



# **INVESTMENT FACT SHEET**

## FOR THE MONTH OF SEPTEMBER 2018

# FROM INVESTMENT DESK

## ECONOMY AND CAPITAL MARKETS UPDATE

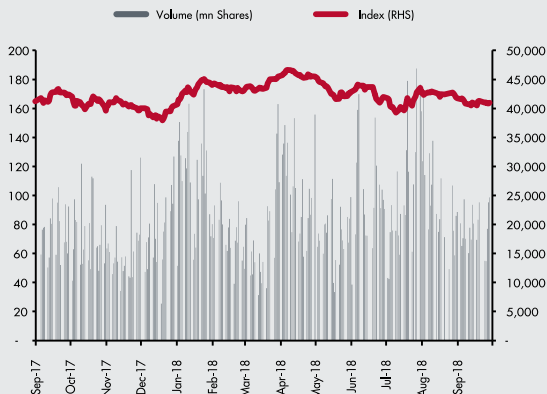
### ECONOMIC SUMMARY

KEY INDICATORS	REPORTED MONTH	CURRENT	PREVIOUS	YTD
CPI Inflation	Sept	5.12%	5.84%	5.60%
Trade Deficit (USD mn)	August	(2,379)	(3,557)	(5,936)
Remittances (USD mn)	August	2,037	1,930	3,967
Current A/C (USD mn)	August	(600)	(2,121)	(2,721)
FDI (USD mn)	August	160	128	288
Tax Collection ** (PKR bn)	Sept	323	257	836
M2 Growth*				-1.23%
FX Reserves* (USD bn)	Sept			14.89

Source SBP, FBS

\* Latest monthly figures \*\*provisional figures

### KSE-100 ONE YEAR PERFORMANCE



### SECONDARY MARKET PKRVs

TENOR	SEP-18	AUG-18	CHANGE (bps)
30 Days	8.15	7.57	58
60 Days	8.17	7.69	48
3 Months	8.21	7.76	45
6 Months	8.26	7.86	40
1 Year	8.62	8.21	41
3 Year	9.27	8.90	37
5 Year	9.54	9.26	28
10 Year	10.05	9.95	10

Source: MUFAF

### ECONOMIC REVIEW

CPI inflation for the month of September 2018 recorded decline to clock at 5.12% from 5.84% in Aug'18, taking average 1QFY19 inflation to 5.60% compared to 3.39% SPY. Core inflation as a measure of non-food & non-energy increased by 0.4%/8.0% MoM/YoY during the month. Current account deficit improved in August'19 by a whopping 73% to USD 600 mn compared to USD 2,721 mn the previous month, mainly due to substantial reduction of imports (down 19% MoM to USD 4,466 mn) and a 4% MoM increase in exports (to USD 2,087 mn) however CAD for 2MFY19 is still up 9.8% YoY to USD2,721 mn. Total country's fx reserves held decreased by USD1,792 mn MoM to stand at USD14.9 bn in Sep 2018 (USD16.4 bn in Aug 2018). However, PKR/USD parity remained largely unchanged on MoM basis. FBR provisionally collected Rs 323 bn in taxes in September'18 taking FY19 revenue collection to Rs 836 bn, increasing by 9% YoY. In the Monetary Policy Committee (MPC) meeting, SBP decided to increase the policy rate by 100bps to 8.50% 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 governments 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

Equity market continued its freefall in September 2018 with drop of 744 points (-1.78% MoM) taking CY18TD return to mere 1.30%. Overall market activity remained subdued as average daily traded volume dropped to 138 mn shares in September'18 compared to 190 mn last month, a decrease of 27% MoM. Lack of policy direction from new government on key economic issues, monetary tightening cycle amid increasing inflation trend and persistent foreign selling kept investors' shaky. Like all other emerging markets, PSX continue to witness foreign selling; net outflows for September'18 were recorded at USD 57.9 mn, taking cumulative FPI for CY18 to -USD 322.4 mn, whereas local liquidity led by Insurance (+USD 33.05 mn) followed by Mutual Funds (+USD 17.34 mn) comfortably absorbed monthly outflows. Sectoral performance put Auto Assemblers as the worst performer with a dismal performance of -11.1% MoM followed by OMC (-8.0%), Cements (-6.7%) and Fertilizer (-3.4%) whereas Textiles (+2.7%) and E&Ps (+1.7%) provided positive contribution to the bourse. Pakistan with forward P/E of 7.7x is trading at 42% discount compared to regional average P/E of 12.8x while offering a dividend yield of ~6.8% versus ~2.7% offered by the region.

