



# INVESTMENT FACT SHEET

FOR THE MONTH OF MAY 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,

The National Accounts Committee published provisional GDP growth rate for FY23 at 0.29% down from earlier estimate of 2%. The country's growth was stunted by slowdown in the agriculture, industrial and service sectors - with growth estimated at 1.55%, -2.94% and 0.86% respectively. A decrease in Large Scale Manufacturing Index (LSMI) by 9.90% was observed, which is a fallout of the slow growth in economy. FDI reduced by 25% MoM basis clocking in at USD 122mn. On the positive front, petrol prices and diesel prices decreased by PKR 12/Ltr and PKR 8/Ltr respectively bringing petrol down to PKR 270/Litre and HSD down to PKR 258/Litre. Furthermore, World Bank approved USD 213mn for rehabilitation of flood victims of Balochistan meanwhile the progress on ongoing IMF review remained muted without any clear direction in sight.

The major numbers during the month:

- **The country's Current Account declined M/M by 98% to stand at USD18mn.**
- **The CPI for May'23 clocked in at 38% driven by Food, Recreation and Culture, Clothing and Footwear.**
- **Appreciation in PKR against USD by 0.57% during the month**
- **Commodity prices declined (Brent Crude Oil: 11.32% MoM decrease in May'23).**

Tightening economic measures persist to impact demand drivers of the economy as Cement dispatches declined by 22%, Fertilizers sales reduced by 11%, Automobiles faced a further reduction of 7% in sales, for the outgoing month. Meanwhile, Petroleum Products saw an uptick in sales by 6% mainly due to reduced prices, whichsoever, is not sufficient to sustain the industry in the adverse economic situation.

The FX reserves declined by USD 56mn during the month, to stand at USD 9.51bn.

# ECONOMY UPDATE

## MACROECONOMIC INDICATORS

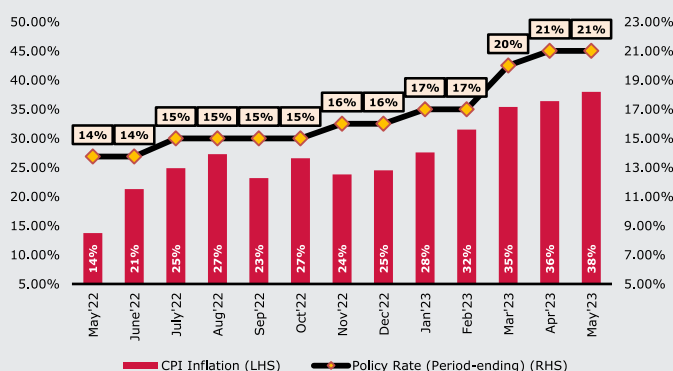
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	April	(1,595)	(1,553)	(21,269)
Remittances (USD mn)	April	2,211	2,537	22,680
Current A/C Balance (USD mn)	April	18	750	(2,936)
FDI (USD mn)	April	122	163	1,023
Tax Collection* (PKR bn)	May	572	486	6,208
M2 Growth				7.01%

Source SBP, FBR

\* Provisional figures

The trade deficit slightly increased by 3% from USD 1,553mn to USD 1,595mn for the month of April'23. However, remittances saw a plunge of 13% during the same period docking in at USD 2,211mn and a sharp drop in current account by 98% bringing it to USD 18mn. FBR collected tax revenue of PKR 572bn which was short by PKR 49bn from its tax targets of PKR 621bn.

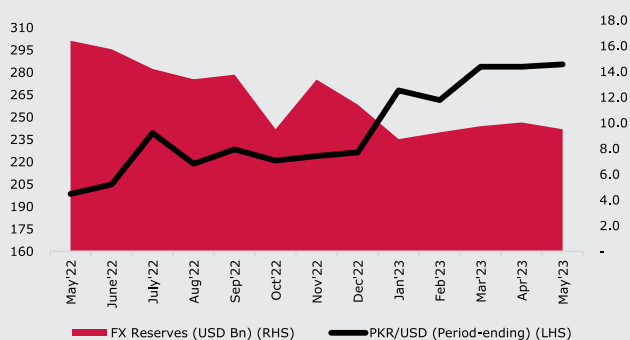
## INFLATION



Source: PBS

Inflation dialled in at 38% YoY in May'23, taking the average of 11MFY23 to 29%.

