



INVESTMENT FACT SHEET
FOR THE MONTH OF DECEMBER 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 the last month of the CY23, the PSX consistently achieved another new milestone as the benchmark KSE-100 Index surpassed the 66,000-mark in December 2023 and remained among the best-performing bourse in the region witnessing a M/M gain of 3%.

KSE-100 reflected an increase of 1,920 points and indicating strong investor confidence. In addition, the currency appreciated (1.16%) against USD in December as well, bolstering both the macroeconomic conditions and external outlook. On the political front, the announcement by the ECP to conduct elections on February 8, 2024, gave investors greater clarity on the political outlook.

On the positive note, petroleum product price significantly decreased. Petrol decreased by PKR 14/ltr while HSD noted a reduction of PKR 13.50/ltr. The country's FX reserves have maintained stability and stood at USD 13.2bn. In November 2023, the trade deficit amounted to USD 1.72bn, reflecting a 15% Y/Y decrease. Remittances in the same month witnessed a 7% Y/Y increase, reaching USD 2.25 bn. The CAD for the first five months of FY24 stands at USD1.16 bn, indicating a substantial 64% Y/Y reduction compared to the corresponding period in the preceding fiscal year.

The major numbers during the month:

- **The current account surplus has clocked in at USD 9mn in Nov'23.**
- **CPI inflation for Dec'23 stood at 29.66% Y/Y, compared to 29.33% in Nov'23.**
- **PKR gained 1.16% against USD during the month, closing at PKR 281.86/USD.**
- **Global energy prices have plunged, with Brent at USD 77.47/bbl mark and Coal at USD 101.25/mt.**

The LSMI output for October'23 decreased by 4.08% Y/Y, primarily contributed by fertilizer (8.81%). Whereas this was partially offset by automobile (-58.31%), Iron & steel (-11.71%), cement (-11.71%), petroleum products (-8.19%), and garments (-1.83%).

During the month of Dec'23, Cement dispatches increased by 4.63% M/M and stood at 4.06mn tonnes. The sale of petroleum products witnessed a decline of 9% on monthly basis and clocked at 1.24MT in Dec'23. Moreover, country's auto sales for Nov'23 recorded at 7,700 units, an increase of 6% compared to previous month.

ECONOMY UPDATE

MACROECONOMIC INDICATORS

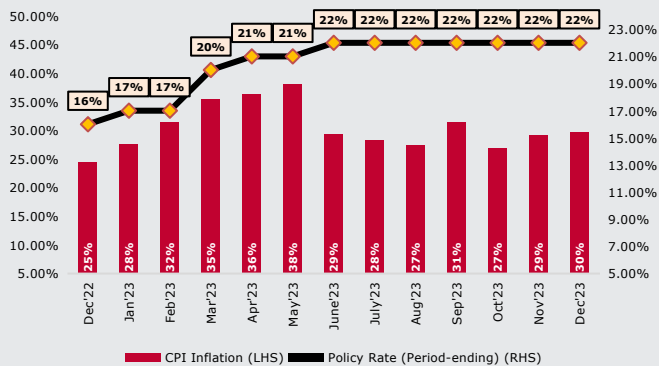
KEY STATISTICS	REPORTED MONTH	CURRENT	PREVIOUS	FYTD
Trade Deficit (USD mn)	Nov	(1,726)	(1,614)	(8,770)
Remittances (USD mn)	Nov	2,250	2,463	11,045
Current A/C Balance (USD mn)	Nov	9	(184)	(1,160)
FDI (USD mn)	Nov	131	122	655
Tax Collection* (PKR bn)	Dec	984	736	4,468
M2 Growth				4.40%

Source SBP, FBR

* Provisional figures

In November 2023, the trade deficit expanded by 7% M/M, to USD 1,726mn compared to the previous month's tally of USD 1,614mn. On a cumulative basis the trade deficit for the 5MFY24 came in at USD 8,770mn in contrast with USD 12,758mn in the SPLY, showing a contraction of 30.47% Y/Y. On the tax collection front, FBR managed to collect PKR 984bn, successfully surpassing PKR 740bn collected in SPLY.

