



INVESTMENT FACT SHEET
FOR THE MONTH OF OCTOBER 2023

GOVERNING COMMITTEES



BOARD FINANCE & INVESTMENT COMMITTEE

- **SHAHID GHAFFAR**
(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 equity market's bull-run moved from strength to strength during the month of October'23 posting a M/M gain of 12%. Key triggers contributing towards the index's stellar advance during the month included 1) Expectations of a successful quarterly review of the ongoing IMF program which will help unlock USD710mn of fresh inflows, 2) Announcement of a firm elections date, providing much needed clarity on the political front, 3) Continuing stability in the external account position with another month of strong CA data (Sep'23 saw a CAD of merely USD8mn), 4) Persistent decline in secondary market yields, driven primarily by lower inflation expectations and 5) Outstanding corporate results alongside bumper payouts.

The KSE-100 index ended the month at 51,920 just a shade below its all-time high of 52,876 (seen in May'17), reflecting an increase of 5,688 points in Oct'23 (+12.3% M/M).

On the other hand certain key negative developments were 1) Heightened risk of a resurgence in inflationary pressures on the back of conflict in the Middle East (Israel-Hamas war) which can push international crude prices, 2) Significant financing gaps on the external front especially lack of clarity on roll-over of USD5bn commercial loans and realization of planned USD1.5bn in international sovereign bond issuance and 3) Rupee losing ground against the Greenback, earsing gains made recently.

Amongst other developments the GoP finally notified a much-awaited increase in price of Natural Gas, which saw major price hike for various categories of industrial consumers followed by introduction of higher price floor for domestic consumers (both protected and un-protected categories). The fiscal side remained steady with FBR collecting a sum of PKR2,748bn in the 4MFY24 against PKR2,159bn collected in SPLY and surpassing its target of PKR2,682bn. During the month of Oct'23 FBR tax collection figure stood at PKR707bn (+PKR191bn Y/Y).

SBP's stockpile of FX reserves closed the month of Oct'23 at USD7.50bn against USD7.62bn seen in Sep'23. Profit repatriation on FDI clocked in at USD194.9mn in 1QFY24 vs USD50.2mn in SPLY, primarily spiking due to an ease in curbs on outward FX transactions by the SBP.

The major numbers during the month:

- **The current account balance for the 1QFY24 came in at USD947mn in contrast to USD2,258mn seen in SPLY.**
- **The CPI for October'23 stood at 26.89% Y/Y.**
- **PKR lost 2.17% against USD during the month, ending its long winning streak driven by strict administrative measures to curb currency smuggling.**
- **International energy prices showed mixed trends with Brent closing lower at USD85.57/bbl (-USD7.53/bbl), while Coal edged higher at USD121.25/tonne (+USD0.35/tonne).**

Automobile sales plunged by 26% M/M (-54% Y/Y) in October'23 with an offtake of 6,180 units, while the cumulative tally for 4MFY24 dialed in at 26,988 units depicting a decline of 44% Y/Y.

During the month of October'23, cement dispatches recorded a drop of 5.78% M/M and stood at 4.007mn tonnes. While sales of Petroleum products witnessed a sizeable surge of 25% M/M driven by a large decline in prices. Offtake of petroleum products came in at 1.26MT in Oct'23 against 1.01MT seen a month earlier.

ECONOMY UPDATE

MACROECONOMIC INDICATORS

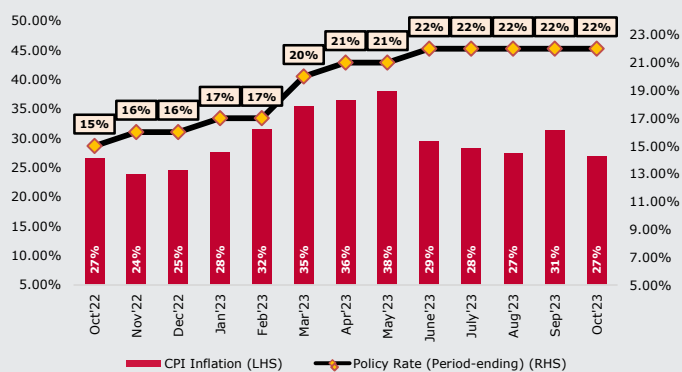
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	Sept	(1,512)	(1,868)	(5,442)
Remittances (USD mn)	Sept	2,206	2,093	6,330
Current A/C Balance (USD mn)	Sept	(8)	(160)	(947)
FDI (USD mn)	Sept	173	146	402
Tax Collection* (PKR bn)	Oct	707	834	2,748
M2 Growth				- 0.78%

