



# INVESTMENT FACT SHEET

FOR THE MONTH OF NOVEMBER 2018

# FROM INVESTMENT DESK

## ECONOMY AND CAPITAL MARKETS UPDATE

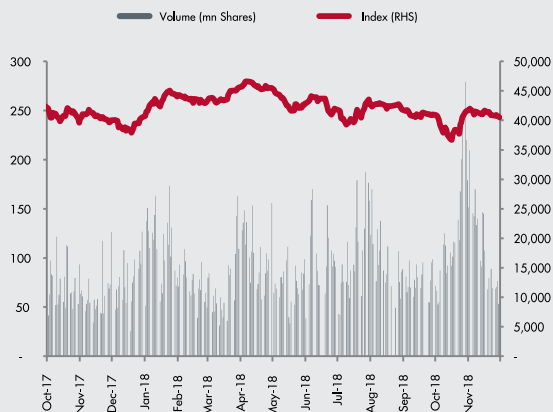
### ECONOMIC SUMMARY

KEY INDICATORS	REPORTED MONTH	CURRENT	PREVIOUS	YTD
CPI Inflation	Nov	6.50%	6.78%	6.01%
Trade Deficit (USD mn)	Oct	(2,654)	(1,991)	(10,502)
Remittances (USD mn)	Oct	2,000	1,453	7,420
Current A/C (USD mn)	Oct	(1,218)	(909)	(4,848)
FDI (USD mn)	Oct	161	151	600
Tax Collection ** (PKR bn)	Nov	250	264	1,350
M2 Growth *				1.46%
FX Reserves* (USD bn)	Nov			14.57

Source SBP, FBS

\* Latest monthly figures \*\*provisional figures

### KSE-100 ONE YEAR PERFORMANCE



### SECONDARY MARKET PKRVs

TENOR	NOV-18	OCT-18	CHANGE (bps)
30 Days	9.07	8.45	62
60 Days	9.48	8.65	83
3 Months	9.53	8.76	77
6 Months	9.71	9.32	39
1 Year	10.21	9.83	38
3 Year	11.21	10.60	61
5 Year	11.77	11.27	50
10 Year	12.22	11.90	32

Source: MUFAP

### ECONOMIC REVIEW

CPI inflation for the month of November 2018 clocked-in at 6.5% YoY compared to 6.8% in Oct'18, taking average 5MFY19 inflation to 6.02% compared to 3.59% SPly. Core inflation as a measure of non-food & non-energy increased by 0.4%/8.3% MoM/YoY respectively. Current account deficit deteriorated in Oct'18 by 34% MoM to USD 1,218 mn compared to USD 909 mn in the previous month, mainly due to increase in trade deficit (+33% MoM). On the other hand, remittances showed an improvement (+38% MoM) and provided some relief. Trade deficit for 4MFY19 now stands at USD 10,502 mn vs USD 9,796 mn (up 7% YoY). As a result, CAD for 4MFY19 now stands at USD 4,848 mn, slightly down 4.6% YoY. Total country's forex reserves increased by USD 556 mn MoM to stand at USD 14.6 bn in Nov'18 mainly due to inflows from Saudi Arabia. In the Monetary Policy Committee (MPC) meeting, SBP taking a proactive approach increased the policy rate by 150bps to 10.00% while highlighting (i) Despite non-oil imports are responding to the recent contractionary measures but surge in oil prices is masking this improvement, and as a result the current account deficit remains high; (ii) rising trends in inflation mean that real interest rates have fallen and further; (iii) the unfolding global developments, whether in terms of oil-price shocks, protectionist trade policies and/or falling flows to the emerging markets, all pose challenges to macroeconomic management in Pakistan. Moving ahead, smooth transition between government addresses the political uncertainty but concerns on the economic front continue to persist on the back of rising inflation and large twin deficits that are likely to compromise real economic growth path.

