



# FUND MANAGER'S REPORT

## For the Month of February 2021

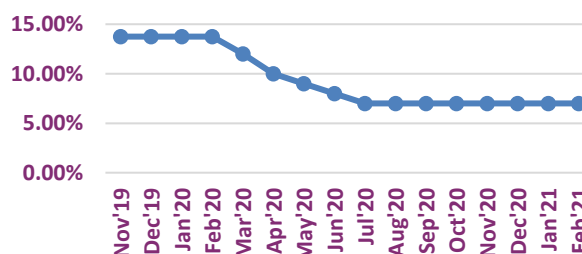
## Economic Review

Amidst COVID-19 and the resultant spur in administration of vaccines across the country, the economy of Pakistan witnessed a squeeze in purchasing power as the inflation rate spiked up to 8.7%, rising by approximately 3 percentage points over the second month of 2021. The Current Account Deficit of USD229m for the month, resulted in a 7MFY21 cumulative surplus of PKR 0.9bn compared to PKR 2.5 bn, last year. Tax collection was recorded at PKR 343 billion for the month against the target set at PKR 325 billion, illustrating an increase of 8% over last February. The forex reserves and remittances displayed a fall compared to the previous month. Foreign exchange reserves fell by USD 0.05 billion to USD 20.1 billion, whilst remittances showed a MOM decline of USD 0.005 billion. On the positive side, the pandemic has boosted IT export remittances; including telecommunication, computer and information services to \$ 1.298 billion, at a growth rate of 41.39 percent during July-February FY2021, in comparison to \$ 918 million during the corresponding period of FY2020.

### Economic Indicators-February 2021

CPI Inflation Rate	8.70%
SBP Interest Rate	7.00%
Net Tax Collection (PKR bn)	343
Forex Reserves (USD bn)	20.10
Remittances (USD mn)	2,266

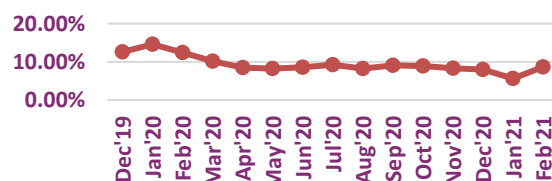
### SBP Policy Rates



## Money Market Review

In the primary money market, the 3-month and 6-month cut-off yields for T-Bills were 7.25% and 7.55% respectively, whereas bid for the 12-month tenor was rejected. The realized amount was PKR 768,205 mn. SBP plans to maintain the interest rate at 7%, whereas the benchmark lending rate (6-month KIBOR) showed a slight decrease with the current month's rate standing at 7.57%. The lending rate is expected to rise in the future.

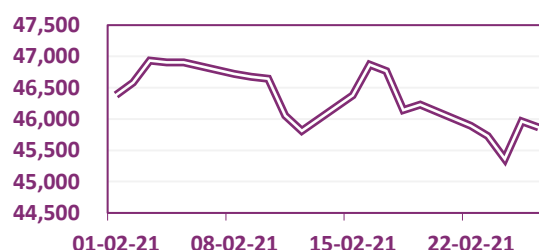
### CPI Tracker



## Stock Market Review

KSE-100 fell by 1.1% MOM, currently standing at 45,865 points for the month of February. The decline in performance can be attributed to the result of market fears after the FATF decision and future expectations regarding inflation. However, Pakistan has reached an agreement with IMF over the extended fund facility, to support the index. Average daily trade value increased to USD 247mn compared with USD 205m last month. The expectations for the future are promising as the performance indicates that the economy is improving.

### KSE 100 INDEX PERFORMANCE - MTD

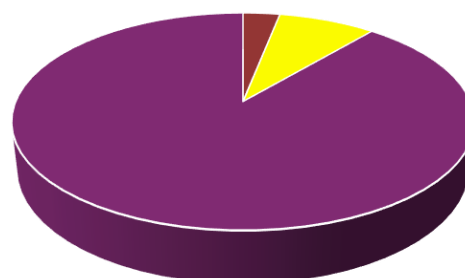


## Investment Objective

Achieve a high rate of return through market risk management, liability hedging, portfolio construction, comprising both income and capital appreciation.

Investment Committee	
Members	Designation
Malik Riffat Mahmood	Chairman
Air Vice Marshal Muhammad Athar Shams, (Retd)	Member
Jehanzeb Zafar	CEO (Member)
Noman Noor Muhammad	COO (Member)
Rehan Mobin	CFO (Member)

Asset Mix	
Mutual Funds	3.07%
Cash and Short Term Deposit	8.10%
Government Securities	88.83%



- Mutual Funds
- Cash and Short Term Deposit
- Government Securities

Terms and Conditions	
Name of Fund	Universal Life Investment Fund
Type of Scheme	Balanced Fund
Nature of Scheme	Income Scheme
Inception Date	Jan 9 <sup>th</sup> , 2007
Fund Size	PKR 393,534,673
Auditor	RMS Awais Hyder Liaquat Nauman (chartered accountants)
Legal Advisor	M/s Saiduddin & Co.

Investment Return	
1 Month	6.91%
3 Months	6.89%
YTD	9.64%

Universal Life Investment Fund