## PKR/USD PARITY VS FX RESERVES



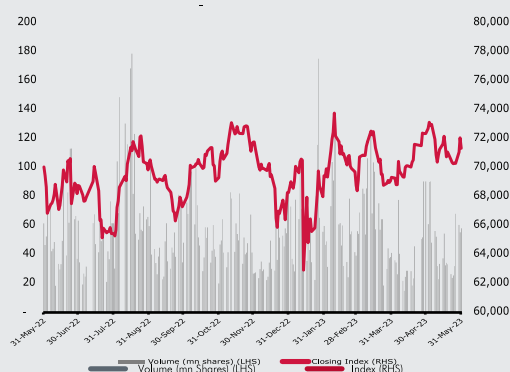
Source: SBP

PKR depreciated against USD by 0.57% MoM hovering at PKR 285.47/USD. FX reserves saw a reduction of USD 53mn sustaining at USD 9.51bn at the end of May'23.

# CAPITAL MARKETS UPDATE

## EQUITY MARKET

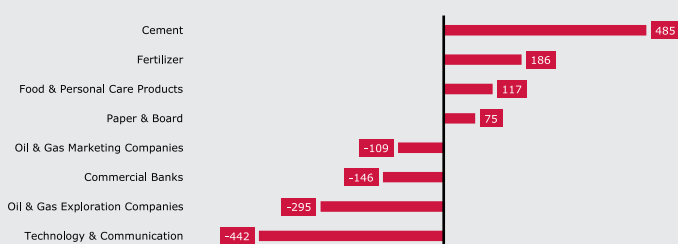
### KSE-100 ONE YEAR PERFORMANCE



Source: PSX

The KSE-100 index saw a decline of 250 points during May'23. This decrease was mainly led by reduced corporate activity amid proposals for additional tax measures on the listed companies. Average traded volumes recorded at 162mn shares which was an increase of 28% MoM, while Average traded value stood at PKR 4,934mn, an increase of 36% MoM.

### SECTOR WISE TOP CONTRIBUTORS

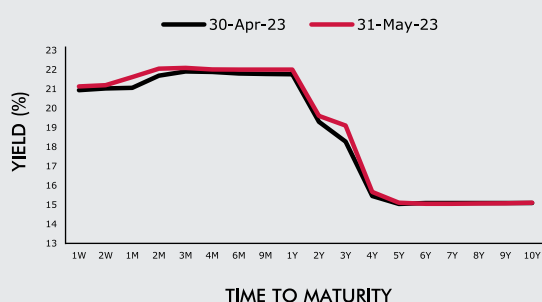


Source: PSX

The major sectors that contributed positively to KSE 100 were Cements (485 points), Fertilizers (186 points), Food & Personal Care Products (117 points) and Paper & Board (75 points). Meanwhile, negative contribution was received from Oil & Gas Marketing Companies (-109 points), Commercial Banks (-146 points), Oil & Gas Exploration Companies (-295 points) and Technology & Communication (-442 points).

## DEBT MARKET

### YIELD CURVE



Source: MUFAP

During the month, SBP accepted bids worth PKR 946 bn in auction of T-bills, which fell short against the target of PKR 1,125bn, the cut-off rates remained flattish at 21.9999%, 21.9157% and 21.9997% for 3, 6 and 12-months, respectively. The floating-rate PIB auctions witnessed participation worth PKR 280bn against target of PKR 240bn on account of consistent spread offered in line with the benchmark rate, the MoF however only accepted bids worth PKR 104bn at cut-off spreads ranging between 98-195 bps. Furthermore, the fixed rate PIB auction received participation worth PKR 116bn against the target of PKR 100bn at significantly higher rates. Appropriately, SBP accepted bid worth PKR 52bn only for 3-year PIBs at a new record yield of 19.3895% (+100 bps MoM). Bids for the remaining tenors were rejected by the GoP.