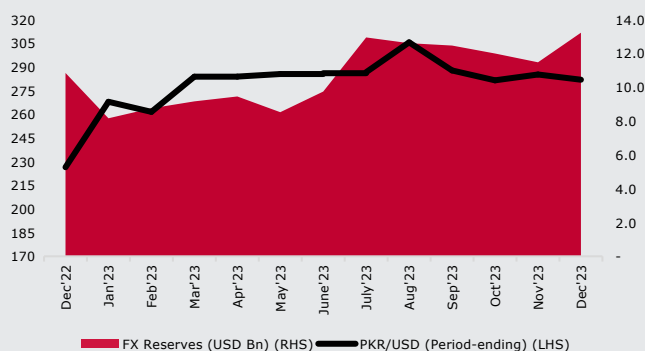
INFLATION



Source: PBS

The national CPI during the month of December'23 stood at 29.66% compared to 29.23% in the previous month. On a MoM basis CPI inflation increased by 0.8% mainly due to an increase in electricity charges.

PKR/USD PARITY VS FX RESERVES



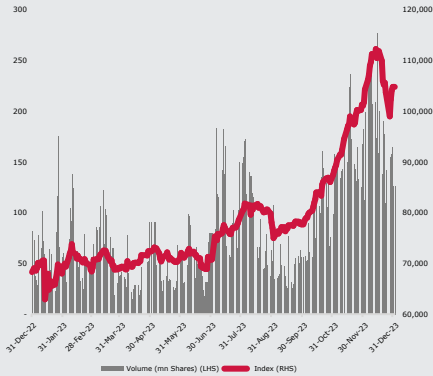
Source: SBP

FX Reserves as of 31st December 2023 were reported at USD 13.2bn, showing an increase of 15% compared to last month. While PKR appreciated against USD by 1.16% M/M hovering at PKR 281.86/USD.

CAPITAL MARKETS UPDATE

EQUITY MARKET

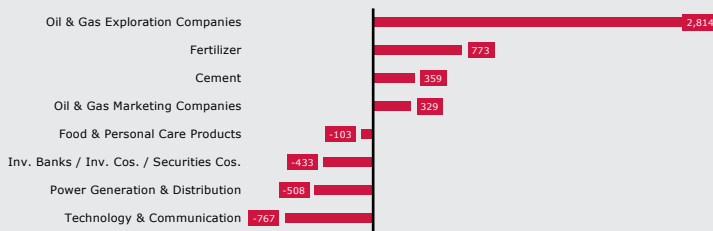
KMI -30 ONE YEAR PERFORMANCE



Source: PSX

KMI-30 performed incredibly well during the month of December'23 as well, gaining 2.98% (3,028 points), to close the month at 104,729 points. Average traded volume recorded at 620mn shares, an increase of 44% M/M, while average traded value stood at PKR 19,971mn, showing a jump of 18%. The factors that contributed to bullish trend are: 1) Continued macro-economic stability 2) Highly attractive valuation 3) Expectation of earning growth 4) Going forward, decline in interest rate 5) Foreign inflows into PSX.

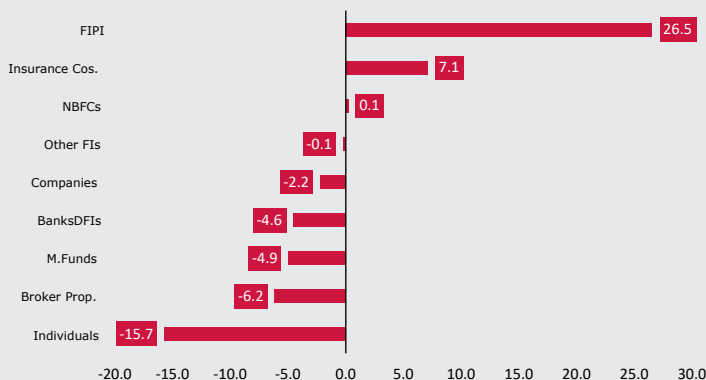
SECTOR WISE TOP CONTRIBUTORS



Source: PSX

The major sectors driving the KMI-30 benchmark index during the month were Oil & Gas Exploration companies (+2,814 points), Fertilizer (+773), Technology & Communication (+767 points) and Power generation & distribution (+508 points).

FIPI LIPI



Foreigners were the net buyers aggregating USD 26.7mn with major inflows recorded in power (USD 7.5mn), Cement (USD 6.1mn), Power (USD 8.3mn), Fertilizers (USD 2.4mn) and OMCs (USD 0.8mn). On the other hand, outflows were recorded in E&Ps (USD 2.5mn).

On the domestic front, insurance companies were major buyer (7.2mn USD) while Banks/DFI, Mutual funds, Companies & individuals were major sellers with net outflow of USD 4.5mn, USD 5.1mn, USD 2.2mn & USD 16mn respectively.

