



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 Participants,

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, erasing 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

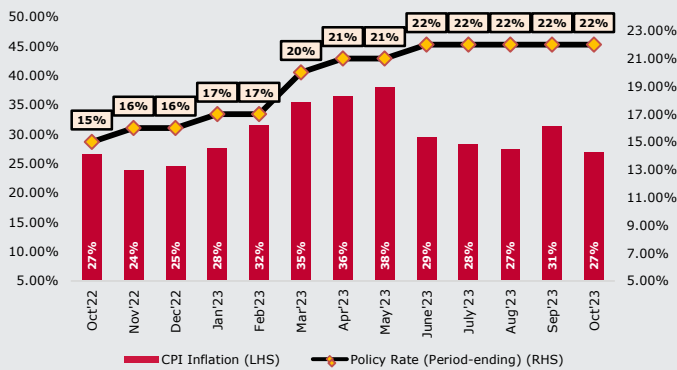
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	Sept	(1,512)	(1,868)	(5,442)
Remittances (USD mn)	Sept	2,206	2,093	6,330
Current A/C Balance (USD mn)	Sept	(8)	(160)	(947)
FDI (USD mn)	Sept	173	146	402
Tax Collection* (PKR bn)	Oct	707	834	2,748
M2 Growth				-0.78%

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.

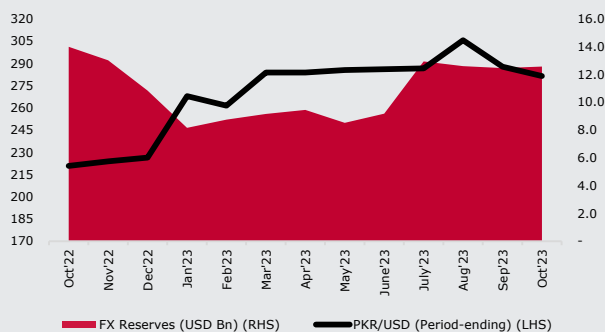
INFLATION



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



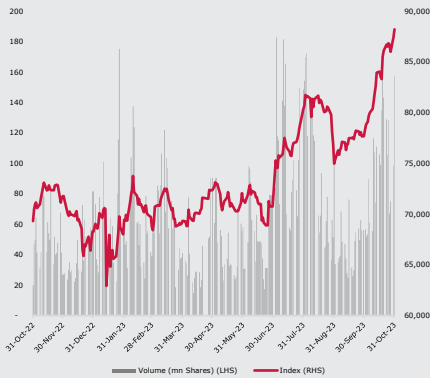
Source: SBP

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

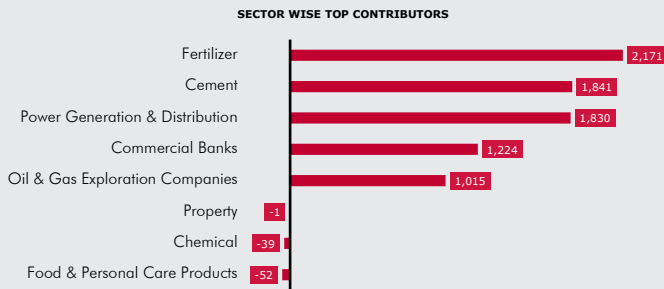
KMI -30 ONE YEAR PERFORMANCE



Source: PSX

KMI -30 showed stellar performance during the month of October gaining 13.59% (10,555 points), to close the month at 88,225 points. Average traded volume recorded at 99mn shares, an increase of 120% M/M, while average traded value stood at PKR 9,296mn, showing a jump of 129.5%.

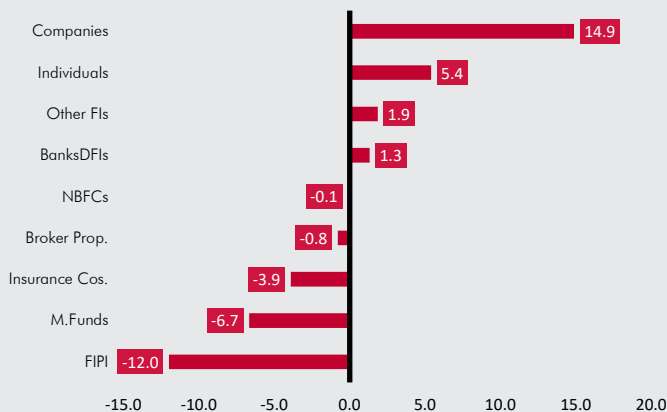
SECTOR WISE TOP CONTRIBUTORS



Source: PSX

The major sectors driving the KMI-30 benchmark index during the month were Fertilizer (+2,171 points) Cement (+1,841 points) and Power Generation & Distribution (+1,830 points). Meanwhile, negative contributors were Food & Personal Care Products (-52 points), Chemical (-39 points) and Property (-1 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