Source SBP, FBR

* Provisional figures

In September 2023, there was a 39.44% M/M, contraction in the trade deficit, which amounted to USD 1,512 mn, as opposed to the previous month's figure of USD 1,868 mn. On a cumulative basis the trade deficit for the 3MFY24 came in at USD 5,442mn in contrast with USD 8,424mn in the SPLY, showing a decline of of 35.40% Y/Y. On the tax collection front, FBR managed to collect PKR707bn, successfully surpassing PKR 516bn collected in SPLY.

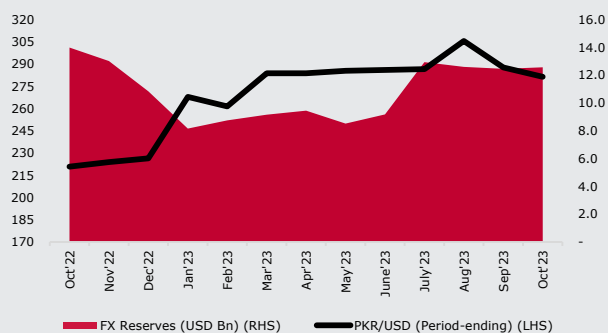
INFLATION



Source: PBS

The national CPI during the month of October'23 stood at 26.90% compared to 31.44% in the previous month.

PKR/USD PARITY VS FX RESERVES



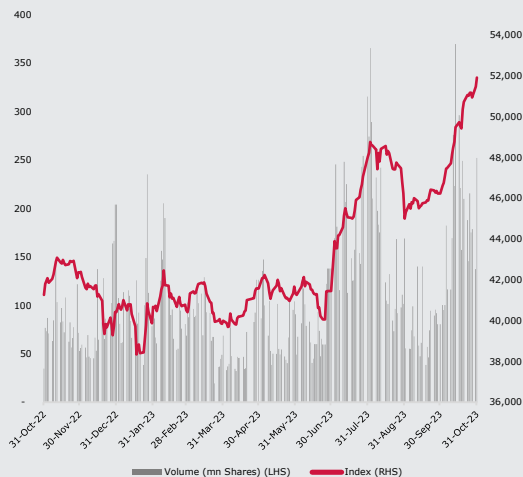
Source: SBP

FX Reserves as of 27th October 2023 were reported at USD 12.57bn, showing an increase of 0.006% compared to last month. While PKR depreciated against USD by 2.17% M/M hovering at PKR 281.47/USD.

CAPITAL MARKETS UPDATE

EQUITY MARKET

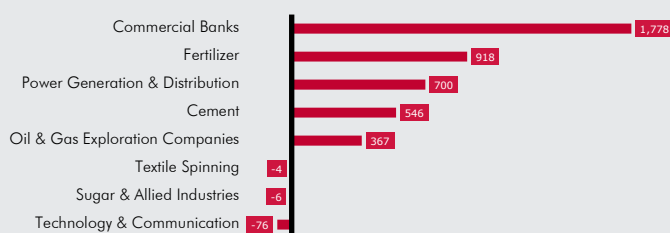
KSE-100 ONE YEAR PERFORMANCE



Source: PSX

KSE-100 showed robust momentum during the month of October gaining 12.30% (5,688 points), to close the month at 51,920 points. Average traded volume recorded at 190mn shares, a increase of 150% M/M, while average traded value stood at PKR 8,569mn, showing a jump of 91%.