### INTEREST RATE

INSTRUMENT	MAY-23	APR-23
Kibor-3 Month	22.19%	22.05%
Kibor-6 Month	22.18%	22.06%
Kibor-12 Month	22.42%	22.30%

Source: SBP



# STRATEGY & OUTLOOK



## EQUITY MARKET:

While adhering to our long-term stance, we maintain a positive outlook on the equity market. Enticing low P/E levels are offered by PSX indexes (Forward P/E multiple of 3.8x compared with regional average of 11.2x), however, activity remained limited due to unsettling political scenario and uncertain macroeconomic situation.

Restrained corporate profitability is expected due to:

- **The current IMF program has taken a backseat, meanwhile talks for another IMF program are there to meet external funding requirements for next few years.**
- **Purchasing power capability has continued to deteriorate because of even higher inflation clocking in when compared to the previous month.**
- **Restrictions on the imports to curb the import bills by Govt. will continue the bottleneck for raw materials.**

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

## DEBT MARKET:

During the previous month, the yield in secondary markets traded in a narrow range, primarily due to relatively stable cut-off rates across various tenors, except for the 3-year tenor, which closed at 18.27% after record high 3-year PIBs cut-off by SBP. Secondary market yields for 3, 6 and 12-months T-bills closed at 22.09% (+19 bps MoM), 22.00% (+20 bps MoM) and 22.00% (+24 bps MoM), while 5-year and 10-year tenors PKRVs closed at 15.04% and 15.09%, up by 6bps and 1bps respectively.

During the month, inflation reached a new high of 38% following a consistent increase in the previous month. The persistent rise in inflation is expected to urge the central bank to adopt a more cautious approach to control inflation in the coming months. As a result, this will keep the yields across the secondary market in check. Furthermore, the recent political chaos and conflicts throughout the country, the stalled IMF program, and the announcement of budget are also expected to influence the direction of debt market yields. Considering the macro-economic environment and interest rate outlook, our fixed income portfolios are strategically allocated in shorter duration instruments and longer tenor fixed rate instruments, which we believe will offer a suitable balance of 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 low 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. On the other hand, investment in government securities and bank placements is increased to 76% which is expected to yield higher risk adjusted returns.
- **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.
- **Family Takaful Balanced Fund:** Our Meesaq Balanced fund offers its policyholders sustainable return through 82% allocation in low duration instruments, along with 11% exposure in high yielding deposits, thereby allowing maximum benefit from any opportunity in the yield curve.

# JUBILEE LIFE BALANCED FUND

Fund Manager's Report  
MAY 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.

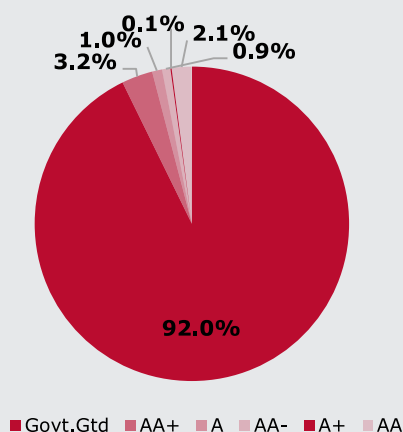
## FUND MANAGER'S COMMENTS

During the month of May 2023 Balanced Fund's (BF) Unit Price increased by PKR 13.49 (0.96%). The fund's allocation to government securities stands at 89.75% at month end against 89.87% last month while allocation to equities is at 2.43% versus 2.37% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 69.26% followed by Paper & Board, Oil & Gas (Exploration Companies) and Automobile Assembler & Parts with a sector allocation of 12.56%, 7.67% and 4.68% respectively.

