



**INVESTMENT FACT SHEET**  
FOR THE MONTH OF JUNE 2020

# FROM INVESTMENT DESK

## ECONOMY AND CAPITAL MARKETS UPDATE

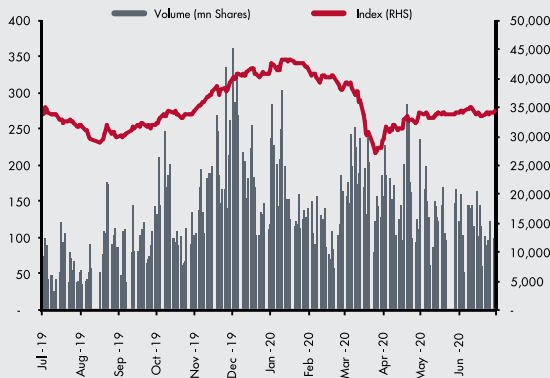
### ECONOMIC SUMMARY

KEY INDICATORS	REPORTED MONTH	CURRENT	PREVIOUS	YTD
CPI Inflation	Jun	8.59%	8.22%	10.74%
Trade Deficit (USD mn)	May	(1,534)	(1,733)	(17,941)
Remittances (USD mn)	May	1,873	1,790	20,654
Current A/C (USD mn)	May	13	(530)	(3,288)
FDI (USD mn)	May	120	133	2,401
Tax Collection ** (PKR bn)	Jun	411	227	3,957
M2 Growth*				13.69%
FX Reserves* (USD bn)	Jun			17.97

Source SBP, FBS

\* Latest monthly figures \*\*provisional figures

### KSE-100 ONE YEAR PERFORMANCE



### SECONDARY MARKET PKRVs

TENOR	JUN-20	MAY-20	CHANGE (bps)
30 Days	7.09	8.00	(91)
60 Days	7.10	8.00	(90)
3 Months	7.09	7.98	(89)
6 Months	7.05	7.74	(69)
1 Year	7.05	7.65	(60)
3 Year	7.53	7.57	(4)
5 Year	8.11	7.91	20
10 Year	8.69	8.51	18

Source: MUFAP

### ECONOMIC REVIEW

Inflation for Jun'20 clocked in at 8.59% YoY while the price index increased monthly by 0.82% mainly led by growth in Food index (+2.1% MoM) while Transport index fell (-1.07% MoM). The current fiscal closes at an average inflation of 10.74%, compared to 6.8% in FY19. On the external side our Current Account posted a surplus in May'20 for the second time in this fiscal year with USD 13 mn (+USD 543 mn MoM). This can be credited to reduction in imports (-USD 334 mn) and surge in remittances (+USD 83 mn) although exports dwindled (-USD 135 mn). Inflows of ~USD 2 bn from World Bank, Asian Development Bank, Asian Infrastructure Investment Bank, and Chinese loan disbursement bolstered our foreign exchange reserves by USD 1.03 bn to USD 17.97 bn in Jun'20 even after accounting for multiple debt repayments in the outgoing month. Another rate cut of 100 bps was announced in an unscheduled MPC meeting held in June, bringing policy rate to 7% after cumulative rate cuts in CY20 of 625 bps in an effort to revive growth in the wake of the Covid-19 pandemic. On the fiscal side, FBR despite challenges amidst Covid-19 and the lockdown situation, collected PKR 3.96 tn for FY20, an improvement of 3.3% YoY, and surpassed the annual target of PKR 3.91 tn by PKR 50 bn.

