



# INVESTMENT FACT SHEET

FOR THE MONTH OF JULY 2018

# FROM INVESTMENT DESK

## ECONOMY AND CAPITAL MARKETS UPDATE

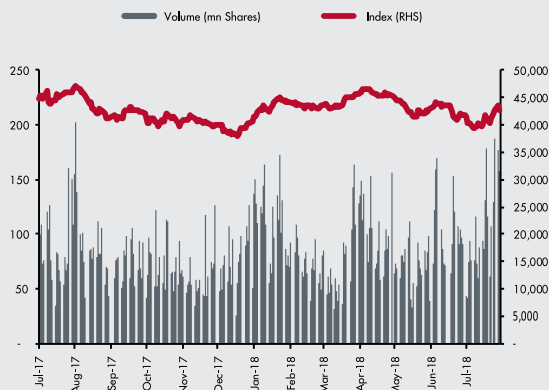
### ECONOMIC SUMMARY

KEY INDICATORS	REPORTED MONTH	CURRENT	PREVIOUS	YTD
CPI Inflation	July	5.83%	5.21%	5.83%
Trade Deficit (USD mn)	June	(3,121)	(2,883)	(31,074)
Remittances (USD mn)	June	1,595	1,771	19,625
Current A/C (USD mn)	June	(1,840)	(2,011)	(17,994)
FDI (USD mn)	June	292	238	2,768
Tax Collection ** (PKR bn)	July	255	567	255
M2 Growth*				-1.92%
FX Reserves* (USD bn)	June			17.08

Source SBP, FBS

\* Latest monthly figures \*\*provisional figures

### KSE-100 ONE YEAR PERFORMANCE



### SECONDARY MARKET PKRVs

TENOR	JUL-18	JUN-18	CHANGE (bps)
30 Days	7.47	6.63	84
60 Days	7.50	6.70	80
3 Months	7.66	6.78	88
6 Months	7.82	6.90	92
1 Year	8.13	7.20	93
3 Year	8.82	8.29	53
5 Year	9.17	8.77	40
10 Year	9.91	9.03	88

Source: MUFAP

### ECONOMIC REVIEW

CPI Inflation inched up to record high of 5.83% YoY in July 2018 compared to 5.21% YoY in June 2018. Core inflation as a measure of non-food & non-energy increased by 1.2%/7.6% MoM/YoY during the month. Current account deficit for June'18 was marginally down 9% MoM at USD 1.84 bn compared to USD 2.0 bn previous month taking deficit for FY18 to USD 17.9 bn up by 43% YoY. Substantial widening of 16.5% in trade deficit where significant jump in imports (up 1.5% YoY to USD 55.8 bn) offset the 12.6% YoY growth in exports (USD 24.7 bn in FY18). FX reserves held by central bank increased by USD 836 mn MoM to stand USD 17.1 bn in July 2018 due to inflows from china. Due to weak external account, PKR lost 3% against greenback during the month. On the fiscal front, FBR provisionally collected around PKR 255 bn during the July'18 as compared to PKR 205 bn SPLY, posting a solid growth of 23% YoY. In the Monetary Policy Committee (MPC) meeting, SBP decided to increase the policy rate by 100bps to 7.50% where the central bank highlighted that the need for deep-rooted structural reforms to improve the country's competitiveness could hardly be over-emphasized for medium to long-term sustainability of balance of payments. Moving ahead, immediate policy actions to counter the external account crisis is expected to key challenge for upcoming government.

### EQUITY MARKET REVIEW

Market celebrated smooth transition of democracy as KSE-100 index was up by 802 pts in July 2018, translating into a return of 1.9% MoM compared to a negative return of -2.2% in June 2018. Overall market activity improved during the month as average daily traded volume was recorded at 185 mn in Jul'18 as compared to 162 mn in Jun'18, up by 14% MoM. Major reasons for robust performance was political certainty as conclusion of general election (GE) 2018 warrants a successful transition of the third consecutive democratic setup. Net outflow from foreign investors was recorded at USD 63.7 mn in July 2018, taking cumulative FPI for CY18 to -USD 197.1 mn, whereas local liquidity led by Individuals (+USD 65.4 mn) and Insurance (+USD 31.9 mn) comfortably absorbed monthly outflows.

