

NAFA Pension Fund (NPF)



MONTHLY REPORT (MUFAP's Recommended Format)

May 2016

| | Fund Size (Rs. in mn) | NAV Per Unit (Rs.) May 31, 2016 | Performance % | | | | |
|---------------------------|--------------------------|------------------------------------|---------------|-----------|---------------------------------------|---------|-------------------------------|
| | | | May 2016 | FYTD 2016 | Rolling 12 Months June 15 - May 16 | FY 2015 | Since Launch July 02, 2013 |
| NPF-Equity Sub-fund | 548.1 | 236.2140 | 3.8%* | 12.4%* | 17.9%* | 49.6%* | 33.8% |
| NPF-Debt Sub-fund | 357.7 | 134.8766 | 4.6% | 5.5% | 5.3% | 17.3% | 10.4% |
| NPF-Money Market Sub-fund | 316.4 | 122.6090 | 4.4% | 4.9% | 4.9% | 7.8% | 6.8% |

* Cumulative Returns
All Other returns are annualized

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

| General Information | | Investment Objective | |
|--------------------------|--|--|-------|
| Launch Date: | July 2, 2013 | To provide a secure source of savings and regular income after retirement to the Participants. | |
| Fund size: | Rs. 1,222 million | | |
| Type: | Open-end – Voluntary Pension Scheme | Fund Manager's Commentary | |
| Dealing Days: | Daily – Monday to Friday | During the month of May: | |
| Dealing Time (Ramadan): | (Mon - Thr) 8:30 A.M to 3:00 P.M (Friday) 8:30 A.M to 12:30 P.M | | |
| Pricing Mechanism: | Forward Pricing | NPF Equity Sub-fund unit price increased by 3.8% compared with 3.9% increased in KSE-100 Index. The Sub-fund was around 96% invested in equities with major weights in Oil & Gas Exploration, Cement, and Textile Composite sectors. Equity Sub-fund maintains exposure of at least 90% in listed equities on average. Last 90 days average allocation in equity was 96% of net asset. | |
| Front end Load: | Upto 3% on Contributions | | |
| Back end Management Fee: | 0% | NPF Debt Sub-fund generated annualized return of 4.6%. 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 0.9 year. | |
| | On average Annual Net Assets of each Sub-fund. | | |
| Risk Profile: | Investor dependent | NPF Money Market Sub-fund generated annualized return of 4.4%. 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 4 days. | |
| Custodian & Trustee: | Central Depository Company (CDC) | | |
| Auditors: | KPMG Taseer Hadi & Co. Chartered Accountants | Top Five Sectors (% of Total Assets) (as on 31 May, 2016) | |
| Fund Manager: | Sajjad Anwar, CFA | Oil & Gas Exploration | 18.3% |
| Minimum Subscription: | Initial: Rs. 10,000/- Subsequent: Rs. 1,000/- | Cement | 15.1% |
| Asset Manager Rating: | AM2++ by PACRA (High Investment Management Standards) | Textile Composite | 7.6% |
| Leverage | Nil | Fertilizer | 7.5% |
| | | Commercial Banks | 7.3% |
| | | Others | 40.3% |

| Credit Quality of the Portfolio (as on 31 May, 2016) | | |
|--|---------------|---------------|
| | Debt | Money Market |
| Government Securities (AAA rated) | 76.2% | - |
| AAA | 0.7% | - |
| AA+ | 16.2% | 20.7% |
| AA | - | 2.5% |
| AA- | 5.4% | 20.7% |
| A+ | - | 54.8% |
| Others | 1.5% | 1.3% |
| Total | 100.0% | 100.0% |

| Asset Allocation (% of Total Assets) | | |
|--------------------------------------|------------------|------------------|
| | 31-May-16 | 29-Apr-16 |
| Equity Sub-fund | 31-May-16 | 29-Apr-16 |
| Equity | 96.1% | 95.4% |
| Cash Equivalents | 3.6% | 4.0% |
| Others | 0.3% | 0.6% |
| Total | 100.0% | 100.0% |
| Debt Sub-fund | 31-May-16 | 29-Apr-16 |
| Cash Equivalents | 9.9% | 6.3% |
| TFC/Sukuk | 12.4% | 11.8% |
| PIBs | 12.8% | 12.4% |
| T-Bills | 63.4% | 68.0% |
| Others | 1.5% | 1.5% |
| Total | 100.0% | 100.0% |
| Money Market Sub-fund | 31-May-16 | 29-Apr-16 |
| Cash Equivalents | 83.0% | 82.8% |
| Bank Placement | 15.7% | 16.2% |
| Others | 1.3% | 1.0% |
| Total | 100.0% | 100.0% |

| WORKERS' WELFARE FUND (WWF) | | | |
|--|--------------------------|--------------------|---|
| NPF has maintained provisions against 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 | 2,346,729 | 1.0114 | 0.51% |
| Debt Sub-Fund | 809,223 | 0.3051 | 0.24% |
| Money Market Sub-Fund | 351,954 | 0.1364 | 0.12% |

For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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.

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.

| Top Ten Holdings of Equity Sub-fund (as on 31 May, 2016) | | | |
|--|---------------------|---------------------------|---------------------|
| Name | (% of Total Assets) | Name | (% of Total Assets) |
| Mari Petroleum Company Ltd | 5.7% | Nishat Mills Ltd | 4.5% |
| Engro Corporation Ltd | 5.4% | Pakistan State Oil Co Ltd | 4.1% |
| Lucky Cement Ltd | 5.1% | Oil & Gas Dev Co Ltd | 3.4% |
| Pakistan Petroleum Ltd | 4.6% | D. G. Khan Cement Co Ltd | 3.0% |
| Pakistan Oilfields Ltd | 4.5% | Kot Addu Power Co Ltd | 2.8% |

| As on 31 May, 2016 | |
|---|---------------------|
| Top TFC/Sukuk Holdings of Debt Sub-fund | |
| Name | (% of Total Assets) |
| Jahangir Siddiqui and Company Ltd 08-APR-14 | 5.5% |
| Askari Commercial Bank Limited | 5.0% |
| Jahangir Siddiqui and Company Ltd.(Pre IPO) 16-MAY-16 16-MAY-21 | 0.8% |
| Standard Chartered Bank (Pakistan) Limited IV | 0.7% |
| Faysal Bank Limited III | 0.4% |
| Total | 12.4% |

| Name of the Members of Investment Committee | |
|--|--|
| Dr. Amjad Waheed, CFA | |
| Sajjad Anwar, CFA | |
| Muhammad Ali Bhabha, CFA, FRM, Syed Suleman Akhtar, CFA, | |
| Asim Wahab Khan, CFA, Muhammad Imran, CFA, ACCA | |