### EQUITY MARKET REVIEW

The stock market continued to consolidate, with KSE 100 recording a marginal increase of 1.4% to 34,422 points in Jun'20 while average daily trading volumes fell by 5% to 196 mn shares. Major factors behind this mixed performance were announcement of a market-neutral Federal Budget for FY21, introduction of 'smart lockdown' in large cities, a Current Account surplus in May'20, and a policy rate cut by SBP. This takes FY20 return to a mediocre 1.53% which is attributable to substantial loss in 2HFY20 of 15.5% due to Covid-19 pandemic. Foreigners persist in offloading equities for the fifth consecutive month; USD 46 mn worth of stocks were sold in Jun'20 which were majorly absorbed by local Individuals (USD 18 mn), Insurance (USD 10 mn), and Mutual Funds (USD 10 mn). Foreigners sold a total of USD 285 mn in equities in FY20 (-20% YoY). Sector wise, Banks (+5.9%), Fertilizer (+1.9%), and Pharmaceuticals (+7.5%) led the index in Jun'20 while E&P (-1.9%) and Power (-6.9%) were notable laggards. Going forward, Pakistan with forward P/E of 7.3x is trading at 45% discount compared to Asia Pacific regional average of 13.3x along with a dividend yield of ~6.5% versus ~2.6% offered by the region.

### DEBT MARKET REVIEW

Fervor in money market endures with T-bill auctions garnering PKR 1,311 bn worth of bids against target of PKR 475 bn while the central bank accepted just PKR 206 bn in Jun'20. Latest cut-off rates decreased to 7.80% for 3-month tenor (-35 bps MoM), 7.48% for 6-month tenor (-32 bps MoM), and 7.36% for 12-month tenor (-39 bps MoM). Some focus has shifted from Fixed PIBs to Floater PIBs as investors are reluctant to lock in money at current low interest rates. New floater issues of 3 yr and 5 yr tenors were introduced apart from the 10 yr instrument, while bids of PKR 164.1 bn were received against target of PKR 150 bn wherein SBP accepted PKR 124.3 bn at 45-70 bps over benchmark. Fixed PIB auctions saw PKR 181 bn worth of bids received against target of PKR 140 bn while SBP accepted PKR 116 bn at 7.97% (+33 bps MoM) for 3 yr tenor, 8.44% (+39 bps MoM) for 5 yr tenor, 8.99% (+30 bps MoM) for 10 yr tenor, 9.90% (-7 bps MoM) for 15 yr tenor, and 10.51% (new issue) for 20 yr tenor. The MPS announcement of rate cut led to secondary market yields falling by 4-91 bps across short to medium tenors while longer tenors exhibited rise of 18-20 bps.

# 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 92,280 Million
Launch Date	31.12.1996
Bid Price (31.12.1996)	PKR 99.50
Bid Price (30.06.2020)	PKR 1,234.91
Category	Balanced Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

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

## INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION
Javed Ahmed	Chairman/CEO
Lilly R. Dossabhoy	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of June 2020 Managed Fund's (MF) Unit Price increased by PKR 4.24 (0.34%) net of fund management fee.

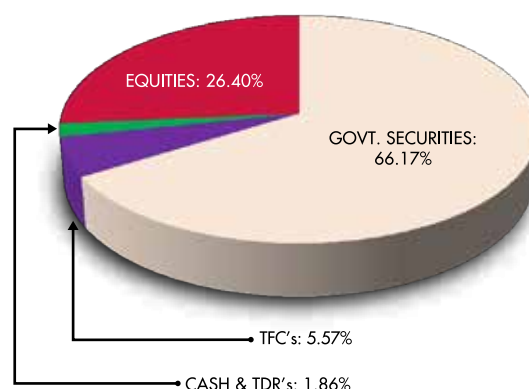


## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.34%
3 months	7.44%
12 months	14.85%
Calendar YTD	1.33%
Since Inception	1141.12%
Since Inception (annualized)	11.31%
5 Years	29.11%
10 Years	156.17%

## ASSET ALLOCATION

ASSETS	JUNE-20	MAY-20
Government Securities	66.17%	66.44%
Term Finance Securities	5.57%	5.75%
Cash and Short Term Deposits	1.86%	1.80%
Equities	26.40%	26.00%



# 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 23,924 Million
Launch Date	28.07.2004
Bid Price (28.07.2004)	PKR 100
Bid Price (30.06.2020)	PKR 721.30
Category	Equity Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