### DEBT MARKET REVIEW

Short term papers remained 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 41 bn primarily in 3 months' tenors with cut off yields remaining flat at 7.75%. On the other hand, in the PIBs auction, bids in 5-yr bonds were accepted worth PKR 9 bn compared to target of PKR 100 bn, while all the bids were rejected in other tenors due to low participation. Overall, secondary market remained volatile during the period amid monetary policy statement and yields increased across the board within a broad range of 40-58 bps reflecting the impact of 100 bps rise in policy rate.

# MANAGED FUND

## FUND OBJECTIVE

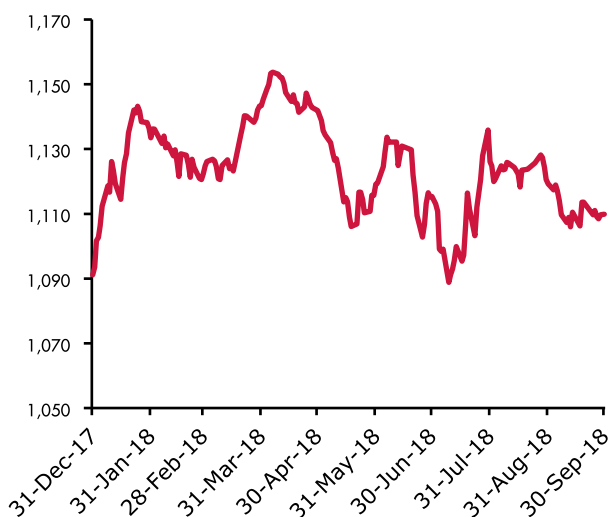
To maximize capital appreciation by investing in a balanced portfolio of wide range of shares, Government and other fixed income securities and bank deposits.

## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Managed Fund
Fund Size	PKR 76,988 Million
Launch Date	31.12.1996
Bid Price (31.12.1996)	PKR 99.50
Bid Price (30.09.2018)	PKR 1,109.91
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 September 2018 Managed Fund's (MF) Unit Price decreased by PKR 9.3 (-0.83%) net of fund management fee.



## INVESTMENT COMMITTEE

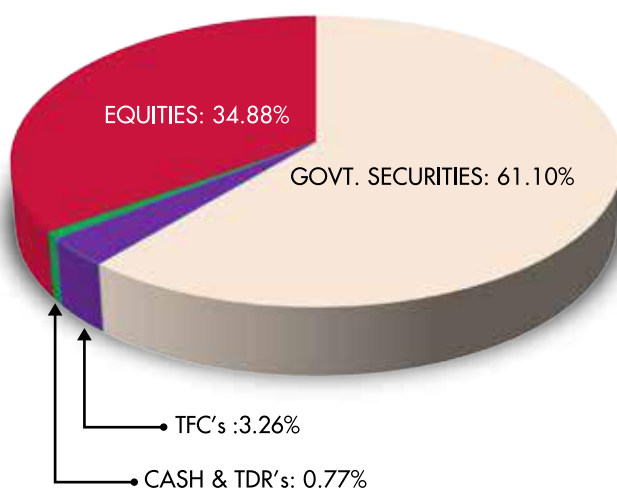
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## ASSET ALLOCATION

ASSETS	SEPTEMBER-18	AUGUST-18
Government Securities	61.10%	60.57%
Term Finance Securities	3.26%	3.23%
Cash and Short Term Deposits	0.77%	0.70%
Stocks & Mutual Funds	34.88%	35.50%

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-0.83%
3 months	-0.49%
12 months	0.15%
Calendar YTD	1.73%
Since Inception	1015.49%
Since Inception (annualized)	11.72%
5 Years	50.07%
10 Years	187.24%



# 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 19,495 Million
Launch Date	28.07.2004
Bid Price (28.07.2004)	PKR 100
Bid Price (30.09.2018)	PKR 898.19
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 September 2018 Capital Growth Fund's (CGF) Unit Price decreased by PKR 22.36 (-2.43%) net of fund management fee



