



**INVESTMENT FACT SHEET**  
FOR THE MONTH OF JANUARY 2024

# GOVERNING COMMITTEES



## BOARD FINANCE & INVESTMENT COMMITTEE

- **SHAHID GHAFAR**  
(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,

In the first month of CY24, the PSX demonstrated volatility as the benchmark KSE-100 Index closed at 61,979, a decline of 0.8% for the month. Despite positive improvement in macroeconomic indicators, the market faced challenges due to political uncertainty and significant foreign selling. KSE-100 experienced a net decrease of 472 points during the month, indicating a decline in investor confidence. The heightened tension between Pakistan and Iran, along with the imprisonment of Ex-PM Imran Khan in the Cipher and Tasha-khana case contributed to a significant reduction in average traded volumes. The average traded volumes dropped notably to 491mn shares compared to the previous month's 1,010mn shares.

On the economic front, petrol price has decreased by PKR 8/ltr to PKR 259/ltr while the price of HSD remained unchanged at PKR 276/ltr. The country's FX reserves stood at \$ 13.26bn attributable to the recent inflow of \$700mn from the IMF. In December 2023, the trade deficit totalled USD 1.29bn, reflecting a 33% decrease Y/Y. Remittance for the same month recorded a 17% Y/Y increase, reaching USD 2.38bn. The CAD turned positive for the first time in FY24 as 1HFY24 CAD stands at USD 831mn, a substantial 77% Y/Y decrease compared to SPLY.

The major numbers during the month:

- The current account surplus clocked in at USD 397mn in Dec'23.
- CPI inflation in Jan'24 stood at 28.3% Y/Y, compared to 29.7% in Dec'23.
- PKR gained 0.84% against USD during the month, closing at PKR 279.5/ USD.
- Global energy prices have risen since last month, with Brent at USD 80.55/bbl mark and Coal at USD 99.6/mt.

The LSMI output for November'23 fell by 0.8% Y/Y, owing to a decrease in textiles (-2.48%), furniture (-1.65%), automobiles (-1.70%), and tobacco (-0.80%). However, this was partially offset by an increase in production of garments (3.18%), Pharmaceutical (1.56%), food (0.53%), and cement (0.17%).

During the month of Jan'24, Cement dispatches fell by 17.30% Y/Y and stood at 2.967mn tonnes. The sale of petroleum products witnessed a growth of 12% M/M and clocked at 1.38MT in Jan'24. Moreover, the country's auto sales for Dec'23 recorded at 5,816 units, a drop of 10% compared to the previous month.

# ECONOMY UPDATE

## MACROECONOMIC INDICATORS

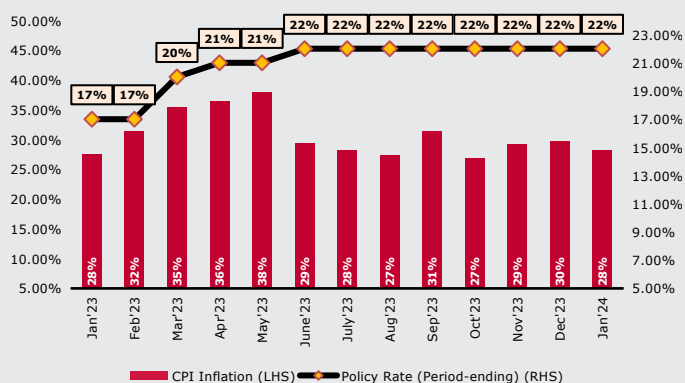
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	Dec	(1,293)	(1,718)	(9952)
Remittances (USD mn)	Dec	2,381	2,259	13,435
Current A/C Balance (USD mn)	Dec	397	(15)	(831)
FDI (USD mn)	Dec	211	131	866
Tax Collection* (PKR bn)	Jan	681	984	5,149
M2 Growth				1.27%

In December 2023, the trade deficit shrank by 25% M/M, to USD 1,293mn compared to the previous month's tally of USD 1,718mn. On a cumulative basis, the trade deficit for the 1HFY24 came in at USD 9,952mn in contrast with USD 15,366mn in the SPLY, showing a contraction of 35.23% Y/Y. On the tax collection front, FBR managed to collect PKR 681bn, successfully surpassing PKR 537bn collected in SPLY.