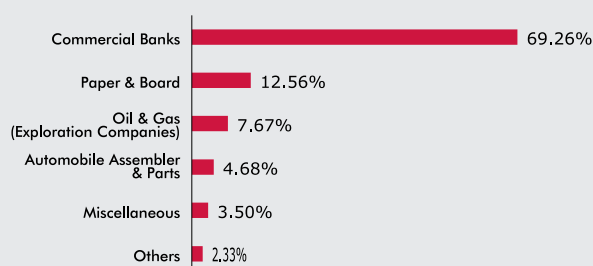
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Fund
Net Assets	PKR 76,217 Million
Launch Date	31.12.1996
NAV Per Unit At Launch Date (31.12.1996)	PKR 99.50
NAV Per Unit At Month end (31.05.2023)	PKR 1,418.68
Category	Balanced Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.63%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.96%
3 months	4.05%
12 months (365 days)	6.93%
Calendar YTD	4.19%
Since Inception (annualized)	10.58%
5 Years (annualized)	4.86%
10 Years (annualized)	7.10%

## ASSET ALLOCATION

ASSETS	MAY-23	APRIL-23
Government Securities	89.75%	89.87%
Term Finance Securities	7.65%	7.61%
Cash and Short Term Deposits	0.17%	0.15%
Equities	2.43%	2.37%

# JUBILEE LIFE AGGRESSIVE FUND

Fund Manager's Report  
MAY 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.

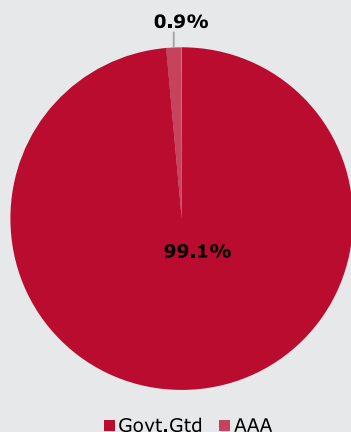
## FUND MANAGER'S COMMENTS

During the month of May 2023 Aggressive Fund's (AF) Unit Price increased by PKR 6.73 (0.98%). The fund's allocation to government securities stands at 74.99% at month end against 73.72% last month while allocation to equities is at 24.36% versus 25.17% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 44.26% followed by Commercial Banks, Automobile Assembler & Parts and Pharmaceuticals with a sector allocation of 32.97%, 7.65% and 4.08% respectively.

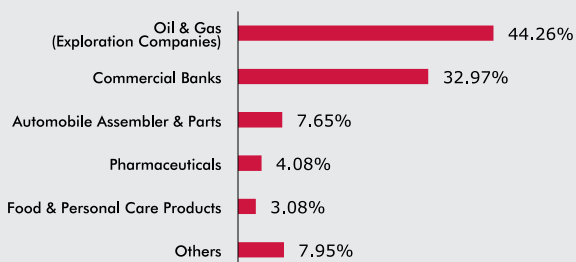
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Aggressive Fund
Net Assets	PKR 23,352 Million
Launch Date	28.07.2004
NAV Per Unit At Launch Date (28.07.2004)	PKR 100.00
NAV Per Unit At Month end (31.05.2023)	PKR 692.04
Category	Aggressive Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.70%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.98%
3 months	4.69%
12 months (365 days)	-3.51%
Calendar YTD	4.18%
Since Inception (annualized)	10.81%
5 Years (annualized)	-5.87%
10 Years (annualized)	5.83%

## ASSET ALLOCATION

ASSETS	MAY-23	APRIL-23
Government Securities	74.99%	73.72%
Cash and Short Term Deposits	0.65%	1.11%
Equities	24.36%	25.17%



# MEESAQ BALANCED FUND

Fund Manager's Report  
MAY 2023

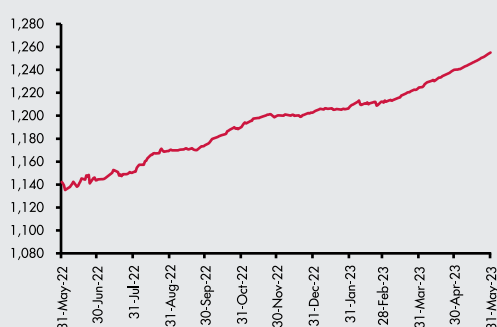
## FUND OBJECTIVE

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.