## INVESTMENT COMMITTEE

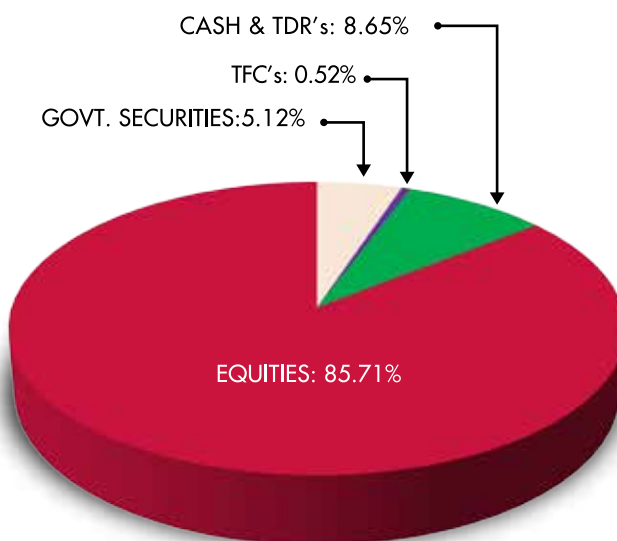
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## ASSET ALLOCATION

ASSETS	SEPTEMBER-18	AUGUST-18
Government Securities	5.12%	2.56%
Term Finance Securities	0.52%	0.52%
Cash and Short Term Deposits	8.65%	10.09%
Stocks & Mutual Funds	85.71%	86.83%

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-2.43%
3 months	-2.59%
12 months	-4.83%
Calendar YTD	0.15%
Since Inception	798.19%
Since Inception (annualized)	16.74%
5 Years	112.24%
10 Years	384.72%



# 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 9,425 Million
Launch Date	27.03.2008
Bid Price (27.03.2008)	PKR 475.00
Bid Price (30.09.2018)	PKR 1,035.64
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

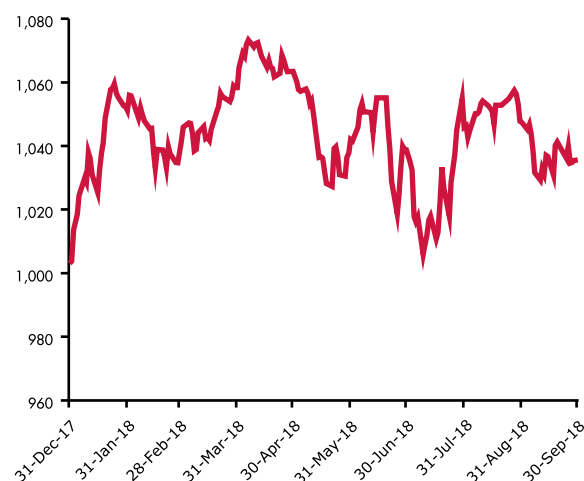
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	-1.11%
3 months	-0.30%
12 months	0.08%
Calendar YTD	3.25%
Since Inception	118.03%
Since Inception (annualized)	7.69%
5 Years	50.22%

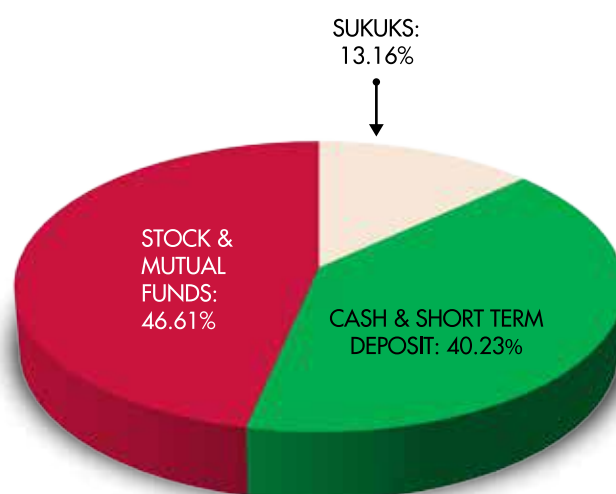
## FUND MANAGER'S COMMENTS

During the month of September 2018 Meesaq Fund's (MEF) Unit Price decreased by PKR 11.67 (-1.11%) net of fund management fee.