Source SBP, FBR

\* Provisional figures

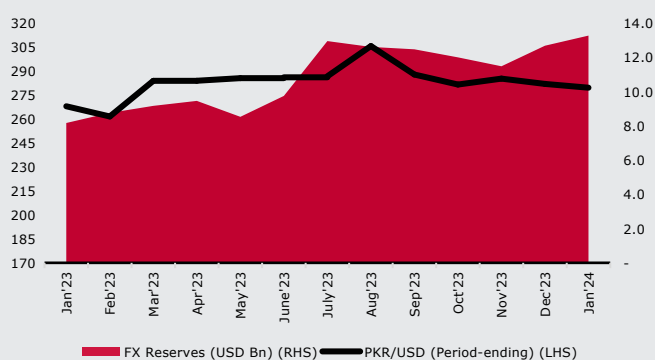
## INFLATION



Source: PBS

The national CPI during the month of January'24 stood at 28.30% compared to 29.70% in the previous month. On a M/M basis CPI inflation increased by 1.8% primarily due to increase in the prices of food and beverages.

## PKR/USD PARITY VS FX RESERVES



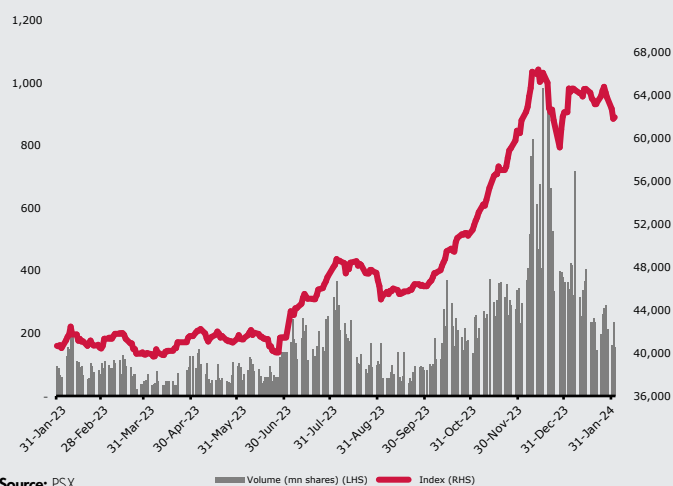
Source: SBP

FX Reserves as of 31st January 2024 were reported at USD 13.26bn, showing an increase of 5% compared to last month. Meanwhile PKR appreciated against USD by 0.8% M/M hovering at PKR 279.50/USD.

# CAPITAL MARKETS UPDATE

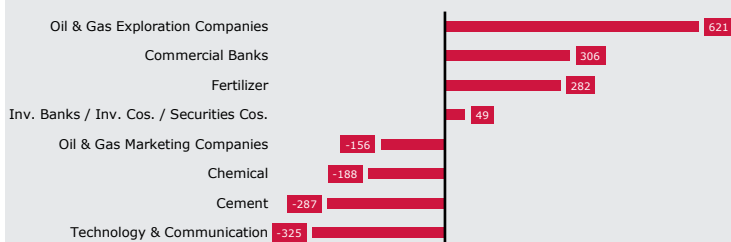
## EQUITY MARKET

### KSE-100 ONE YEAR PERFORMANCE



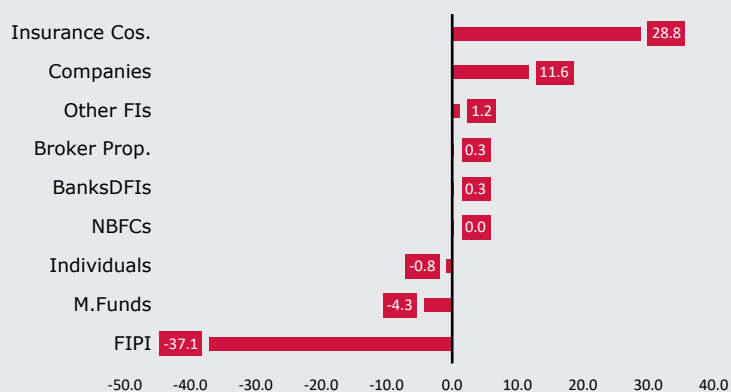
KSE-100 remained volatile during the month of January shrinking 0.8% M/M (-472 points), to close the month at 61,979 points. Average traded volume recorded at 491 mn shares, a decrease of 51% M/M, while average traded value stood at PKR 16.7bn, showing a decline of 35%. Factors contributing to this volatility are: 1) political uncertainty surrounding Imran Khan's court decision; 2) significant foreign selling; 3) unchanged interest rate at the MPC, and 4) increase in international oil prices.

