

NAFA Government Securities Savings Fund (NGSSF)



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/11/2016): Rs. 10.4922

November 2016

Performance %					
Performance Period	Nov 2016	FYTD 2017	Trailing 12 months Dec 15 - Nov 16	FY 2016	Since Launch July 10, 2014*
NAFA Government Securities Savings Fund	4.7%	4.7%	5.4%	6.5%	9.3%
Benchmark**	5.9%	5.7%	5.8%	6.2%	7.3%

* 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	Investment Objective																
<p>Launch Date: July 10, 2014 Fund Size: Rs. 176 million Type: Open-end – Income Fund Dealing Days: Daily – Monday to Saturday (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 Dealing Time: Forward Pricing Settlement: 2-3 business days Pricing Mechanism Load: Front end: 1% (Nil on investment above Rs. 16 million) Back end: 0% Management Fee: 10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.) Total Expense Ratio: 1.56% p.a.(including 0.17% 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: Rs. 10,000/- Income Unit: Rs. 100,000/- Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)</p> <p>** effective from September 01, 2016; Previously 70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)</p>	<p>To provide competitive return from portfolio of low credit risk by investing primarily in Government Securities.</p>																
	Fund Manager Commentary																
	<p>During the month under review, the Fund has generated an annualized return of 4.7% against the benchmark return of 5.9%. Since its launch in July 2014, the Fund offered an annualized return of 9.3% against the Benchmark return of 7.3%, hence an underperformance of 2.0% p.a. This outperformance is net of management fee and all other expenses.</p> <p>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.</p> <p>As the asset allocation of the Fund shows, exposure in Government Securities was around 51% of the Total Assets and 53% of Net Assets at the end of the month with average Yield to Maturity of fund 6.4% p.a. Last one year allocation in Government Securities was around 77.2% of net assets. The weighted average time-to-maturity of the Fund is 0.23 year.</p> <p>We will rebalance the allocation of the fund proactively based on the capital market outlook.</p>																
	Credit Quality of the Portfolio as of Nov 30, 2016 (% of Total Assets)																
	<table border="1"> <tbody> <tr> <td>Government Securities (AAA rated)</td> <td>51.3%</td> </tr> <tr> <td>AAA</td> <td>0.5%</td> </tr> <tr> <td>AA+</td> <td>34.3%</td> </tr> <tr> <td>AA</td> <td>0.3%</td> </tr> <tr> <td>AA-</td> <td>0.2%</td> </tr> <tr> <td>A+ & below</td> <td>11.3%</td> </tr> <tr> <td>Other including receivables</td> <td>2.1%</td> </tr> <tr> <td>Total</td> <td>100.0%</td> </tr> </tbody> </table>	Government Securities (AAA rated)	51.3%	AAA	0.5%	AA+	34.3%	AA	0.3%	AA-	0.2%	A+ & below	11.3%	Other including receivables	2.1%	Total	100.0%
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Asset Allocation (% of Total Assets)	30-Nov-16	31-Oct-16															
PIBs	31.7%	37.1%															
Tbills	19.6%	35.5%															
Bank Deposits	46.6%	24.9%															
Other including receivables	2.1%	2.5%															
Total	100.0%	100.0%															
Leverage	Nil	Nil															
WORKERS' WELFARE FUND (WWF)																	
<p>The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1,621,195/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0966/0.97%. For details investors are advised to read note 8 of the Financial Statements of the Scheme for the period ended September 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.</p>																	
Name of the Members of Investment Committee																	
<p>Dr. Amjad Waheed, CFA Sajjad Anwar, CFA Muhammad Ali Bhabha, CFA, FRM Syed Suleman Akhtar, CFA</p>																	
<p>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.</p>																	

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