## ASSET ALLOCATION

ASSETS	SEPTEMBER-18	AUGUST-18
Sukuks	13.16%	11.99%
Cash and Short Term Deposits	40.23%	40.37%
Stocks & Mutual Funds	46.61%	47.64%



# YAQEEEN GROWTH FUND

## FUND OBJECTIVE

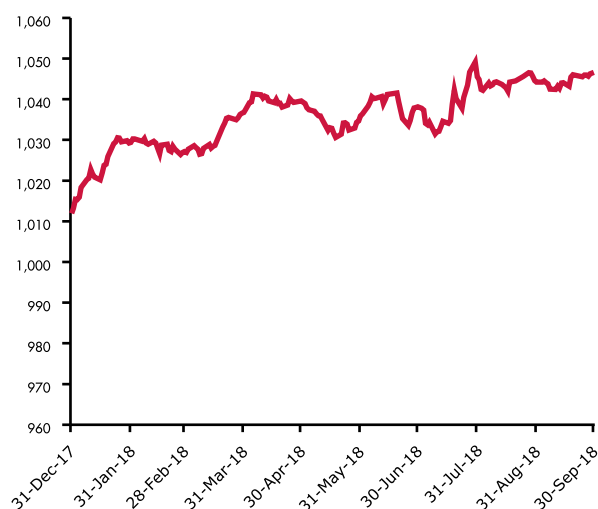
This fund has been formed to enable Jubilee Life's policyholders to participate in a diversified portfolio of Fixed Income Securities with minimal exposure to equity. Yaqeen Growth fund is suitable for those who wish to earn steady returns on investments through full exposure to debt securities and minimum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

## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Yaqeen Growth Fund
Fund Size	PKR 1,942 Million
Launch Date	01.06.2009
Bid Price (01.06.2009)	PKR 475.00
Bid Price (30.09.2018)	PKR 1,046.59
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 September 2018 Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 2.35 (0.23%) net of fund management fee.



## INVESTMENT COMMITTEE

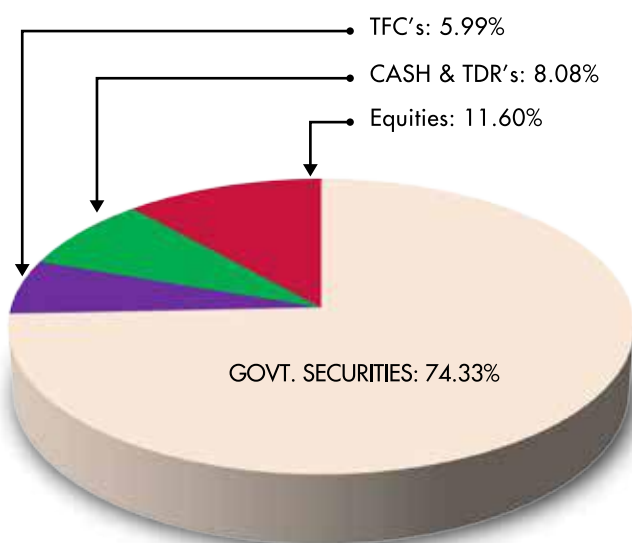
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member
Shan Rabbani	Member

## ASSET ALLOCATION

ASSETS	SEPTEMBER-18	AUGUST-18
Government Securities	74.33%	73.67%
Term Finance Securities	5.99%	6.01%
Cash and Short Term Deposits	8.08%	8.27%
Stocks & Mutual Funds	11.60%	12.05%

## FUND RETURNS

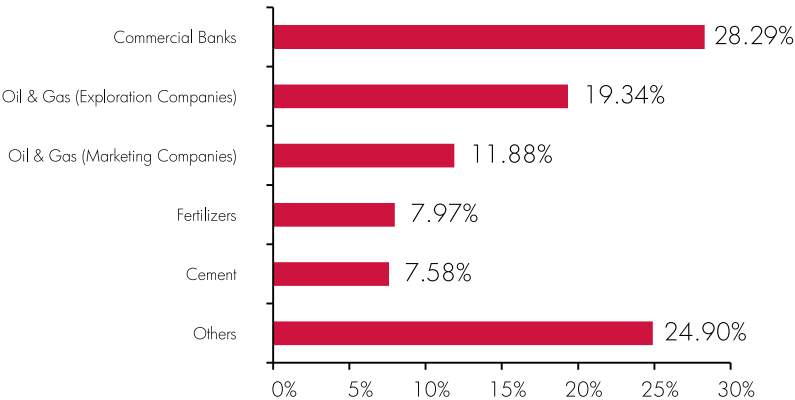
PERIOD	RATE OF RETURN
1 month	0.23%
3 months	0.82%
12 months	3.35%
Calendar YTD	3.42%
Calendar YTD (annualized)	4.60%
Since Inception	120.33%
Since Inception (annualized)	8.83%
5 Years	46.00%