CAPITAL MARKETS UPDATE

DEBT MARKET

SECONDARY MARKET PKISRV

INSTRUMENT	DEC-23	NOV-23	CHANGE
GOISV-09-10-2024	101.03	101.07	(0.04)
GOISF-09-10-2024	101.63	101.32	0.31
GOISV-04-12-2024	100.5	-	-
GOISF-26-06-2026	103.08	102.84	0.24
GOISV-12-07-2026	100	100.00	0.00
GOISV-04-12-2026	100.12	-	-
GOISF-04-12-2026	100.35	-	-
GOISV-26-06-2028	103.51	100.59	2.92
GOISF-20-09-2028	101.79	101.64	0.15
GOISV-04-12-2028	99.96	-	-
GOISF-04-12-2028	100.50	-	-

Source: MUJAP

During the month, the prices of GoP Ijara Sukuks (VRR) increased for long term instruments as investors preferred to minimize the reinvestment risk, lock in higher spreads and lucrative rentals for the period. GoP Ijara Sukuks (FRR) also followed similar trajectory as most of the instruments closed in positive territory. However, few short-duration VRR instruments closed red as demand tapered off, with investors choosing to lock in year-end TDR with the banks. While the SBP excluded the targets for 1-year GOP Ijara (both VRR and FRR) in updated auction calendars, PSX announced auction for 1-year GoP Ijara Sukuk to be issued at a discount and without coupon during the tenor.

AUCTION UPDATE

TENORS	CUT OFF	PREVIOUS CUT OFF	CHANGE
GOP IJARA VRR			
1 year	-100 bps	-36 bps	-64 bps
3 year	-21 bps	25 bps	-46 bps
5 year	-10 bps	79 bps	-89 bps
GOP IJARA FRR			
1 year	-	22.49%	-
3 year	16.19%	18.95%	-276 bps
5 year	15.75%	16.48%	-73 ps

For GoP Ijara (VRR), participation of PKR 162 bn across various tenors was observed, as compared to the target of PKR 60 bn. However, out of total participation, acceptance only stood at PKR 103 bn across tenors, PKR 32 bn was accepted at a yield of 21.5278% (+20 bps spread) for the 3-year and PKR 71 bn was accepted at a yield of 21.6277% (+30 bps spread) for 5-year tenor.

In parallel, significant market participation of PKR 71 bn was witnessed against the target of PKR 50 billion for the GoP Ijara Sukuk (FRR) at relatively higher levels. Of these, MoF only accepted PKR 90 mn at 16.05% for 3-years and PKR 10 billion at 15.74% for 5-years. Whereas auction for 1-year GoP Ijara conducted through PSX observed huge investors interest. A stupendous amount of PKR 479 bn was observed against the target of 30 bn. Out of these PKR 35 bn was accepted at a cut-off rate of 19.519%.

STRATEGY & OUTLOOK



EQUITY MARKET:

We maintain our optimistic outlook on the stock market and expect that index continues to trade at attractive valuation multiples. However, range bound trajectory can be witnessed eagerly due to the any significant development while absence of institutional investors followed by essential structural reforms could serve as a hurdle in sustaining a comprehensive market rally.

Key triggers which can have an impact on benchmark include:

- **Expectation of continuous inflow of foreign investment in the equity market.**
- **Persistent improvement in macroeconomic factors**
- **Political stability in the country as elections are approaching in February'24.**

We remain observant and closely monitor equity market performance and will capitalize on any opportunity that comes along to enhance returns for our policy holders.

DEBT MARKET:

During the period yields across the tenor followed a downward trajectory despite a higher-than-expected impact on inflation outlook due to recent gas price hike. The positive momentum in the market was further bolstered by the successful conclusion of the IMF Staff-level agreement. However, MPC in its meeting, left the policy rate unchanged despite ccommittee assessed that the real interest rate continues to be positive on a 12-month forward-looking basis and inflation is expected to remain on a downward path. That leaves the door open for keeping rates at their current plateau.

Against this backdrop, we believe markets may be too optimistic in their interest rate expectations. With inflation still above the SBP's stated 20-22% target, we do not believe that significant monetary policy adjustments are required. Rather, we think the SBP will be more inclined to maintain the current stance to avoid reacceleration of inflation when policy rates are cut prematurely.