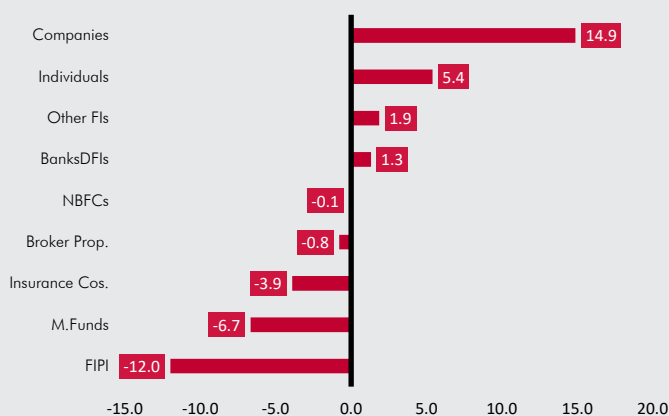
SECTOR WISE TOP CONTRIBUTORS



Source: PSX

The major sectors driving the equity benchmark index during the month were Commercial Banks (+1,778 points) Fertilizer (+918 points) and Power Generation & Distribution (+700 points). Meanwhile, negative contributors were Technology & Communication (-76 points), Sugar & Allied (-6 points) and Textile Spinning (-4 points).

FIPI LIPI



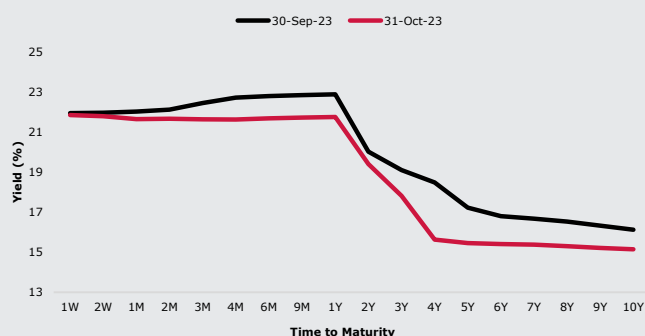
Foreigners were the net sellers with net selling aggregating to USD 12mn with major outflows recorded in Others (USD 8.0mn), Banks (USD 5.4mn), Tech & Com. (USD 2.9mn), Fertilizer (USD 0.7mn), Food & Personal (USD 0.3mn). On the other hand, inflows were recorded in E&P's (USD 2.3mn), Cement (USD 1.4mn), OMC's (USD 0.9mn).

On the domestic front, Mutual Funds, Insurance Companies and Brokers were major sellers with net outflows of USD 6.7mn, USD 3.9mn, USD 0.8mn respectively. While Companies, Individuals, Other Financial Institutions and Banks/DFI's reported net buying amounting to USD 23.41mn.

CAPITAL MARKETS UPDATE

DEBT MARKET

YIELD CURVE



Source: MUFAP

Secondary market yields for 3, 6 and 12-months T-bills closed at 21.65% (-81 bps MoM), 21.70% (-111 bps MoM) and 21.76% (-114 bps MoM) respectively. In parallel, yield for long term instruments exhibited a similar pattern, 3 fixed rate PIBs closed at 17.28% (-129 bps MoM), 5-year closed at 15.46% (-177 bps) and 10-year closed at 15.15% (-97bps MoM) respectively.

KIBOR

INSTRUMENT	OCT-23	SEPT-23
Kibor-3 Month	21.96%	22.26%
Kibor-6 Month	22.24%	22.95%
Kibor-12 Month	22.26%	23.29%

Source: SBP

During the month, the Kibor rates for the 3-month, 6-month and 12-month periods wrapped up at 21.96% (-70bps MoM), 22.00% (-95bps MoM) and 22.26% (-103bps MoM).

AUCTION UPDATE

TENORS	CUT OFF	PREVIOUS CUT OFF	CHANGE
T-BILLS			
3-Month	22.2000%	22.7898%	- 59 bps
6-Month	22.3999%	22.8000%	- 40 bps
12-Month	22.4000%	22.9000%	- 50 bps
FIXED RATE PIBS			
3 year	19.19%	19.35%	- 16 bps
5 year	16.95%	16.95%	-
10 year	15.25%	15.25%	-
FLOATING RATE PIBS - QUARTERLY			
2 year	79 bps	90 bps	- 11 bps
3 year	114 bps	130 bps	- 16 bps
FLOATING RATE PIBS - SEMI ANNUAL			
5 year	143 bps	170 bps	- 27 bps
10 year	179 bps	-	-

During the month, the State Bank of Pakistan received bids worth PKR 7,082 bn in the Treasury bills auction significantly surpassing the target of PKR 1,500 bn. Out of these bids, SBP only accepted PKR 1,390 billion. The latest cut-off rates were 22.2000%, 22.3999% and 22.4000% for 3-months, 6-months and 12-months respectively.