### EQUITY MARKET REVIEW

Equities tumbled in November 2018 as the benchmark KSE-100 was down 2.77% wiping out the gains witnessed in October 2018, taking CY18TD return to a meagre +0.06%. MSCI semi-annual reclassification proved out as a major dampener for the market wherein UBL and LUCK were removed from MSCI large cap Index and moved to small cap Index. Furthermore, rate hike expectations in MPS amid IMF program and lack of clarity on economic issues kept sentiments mellow. Similarly, overall trading activity during the month decreased by 9% MoM to stand at 198mn shares. Like all other emerging markets, PSX continue to witness foreign selling; net outflows for November'18 were recorded at USD 99.9 mn, taking cumulative FPI for CY18 to USD 508.8 mn, whereas local liquidity led by Insurance (+US\$36.7mn) and Individuals (+US\$26.15mn) comfortably absorbed monthly outflows. Sectoral performance put Textiles at the forefront with an outperformance of +5.0%MoM, followed by Tech (+2.0%), whereas Oil & Gas sector lost 7.7% following international oil movement. Pakistan with forward P/E of 7.5x is trading at 41% discount compared to regional average P/E of 12.8x while offering a dividend yield of ~7.0% versus ~2.7% offered by the region.

### DEBT MARKET REVIEW

Short term papers continued to hold investors' attraction as evident in both T-bills auctions where major participation was tilted in short tenors only. Similarly, central bank accepted bids worth PKR 19 bn in 3 months' tenors with cut off yields remaining flat to stand at 8.79%. On the other hand, in the PIBs auction, all the bids were rejected across all tenors due to low participation. Overall, secondary market remained volatile amid monetary policy statement at month end and yields increased across the board with short term tenor papers (< 6 months) increasing within a range of 39-83 bps while for greater tenors (> 6 months) the range was 32-61 bps reflecting anticipation of another rate hike in the MPS.

# 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 77,977 Million
Launch Date	31.12.1996
Bid Price (31.12.1996)	PKR 99.50
Bid Price (30.11.2018)	PKR 1,106.95
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

## INVESTMENT COMMITTEE

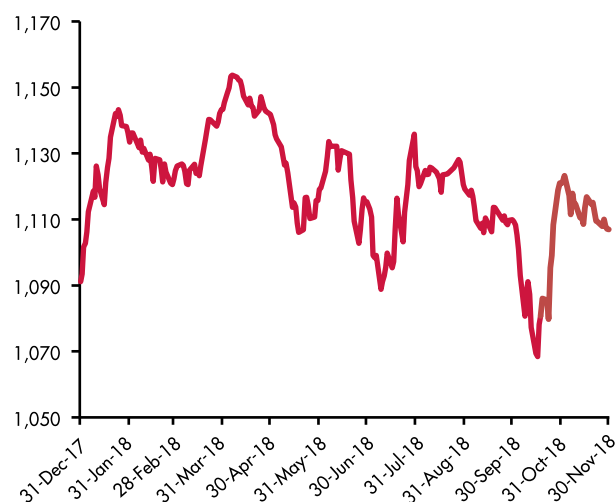
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-1.25%
3 months	-1.10%
12 months	1.97%
Calendar YTD	1.45%
Since Inception	1012.52%
Since Inception (annualized)	11.61%
5 Years	46.66%
10 Years	196.93%

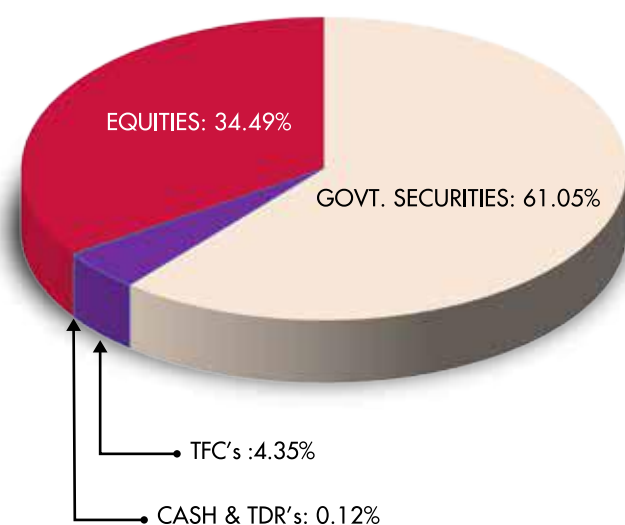
## FUND MANAGER'S COMMENTS

During the month of November 2018 Managed Fund's (MF) Unit Price decreased by PKR 13.97 (-1.25%) net of fund management fee.