Nevertheless, inflation figures, successful review of the IMF program scheduled in January 2024, conclusion of SBA with the IMF, negotiations for another long-term IMF program, and smooth conduct of the general election with a peaceful transfer of power will collectively influence the trajectory of the debt market.

Considering the existing macroeconomic conditions and anticipated trends in interest rates, we are inclined to towards a diversified portfolio aiming to strike a harmonious balance 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 93% in government backed instruments, along with 2% exposure in mutual funds, 2% 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 9% to mitigate volatility resulting from the uncertain macro-economic environment that affects the equity market. The remaining 91% 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 Sukuks 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 83% in government backed instruments, along with 17% 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

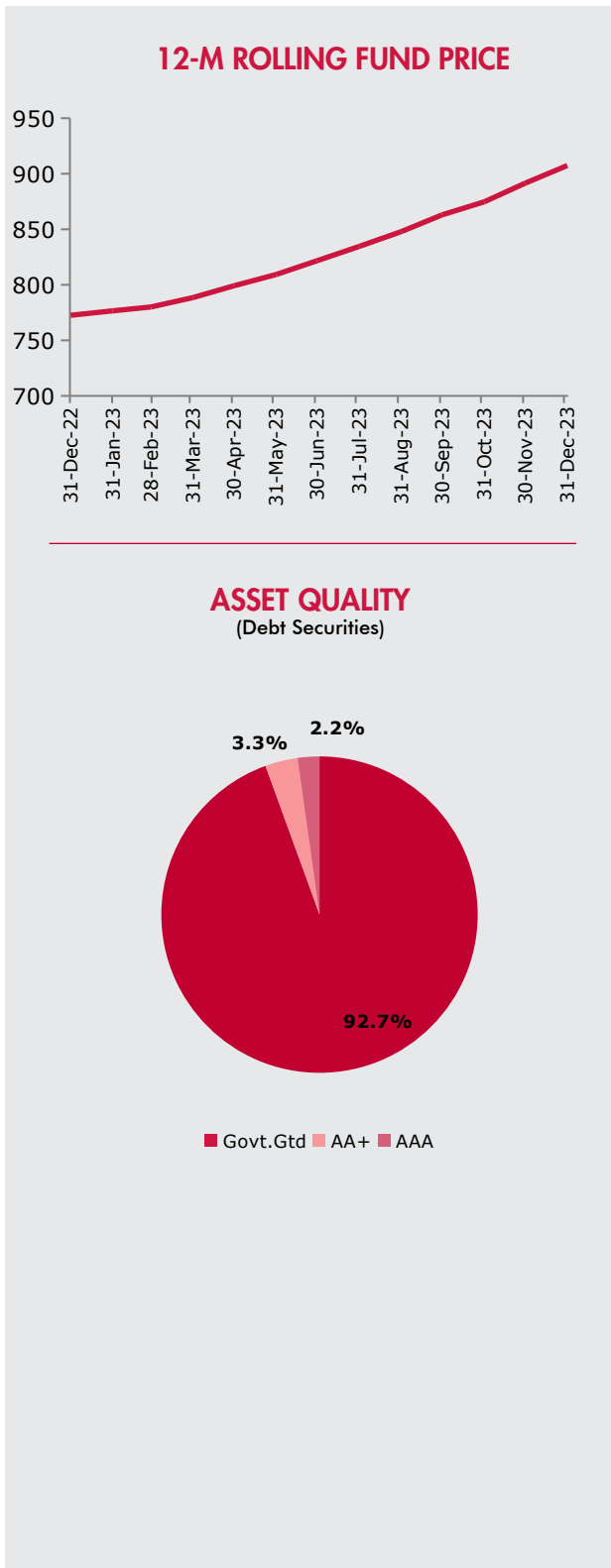
Fund Manager's Report
December 2023

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 December 2023 Balanced Takaful Fund's (BTF) Unit Price increased by PKR 15.92 (1.79%). The fund's allocation to government securities stands at 92.66% at month end against 72.65% last month while allocation to equities is at 0.00% versus 10.19% last month.