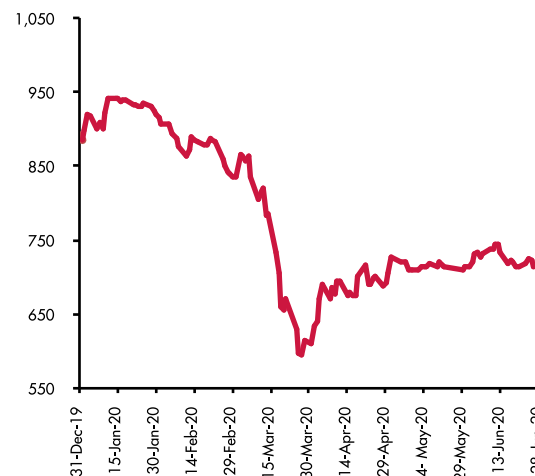
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member/Secretary
Shan Rabbani	Member

## INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION
Javed Ahmed	Chairman/CEO
Lilly R. Dossabhoy	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of June 2020 Capital Growth Fund's (CGF) Unit Price increased by PKR 8.25 (1.16%) net of fund management fee.



## FUND RETURNS

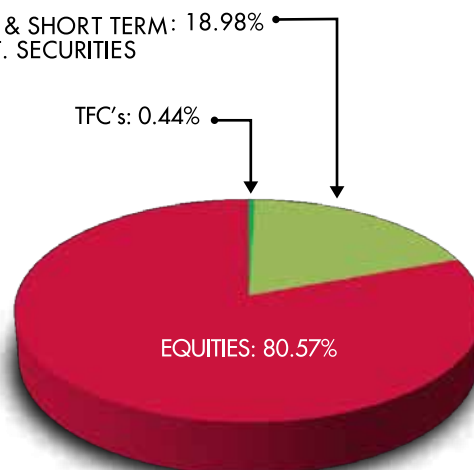
PERIOD	RATE OF RETURN
1 month	1.16%
3 months	13.97%
12 months	-5.94%
Calendar YTD	-18.39%
Since Inception	621.30%
Since Inception (annualized)	13.20%
5 Years	5.92%
10 Years	234.71%

## ASSET ALLOCATION

ASSETS	JUNE-20	MAY-20
Term Finance Securities	0.44%	0.45%
Cash & Short Term Govt. Securities	18.98%	19.51%
Equities	80.57%	80.04%

CASH & SHORT TERM: 18.98%  
GOVT. SECURITIES

TFC's: 0.44%



# 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 8,186 Million
Launch Date	27.03.2008
Bid Price (27.03.2008)	PKR 475.00
Bid Price (30.06.2020)	PKR 1,037.53
Category	Non-interest bearing Investment portfolio
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

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

## INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION
Javed Ahmed	Chairman/CEO
Lilly R. Dossabhoy	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of June 2020 Meesaq Fund's (MEF) Unit Price increased by PKR 4.72 (0.46%) net of fund management fee.

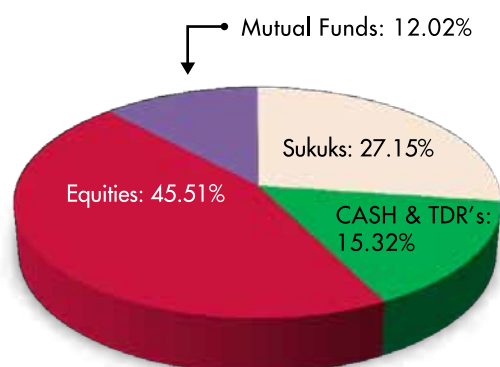


## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.46%
3 months	10.56%
12 months	5.95%
Calendar YTD	-6.40%
Since Inception	118.43%
Since Inception (annualized)	6.58%
5 Years	22.37%

## ASSET ALLOCATION

ASSETS	JUNE-20	MAY-20
Sukuks	27.15%	25.18%
Cash and Short Term Deposits	15.32%	17.47%
Equities	45.51%	45.37%
Mutual Funds	12.02%	11.99%



# 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 3,843 Million
Launch Date	01.06.2009
Bid Price (01.06.2009)	PKR 475.00
Bid Price (30.06.2020)	PKR 1,327.52
Category	Capital Protected Fund
Pricing Mechanism	Forward on daily basis
Management Fee	1.50% p.a.
Pricing Days	Monday to Friday
Auditors	A. F. Ferguson & Co.
Appointed Actuary	Nauman Cheema, Nauman Associates, Lahore

