

NAFA Savings Plus Fund (NSPF)



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/07/2016): Rs. 10.1650

July 2016

Performance %

Performance Period	July 2016	Trailing 12 months Aug 15 - Jul 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch November 21, 2009*
NAFA Savings Plus Fund	5.5%	6.1%	6.3%	8.7%	7.9%	8.8%	11.0%	8.9%
Benchmark	4.3%	4.6%	4.7%	6.7%	7.1%	7.3%	8.4%	7.1%

* 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:	November 21, 2009
Fund Size:	Rs. 526 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: without Life Insurance: 0.5%, with Life Insurance 3% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.50% p.a.)
Total Expense Ratio:	0.91% p.a. (including 0.15% representing government levies)
Risk Profile:	Very Low
Fund Stability Rating:	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	Average 6-Month deposit rate (A & above rated banks)
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 1,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

Investment Objective

To minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

Fund Manager Commentary

The Fund earned an annualized return of 5.5% during the month versus the Benchmark return of 4.3% thus registering an outperformance of 1.2% p.a. Since its launch in November 2009, the Fund offered an annualized return of 8.9% against the Benchmark return of 7.1%, hence an outperformance of 1.8% p.a. This outperformance is net of management fee and all other expenses.

NSPF is one of the highest rated income funds in the market due to its restrictive investment guidelines. The Fund is allowed to invest in Government Securities up to a maximum maturity of 3 years and also in debt securities with rating of A and above with a maximum remaining maturity of 1 year. The Fund invests 25% of its net assets in less than 90 days T-Bills or saving accounts with banks, which further enhances liquidity profile of the Fund.

The portfolio of NSPF is invested in Treasury bills, MTS, and bank deposits etc. The allocation in MTS is around 25% of net assets. The weighted average time to maturity of the Fund is around 22 days. Our internal guidelines permit MTS financing in only fundamentally strong companies with lower volatility. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rates of return with no direct exposure to the stock market.

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

Asset Allocation (% of Total Assets)

	30-July-16	30-June-16
T-Bills	6.9%	4.6%
Margin Trading System (MTS)	22.6%	13.9%
Placements with Banks	8.3%	8.0%
Bank Deposits	61.4%	35.0%
Other including receivables	0.8%	38.5%
Total	100.0%	100.0%
Leverage	Nil	Nil

Credit Quality of the Portfolio as of July 30, 2016 (% of Total Assets)

Govt. Securities (AAA rated)	6.9%
AAA	4.2%
AA+	29.6%
AA	11.6%
AA-	1.1%
A+ & below	23.2%
MTS (Unrated)	22.6%
Other including receivables	0.8%
Total	100.0%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.12,099,338/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.2337/2.43%. For details investors are advised to read 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.

Name of the Members of Investment Committee

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

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.

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