In addition, substantial participation amounting to PKR 2,461 bn was observed in auction of floating-rate PIBs against the target of PKR 880 billion. The increased interest was spurred by the anticipation of decreased spreads going forward. Notably, the Ministry of Finance (MoF) accepted bids worth PKR 1,052 bn, with spreads ranging from 79 to 179 bps. During the same period participation worth PKR 260 bn at relatively higher rates was observed in fixed rate PIBs auction against the target of PKR 160 bn. MoF accepted PKR 102 bn across the tenors. The Cut-offs for 3, 5 and 10-year PIBs closed at 19.19%, 16.95%, 15.25% respectively.

STRATEGY & OUTLOOK



EQUITY MARKET:

We continue to abide by our favorable stance on the equity market. The index continues to trade at highly attractive valuation multiples and alluring dividend yields in comparison to both the regional peers and the index's own history. However, the absence of institutional investors and lack of much needed structural reforms remain key hurdles in the way of an all-out sustainable rally.

Key triggers which can have an impact on benchmark include:

- **Successful conclusion of the ongoing IMF review** which will unlock USD710mn of fresh FX inflows as part of the broader USD3.2bn program.
- **The announcement of much awaited gas price hike** will help in putting a stop to fresh accumulation of circular debt, thereby plugging a major leakage on the fiscal side.
- **Upcoming Inflation reading** which will see the full effect of higher gas prices being incorporated, whereby any unforeseen spike can alter near term rate expectations.

We remain vigilant on the performance of the equity market and will capitalize on any opportunity that comes along to enhance return's for our policy holders..

DEBT MARKET:

Recent economic/political developments over the past month have reshaped the country's short-term economic landscape, leading to increased confidence among participants in the capital market. Resultantly yields across the tenor declined by up to 285bps in the month of October 2023.

Inflation remains squarely in the SBP's crosshairs in the next MPC meeting. Inflation has slowed markedly from its peak of 37.97% in May 2023 to 26.90% in October 2023 and rekindles hopes of an imminent pivot to rate cuts. However, trajectory of inflation, successful review of IMF program due in November 2023, conclusion of SBA with IMF, negotiation of another long-term IMF program, and smooth conduct general election and peaceful transfer of power will collectively shape the direction of the debt market.

Given the prevailing macroeconomic conditions and the anticipated interest rate trends, we are inclined to increase the duration of our fixed income portfolios by diverse allocations in floating rate PIBs, fixed rate PIBs and long dated T-bills. This allocation aims to strike a balanced equilibrium between risk and reward, all while safeguarding the best interests of 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 (97%) in high yielding fixed income instruments and minimal allocation (3%) in equities.
- **Jubilee Life Aggressive Fund:** Equity allocation in JL Aggressive fund is reduced to 21% to minimize volatility in fund prices amid fragile macro-economic situation. Investment in government securities and bank placements is increased to 79% which is yielding higher risk adjusted returns.
- **Jubilee Life Government Securities Fund:** GSF's concentration in sovereign fixed income instruments positions it favourably for capturing attractive yields while also providing the fund with exposure to duration.
- **Meesaq Balanced Fund:** Our Meesaq Balanced fund offers its policyholders sustainable return through 75% allocation in government backed instruments, along with 25% exposure in high yielding corporate Sukuks and mutual funds, thereby maximizing the benefits derived from opportunities in the yield curve.

