# NAFA Government Securities Savings Fund (NGSSF)

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/10/2014): Rs. 10.4151

October 2014

Performance %*			
Performance Period	October 2014	Since Launch July 10, 2014	
NAFA Government Securities Savings Fund	22.3%	13.4%	
Benchmark	9.6%	9.3%	

#### **General Information**

Launch Date: July 10, 2014 Fund Size: Rs. 1,142 Million

\* All returns are Annualized Simple Return

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

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 Growth Unit: Rs. 10,000/-Subscription: Income Unit: Rs. 100,000/-

Asset Manager Rating: AM2 by PACRA (Very High Investment

Management Standards)

Asset Allocation (% of Total Assets)	31-Oct-14	30-Sep-14
PIBs	49.09%	62.82%
Tbills	21.19%	25.86%
Cash Equivalents	27.80%	9.18%
Other including receivables	1.92%	2.14%
Total	100.00%	100.00%
Leverage	Nil	Nil

### **Investment Objective**

[Net of management fee & all other expenses]

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 22.3% against the benchmark return of 9.6%. Outperformance of the Fund during the month is due to mark to market gain in PIBs. Since its launch in July 2014, the Fund offered an annualized return of 13.4% against the Benchmark return of 9.3%, hence an outperformance of 4.1% 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 (primarily PIBs). The Fund invests 25% 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 70.3% of the Total Assets and 89.7% of Net Assets at the end of the month with average time to maturity of 1.56 years and Yield to Maturity of 10.7% p.a. The weighted average time-to-maturity of the Fund is 1.4 years.

We are monitoring the developments in the capital markets and will rebalance the allocation of the Fund accordingly.

# **WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 844,248/- If the same were not made the NAV per unit/ since inception annualized return of scheme would be higher by Rs.0.0077/0.25%.For details investors are advised to read note 8 of the Financial Statements of the Scheme for the quarter ended September 30, 2014.

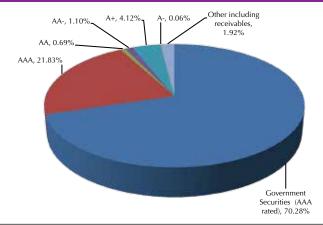
### Name of the Members of Investment Committee

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 October 31, 2014 (% of Total Assets)



**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risk involved.