



INVESTMENT FACT SHEET

FOR THE MONTH OF SEPTEMBER 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,

In September 2023, the Pakistan stock market experienced a positive revival, primarily driven by the recovery of the PKR against the US dollar. This movement in the exchange rate was attributed to a crackdown on foreign currency smuggling and on USD hoarders in the market. Moreover, the SBP decided to maintain a steady policy rate at 22% during the MPC meeting. In addition to these positive indicators, the CAD for Aug'23 decreased significantly by 79% Y/Y to USD160mn.

On the political front, ECP announced that the general elections would take place in the last week of Jan'24, providing much-needed clarity to investors. The KSE-100 index concluded the month at 46,233 points, reflecting a gain of 1,230 points or a 2.7% M/M increase.

However, there were some negative developments as well. The ADB revised Pakistan's GDP growth forecast for FY24 down to 1.9%, compared to 2% in April. Additionally, the inflation forecast was revised upward to 25%, a significant increase from the earlier projection of 15%. The downside risks to the economic outlook remained exceptionally high.

Furthermore, NEPRA allowed the federal government to increase electricity rates by PKR 3.28 per unit for all consumers for six months, starting from Oct'23 to Mar'24. This decision has an additional revenue impact exceeding PKR 200bn. Additionally, NEPRA raised KE's tariff by PKR 1.49 to PKR 4.45 per unit for various categories of consumers. Repatriation of profits and dividends by foreign investors on their investments in Pakistan also spiked. In the 2MFY24, this figure rose by 74.46% to USD 49.2mn, compared to USD 28.2mn in the SPLY.

On the fiscal front, the FBR collected PKR 2,041bn during the 1QFY24, exceeding the assigned target of PKR 1,978bn by PKR 63bn. On a M/M basis, the FBR collected PKR 834bn in Sept'23, surpassing the monthly target by PKR 35bn.

These developments collectively contributed to the dynamics of the Pakistani market in Sep'23, reflecting a mix of positive and negative factors that shaped investor sentiment and economic outlook for the country.

The major numbers during the month:

- **The current account balance after four consecutive months of surplus, returned to a deficit, amounting USD 160mn.**
- **The CPI for September'23 clocked in at 31.40%**
- **PKR appreciated against USD by 5.83% during the month.**
- **Global energy prices have surged, with Brent at USD 97.86/bbl mark and Coal at USD 120.60/mt.**

Large Scale Manufacturing Index (LSMI) for Jul'23, showed a decline of 3.6% on a M/M basis and a 1.1% decrease Y/Y. Textile -22.0% Y/Y, Coke & Petroleum Products -2.3% Y/Y, Iron & Steel Products -2.7% Y/Y, Automobiles -66.1% Y/Y.

In September, cement dispatches witnessed a decline by 3.96% M/M and stood at 4.115mn tonnes. Petroleum products sales slightly declined by 25%, clocking at 1.06mn tonnes.

ECONOMY UPDATE

MACROECONOMIC INDICATORS

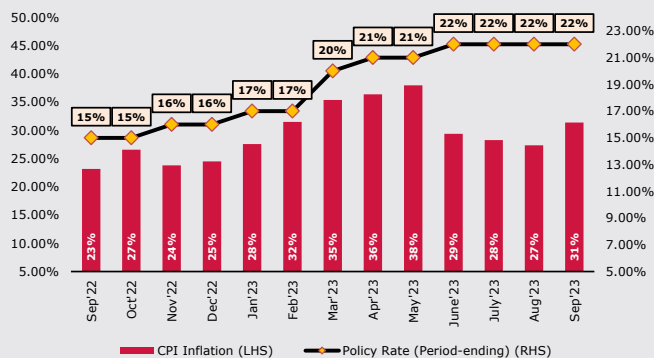
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	August	(1,868)	(2,080)	(3,948)
Remittances (USD mn)	August	2,093	2,029	4,122
Current A/C Balance (USD mn)	August	(160)	(775)	(935)
FDI (USD mn)	August	146	87	233
Tax Collection* (PKR bn)	Sept	834	669	2,041
M2 Growth				-1.33%

Source SBP, FBR

* Provisional figures

In September 2023, the trade deficit experienced a decrease of 30.15%, declining to USD 1,489mn compared to the previous month of USD 2,162mn. The declining of trade deficit can be attributed to the decline in an import to USD 3,954mn. Meanwhile, exports increased to the USD 2,465bn. Furthermore, during the same period, remittances experienced a decline of 24.3%, and stood at USD 2,095mn. On a positive note, FBR surpassed its revenue goal of PKR34bn, successfully collecting PKR 834bn in revenue for September.