## BOARD FINANCE & INVESTMENT COMMITTEE

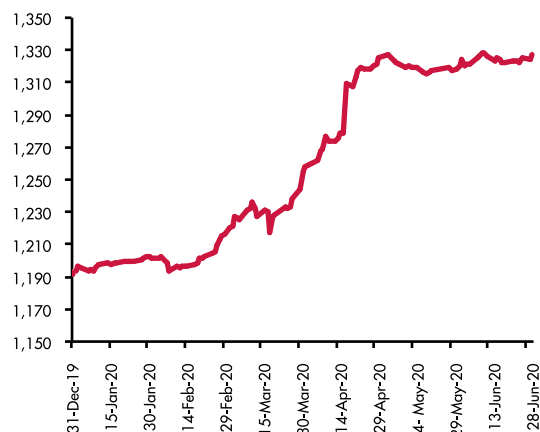
MEMBERS	DESIGNATION
Shahid Ghaffar	Chairman
Javed Ahmed	Member / CEO
Rafiuddin Zakir Mahmood	Member
John Joseph Metcalf	Member
Lilly R. Dossabhoy	Member/Secretary
Shan Rabbani	Member

## INVESTMENT MANAGEMENT COMMITTEE

MEMBERS	DESIGNATION
Javed Ahmed	Chairman/CEO
Lilly R. Dossabhoy	Member
Zahid Barki	Member
Kashif Naqvi	Member
Shan Rabbani	Member
Asif Mobin	Member/Secretary
Dileep Kumar Maheshwari	Member

## FUND MANAGER'S COMMENTS

During the month of June 2020 Yaqeen Growth Fund's (YGF) Unit Price increased by PKR 9.01 (0.68%) net of fund management fee.

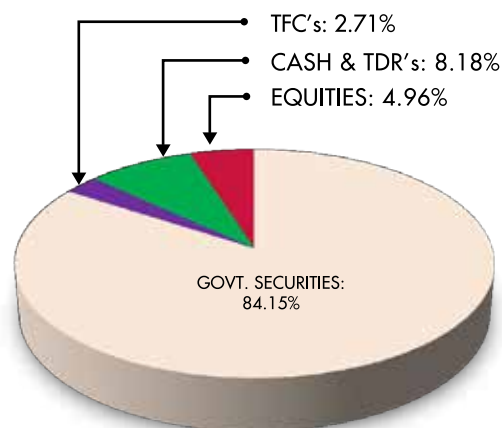


## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	0.68%
3 months	5.76%
12 months	22.71%
Calendar YTD	11.40%
Calendar YTD (annualized)	24.18%
Since Inception	179.48%
Since Inception (annualized)	9.71%
5 Years	50.31%

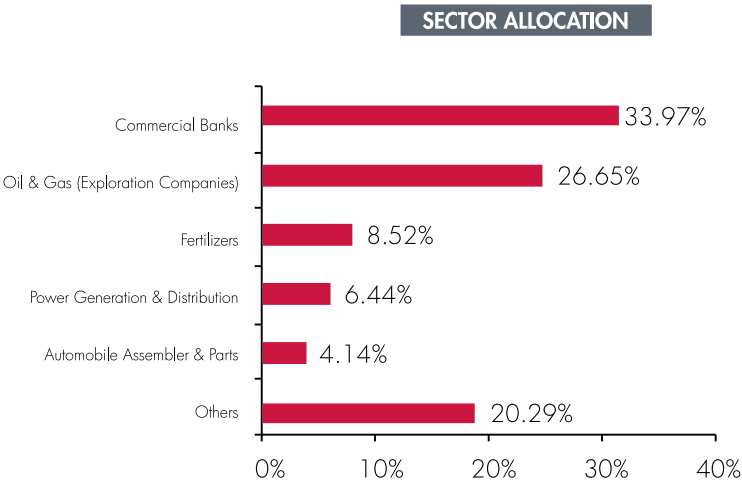
## ASSET ALLOCATION

ASSETS	JUNE-20	MAY-20
Government Securities	84.15%	86.81%
Term Finance Securities	2.71%	2.81%
Cash and Short Term Deposits	8.18%	5.72%
Equities	4.96%	4.66%