SECONDARY MARKET PKISRV

INSTRUMENT	OCT-23	SEPT-23	CHANGE
GOISV20-02-2024	100.16	99.81	0.35
GOPISF20-02-2024	98.08	98.00	0.08
GOISV08-03-2024	101.63	101.51	0.12
GOPISF08-03-2024	100.10	100.23	(0.13)
GOISV17-04-2024	101.45	101.17	0.28
GOPISF17-04-2024	100.04	100.10	(0.06)
GOISV22-05-2024	100.93	100.37	0.56
GOPISF22-05-2024	99.96	100.00	(0.04)
GOISV26-06-2024	100.29	100.10	0.19
GOPISF26-06-2024	100.06	100.22	(0.16)
GOISV12-07-2024	100.43	100.34	0.09
GOPISF12-07-2024	99.97	100.00	(0.03)
GOISV07-08-2024	101.22	100.68	0.54
GOPISF07-08-2024	100.00	100.00	0.00
GOISV20-09-2024	99.98	99.98	0.00
GOPISF20-09-2024	100.26	100.00	0.26
GOISV09-10-2024	100.95	-	-
GOPISF09-10-2024	100.48	-	-
GOPIS 30-04-2025	96.49	96.47	0.02
GOPIS 29-05-2025	99.40	99.40	0.00
GOPIS 24-06-2025	99.12	99.13	(0.01)
GOISV29-07-2025	99.46	99.46	0.00
GOPISF29-07-2025	83.60	85.70	(2.10)
GOISV09-12-2025	99.70	99.70	0.00
GOISV05-01-2026	99.00	99.00	0.00
GOPISF20-01-2026	83.74	87.96	(4.22)
GOPISF17-04-2026	99.26	100.00	(0.74)
GOPISF26-06-2026	100.97	99.03	1.94
GOISV12-07-2026	100.00	100.00	0.00
GOISV06-10-2026	99.42	99.42	0.00
GOPISF06-10-2026	83.08	88.96	(5.88)
GOISV29-10-2026	99.36	99.22	0.14
GOPISF15-12-2026	86.28	89.68	(3.40)
GOPISF27-04-2027	99.37	92.35	7.02
GOISV27-04-2027	88.74	99.38	(10.64)
GOPISV26-10-2027	99.78	99.67	0.11
GOPISF16-11-2027	89.24	97.00	(7.76)

Source: MUIFAP

AUCTION UPDATE

TENORS	CUT OFF	PREVIOUS CUT OFF	CHANGE
GOP IJARA VRR			
1 year	-36 bps	-200 bps	+164 bps
3 year	25 bps	85 bps	-60 bps
5 year	79 bps	99 bps	-20 bps
GOP IJARA FRR			
1 year	22.49%	22.95%	-46 bps
3 year	18.95%	19.20%	-25 bps
5 year	16.48%	16.50%	-2 bps

During the month, the prices of GoP Ijara VRR witnessed upside momentum whereas FRR prices decreased. Investor interest was predominantly inclined towards the 1-year and 5-year Variable Rental Rate Ijara, resulting in trades at premium. Additionally, the 1-year and 3-year Fixed Rental Rate Ijara also garnered attention as investors sought to secure attractive yields for the medium term.

For GoP Ijara (VRR), participation of PKR 314 bn across various tenors was observed, as compared to the target of PKR 180 bn. However, out of total participation, acceptance only stood at PKR 83 bn across tenors, PKR 37 billion was accepted at a yield of 22.4900% (-36bps) for the 1-year tenor, PKR 20 bn was accepted at a yield of 22.1725% (+25 bps spread) for the 3-year and PKR 27 bn was accepted at a yield of 22.7118% (+79 bps spread) for 5-year tenor.

In parallel, significant market participation of PKR 498 bn was witnessed against the target of PKR 120 billion for the GoP Ijara Sukuk (FRR) at relatively higher levels. Of these, MoF accepted PKR 110 bn at a cut-off of 22.49% for the 1-year, PKR 101 bn at 18.95% for 3-years and PKR 300 million at 16.48% for 5-years.