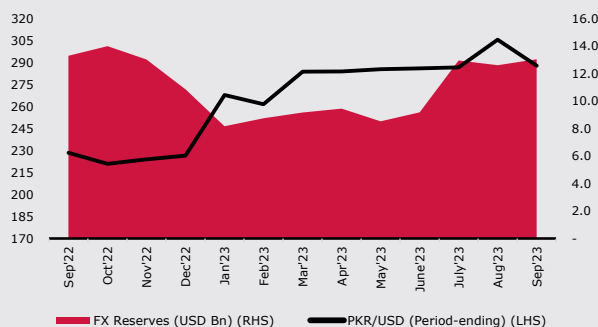
INFLATION



Source: PBS

The national CPI during the month of September'23 clocked in at 31.40% compared to 27.38% in the previous month.

PKR/USD PARITY VS FX RESERVES



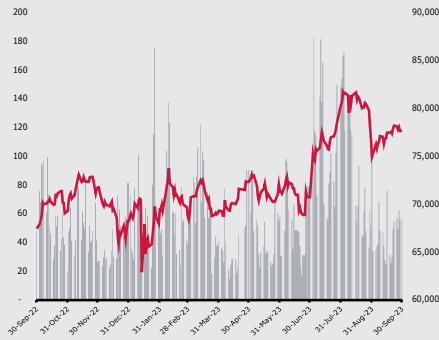
Source: SBP

FX Reserves as of 28th September 2023 were reported at USD 13.03bn, showing an increase of 3.4% compared to last month. While PKR appreciated against USD by 5.83% M/M hovering at PKR 287.73/USD.

CAPITAL MARKETS UPDATE

EQUITY MARKET

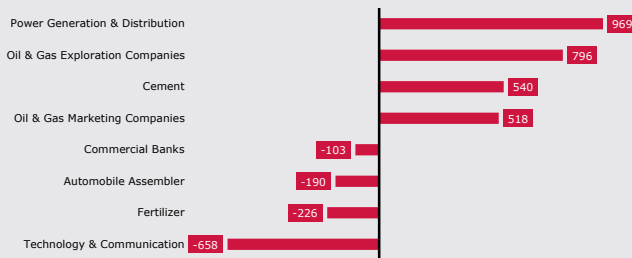
KMI -30 ONE YEAR PERFORMANCE



Source: PSX

During the month of September, the KMI-30 index witnessed an increase of 3.60% (2,700 points), ultimately closing the month at 77,669 points. Average traded volume recorded at 56mn shares, a decrease of 48% M/M, while average traded value stood at PKR 4,050mn, down by 55%.

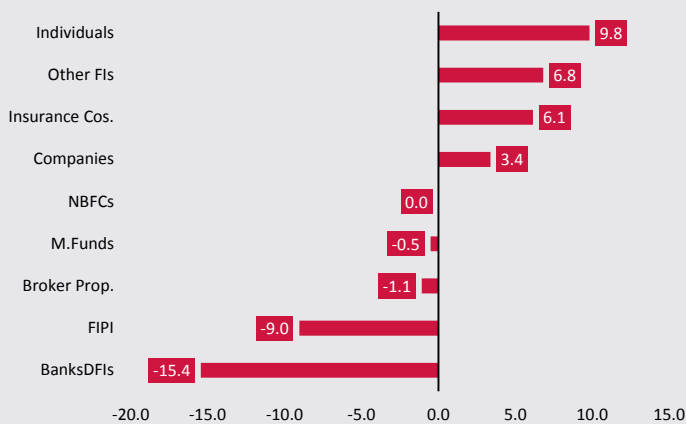
SECTOR WISE TOP CONTRIBUTORS



Source: PSX

The major sectors which showed an upbeat performance during the month were Power Generation & Distribution (+969 points) Oil & Gas exploration Co. (+796 points) and Cements (+540 points). Meanwhile, negative contributions were Commercial Banks (-103 points), Automobile Assembler (-190 points), Fertilizer (-226 points), and Technology & Communication (-658 points).

