

# NAFA Government Securities Savings Fund (NGSSF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/06/2017): Rs. 10.3042

June 2017

## Performance %

Performance Period	June 2017	FY 2017 (Rolling 12 Months) Jul 16-Jun 17	FY 2016	Since Launch July 10, 2014*
NAFA Government Securities Savings Fund	4.5%	5.8%	6.5%	8.7%
Benchmark**	6.0%	5.9%	6.2%	7.1%

\* Annualized Return Based on Morning Star Methodology The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable  
All other returns are Annualized Simple Return

## General Information

Launch Date:	July 10, 2014
Fund Size:	Rs. 108 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): without life insurance 1%, with life insurance 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.76% p.a.(including 0.41% government levies)
Risk Profile:	Low
Fund stability rating	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:**	6-Month PKRV
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum	Growth Unit: Rs. 10,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously 70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)

\*\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	30-June-17	31-May-17
Tbills	44.3%	73.3%
Bank Deposits	55.1%	25.5%
Others including receivables	0.6%	1.2%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 399,046/- If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0382/0.37%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Investment Objective

To provide competitive return from portfolio of low credit risk by investing primarily in Government Securities.

## Fund Manager Commentary

During the month under review, the Fund has generated an annualized return of 4.5% against the benchmark return of 6.0%. Since its launch in July 2014, the Fund offered an annualized return of 8.7% against the Benchmark return of 7.1%, hence an outperformance of 1.6% p.a. This outperformance is net of management fee and all other expenses.

NAFA Government Securities Savings Fund (NGSSF) invests a minimum of 70% in Government Securities. The Fund invests a minimum 10% of its assets in less than 90 days T-Bills or saving accounts with banks, which enhances liquidity profile of the Fund.

As the asset allocation of the Fund shows, exposure in Government Securities was around 44% of the Total Assets and 83% of Net Assets at the end of the month with average Yield to Maturity of 5.96% p.a. Last one year allocation in Government Securities was around 79% of net assets. The weighted average time-to-maturity of the Fund is 5 days.

We will rebalance the allocation of the fund proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of June 30, 2017 (% of Total Assets)

Government Securities (AAA rated)	44.3%
AAA	0.4%
AA+	1.6%
AA-	47.1%
A+	5.9%
A-	0.1%
Others including receivables	0.6%
Total	100.0%

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