

# NAFA Money Market Fund (NMMF)

MONTHLY REPORT (MUFAP's Recommended Format) Unit Price (30/04/2012): Rs. 10.0177

April 2012

Performance		
Performance % *	April 2012	Since Launch February 24, 2012
NAFA Money Market Fund	10.89%	10.95%
Benchmark	7.02%	7.29%

<sup>\*</sup> Represent Annualized Return - (based on morning star formula) (Returns are net of management fee & all other expenses)

#### **General Information**

Launch Date: February 24, 2012
Fund Size: Rs. 1,216 million

Type: Open-end – Money Market 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: 0%, Back end: 0%

Management Fee: 1.25% per annum

Risk Profile: Very Low

Fund Stability Rating: "AA (f)" by PACRA

Listing: Lahore Stock Exchange

Custodian & Trustee: Central Depository Company (CDC)

Auditors: A. F. Ferguson & Co.

Chartered Accountants

Benchmark: 3-Month deposit rates (AA & above rated

banks)

Fund Manager: Khalid Anwar Chapra
Minimum Growth Unit: Rs. 10,000/Subscription: Income Unit: Rs. 100,000/-

Asset Manager Rating: AM2- 'Positive Outlook' by PACRA

#### 31-Mar-12 Asset Allocation (% of NAV) 30-Apr-12 50.75% 13.13% Placements with DFIs 29.65% 36.18% Money Market Placements 11.86% 10.92% Placement with Banks 44.93% Cash Equivalents 1.02% 0.73% Other Net Assets 0.19% 0.64% Total 100.00% 100.00% Leverage

# Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA Sajjad Anwar, CFA Ahmad Nouman, CFA Tanvir Abid, CFA, FRM Khalid Anwar Chapra

# **Investment Objective**

To provide stable income stream with preservation of capital by investing in AA and above rated banks and money market instruments.

### **Fund Manager Commentary**

The Fund earned an annualized return of 10.89% during April 2012 against the benchmark return of 7.02%, thus registering an out-performance of 3.87%. This out-performance is net of management fee and all other expenses. The Fund size increased by 9.27% during the month.

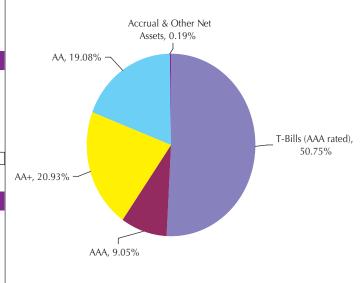
The Fund's Authorized Investments include T-Bills, Bank Deposits and Money Market instruments. Minimum rating is AA, while the Fund is not allowed to invest in any security exceeding six month maturity. The weighted average time to maturity of the Fund cannot exceed 90 days.

As the chart below depicts, allocation of the Fund is diversified across AAA rated T-Bills (50.75%), Placements with DFIs rated AA and above (36.18%) and Money Market Placements with AA and AA+ corporates (11.86%). The maturity of these sub-asset classes is 61 days, 28 days and 133 days, respectively. The weighted average time to maturity of the Fund is 57 days.

This Fund is expected to offer much higher return than average bank deposit rate of around 6%. Due to its short duration, the Fund will benefit from any increase in interest rates. The Fund is expected to continue to offer double-digit return going forward.

The Fund is rated AA(f) by PACRA which denotes a very strong capacity to maintain relative stability in returns and possesses very low exposure to risks. The management is announcing monthly dividends in the Fund.

## Credit Quality of the Portfolio as of April 30, 2012 (% of NAV)



**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 dependant 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.