## ASSET ALLOCATION

ASSETS	NOVEMBER-18	OCTOBER-18
Government Securities	61.05%	60.45%
Term Finance Securities	4.35%	4.13%
Cash and Short Term Deposits	0.12%	0.28%
Stocks & Mutual Funds	34.49%	35.14%



# CAPITAL GROWTH FUND

## FUND OBJECTIVE

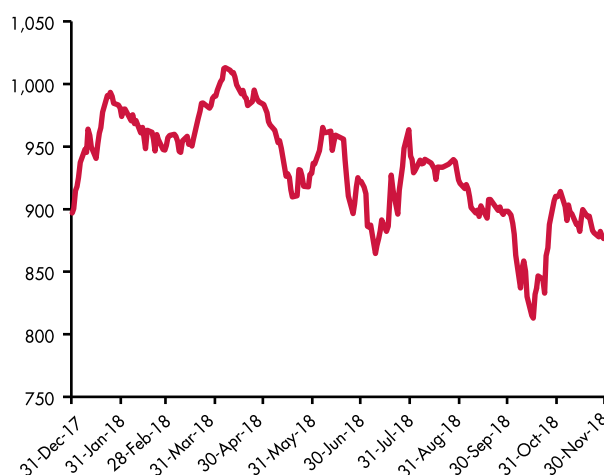
The objective of the fund is to maximize returns to policyholders by investing mainly in equity portfolio and partly in Government securities, Term Finance Certificates and bank deposits.

## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Capital Growth Fund
Fund Size	PKR 20,387 Million
Launch Date	28.07.2004
Bid Price (28.07.2004)	PKR 100
Bid Price (30.11.2018)	PKR 877.29
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

## FUND MANAGER'S COMMENTS

During the month of November 2018 Capital Growth Fund's (CGF) Unit Price decreased by PKR 32.73 (-3.6%) net of fund management fee.



## INVESTMENT COMMITTEE

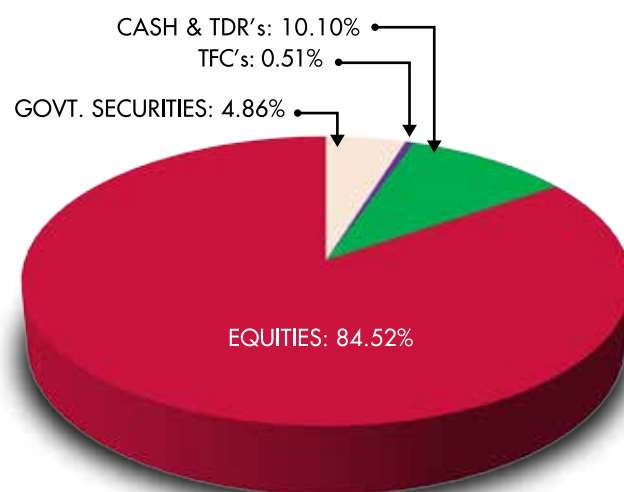
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## ASSET ALLOCATION

ASSETS	NOVEMBER-18	OCTOBER-18
Government Securities	4.86%	4.82%
Term Finance Securities	0.51%	0.50%
Cash and Short Term Deposits	10.10%	9.55%
Stocks & Mutual Funds	84.52%	85.13%

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-3.60%
3 months	-4.70%
12 months	-1.95%
Calendar YTD	-2.19%
Since Inception	777.29%
Since Inception (annualized)	16.34%
5 Years	98.57%
10 Years	396.51%



# 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 9,385 Million
Launch Date	27.03.2008
Bid Price (27.03.2008)	PKR 475.00
Bid Price (30.11.2018)	PKR 1,040.08
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	-2.00%
3 months	-0.69%
12 months	3.53%
Calendar YTD	3.70%
Since Inception	118.96%
Since Inception (annualized)	7.61%
5 Years	47.83%

