

NAFA Pension Fund (NPF)



MONTHLY REPORT (MUFAP's Recommended Format)

November 2017

Performance %

| | Fund Size (Rs. in mln) | NAV Per Unit (Rs.) November 30, 2017 | Nov 2017 | FYTD 2018 | Rolling 12 Months | FY 2017 | FY 2016 | FY 2015 | Last 3 Years | Since Launch July 02, 2013 |
|---------------------------|---------------------------|---|-------------|--------------|----------------------|------------|------------|------------|-----------------|-------------------------------|
| NPF-Equity Sub-fund | 955.8 | 282.3438 | 0.6%* | (14.8)* | (4.2)* | 37.3%* | 14.8%* | 49.6%* | 17.6% | 26.2% |
| NPF-Debt Sub-fund | 410.3 | 143.9219 | 4.0% | 4.2% | 4.4% | 4.4% | 5.5% | 17.3% | 6.9% | 8.3% |
| NPF-Money Market Sub-fund | 494.4 | 130.6257 | 4.1% | 4.2% | 4.3% | 4.4% | 4.9% | 7.8% | 5.0% | 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. 1,861 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 2.09% p.a. (including 0.25% government levies) |
| Total Expense Ratio (%) | Debt 2.04% p.a. (including 0.33% government levies) Money Market 2.04% p.a. (including 0.33% 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 November:

NPF Equity Sub-fund unit price increased by 0.6% compared with 1.0% 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 4.0%. 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 4.1%. 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 19 days.

Top Five Sectors (% of Total Assets) (as on 30 November, 2017)

| | |
|---------------------------------|-------|
| Oil & Gas Exploration Companies | 19.3% |
| Commercial Banks | 15.9% |
| Fertilizer | 10.3% |
| Cement | 9.5% |
| Textile Composite | 6.9% |
| Others | 29.2% |

Top Ten Holdings of Equity Sub-fund (as on 30 November, 2017)

| Name | (% of Total Assets) | Name | (% of Total Assets) |
|------------------------|---------------------|-----------------------|---------------------|
| Pakistan Petroleum Ltd | 5.9% | Mari Gas Company Ltd | 3.6% |
| Pakistan Oilfields Ltd | 5.8% | Engro Fertilize Ltd | 3.1% |
| Habib Bank Ltd | 4.9% | Nishat Mills Ltd | 3.0% |
| Engro Corporation Ltd | 4.6% | United Bank Ltd | 3.0% |
| Oil & Gas Dev Co Ltd | 4.0% | Hub Power Company Ltd | 2.9% |

As on 30 November, 2017

Top TFC/Sukuk Holdings of Debt Sub-fund

| Name | (% of Total Assets) |
|---|---------------------|
| Askari Commercial Bank Limited 30-SEP-14 30-SEP-24 | 4.4% |
| 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 | 0.7% |
| Standard Chartered Bank (Pakistan) Limited IV - Revised 29-JUN-12 29-JUN-22 | 0.6% |
| Faysal Bank Limited III 27-DEC-10 27-DEC-17 | 0.1% |
| Total | 14.7% |

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 | 2,4078 | 0.82% |
| Debt Sub-fund | 1,030,423 | 0,3614 | 0.26% |
| Money Market Sub-fund | 912,386 | 0,2411 | 0.19% |

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 30 November, 2017)

| | Debt | Money Market |
|-----------------------------------|---------------|---------------|
| Government Securities (AAA rated) | 62.6% | 57.7% |
| AAA | 2.3% | 0.3% |
| AA+ | 24.2% | 21.9% |
| AA | 1.9% | - |
| AA- | 4.5% | 19.1% |
| A+ | 2.2% | 0.2% |
| Others | 2.3% | 0.8% |
| Total | 100.0% | 100.0% |

Asset Allocation (% of Total Assets)

| | 30-Nov-17 | 31-Oct-17 |
|------------------------------|------------------|------------------|
| Equity Sub-fund | 30-Nov-17 | 31-Oct-17 |
| Equity | 91.1% | 88.8% |
| Cash Equivalents | 7.0% | 9.0% |
| Others | 1.9% | 2.2% |
| Total | 100.0% | 100.0% |
| Debt Sub-fund | 30-Nov-17 | 31-Oct-17 |
| Cash Equivalents | 20.4% | 40.4% |
| TFC/Sukuk | 14.7% | 12.9% |
| PIBs | 1.4% | 1.4% |
| T-Bills | 61.2% | 43.1% |
| Others | 2.3% | 2.2% |
| Total | 100.0% | 100.0% |
| Money Market Sub-fund | 30-Nov-17 | 31-Oct-17 |
| Cash Equivalents | 22.6% | 60.5% |
| Bank Placement | 18.9% | 19.1% |
| T-Bills | 57.7% | 19.5% |
| Others | 0.8% | 0.9% |
| Total | 100.0% | 100.0% |

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

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