FIPI LIPI



Foreigners were the net sellers with net selling aggregating to USD 9mn with major outflows recorded in Cement (USD 4.8mn), Fertilizer (USD 2.0mn), Others (USD 1.5mn), E&Ps (USD 0.8mn), Banks (USD 0.7mn), Textile Comp. (USD 0.5mn) and OMCs (USD 0.3mn). On the other hand, inflows were recorded in Power (USD 0.1mn), Food and Personal (USD 0.2mn), and Tech & Communication (USD 1.4mn).

On the domestic front, Banks/DFIs, Brokerage Co's and Mutual Funds were major sellers with net outflows of USD 17.1mn, USD 15.4mn, USD 1.1mn and USD 0.5mn respectively. While Corporates, Insurance Companies, Other Financial Institutions and Individuals reported net buying amounting to USD 26.1mn.

CAPITAL MARKETS UPDATE

DEBT MARKET

SECONDARY MARKET PKISRV

INSTRUMENT	SEP-23	AUG-23	CHANGE
GOISV20-02-2024	99.81	98.7	1.11
GOPISF20-02-2024	98.00	98.00	0.00
GOISV08-03-2024	101.51	100.1	1.41
GOPISF08-03-2024	100.23	100.23	0.00
GOISV17-04-2024	101.17	100.21	0.96
GOPISF17-04-2024	100.10	100.10	0.00
GOISV22-05-2024	100.37	100.04	0.33
GOPISF22-05-2024	100.00	100.00	0.00
GOISV26-06-2024	100.10	100.00	0.10
GOPISF26-06-2024	100.22	100.00	0.22
GOISV12-07-2024	100.34	100.10	0.24
GOPISF12-07-2024	100.00	100.00	0.00
GOISV07-08-2024	100.68	100.12	0.56
GOPISF07-08-2024	100.00	100.00	0.00
GOISV20-09-2024	99.98	-	-
GOPISF20-09-2024	100.00	-	-
GOPIS 30-04-2025	96.47	96.46	0.01
GOPIS 29-05-2025	99.40	99.40	0.00
GOPIS 24-06-2025	99.13	99.12	0.01
GOISV29-07-2025	99.46	99.48	(0.02)
GOPISF29-07-2025	85.70	85.72	(0.02)
GOISV09-12-2025	99.70	99.70	0.00
GOISV05-01-2026	99.00	99.00	0.00
GOPISF20-01-2026	87.96	88.00	(0.04)
GOISV17-04-2026	100.00	100.00	0.00
GOPISF26-06-2026	99.03	99.25	(0.22)
GOISV12-07-2026	100.00	100.00	0.00
GOISV06-10-2026	99.42	99.43	(0.01)
GOPISF06-10-2026	88.96	89.00	(0.04)
GOISV29-10-2026	99.22	99.23	(0.01)
GOPISF15-12-2026	89.68	90.08	(0.40)
GOPISF27-04-2027	92.35	92.35	0.00
GOISV27-04-2027	99.38	99.38	0.00
GOISV26-10-2027	99.67	99.78	(0.11)
GOPISF16-11-2027	97.00	97.00	0.00
GOISV26-06-2028	99.97	99.93	0.04
GOPISF20-09-2028	100.00	-	-

Source: MUFAP

AUCTION UPDATE

TENORS	CUT OFF	PREVIOUS CUT OFF	CHANGE
GOP IJARA VRR			
1 year	-200 bps	83 bps	- 283 bps
3 year	85 bps	84 bps	+ 1 bps
5 year	99 bps	101 bps	- 2 bps
GOP IJARA FRR			
1 year	22.95%	22.00%	+ 95 bps
3 year	19.20%	19.20%	-
5 year	16.50%	-	-

During the month, the prices of GoP Ijara VRR gained upside momentum especially the short tenor after the announcement of decision of maintaining the policy rate at current level by MPC whereas prices for FRR remained stable and range bound. Investor interest was predominantly inclined towards the 1-year and 5-year Variable Rental Rate Ijara, resulting in the 1-year Variable Rental Rate Ijara trading at a premium due to higher benchmark rates and wider spreads. Additionally, the 3-year and 5-year Fixed Rental Rate Ijara also garnered slight attention as investors sought to secure attractive yields for the medium term.

For GoP Ijara (VRR), robust participation of PKR 531 bn across various tenors was observed, as compared to the target of PKR 120 bn due to higher benchmark rate especially for 1-year. However, out of total participation, acceptance only stood at PKR 79 bn across tenors, PKR 2 billion was accepted at a yield of 22.7868% (-200bps) for the 1-year tenor only. PKR 3 bn was accepted at a yield of 22.7725% (+85 bps spread) for the 3-year and PKR 75 bn was accepted at a yield of 22.9172% (+99 bps spread) for 5-year tenor.