Sectoral performances put Engineering (+6.1%), Cements (+5.6%) and Banks (+8.7%) as the key positive contributors while lacklustre performance was witnessed in the heavy weight Oil & Gas Exploration E&Ps sector (-1.7% return) as international oil prices dropped by 7% MoM during the month. Pakistan with forward P/E of 8.5x is trading at a discount of 35% as compared to its regional peers' P/E of 13.2x and offers an attractive dividend yield of 6.6% versus 2.2% in the Asia-Pacific Region.

### DEBT MARKET REVIEW

Investors' interest remained bias in short term papers as evident in both T-bills auctions where major participation was tilted in short tenors only. Similarly, central bank accepted bids worth PKR 3,533 bn primarily in 3 months' and 6 months' tenors with cut off yields inching up by 100 bps to settle at 7.72% and 7.85% respectively. On the other hand, PIBs auction was scrapped due to low participation from the investors. Overall secondary market remained volatile during the period amid monetary policy statement and yields increased across the board within a broad range of 40-100 bps reflecting the impact of 100 bps rise in policy rate.

# 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 INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Managed Fund
Fund Size	PKR 77,428 Million
Launch Date	31.12.1996
Bid Price (31.12.1996)	PKR 99.50
Bid Price (31.07.2018)	PKR 1,126.05
Category	Balanced Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## FUND MANAGER'S COMMENTS

During the month of July 2018 Managed Fund's (MF) Unit Price increased by PKR 10.7 (0.96%) net of fund management fee.



## INVESTMENT COMMITTEE

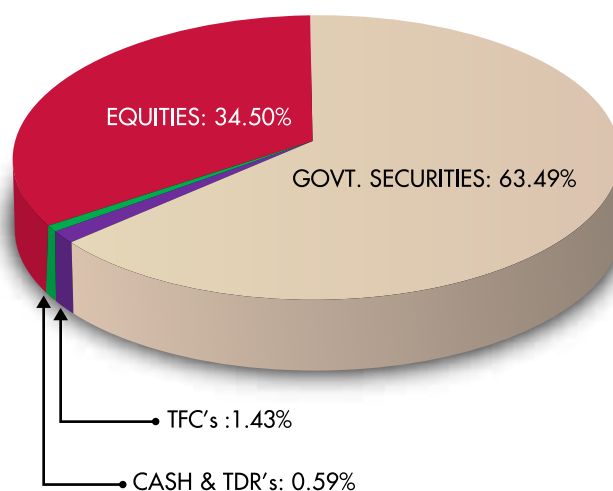
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## ASSET ALLOCATION

ASSETS	JULY-18	JUNE-18
Government Securities	63.49%	63.98%
Term Finance Securities	1.43%	1.45%
Cash and Short Term Deposits	0.59%	1.23%
Stocks & Mutual Funds	34.50%	33.33%

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.96%
3 months	-1.38%
12 months	-2.61%
Calendar YTD	3.20%
Since Inception	1031.71%
Since Inception (annualized)	11.89%
5 Years	53.02%
10 Years	182.06%



# 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 INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Capital Growth Fund
Fund Size	PKR 19,255 Million
Launch Date	28.07.2004
Bid Price (28.07.2004)	PKR 100
Bid Price (31.07.2018)	PKR 942.34
Category	Equity Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## INVESTMENT COMMITTEE

MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	2.20%
3 months	-4.20%
12 months	-10.00%
Calendar YTD	5.07%
Since Inception	842.34%
Since Inception (annualized)	17.36%
5 Years	117.57%
10 Years	389.96%