### SECTOR WISE TOP CONTRIBUTORS



The major sectors contributing negatively to the performance of the benchmark index during the month were Technology & Communication (-325 points), Cement (-287 points), and Chemical (-188 points). Meanwhile, positive contributions were received from Oil & Gas Exploration Companies (+621 points), Commercial Banks (+306 points), and Fertilizer (+282).

### FIPI LIPI



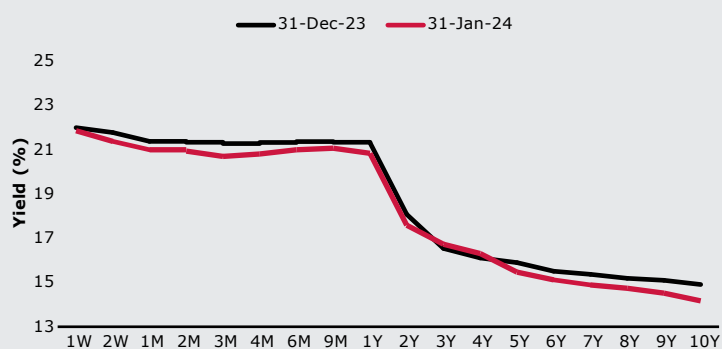
Foreigners were net sellers aggregating USD 37.1mn with major outflows recorded in Banks (USD 13.5mn), E&P (USD 8.7mn), Cement (USD 5.5mn), Power (USD 4.4mn) and Fertilizer (USD 2.3mn). On the other hand, inflow was only recorded in Food & Personal (USD 1.6mn).

On the domestic front, Insurance, Companies and Other Financial Institution were major buyers with net inflows of USD 28.8mn, USD 11.6mn and USD 1.2mn respectively. While Mutual funds and Individuals reported net selling amounting to USD 5.1mn.

# CAPITAL MARKETS UPDATE

## DEBT MARKET

### YIELD CURVE



Source: MUFAP

Secondary market yields for 3, 6 and 12-months T-bills closed at 20.70% (-58 bps MoM), 21.00% (-37 bps MoM) and 20.84% (-48 bps MoM) respectively. In contrast, yields for medium term instrument 3-year fixed rate PIBs closed at 16.73% (+19 bps MoM). However, yield for long term instruments also exhibited similar pattern to T-bills with 5-year closing at 15.47% (-43 bps MoM) and 10-year closing at 14.17% (-74 bps MoM) respectively.

### KIBOR

INSTRUMENT	JAN-24	DEC-23
Kibor-3 Month	20.93%	21.46%
Kibor-6 Month	20.97%	21.49%
Kibor-12 Month	21.19%	21.71%

Source: SBP

During the month, the Kibor rates for the 3-month, 6-month and 12-month periods wrapped up at 20.93% (-53bps MoM), 20.97% (-52bps MoM) and 21.71% (-52bps MoM).

### AUCTION UPDATE

TENORS	CUT OFF	PREVIOUS CUT OFF	CHANGE
<b>T-BILLS</b>			
3-Month	20.4997%	21.4480%	-95 bps
6-Month	20.4000%	21.3999%	-100 bps
12-Month	20.2298%	21.4300%	-120 bps
<b>FIXED RATE PIBS</b>			
3 year	16.80%	17.20%	-40 bps
5 year	15.50%	15.88%	-38 bps
10 year	14.50%	15.00%	-50 bps
<b>FLOATING RATE PIBS - QUARTERLY</b>			
2 year	-	-	-
3 year	92 bps	92 bps	-
<b>FLOATING RATE PIBS - SEMI ANNUAL</b>			
5 year	115 bps	125 bps	-10 bps
10 year	131 bps	156 bps	-25 bps

During the month, the State Bank of Pakistan received bids worth PKR 3,876 bn Treasury bills auction, show casing a continuous bias towards 12-month T-bills, significantly surpassing the overall target of PKR 325 bn. However, in terms of acceptance SBP merely accepted PKR 319 bn against the target. The latest cut-off rates were 20.4997%, 20.4000% and 20.2298% for 3-months, 6-months and 12-months respectively.

