

# NAFA Government Securities Savings Fund (NGSSF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/06/2018): Rs. 10.8208

June 2018

## Performance %

Performance Period	June 2018	CYTD 2018	FY 2018 (Rolling 12 months)	FY 2017	FY 2016	Last 3 years*	Since Launch July 10, 2014*
NAFA Government Securities Savings Fund	4.7%	5.1%	5.0%	5.8%	6.5%	5.7%	7.8%
Benchmark**	6.8%	6.4%	6.2%	5.9%	6.2%	6.1%	6.8%

\* 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. 144 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:	1.51% p.a.(including 0.27% 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 Subscription:	Growth Unit: Rs. 10,000/- 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-18	31-May-18
Tbills	50.7%	70.2%
Bank Deposits	48.8%	29.1%
Others including receivables	0.5%	0.7%
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. 549,424/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0413/0.40%. For details investors are advised to read note 5 of the financial statements of the Scheme for the period ended March 31, 2018.

## 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.

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## 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 4.7% against the benchmark return of 6.8%. Since its launch in July 2014, the Fund offered an annualized return of 7.8% against the Benchmark return of 6.8%, hence an outperformance of 1% 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 51% of the Total Assets and 75% of Net Assets at the end of the month with average Yield to Maturity of 6.7% p.a. Last one year allocation in Government Securities was around 74% of net assets. The weighted average time-to-maturity of the Fund is 14 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, 2018 (% of Total Assets)

Government Securities (AAA rated)	50.7%
AAA	0.6%
AA+	0.4%
AA-	32.0%
A+	15.7%
A-	0.1%
Others including receivables	0.5%
Total	100.0%