

NBP GOVERNMENT SECURITIES SAVINGS FUND (NGSSF)

(FORMERLY: NAFA GOVERNMENT SECURITIES SAVINGS FUND)



MONTHLY REPORT (MUFAP's Recommended Format)

May 2020

Unit Price (31/05/2020): Rs.10.3069

Performance %										
Performance Period	May-2020	FYTD - 2020	Rolling 12 Months	FY - 2019	FY - 2018	FY - 2017	FY - 2016	Last 3 Years*	Last 5 Years*	Since Launch July 10, 2014*
NBP GOVERNMENT SECURITIES SAVINGS FUND (FORMERLY: NAFA GOVERNMENT SECURITIES SAVINGS FUND)	2.5%	22.5%	21.7%	7.8%	5.0%	5.8%	6.5%	11.1%	9.0%	10.0%
BENCHMARK	7.8%	12.5%	12.5%	9.9%	6.2%	5.9%	6.2%	9.4%	8.0%	8.2%

* Annualized Return Based on Morning Star Methodology. All other returns are Annualized Simple Return.
The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

General Information

Launch Date:	July 10, 2014
Fund Size:	Rs. 1,097 million
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 Load (Individual): without life insurance 1%, with life insurance 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	1.5% of Net Income (min: 0.2% p.a., max: 1.0% p.a.) w.e.f. 12-Jul-19. 0.26% p.a. of average net assets during the month.
Total Expense Ratio:	1.72% p.a (including 0.43% government levies)
Selling & Marketing Expenses:	0.7% p.a
Risk Profile:	Low
Fund Stability Rating:	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	6-Month PKRV
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum:	Growth Unit: Rs. 10,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

Investment Objective

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 generated an annualized return of 2.5% p.a. against the Benchmark return of 7.8% p.a. Since its launch in July 2014, the Fund offered an annualized return of 10.0% p.a. against the Benchmark return of 8.2% p.a., hence an out-performance of 1.8% p.a. This out-performance is net of management fee and all other expenses.

NBP Government Securities Savings Fund (NGSSF) invests a minimum of 70% in Government Securities. The Fund invests a minimum 10% 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 around 75% of the Total Assets and 77% of Net Assets at the end of the month. Last one year allocation in Government Securities was around 75% of net assets. The weighted average time-to-maturity of the Fund is 2.2 years.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

Credit Quality of the Portfolio as of May 31, 2020 (% of Total Assets)

Government Securities (AAA rated)	75.1%
AAA	0.7%
AA+	1.5%
AA-	2.2%
A+	6.3%
A	11.2%
Un-rated	0.2%
Others including Receivables	2.8%
Total	100.0%

Asset Allocation (% of Total Assets)

	31-May-20	30-Apr-20
PIBs	53.0%	47.4%
T-Bills	22.1%	18.7%
Bank Deposits	19.0%	25.8%
Placement with Banks	3.1%	2.6%
Others including Receivables	2.8%	5.5%
Total	100.0%	100.0%
Leverage	Nil	Nil

Name of the Members of Investment Committee

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

Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs.4,399,231/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0413/49%. For details investors are advised to read note 5 of the latest financial statements of the Scheme

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 the Income Tax Ordinance, 2001.