In addition, participation of PKR 1,342 bn was observed in auction of floating-rate PIBs against the target of PKR 560 billion. The consistency is mainly due to higher investors interest to lock-in higher spreads over the benchmark rate before the spread starts to follow narrow trajectory. Notably, the Ministry of Finance (MoF) accepted bids worth PKR 444 bn, with spreads ranging from 92 to 142 bps. During the same period participation worth PKR 460 bn was observed in fixed rate PIBs auction against the target of PKR 190 bn. MoF accepted PKR 123 bn across the tenors. The Cut-offs for 3, 5 and 10-year PIBs closed at 16.8000%, 15.5000%, 14.5000%, down by -40bps, -38bps and -50bps respectively compared to last month.



# STRATEGY & OUTLOOK



## EQUITY MARKET:

Looking ahead, we expect a continued upswing in the equity market in the short run due to improved macroeconomic factors. However, we foresee this rally to be temporary due to lack of institutional investors and the absence of essential structural reforms crucial in achieving a sustained and comprehensive market rally.

Key triggers which can have an impact on benchmark include:

- **Anticipation of an interest rate cut in the upcoming MPC.**
- **Expectation of continuous inflow of foreign investment in the equity market.**
- **The possibility of a political turmoil arising due to low acceptance of elections results.**
- **A potential new IMF program requiring further consolidation and creating inflationary pressure.**

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

## DEBT MARKET:

During the period, Monetary Policy Committee (MPC) maintained the policy rate at 22% in its meeting held in January 2024 despite downward trajectory of inflation and improving economic indicators i.e Current Account, FX reserves, business confidence etc. While inflation remains above central bank targets (revised in the range of 23-25% for FY24), it has moderated significantly, and we anticipate that average inflation will settle within the range of 16-18% on a rolling 12-month basis. This would lay the foundation for monetary easing creating a cushion of 100-200bps in policy rate starting from March 2024. In pledging to stay data dependent and to prevent reacceleration of inflation, MPC will continue to proceed with caution, while awaiting further evidence that inflation has fallen far enough to justify lowering policy rates. Nevertheless, preconditions for long-term IMF program, inflation outturn coupled with policy rate direction after new government will influence the trajectory of the debt market.

Considering the existing macroeconomic conditions and anticipated trends in interest rates, our portfolios are well calibrated in longer-tenor Treasury Bills, Floating rate and Fixed rate PIBs.

## 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 22% to minimize volatility in fund prices amid fragile macro-economic situation. Investment in government securities and bank placements is increased to 78% 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 87% allocation in government backed instruments, along with 13% exposure in high yielding corporate Sukuks bank deposits and mutual funds, thereby maximizing the benefits derived from opportunities in the yield curve.

# JUBILEE LIFE BALANCED FUND

Fund Manager's Report  
January 2024

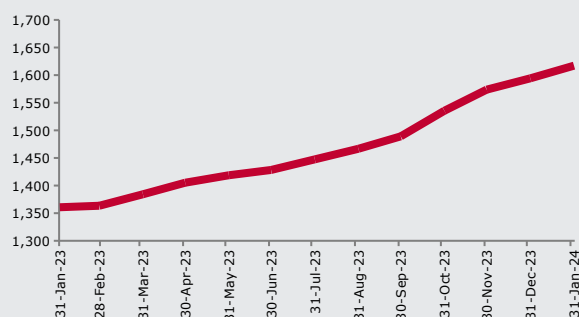
## FUND OBJECTIVE

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

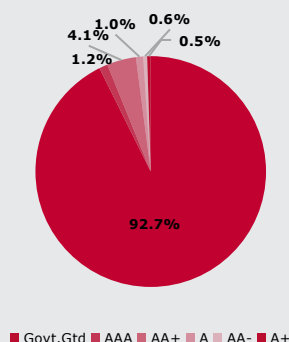
## FUND MANAGER'S COMMENTS

During the month of January 2024 Balanced Fund's (BF) Unit Price increased by PKR 22.93 (1.44%). The fund's allocation to government securities stands at 89.74% at month end against 88.71% last month while allocation to equities is at 3.14% versus 3.13% last month. Within sectors, the fund is tilted towards Commercial Banks with a total allocation of 80.49% followed by Paper & Board, Miscellaneous and Oil & Gas (Exploration Companies) with a sector allocation of 11.55%, 3.14% and 2.78% respectively.

