

# NAFA Government Securities Savings Fund (NGSSF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/10/2015): Rs. 10.5726

October 2015

Performance %				
Performance Period	Oct 2015	FYTD 2016	Rolling 12Months Nov 14 - Oct 15	Since Launch July 10, 2014*
NAFA Government Securities Savings Fund	6.8%	8.2%	12.4%	12.8%
Benchmark	6.7%	6.8%	8.4%	8.6%

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

## General Information

Launch Date:	July 10, 2014
Fund Size:	Rs. 358 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: 1% (Nil on investment above Rs.16 million) Back end: 0%
Management Fee:	1.0% per annum
Risk Profile:	Low
Fund stability rating:	"AA- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)
Fund Manager:	Asad Haider
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2+ by PACRA (High Investment Management Standards)

## 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 has generated an annualized return of 6.8% against the benchmark return of 6.7%, thus registering an outperformance of 0.1% p.a. Since its launch in July 2014, the Fund offered an annualized return of 12.8% against the Benchmark return of 8.6%, hence an outperformance of 4.2% p.a. This outperformance is net of management fee and all other expenses.

NAFA Government Securities Savings Fund (NGSSF) invests a minimum of 70% in Government Securities. The Fund invests at least 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 85.7% of the Total Assets and 87.2% of Net Assets at the end of the month with average time to maturity of around 1 year and Yield to Maturity of 6.3% p.a. Last one year allocation in Government Securities was around 78.6%. The weighted average time-to-maturity of the Fund is 0.9 years.

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

Asset Allocation (% of Total Assets)	31-Oct-15	30-Sep-15
PIBs	16.5%	15.7%
Tbills	69.2%	63.8%
Bank Deposits	13.6%	19.3%
Other including receivables	0.7%	1.2%
Total	100.0%	100.0%
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1,621,195/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0478/0.51%. For details investors are advised to read note 8 of the Financial Statements of the Scheme for the period ended September 30, 2015. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Asad Haider

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 Income Tax Ordinance.

## Credit Quality of the Portfolio as of Oct 31, 2015 (% of Total Assets)