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Jubilee Life Balanced Takaful Fund
Net Assets	PKR 18,589 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.12.2023)	PKR 907.38
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.51%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.79%
3 months	5.15%
12 months (365 days)	17.45%
Calendar YTD	17.45%
Since Inception (annualized)	7.33%
5 Years (annualized)	8.39%

ASSET ALLOCATION

ASSETS	DECEMBER-23	NOVEMBER-23
Government Securities	92.66%	72.65%
Sukuks	3.62%	3.96%
Cash and Short Term Deposits	0.03%	11.19%
Equities	0.00%	0.00%
Mutual Funds	1.90%	12.15%
Others Including Receivables	1.79%	0.05%

AGGRESSIVE TAKAFUL FUND

Fund Manager's Report
December 2023

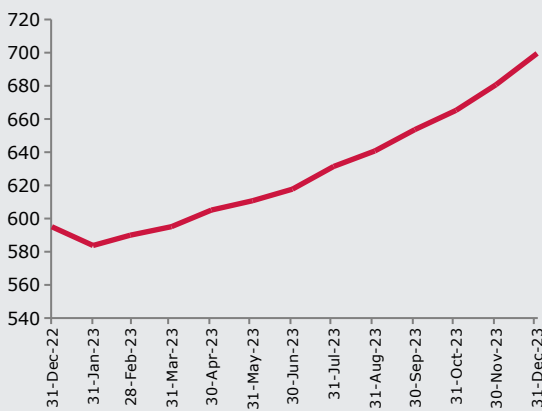
FUND OBJECTIVE

"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."

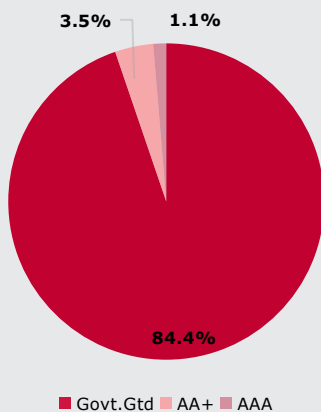
FUND MANAGER'S COMMENTS

During the month of December 2023 Aggressive Takaful Fund's (ATF) Unit Price increased by PKR 18.92 (2.78%). The fund's allocation to equities stands at 8.9% at month end against 20.39% last month while allocation to government securities is at 76.84% versus 63.85% last month. Within sectors, the fund is tilted towards Oil & Gas (Exploration Companies) with a total allocation of 89.41% followed by Pharmaceuticals and Engineering with a sector allocation of 6.04% and 4.56% respectively.

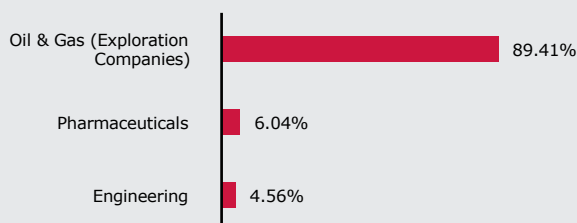
12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



SECTOR ALLOCATION (Equities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Aggressive Takaful Fund
Net Assets	PKR 11,648 Million
Launch Date	07.07.2015
NAV Per Unit At Launch Date (07.07.2015)	PKR 500.00
NAV Per Unit At Month end (31.12.2023)	PKR 699.55
Category	Aggressive Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	High
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.58%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	2.78%
3 months	7.03%
12 months (365 days)	17.56%
Calendar YTD	17.56%
Since Inception (annualized)	4.06%
5 Years (annualized)	2.61%

ASSET ALLOCATION

ASSETS	DECEMBER-23	NOVEMBER-23
Government Securities	76.84%	63.85%
Sukuks	3.22%	3.34%
Cash and Short Term Deposits	0.01%	2.12%
Equities	8.90%	8.01%
Mutual Funds	10.00%	22.62%
Others Including Receivables	1.02%	0.06%

FAMILY TAKAFUL INCOME FUND

Fund Manager's Report
December 2023

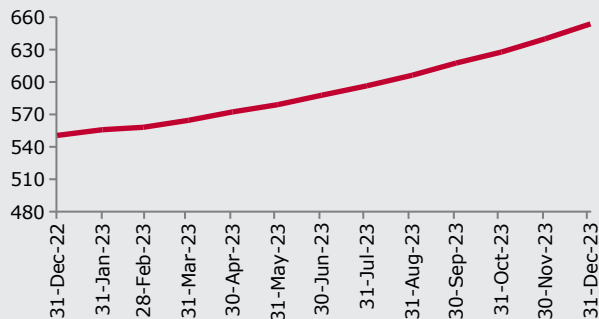
FUND OBJECTIVE

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.