Conversely, conservative market participation of PKR 35 bn was witnessed against the target of PKR 60 billion for the GoP Ijara Sukuk (FRR) at significantly higher levels. Of these, MoF accepted only PKR 10.1 bn at a cut-off of 22.95% for the 1-year, PKR 279 million at 19.20% for 3-years and PKR 100 million at 16.50% for 5-year.

STRATEGY & OUTLOOK



EQUITY MARKET:

While staying committed to our long-term perspective, we hold a favorable view of the equity market. The PSX indexes exhibit attractive low P/E levels, with a Forward P/E multiple of 3.60x, in contrast to the regional average of 12.40x. Nevertheless, limited activity persists due to the absence of structural reforms, particularly in the energy sector, and the presence of challenging macroeconomic conditions.

Key triggers which can have an impact on benchmark include:

- **The IMF's upcoming October review, crucial for Pakistan to access a USD 700 million loan tranche, has the potential to significantly bolster investor confidence.**
- **The recent crackdown on illegal foreign exchange trading in the grey and black markets, coupled with the federal government's review of Afghan Transit trade terms, promises to fortify the rupee.**
- **The expected increase in gas prices within the fertilizer sector represents a positive step towards managing the escalating circular debt.**
- **Any significant progress in the privatization of SOEs such as PIA and PSM, combined with improvements in the governance of the energy sector, will be viewed favorably by the market.**

We are closely monitoring the performance of the equity market and will capitalize on any opportunity that comes in way to maximize policyholder's return.

DEBT MARKET:

The past month remained highly turbulent as market expectations of a policy rate adjustment of up to 200 basis points did not come to pass, and the State Bank of Pakistan (SBP) left the policy rate unchanged at 22%. As a result, a major downward shift in yields was observed during the second half of the month. Along with monetary policy guidance going forward, the currency market also reversed trend as PKR gained approx. 6%.

Going forward, inflationary pressures may persist, driven by factors such as tariff adjustments, escalating commodity prices, and souring food inflation, however, even after the adjustments the trajectory might shift downwards in second half FY24 due to high base effect and recent PKR appreciation, where SBP may consider starting monetary easing. Further, upon conclusion of SBA with IMF, another medium to long term IMF program will be needed along with bilateral and multilateral support to ensure availability of funding to meet the heavy debt obligations/rollovers (average USD25-30 bn for next three years).

Given the prevailing macroeconomic conditions and the anticipated interest rate trends, fixed income portfolio duration will be optimized 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 79% in low duration instruments, along with 17% exposure in mutual funds 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 7% to mitigate volatility resulting from the uncertain macro-economic environment that affects the equity market. The remaining 93% 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 (88%) and a remaining allocation of cash and bank deposits (12%).
- **Family Takaful Balanced Fund:** Family Takaful Balanced Fund offers its participants high yielding return with optimal allocation of 81% in low duration instruments, along with 19% exposure in high yielding mutual funds and corporate sukus. This strategic allocation enables policyholders to maximize their benefits from opportunities along the yield curve.

BALANCED TAKAFUL FUND

Fund Manager's Report
September 2023

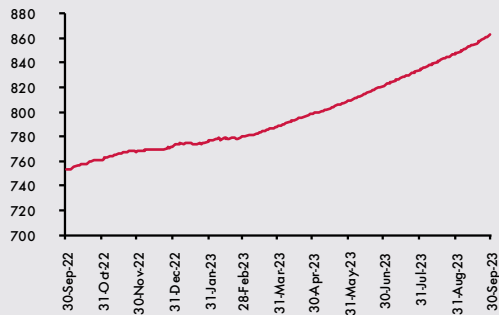
FUND OBJECTIVE

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.