JUBILEE LIFE BALANCED FUND

Fund Manager's Report
October 2023

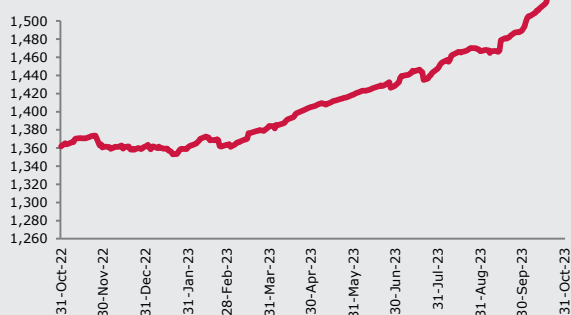
FUND OBJECTIVE

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

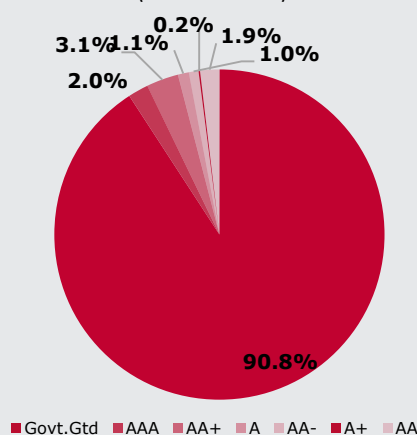
During the month of October 2023 Balanced Fund's (BF) Unit Price increased by PKR 46.4 (3.12%). The fund's allocation to government securities stands at 88.36% at month end against 89.06% last month while allocation to equities is at 2.72% versus 2.67% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 77.79% followed by Paper & Board, Oil & Gas (Exploration Companies) and Miscellaneous with a sector allocation of 11.67%, 4.73% and 3.12% respectively.

12-M ROLLING FUND PRICE



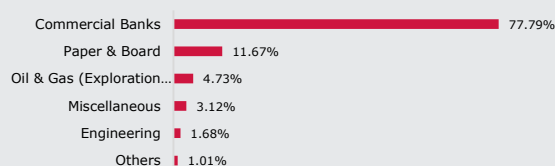
ASSET QUALITY

(Debt Securities)



SECTOR ALLOCATION

(Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Fund
Net Assets	PKR 74,565 Million
Launch Date	31.12.1996
NAV Per Unit At Launch Date (31.12.1996)	PKR 99.50
NAV Per Unit At month end (31.10.2023)	PKR 1,535.51
Category	Balanced Fund
Pricing Mechanism Risk	Forward on daily basis
Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.26%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	3.12%
3 months	6.08%
12 months (365 days)	12.77%
Calendar YTD	12.77%
Since Inception (annualized)	10.73%
5 Years (annualized)	6.49%
10 Years (annualized)	7.54%

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	88.36%	89.06%
Term Finance Securities	7.69%	7.93%
Cash and Short Term Deposits	1.20%	0.30%
Equities	2.72%	2.67%
Others Including Receivables	0.02%	0.05%

JUBILEE LIFE AGGRESSIVE FUND

Fund Manager's Report
October 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.

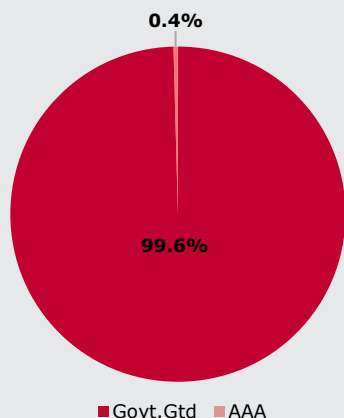
FUND MANAGER'S COMMENTS

During the month of October 2023 Aggressive Fund's (AF) Unit Price increased by PKR 21.37 (2.83%). The fund's allocation to government securities stands at 78.92% at month end against 77.63% last month while allocation to equities is at 20.68% versus 20.11% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 50.49% followed by Commercial Banks, Textile Composite and Pharmaceuticals with a sector allocation of 33.52%, 4.29% and 4.07% respectively.

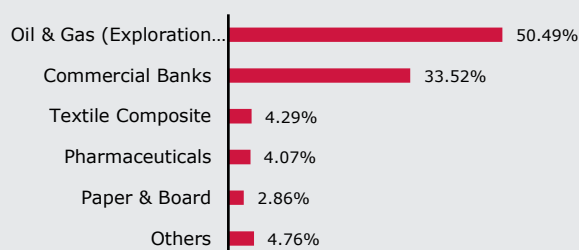
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Aggressive Fund
Net Assets	PKR 24,696 Million
Launch Date	28.07.2004
NAV Per Unit At Launch Date (28.07.2004)	PKR 100.00
NAV Per Unit At Month end (31.10.2023)	PKR 776.77
Category	Aggressive Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.35%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	2.83%
3 months	5.42%
12 months (365 days)	13.37%
Calendar YTD	16.93%
Since Inception (annualized)	11.22%
5 Years (annualized)	-3.12%
10 Years (annualized)	6.38%

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	78.92%	77.63%
Cash and Short Term Deposits	0.31%	1.68%
Equities	20.68%	20.11%
Others Including Receivables	0.09%	0.58%