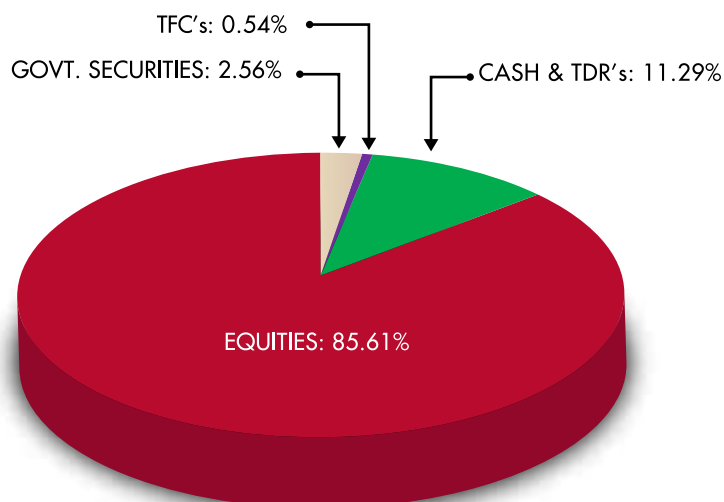
## FUND MANAGER'S COMMENTS

During the month of July 2018 Capital Growth Fund's (CGF) Unit Price increased by PKR 20.24 (2.2%) net of fund management fee.



## ASSET ALLOCATION

ASSETS	JULY-18	JUNE-18
Government Securities	2.56%	0.00%
Term Finance Securities	0.54%	0.58%
Cash and Short Term Deposits	11.29%	13.22%
Stocks & Mutual Funds	85.61%	86.20%



# 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 INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Fund
Fund Size	PKR 9,622 Million
Launch Date	27.03.2008
Bid Price (27.03.2008)	PKR 475.00
Bid Price (31.07.2018)	PKR 1,045.93
Category	Non-interest bearing Investment portfolio
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## INVESTMENT COMMITTEE

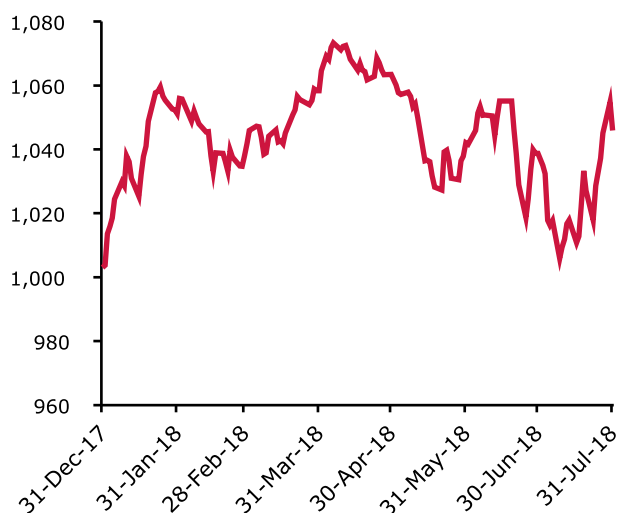
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.69%
3 months	-1.65%
12 months	-4.46%
Calendar YTD	4.28%
Since Inception	120.20%
Since Inception (annualized)	7.92%
5 Years	53.09%

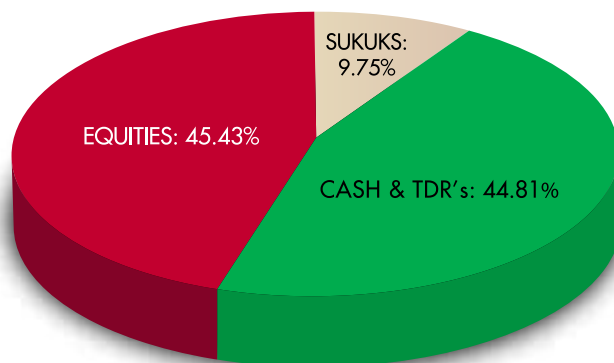
## FUND MANAGER'S COMMENTS

During the month of July 2018 Meesaq Fund's (MEF) Unit Price increased by PKR 7.17 (0.69%) net of fund management fee.