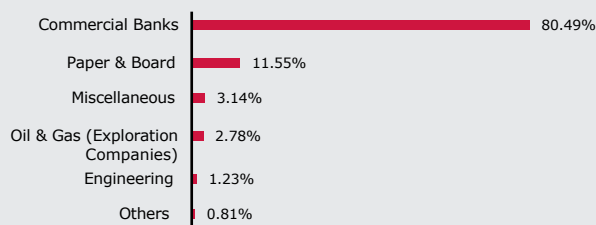
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Fund
Net Assets	PKR 74,078 Million
Launch Date	31.12.1996
NAV Per Unit At Launch Date (31.12.1996)	PKR 99.50
NAV Per Unit At month end (31.01.2024)	PKR 1,617.13
Category	Balanced Fund
Pricing Mechanism Risk	Forward on daily basis
Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.1271%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.44%
3 months	5.32%
12 months (365 days)	18.84%
Calendar YTD	1.44%
Since Inception (annualized)	10.84%
5 Years (annualized)	7.59%
10 Years (annualized)	7.68%

## ASSET ALLOCATION

ASSETS	JANUARY-24	DECEMBER-23
Government Securities	89.741%	88.71%
Term Finance Securities	6.836%	7.518%
Cash and Short Term Deposits	0.276%	0.644%
Equities	3.143%	3.126%
Others Including Receivables	0.004%	0.005%



# JUBILEE LIFE AGGRESSIVE FUND

Fund Manager's Report  
January 2024

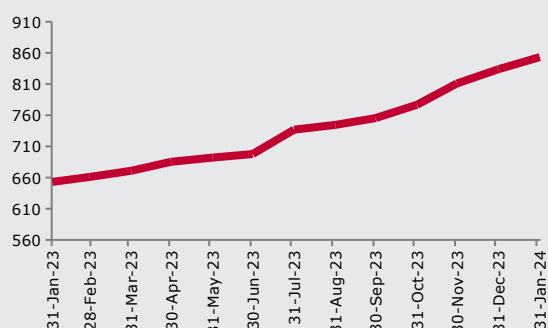
## FUND OBJECTIVE

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.

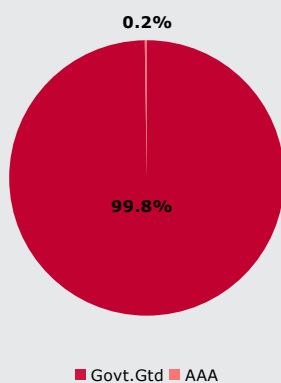
## FUND MANAGER'S COMMENTS

During the month of January 2024 Aggressive Fund's (AF) Unit Price increased by PKR 19.44 (2.33%). The fund's allocation to government securities stands at 78.22% at month end against 73.73% last month while allocation to equities is at 21.6% versus 20.91% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 56.45% followed by Commercial Banks, Textile Composite and Paper & Board with a sector allocation of 32.79%, 5.0% and 2.9% respectively.

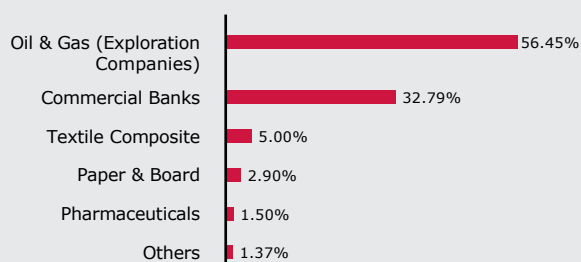
### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



### SECTOR ALLOCATION (Equities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Aggressive Fund
Net Assets	PKR 26,513 Million
Launch Date	28.07.2004
NAV Per Unit At Launch Date (28.07.2004)	PKR 100.00
NAV Per Unit At Month end (31.01.2024)	PKR 853.25
Category	Aggressive Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.1274%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	2.33%
3 months	9.85%
12 months (365 days)	30.66%
Calendar YTD	2.33%
Since Inception (annualized)	11.61%
5 Years (annualized)	-0.63%
10 Years (annualized)	5.86%

## ASSET ALLOCATION

ASSETS	JANUARY-24	DECEMBER-23
Government Securities	78.22%	73.73%
Cash and Short Term Deposits	0.17%	5.33%
Equities	21.60%	20.91%
Others Including Receivables	0.01%	0.02%

# MEESAQ BALANCED FUND

Fund Manager's Report  
January 2024

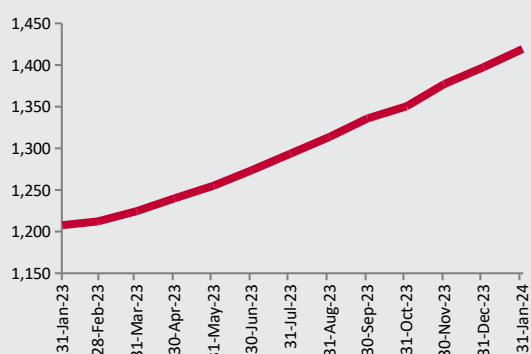
## FUND OBJECTIVE

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.

