

# NAFA Pension Fund (NPF)



MONTHLY REPORT (MUFAP's Recommended Format)

December 2017

## Performance %

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) December 29, 2017	Dec 2017	FYTD 2018	Rolling 12 Months	FY 2017	FY 2016	FY 2015	Last 3 Years	Since Launch July 02, 2013
NPF-Equity Sub-fund	980.7	285.5562	1.1%*	(13.8%)*	(11.9%)*	37.3%*	14.8%*	49.6%*	16.8%	26.0%
NPF-Debt Sub-fund	388.8	144.3151	3.4%	4.1%	4.3%	4.4%	5.5%	17.3%	6.3%	8.2%
NPF-Money Market Sub-fund	503.5	131.0644	4.2%	4.2%	4.2%	4.4%	4.9%	7.8%	4.9%	5.9%

\* Cumulative Returns

All Other returns are annualized

The performance reported is net of management fee & all other expenses.

## General Information

Launch Date:	July 2, 2013
Fund size:	Rs. 1,873 million
Type:	Open-end – Voluntary Pension Scheme
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Pricing Mechanism	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end Load	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a. Equity 2.08% p.a. (including 0.25% government levies)
Total Expense Ratio (%)	Debt 2.04% p.a. (including 0.33% government levies) Money Market 2.05% p.a. (including 0.34% government levies)
Risk Profile	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)
Leverage	Nil

## Investment Objective

To provide a secure source of savings and regular income after retirement to the Participants.

## Fund Manager's Commentary

### During the month of December:

NPF Equity Sub-fund unit price increased by 1.1% compared with 1.2% increase in KSE-100 Index. The Sub-fund was around 91% invested in equities with major weights in Oil & Gas Exploration Companies, Commercial Banks, and Fertilizer sectors. Equity Sub-fund maintains exposure of at least 90% in listed equities on average. Last 90 days average allocation in equity was 92% of net asset.

NPF Debt Sub-fund generated annualized return of 3.4%. The Sub-fund was invested primarily in Government securities and TFCs. Debt Sub-fund maintains a minimum combined exposure of 50% in Government Securities (25% minimum) and AA+ rated banks. Weighted Average Maturity of Sub-fund is 0.7 year.

NPF Money Market Sub-fund generated annualized return of 4.2%. In line with its investment strategy, the Sub Fund will maintain high exposure in money market securities. Money Market Sub-fund average maturity cannot exceed 90 days. Weighted Average Maturity of Sub-fund is 38 days.

## Top Five Sectors (% of Total Assets) (as on 29 December, 2017)

Oil & Gas Exploration Companies	20.3%
Commercial Banks	17.8%
Fertilizer	11.3%
Cement	8.5%
Textile Composite	6.8%
Others	26.3%

## Top Ten Holdings of Equity Sub-fund (as on 29 December, 2017)

Name	(% of Total Assets)	Name	(% of Total Assets)
Pakistan Petroleum Ltd	6.2%	Engro Fertilizer Ltd	4.1%
Pakistan Oilfields Ltd	5.6%	Bank Al-Falah Ltd	3.6%
Habib Bank Ltd	5.0%	United Bank Ltd	3.6%
Oil & Gas Dev Co Ltd	5.0%	Mari Gas Company Ltd	3.5%
Engro Corporation Ltd	4.6%	Hub Power Company Ltd	3.0%

As on 29 December, 2017

## Top TFC/Sukuk Holdings of Debt Sub-fund

Name	(% of Total Assets)
Askari Commercial Bank Limited 30-SEP-14 30-SEP-24	4.3%
Jahangir Siddiqui and Company Ltd. 08-APR-14 08-APR-19	2.9%
JS Bank Limited 14-DEC-16 14-DEC-23	2.2%
Dawood Hercules Corp Ltd 16-NOV-17 16-NOV-22	1.9%
Jahangir Siddiqui and Company Ltd. 18-Jul-17 18-Jul-22	1.9%
Jahangir Siddiqui and Company Ltd. 24-Jun-16 24-Jun-21	0.6%
<b>Total</b>	<b>13.8%</b>

## Sindh Workers' Welfare Fund (SWWF)

NPF has maintained provisions against Sindh Workers' Welfare Fund's liability in individual Sub-funds as stated below:

	Total amount Provided Rs	Amount Per Unit Rs	Last One Year return would otherwise have been higher by:
Equity Sub-fund	8,150,678	2.3732	0.73%
Debt Sub-fund	1,052,849	0.3908	0.28%
Money Market Sub-fund	946,082	0.2463	0.20%

For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

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 63 of the Income Tax Ordinance, 2001.

## Credit Quality of the Portfolio (as on 29 December, 2017)

	Debt	Money Market
Government Securities (AAA rated)	23.8%	11.4%
AAA	24.9%	18.2%
AA+	42.1%	51.5%
AA	1.9%	-
AA-	4.3%	18.1%
A+	2.3%	0.5%
Others	0.7%	0.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets)

	29-Dec-17	30-Nov-17
<b>Equity Sub-fund</b>		
Equity	91.0%	91.1%
Cash Equivalents	5.8%	7.0%
Others	3.2%	1.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Debt Sub-fund</b>		
Cash Equivalents	43.8%	20.4%
TFC/Sukuk	13.8%	14.7%
Bank Placement	17.9%	-
PIBs	-	1.4%
T-Bills	23.8%	61.2%
Others	0.7%	2.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Money Market Sub-fund</b>		
Cash Equivalents	53.4%	22.6%
Bank Placement	34.9%	18.9%
T-Bills	11.4%	57.7%
Others	0.3%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA

**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 Pension fund. All investments in Pension funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Documents to understand the investment policies and the risk involved.