



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/05/2015): Rs. 11.3747

May 2015

Performance %*			
Performance Period	May 2015	Rolling 6 Months	Since Launch July 10, 2014
NAFA Government Securities Savings Fund	7.3%	14.9%	15.5%
Benchmark	8.1%	9.6%	9.6%

* All returns are Annualized Simple Return [Net of management fee & all other expenses]

General Information	Investment Objective
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Launch Date: July 10, 2014
Fund Size: Rs. 987 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: 1% (Nil on investment above Rs.16 million) Back end: 0%
Management Fee: 1.0% per annum
Risk Profile: Low
Fund stability rating: "AA- (f)" by PACRA
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark: 70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)
Fund Manager: Asad Haider
Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2+ by PACRA (High Investment Management Standards)

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

Asset Allocation (% of Total Assets)	30-May-15	30-Apr-15
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PIBs	17.1%	62.1%
Tbills	53.4%	11.5%
Bank Deposits	28.6%	24.2%
Other including receivables	0.9%	2.2%
Total	100.0%	100.0%
Leverage	Nil	Nil

Fund Manager Commentary

During the month under review, the Fund has generated an annualized return of 7.3% against the benchmark return of 8.1%. Since its launch in July 2014, the Fund offered an annualized return of 15.5% against the Benchmark return of 9.6%, hence an outperformance of 5.9% 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 (primarily PIBs). The Fund invests 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 70.5% of the Total Assets and 71.2% of Net Assets at the end of the month with average time to maturity of 0.6 years and Yield to Maturity of 6.7% p.a. The weighted average time-to-maturity of the Fund is 0.4 years.

The highlight of the month was 100 basis points reduction in the Discount Rate (ceiling) by State Bank of Pakistan in its Monetary Policy announcement on May 23, 2015. A new "SBP target rate" is set at 50 basis points below the ceiling rate in order to ensure that the overnight rate remains close to this target rate. Width of the interest rate corridor is reduced by 50 basis points from 250 to 200 basis points. Consequently, the floor rate is set at 5.0 percent. Subsequent to reduction in policy rate yields in the market adjusted accordingly. We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 2,401,338/- If the same were not made the NAV per unit/ since inception annualized return of scheme would be higher by Rs.0.0277/0.31%. For details investors are advised to read note 11 of the Financial Statements of the Scheme for the period ended March 31, 2015.

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, CFA
Asad Haider

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 Income Tax Ordinance.

Credit Quality of the Portfolio as of May 30, 2015 (% of Total Assets)

