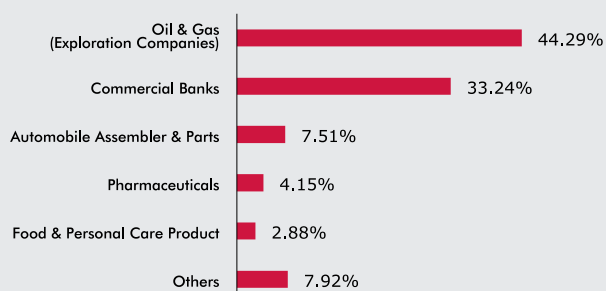
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Aggressive Fund
Net Assets	PKR 23,254 Million
Launch Date	28.07.2004
NAV Per Unit At Launch Date (28.07.2004)	PKR 100.00
NAV Per Unit At Month end (30.06.2023)	PKR 697.76
Category	Aggressive Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.83%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.83%
3 months	4.01%
12 months (365 days)	-0.002%
Calendar YTD	5.04%
Since Inception (annualized)	10.81%
5 Years (annualized)	-5.42%
10 Years (annualized)	6.06%

ASSET ALLOCATION

ASSETS	JUNE-23	MAY-23
Government Securities	75.76%	74.99%
Cash and Short Term Deposits	0.59%	0.65%
Equities	23.65%	24.36%

MEESAQ BALANCED FUND

Fund Manager's Report
June 2023

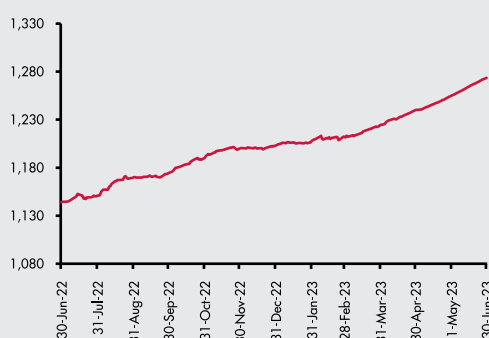
FUND OBJECTIVE

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.

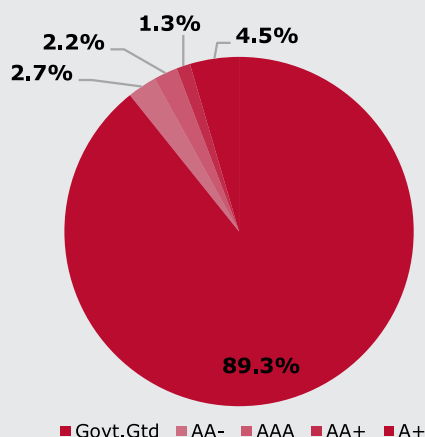
FUND MANAGER'S COMMENTS

During the month of June 2023 Meesaq Balanced Fund's Unit Price increased by PKR 18.42 (1.47%). The fund's allocation to sukus stands at 84.91% at month end against 82.31% last month while allocation to equities is at 0.02% versus 0.02% last month. Within sectors, the fund is tilted towards Engineering with a total allocation of 100%.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Balanced Fund
Net Assets	PKR 5,531 Million
Launch Date	27.03.2008
NAV Per Unit At Launch Date (27.03.2008)	PKR 475.00
NAV Per Unit At Month end (30.06.2023)	PKR 1,273.59
Category	Balanced Fund (Non-interest bearing)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.76%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.47%
3 months	4.00%
12 months (365 days)	11.34%
Calendar YTD	5.87%
Since Inception (annualized)	6.67%
5 Years (annualized)	4.16%
10 Years (annualized)	6.67%

ASSET ALLOCATION

ASSETS	JUNE-23	MAY-23
Government Securities	84.91%	82.31%
Sukuks	5.60%	6.67%
Cash and Short Term Deposits	4.92%	0.56%
Equities	0.02%	0.02%
Mutual Funds	4.54%	10.44%

JUBILEE LIFE GOVERNMENT SECURITIES FUND

Fund Manager's Report
June 2023

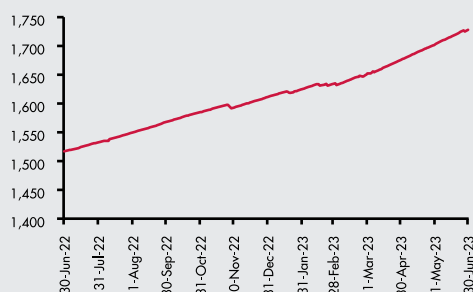
FUND OBJECTIVE

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.

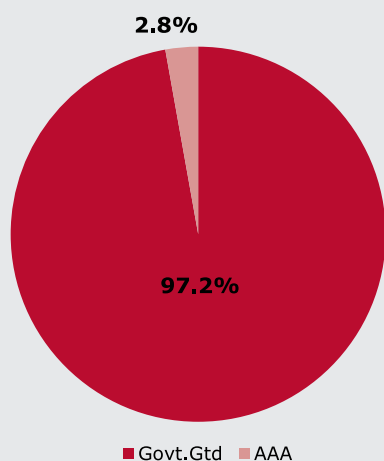
FUND MANAGER'S COMMENTS

During the month of June 2023 Government Securities Fund's (GSF) Unit Price increased by PKR 25.49 (1.5%). The fund's allocation to government securities stands at 97.19% at month end against 96.9% last month while allocation to cash and short term deposits is at 2.81% versus 3.1% 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 15,855 Million
Launch Date	01.06.2009
NAV Per Unit At Launch Date (01.06.2009)	PKR 475.00
NAV Per Unit At Month end (30.06.2023)	PKR 1,727.96
Category	Government Securities Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.75%
Pricing Days	Monday to Friday
Weighted Average Maturity	65 Days

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.50%
3 months	4.59%
12 months (365 days)	13.92%
Calendar YTD (annualized)	15.10%
Since Inception (annualized)	9.60%
5 Years (annualized)	10.72%
10 Years (annualized)	9.53%

ASSET ALLOCATION

ASSETS	JUNE-23	MAY-23
Government Securities	97.19%	96.90%
Cash and Short Term Deposits	2.81%	3.10%

TOP TEN HOLDINGS

BALANCED FUND

AGHA
BAHL
CPPL
HBL
POL
SHFA
THALL
TOMCL

AGGRESSIVE FUND

BAHL
FEROZ
HBL
ILP
MARI
MCB
OGDC
POL
THALL
UBL

MEESAQ BALANCED FUND

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