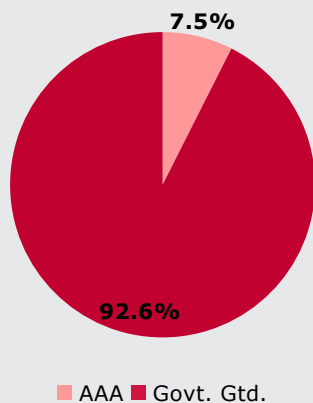
FUND MANAGER'S COMMENTS

During the month of December 2023 Family Takaful Income Fund's (FTIF) Unit Price increased by PKR 13.83 (2.16%). The fund's allocation to government securities stands at 92.55% at month end against 92.45% last month while allocation to cash and short term deposits is at 0.02% versus 7.48% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Income Fund
Net Assets	PKR 3,770 Million
Launch Date	01.08.2021
NAV Per Unit At Launch Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (31.12.2023)	PKR 653.81
Category	Income Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Low
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.50%
Pricing Days	Monday to Friday
Weighted Average Maturity	538

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	2.16%
3 months	5.88%
12 months (365 days)	18.75%
Calendar YTD (annualized)	18.75%
Since Inception (annualized)	11.74%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

ASSETS	NOVEMBER-23	NOVEMBER-23
Government Securities	92.55%	92.45%
Cash and Short Term Deposits	0.02%	7.48%
Others Including Receivables	7.43%	0.07%

FAMILY TAKAFUL BALANCED FUND

Fund Manager's Report
December 2023

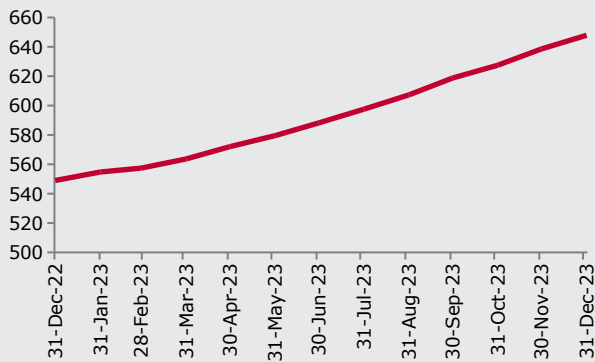
FUND OBJECTIVE

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.

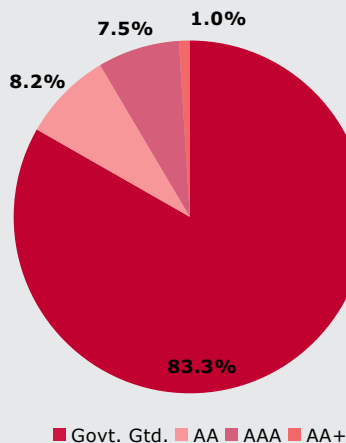
FUND MANAGER'S COMMENTS

During the month of December 2023 Family Takaful Balance Fund's (FTBF) Unit Price increased by PKR 9.29 (1.45%). The fund's allocation to government securities stands at 83.25% at month end against 73.26% last month while allocation to cash and short term deposits is at 0.06% versus 8.6% last month.

12-M ROLLING FUND PRICE



ASSET QUALITY (Debt Securities)



FUND INFORMATION

DESCRIPTION	INFORMATION
Fund Name	Family Takaful Balanced Fund
Net Assets	PKR 809 Million
Launch Date	01.08.2021
NAV Per Unit At Launch-Date (01.08.2021)	PKR 500.00
NAV Per Unit At Month end (31.12.2023)	PKR 647.87
Category	Balanced Fund (Shariah Compliant)
Pricing Mechanism	Forward on daily basis
Risk Profile	Medium
Management Fee	1.50% p.a.
Expense Ratio CYTD	1.51%
Pricing Days	Monday to Friday

FUND RETURNS

PERIOD	RATE OF RETURN
1 month	1.45%
3 months	4.70%
12 months (365 days)	18.01%
Calendar YTD	18.01%
Since Inception (annualized)	11.32%
5 Years (annualized)	N/A
10 Years (annualized)	N/A

ASSET ALLOCATION

ASSETS	DECEMBER-23	NOVEMBER-23
Government Securities	83.25%	73.26%
Term Finance Securities	0.99%	1.16%
Cash and Short Term Deposits	0.06%	8.60%
Mutual Funds	8.24%	16.91%
Others Including Receivables	7.46%	0.07%

TOP TEN HOLDINGS

AGGRESSIVE TAKAFUL FUND

AGHA

HINOON

MARI

POL

JUBILEEFAMILYTAKAFUL.COM

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