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 returns 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 Takaful Fund:** Jubilee Life Balanced Takaful Fund offers its participants high yielding return with optimal allocation of 74% in government backed instruments, along with 17% exposure in mutual funds, 5% in cash deposits and 4% in corporate sukus, thereby allowing policy holders to capitalize on opportunities along the yield curve.
- **Jubilee Life Aggressive Takaful:** Equity allocation in JL Aggressive Takaful fund is reduced to 8% to mitigate volatility resulting from the uncertain macro-economic environment that affects the equity market. The remaining 92% of the allocation is strategically placed in a diversified portfolio of high-yielding Shariah-compliant debt instruments and cash deposits.
- **Family Takaful Income Fund:** The Family Takaful Income Fund is projected to achieve a sustainable return in the medium-term by leveraging its exposure to low-risk GoP Ijara Sukus and bank deposits. The fund allocation is meticulously positioned, with a focus on GoP Ijara (93%) and a remaining allocation of cash and bank deposits (7%).
- **Family Takaful Balanced Fund:** Family Takaful Balanced Fund offers its participants high yielding return with optimal allocation of 77% in government backed instruments, along with 23% exposure in high yielding mutual funds, corporate sukus and bank deposits. This strategic allocation enables policyholders to maximize their benefits from opportunities along the yield curve.

BALANCED TAKAFUL FUND

Fund Manager's Report
October 2023

FUND OBJECTIVE

To optimize aggregate long term risk adjusted return through capital appreciation, dividend and profit income by investing in a Balanced Portfolio comprising of Shariah compliant equities, equity mutual funds, Sukuks (Government and Corporate), deposits with Islamic Banks and Windows or any other approved Shariah compliant avenues.

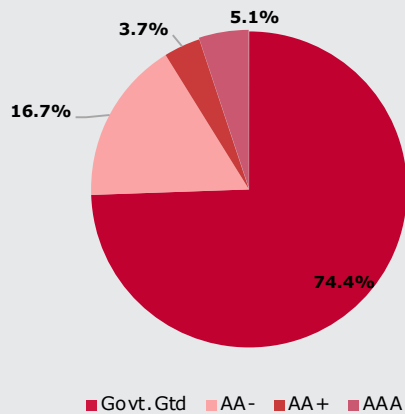
FUND MANAGER'S COMMENTS

During the month of October 2023 Balanced Takaful Fund's (BTF) Unit Price increased by PKR 11.74 (1.36%). The fund's allocation to government securities stands at 74.4% at month end against 78.03% last month while allocation to equities is at 0.06% versus 0.04% last month. Within sectors, the fund is tilted towards Engineering with a total allocation of 100.0% followed by Pharmaceuticals, Miscellaneous and Oil & Gas (Exploration Companies) with a sector allocation of 0.0%, 0.0% and 0.0% respectively.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Takaful Fund
Net Assets	PKR 17,704 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.10.2023)	PKR 874.71
Category	Balanced Fund (Shariah Compliant)
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	1.36%
3 months	4.82%
12 months (365 days)	14.92%
Calendar YTD	13.23%
Since Inception (annualized)	7.00%
5 Years (annualized)	6.82%

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	74.40%	78.03%
Sukuks	4.21%	4.16%
Cash and Short Term Deposits	4.57%	1.17%
Equities	0.06%	0.04%
Mutual Funds	16.70%	16.59%
Others Including Receivables	0.05%	0.01%

AGGRESSIVE TAKAFUL FUND

Fund Manager's Report
October 2023

FUND OBJECTIVE

"To optimize aggregate long term risk adjusted return through capital appreciation, dividend and profit income by investing in an Aggressive Portfolio primarily comprising of Shariah compliant equities and equity mutual funds with any excess liquidity being invested in Sukuks (Government and Corporate) or deposits with Islamic Banks and Islamic Windows of Conventional Banks.

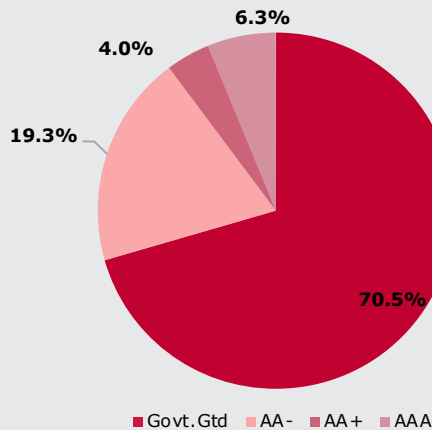
FUND MANAGER'S COMMENTS

During the month of October 2023 Aggressive Takaful Fund's (ATF) Unit Price increased by PKR 11.62 (1.78%). The fund's allocation to equities stands at 7.52% at month end against 7.3% last month while allocation to government securities is at 65.21% versus 70.78% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 87.99% followed by Pharmaceuticals, Engineering and Automobile Assembler & Parts with a sector allocation of 6.16%, 5.85% and 0.% respectively.