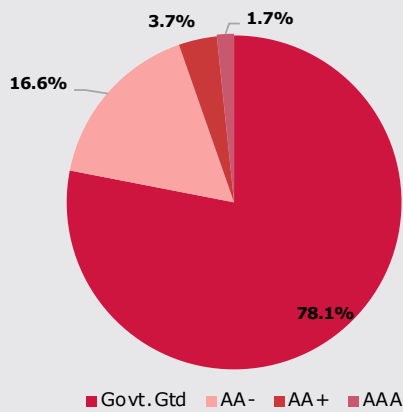
FUND MANAGER'S COMMENTS

During the month of September 2023 Balanced Takaful Fund's (BTF) Unit Price increased by PKR 15.09 (1.78%). The fund's allocation to government securities stands at 78.03% at month end against 88.02% last month while allocation to equities is at 0.04% 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 17,524 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (30.09.2023)	PKR 862.97
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.13%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.78%
3 months	5.03%
12 months (365 days)	14.60%
Calendar YTD	11.71%
Since Inception (annualized)	6.90%
5 Years (annualized)	6.92%

ASSET ALLOCATION

ASSETS	SEPTEMBER-23	AUGUST-23
Government Securities	78.03%	88.02%
Sukuks	4.16%	4.17%
Cash and Short Term	1.17%	0.40%
Deposits Equities	0.04%	0.04%
Mutual Funds	16.59%	7.36%
Others Including Receiv-	0.01%	0.01%

AGGRESSIVE TAKAFUL FUND

Fund Manager's Report
September 2023

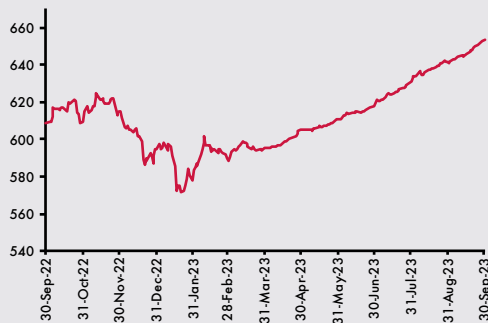
FUND OBJECTIVE

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.

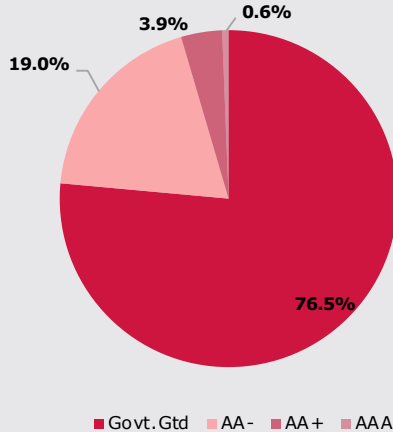
FUND MANAGER'S COMMENTS

During the month of September 2023 Aggressive Takaful Fund's (ATF) Unit Price increased by PKR 12.84 (2%). The fund's allocation to equities stands at 7.3% at month end against 7.51% last month while allocation to government securities is at 70.78% versus 80.47% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 89.96% followed by Pharmaceuticals, Engineering and Automobile Assembler & Parts with a sector allocation of 5.83%, 4.21% and 0.% respectively.

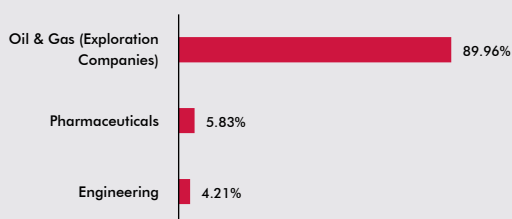
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Aggressive Takaful Fund
Net Assets	PKR 11,093 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (30.09.2023)	PKR 653.60
Category	Aggressive Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.20%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	2.00%
3 months	5.81%
12 months (365 days)	7.40%
Calendar YTD	9.84%
Since Inception (annualized)	3.33%
5 Years (annualized)	0.24%

ASSET ALLOCATION

ASSETS	SEPTEMBER-23	AUGUST-23
Government Securities	70.78%	80.47%
Sukuks	3.63%	3.58%
Cash and Short Term	0.56%	0.94%
Deposits Equities	7.30%	7.51%
Mutual Funds	17.60%	7.47%
Others Including Receiv-	0.14%	0.03%

FAMILY TAKAFUL INCOME FUND

Fund Manager's Report
September 2023

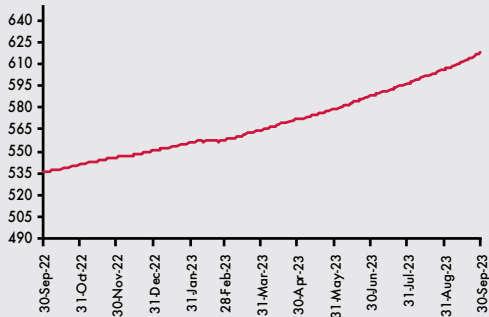
FUND OBJECTIVE

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.