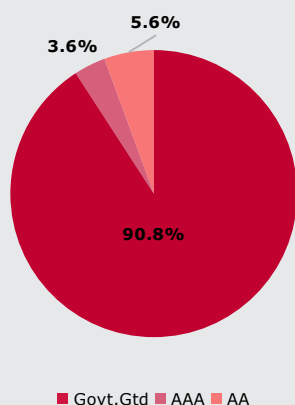
## FUND MANAGER'S COMMENTS

During the month of January 2024 Meesaq Balanced Fund's Unit Price increased by PKR 21.82 (1.56%). The fund's allocation to sukus stands at 86.81% at month end against 87.54% last month while allocation to equities is at 5.59% versus 5.45% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Meesaq Balanced Fund
Net Assets	PKR 5,053 Million
Launch Date	27.03.2008
NAV Per Unit At Launch Date (27.03.2008)	PKR 475.00
NAV Per Unit At Month end (31.01.2024)	PKR 1,419.23
Category	Balanced Fund (Non-interest Bearing)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.1271%
Pricing Days	Monday to Friday

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.56%
3 months	5.09%
12 months (365 days)	17.51%
Calendar YTD	1.56%
Since Inception (annualized)	7.15%
5 Years (annualized)	6.50%
10 Years (annualized)	7.03%

## ASSET ALLOCATION

ASSETS	JANUARY-24	DECEMBER-23
Government Securities	86.81%	87.54%
Sukuks	5.44%	5.28%
Cash and Short Term Deposits	2.14%	1.71%
Mutual Funds	5.59%	5.45%
Others Including Receivables	0.02%	0.02%

# JUBILEE LIFE GOVERNMENT SECURITIES FUND

Fund Manager's Report  
January 2024

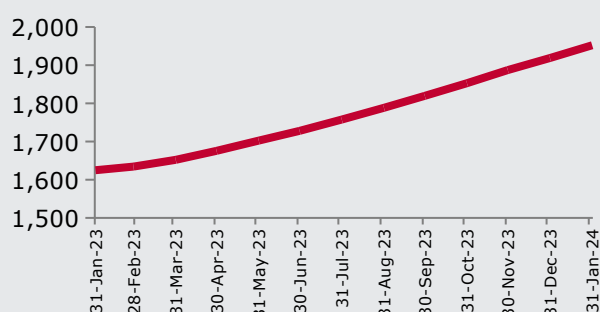
## FUND OBJECTIVE

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.

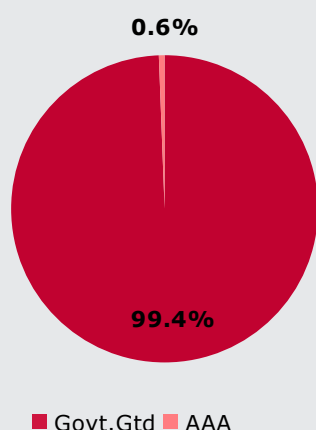
## FUND MANAGER'S COMMENTS

During the month of January 2024 Government Securities Fund's (GSF) Unit Price increased by PKR 33.41 (1.74%). The fund's allocation to government securities stands at 99.4% at month end against 97.21% last month while allocation to cash and short term deposits is at 0.59% versus 2.78% last month.

### 12-M ROLLING FUND PRICE



### ASSET QUALITY (Debt Securities)



## FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Government Securities Fund
Net Assets	PKR 21,525 Million
Launch Date	01.06.2009
NAV Per Unit At Launch Date (01.06.2009)	PKR 475.00
NAV Per Unit At Month end (31.01.2024)	PKR 1,952.17
Category	Government Securities Fund
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	0.1270%
Pricing Days	Monday to Friday
Weighted Average Maturity	746 Days

## FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.74%
3 months	5.36%
12 months (365 days)	20.14%
Calendar YTD (annualized)	22.54%
Since Inception (annualized)	10.11%
5 Years (annualized)	12.80%
10 Years (annualized)	10.24%

## ASSET ALLOCATION

ASSETS	JANUARY-24	DECEMBER-23
Government Securities	99.40%	97.21%
Cash and Short Term Deposits	0.59%	2.78%
Others Including Receivables	0.01%	0.01%

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