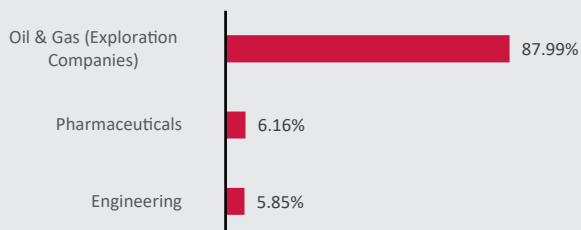
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Aggressive Takaful Fund
Net Assets	PKR 11,152 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.10.2023)	PKR 665.22
Category	Aggressive Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.33%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.78%
3 months	5.36%
12 months (365 days)	9.18%
Calendar YTD	11.79%
Since Inception (annualized)	3.52%
5 Years (annualized)	0.07%

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	65.21%	70.78%
Sukuks	3.68%	3.63%
Cash and Short Term Deposits	5.69%	0.56%
Equities	7.52%	7.30%
Mutual Funds	17.80%	17.60%
Others Including Receivables	0.10%	0.14%

FAMILY TAKAFUL INCOME FUND

Fund Manager's Report
October 2023

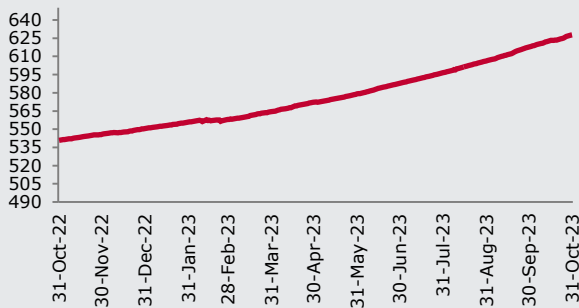
FUND OBJECTIVE

The investment objective of the fund is to provide sustainable returns to its policy holders over medium to long-term by investing in a diversified portfolio of securities consisting of different Shariah compliant money market and debt instruments.

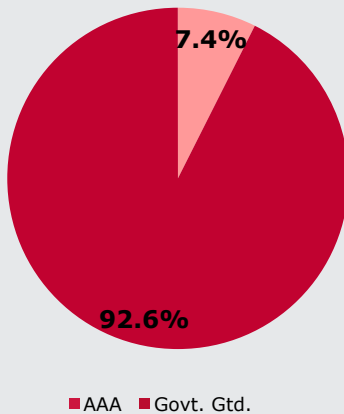
FUND MANAGER'S COMMENTS

During the month of October 2023 Family Takaful Income Fund's (FTIF) Unit Price increased by PKR 10.19 (1.65%). The fund's allocation to government securities stands at 92.58% at month end against 88.21% last month while allocation to cash and short term deposits is at 7.35% versus 11.6% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Income Fund
Net Assets	PKR 3,047 Million
Launch Date	01.08.2021
NAV Per Unit At Launch Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (30.09.2023)	PKR 627.72
Category	Income Fund (Shariah Compliant)
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	373

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.65%
3 months	5.24%
12 months (365 days)	16.06%
Calendar YTD (annualized)	17.05%
Since Inception (annualized)	10.64%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	92.58%	88.21%
Cash and Short Term Deposits	7.35%	11.60%
Others Including Receivables	0.07%	0.19%

FAMILY TAKAFUL BALANCED FUND

Fund Manager's Report
October 2023

FUND OBJECTIVE

The investment objective of the fund is to earn competitive long-term risk adjusted return through capital appreciation, dividend and profit income by investing in Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instrument as permitted by regulations.

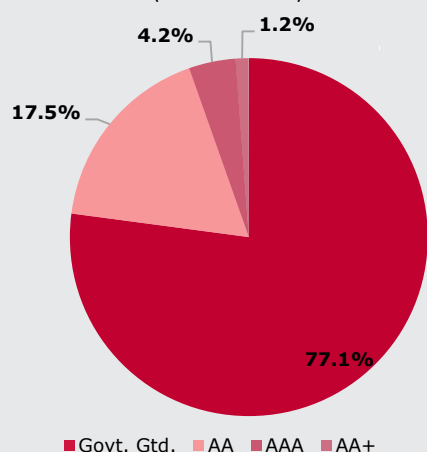
FUND MANAGER'S COMMENTS

During the month of October 2023 Family Takaful Balance Fund's (FTBF) Unit Price increased by PKR 8.72 (1.41%). The fund's allocation to government securities stands at 77.12% at month end against 76.68% last month while allocation to cash and short term deposits is at 4.09% versus 4.33% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Balanced Fund
Net Assets	PKR 721 Million
Launch Date	01.08.2021
NAV Per Unit At Launch-Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (30.09.2023)	PKR 627.49
Category	Balanced Fund (Shariah Compliant)
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	1.41%
3 months	5.02%
12 months (365 days)	16.14%
Calendar YTD	14.30%
Since Inception (annualized)	10.63%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

ASSETS	OCTOBER-23	SEPTEMBER-23
Government Securities	77.12%	76.68%
Term Finance Securities	1.20%	1.20%
Cash and Short Term Deposits	4.09%	4.33%
Mutual Funds	17.49%	17.75%
Others Including Receivables	0.11%	0.03%

JUBILEEFAMILYTAKAFUL.COM

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