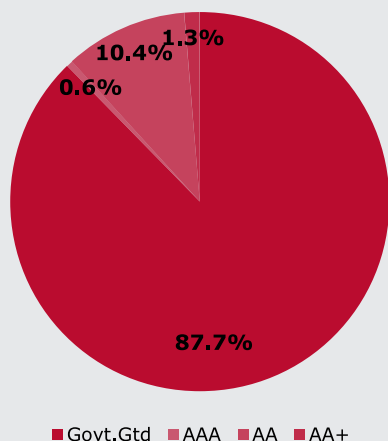
## FUND MANAGER'S COMMENTS

During the month of May 2023 Meesaq Balanced Fund's Unit Price increased by PKR 15.2 (1.23%). The fund's allocation to sukuks stands at 82.31% at month end against 27.77% last month while allocation to equities is at 0.02% versus 0.03% last month. Within sectors, the fund is tilted towards Engineering with a total allocation of 100.0% followed by Pharmaceuticals, Oil & Gas (Exploration Companies) and Miscellaneous with a sector allocation of 0.0%, 0.0% and 0.0% respectively.

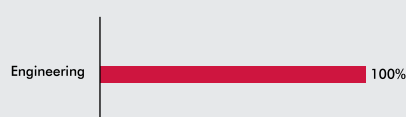
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Balanced Fund
Net Assets	PKR 5,626 Million
Launch Date	27.03.2008
NAV Per Unit At Launch Date (27.03.2008)	PKR 475.00
NAV Per Unit At Month end (31.05.2023)	PKR 1,255.17
Category	Balanced Fund (Non-interest bearing)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.60%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.23%
3 months	3.54%
12 months (365 days)	9.88%
Calendar YTD	4.34%
Since Inception (annualized)	6.61%
5 Years (annualized)	3.79%
10 Years (annualized)	6.52%

## ASSET ALLOCATION

ASSETS	MAY-23	APRIL-23
Government Securities	82.31%	27.77%
Sukuks	6.67%	6.46%
Cash and Short Term Deposits	0.56%	46.35%
Equities	0.02%	0.03%
Mutual Funds	10.44%	19.39%

# JUBILEE LIFE GOVERNMENT SECURITIES FUND

Fund Manager's Report  
MAY 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.

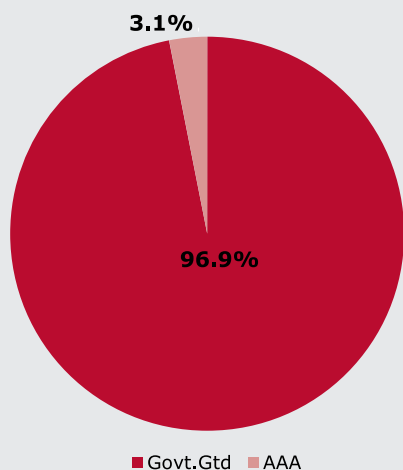
## FUND MANAGER'S COMMENTS

During the month of May 2023 Government Securities Fund's (GSF) Unit Price increased by PKR 26.81 (1.6%). The fund's allocation to government securities stands at 96.9% at month end against 97.35% last month while allocation to cash and short term deposits is at 3.1% versus 2.65% 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 14,963 Million
Launch Date	01.06.2009
NAV Per Unit At Launch Date (01.06.2009)	PKR 475.00
NAV Per Unit At Month end (31.05.2023)	PKR 1,702.47
Category	Government Securities Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.62%
Pricing Days	Monday to Friday
Weighted Average Maturity	83 Days

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.60%
3 months	4.17%
12 months (365 days)	13.26%
Calendar YTD (annualized)	14.18%
Since Inception (annualized)	9.54%
5 Years (annualized)	10.44%
10 Years (annualized)	9.44%

## ASSET ALLOCATION

ASSETS	MAY-23	APRIL-23
Government Securities	96.90%	97.35%
Cash and Short Term Deposits	3.10%	2.65%

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