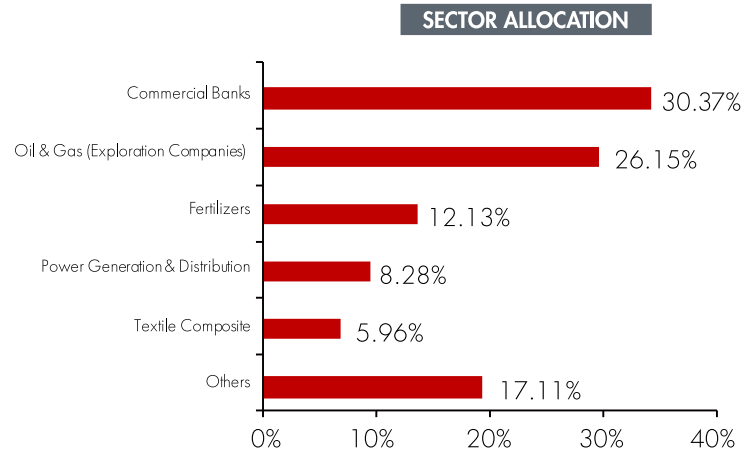
# EQUITY PORTFOLIO DETAILS

## MANAGED FUND



TOP TEN HOLDINGS
BAFL
BAHL
ENGRO
HUBC
MARI
MCB
OGDC
PPL
THALL
UBL

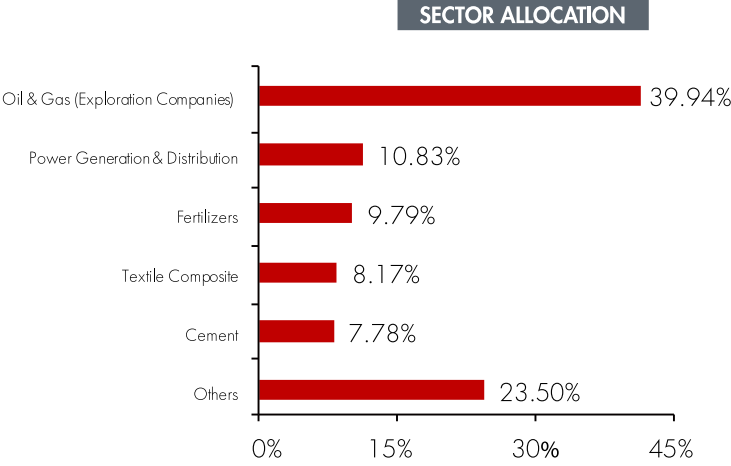
## CAPITAL GROWTH FUND



TOP TEN HOLDINGS
BAFL
BAHL
ENGRO
HUBC
LUCK
MARI
MCB
OGDC
PPL
UBL

# EQUITY PORTFOLIO DETAILS

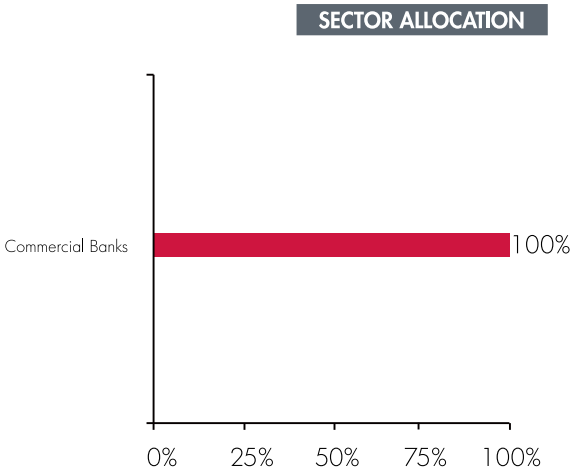
## MEESAQ FUND



### TOP TEN HOLDINGS

ENGRO  
HUBC  
LUCK  
MARI  
MEBL  
NML  
OGDC  
POL  
PPL  
THALL

## YAQEEEN GROWTH FUND



### TOP TEN HOLDINGS

MCB  
UBL



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