# EQUITY PORTFOLIO DETAILS

## MANAGED FUND

### SECTOR ALLOCATION

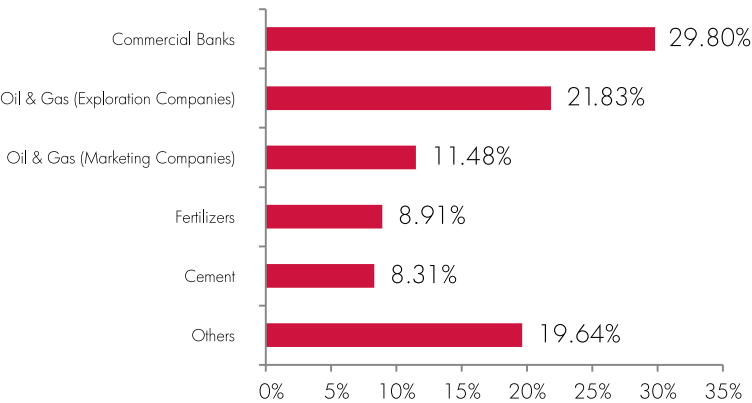


### TOP TEN HOLDINGS

BAFL  
BAHL  
ENGRO  
HBL  
LUCK  
MCB  
OGDC  
PPL  
THALL  
UBL

## CAPITAL GROWTH FUND

### SECTOR ALLOCATION



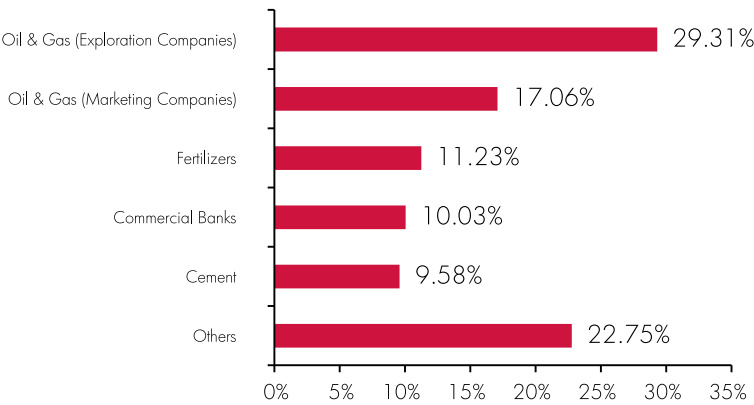
### TOP TEN HOLDINGS

BAFL  
BAHL  
ENGRO  
HBL  
LUCK  
OGDC  
POL  
PPL  
PSO  
UBL

# EQUITY PORTFOLIO DETAILS

## MEESAQ FUND

### SECTOR ALLOCATION

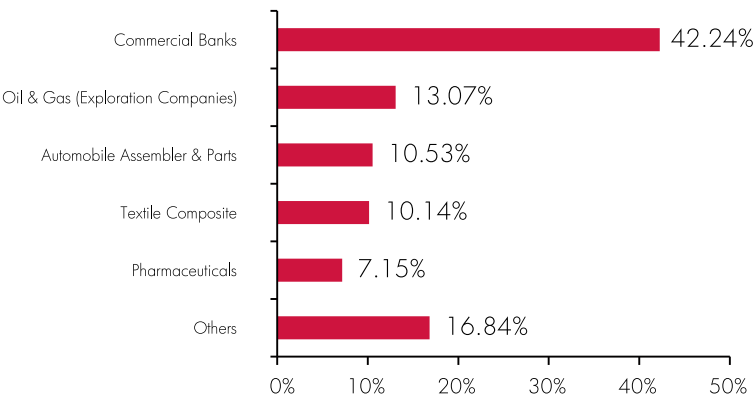


### TOP TEN HOLDINGS

EFERT  
ENGRO  
HUBC  
LUCK  
MARI  
MEBL  
OGDC  
POL  
PPL  
PSO

## YAQeen GROWTH FUND

### SECTOR ALLOCATION



### TOP TEN HOLDINGS

BAHL  
HBL  
HINOON  
HUBC  
NML  
POL  
PPL  
PSO  
THALL  
UBL



JUBILEELIFE.COM

**Jubilee Life Insurance Company Limited**

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

Phone: (021) 32120201, 35205094

Fax: (021) 35610959

UAN: (021) 111-111-554

SMS: "JUBILEELIFE" to 8398

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

Website: www.jubileelife.com