## ASSET ALLOCATION

ASSETS	JULY-18	JUNE-18
Sukuks	9.75%	9.96%
Cash and Short Term Deposits	44.81%	45.49%
Stocks & Mutual Funds	45.43%	44.55%



# YAQEEEN GROWTH FUND

## FUND OBJECTIVE

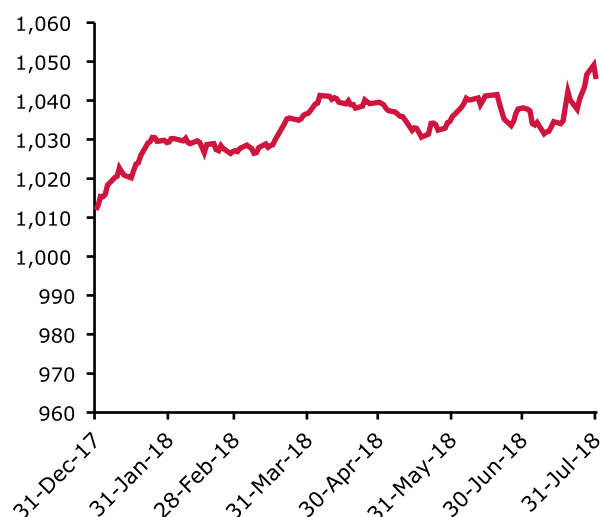
This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum risk of capital erosion.

## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Yaqeen Growth Fund
Fund Size	PKR 1,997 Million
Launch Date	01.06.2009
Bid Price (01.06.2009)	PKR 475.00
Bid Price (31.07.2018)	PKR 1,045.53
Category	Capital Protected Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	KPMG
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## FUND MANAGER'S COMMENTS

During the month of July 2018 Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 7.4 (0.71%) net of fund management fee.



## INVESTMENT COMMITTEE

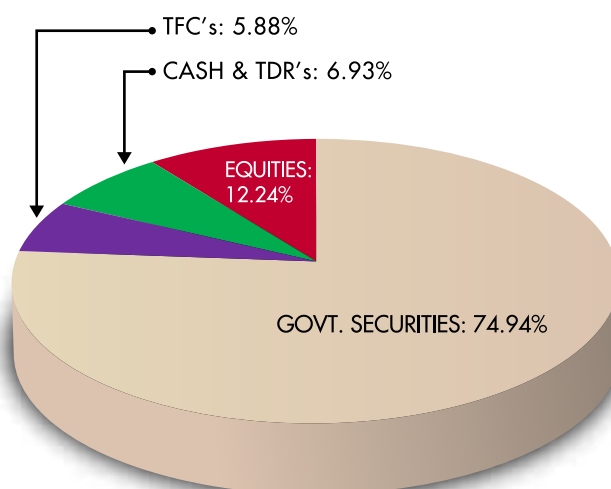
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## ASSET ALLOCATION

ASSETS	JULY-18	JUNE-18
Government Securities	74.94%	74.90%
Term Finance Securities	5.88%	5.90%
Cash and Short Term Deposits	6.93%	8.97%
Stocks & Mutual Funds	12.24%	10.22%

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.71%
3 months	0.57%
12 months	2.50%
Calendar YTD	3.32%
Calendar YTD (annualized)	5.78%
Since Inception	120.11%
Since Inception (annualized)	8.98%
5 Years	47.91%



JUBILEELIFE.COM

**Jubilee Life Insurance Company Limited**

74/1-A, Lalazar, M.T. Khan Road,  
Karachi - 74000, Pakistan

Phone: (021) 35205094-95

Fax: (021) 35610959

UAN: (021) 111-111-554

SMS: "JUBILEELIFE" to 8398

E-mail: info@jubileelife.com,  
complaints@jubileelife.com

Website: www.jubileelife.com