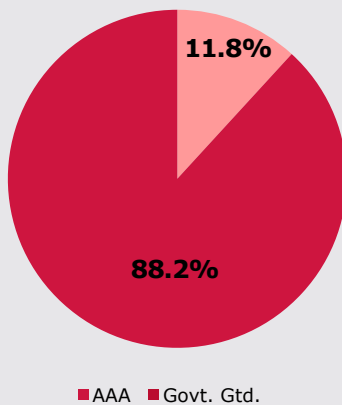
FUND MANAGER'S COMMENTS

During the month of September 2023 Family Takaful Income Fund's (FTIF) Unit Price increased by PKR 11.25 (1.86%). The fund's allocation to government securities stands at 88.21% at month end against 92.69% last month while allocation to cash and short term deposits is at 11.6% versus 7.23% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Income Fund
Net Assets	PKR 2,839 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 617.53
Category	Income Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.12%
Pricing Days	Monday to Friday
Weighted Average Maturity	388

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.86%
3 months	5.07%
12 months (365 days)	15.29%
Calendar YTD (annualized)	16.59%
Since Inception (annualized)	10.25%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

ASSETS	SEPTEMBER-23	AUGUST-23
Government Securities	88.21%	92.69%
Cash and Short Term Deposits	11.60%	7.23%
its	0.19%	0.08%

FAMILY TAKAFUL BALANCED FUND

Fund Manager's Report
September 2023

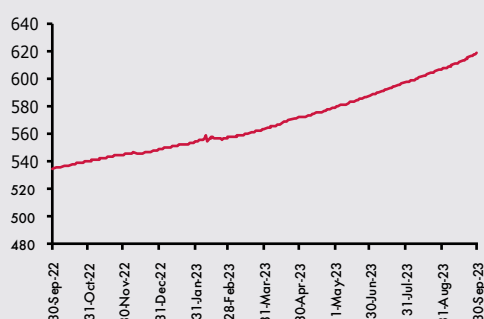
FUND OBJECTIVE

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.

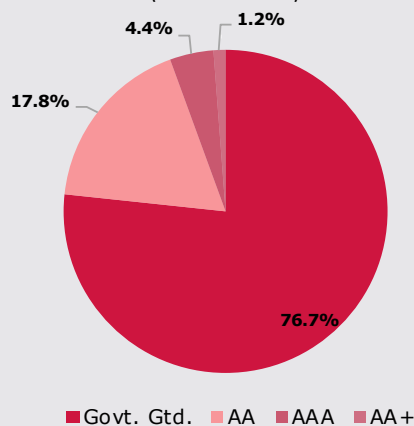
FUND MANAGER'S COMMENTS

During the month of September 2023 Family Takaful Balance Fund's (FTBF) Unit Price increased by PKR 11.47 (1.89%). The fund's allocation to government securities stands at 76.68% at month end against 86.85% last month while allocation to cash and short term deposits is at 4.33% versus 2.51% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Balanced Fund
Net Assets	PKR 699 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 618.77
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.13%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.89%
3 months	5.20%
12 months (365 days)	15.66%
Calendar YTD	12.71%
Since Inception (annualized)	10.35%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

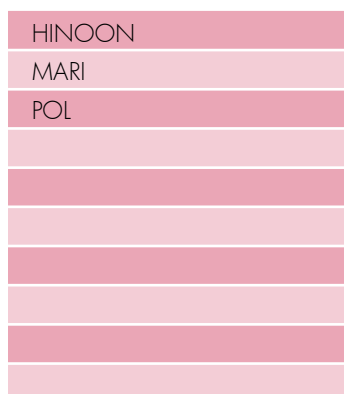
ASSETS	SEPTEMBER-23	AUGUST-23
Government Securities	76.68%	86.85%
Term Finance Securities	1.20%	1.25%
Cash and Short Term	4.33%	2.51%
Deposits	17.75%	9.34%
Mutual Funds	0.03%	0.05%

TOP TEN HOLDINGS

BALANCED TAKAFUL FUND



AGGRESSIVE TAKAFUL FUND



JUBILEEFAMILYTAKAFUL.COM

Jubilee Life Insurance Company Limited
Window Takaful Operations
74/1-A, Lalazar, M.T. Khan Road,
Karachi - 74000, Pakistan

Phone: (021) 32120201, 35205094
Fax: (021) 35610959
UAN: (021) 111-111-554
SMS: Your Query to 8554
E-mail: info@jubileelife.com,
complaints@jubileelife.com
Website: www.jubileefamilytakaful.com