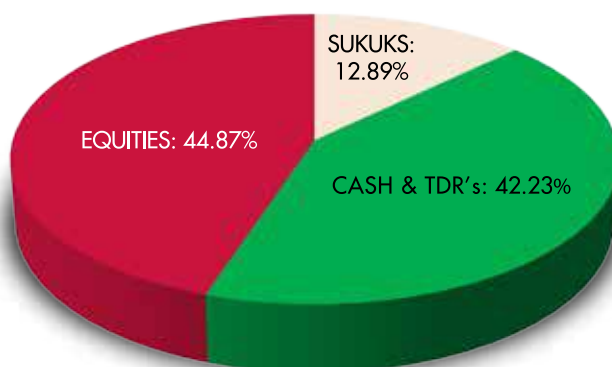
## FUND MANAGER'S COMMENTS

During the month of November 2018 Meesaq Fund's (MEF) Unit Price decreased by PKR 21.26 (-2%) net of fund management fee.



## ASSET ALLOCATION

ASSETS	NOVEMBER-18	OCTOBER-18
Sukuks	12.89%	12.58%
Cash and Short Term Deposits	42.23%	39.84%
Stocks & Mutual Funds	44.87%	47.58%



# YAQEEEN GROWTH FUND

## FUND OBJECTIVE

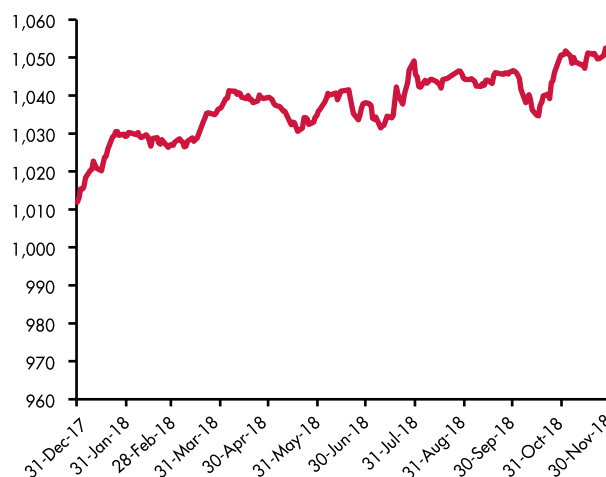
This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum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

## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Yaqeen Growth Fund
Fund Size	PKR 1,962 Million
Launch Date	01.06.2009
Bid Price (01.06.2009)	PKR 475.00
Bid Price (30.11.2018)	PKR 1,052.41
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 November 2018 Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 1.72 (0.16%) net of fund management fee.



## INVESTMENT COMMITTEE

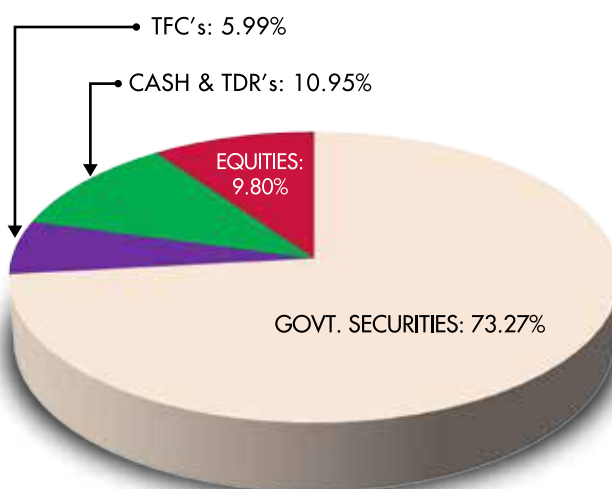
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## ASSET ALLOCATION

ASSETS	NOVEMBER-18	OCTOBER-18
Government Securities	73.27%	73.06%
Term Finance Securities	5.99%	6.00%
Cash and Short Term Deposits	10.95%	10.72%
Stocks & Mutual Funds	9.80%	10.21%

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.16%
3 months	0.78%
12 months	4.25%
Calendar YTD	4.00%
Calendar YTD (annualized)	4.38%
Since Inception	121.56%
Since Inception (annualized)	8.73%
5 Years	44.97%



JUBILEELIFE.COM

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