MEESAQ BALANCED FUND

Fund Manager's Report
October 2023

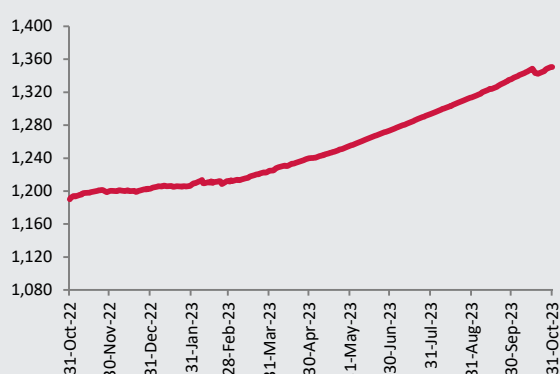
FUND OBJECTIVE

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.

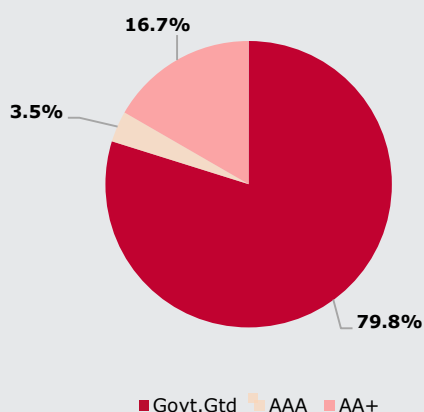
FUND MANAGER'S COMMENTS

During the month of October 2023 Meesaq Balanced Fund's Unit Price increased by PKR 14.52 (1.09%). The fund's allocation to sukus stands at 74.93% at month end against 78.76% last month while allocation to equities is at 0.03% versus 0.02% last month. Within sectors, the fund is tilted towards Engineering with a total allocation of 100.% followed by Pharmaceuticals, Oil & Gas (Exploration Companies) and Miscellaneous with a sector allocation of 0.%, 0.% and 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 5,281 Million
Launch Date	27.03.2008
NAV Per Unit At Launch Date (27.03.2008)	PKR 475.00
NAV Per Unit At Month end (31.10.2023)	PKR 1,350.43
Category	Balanced Fund (Non-interest Bearing)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.26%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.09%
3 months	4.38%
12 months (365 days)	13.47%
Calendar YTD	12.25%
Since Inception (annualized)	6.92%
5 Years (annualized)	4.93%
10 Years (annualized)	6.92%

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	74.93%	78.76%
Sukuks	6.32%	6.04%
Cash and Short Term Deposits	3.45%	0.41%
Equities	0.03%	0.02%
Mutual Funds	15.22%	14.74%
Others Including Receivables	0.05%	0.03%

JUBILEE LIFE GOVERNMENT SECURITIES FUND

Fund Manager's Report
October 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. 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 MANAGER'S COMMENTS

During the month of October 2023 Government Securities Fund's (GSF) Unit Price increased by PKR 33.15 (1.82%). The fund's allocation to government securities stands at 97.99% at month end against 97.49% last month while allocation to cash and short term deposits is at 1.98% versus 2.44% last month.

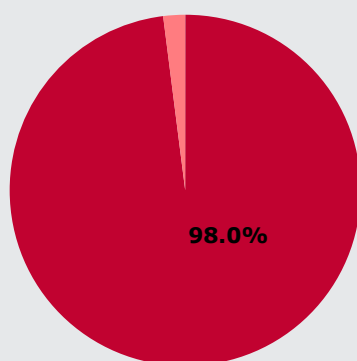
12-M ROLLING FUND PRICE



ASSET QUALITY

(Debt Securities)

2.0%



■ Govt. Gtd ■ AAA

FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Government Securities Fund
Net Assets	PKR 19,055 Million
Launch Date	01.06.2009
NAV Per Unit At Launch Date (01.06.2009)	PKR 475.00
NAV Per Unit At Month end (31.10.2023)	PKR 1,852.81
Category	Government Securities Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.25%
Pricing Days	Monday to Friday
Weighted Average Maturity	262 Days

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.82%
3 months	5.42%
12 months (365 days)	16.90%
Calendar YTD (annualized)	18.23%
Since Inception (annualized)	9.90%
5 Years (annualized)	12.01%
10 Years (annualized)	9.89%

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	97.99%	97.49%
Cash and Short Term Deposits	1.98%	2.44%
Others Including Receivables	0.03%	0.07%

JUBILEELIFE.COM

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