

# Bachat Nama

Fund Manager's Report (January - 2017)





**Macro-Environment Review and Outlook**

Consumer Price Index (CPI) clocked in at 3.66% YoY (0.18% MoM) for the month of January, below consensus estimates of ~3.8%. While food inflation remained subdued during the month declining by 1.2% MoM, the seasonal increase in housing and utility kept the overall inflation on the rising trend. The decision of Government to pass on petroleum prices contributed 0.5% MoM increase under transport head. We expect increase in Petroleum prices to keep contributing towards inflation in the remaining months. However, the Inflation for the year is expected to remain below 5%.

On the external front, the current account witnessed a massive deficit of USD 1.08 billion during the month of Dec'16. Trade deficit worsened by USD 300 million, as imports went up by 10% MoM. It is pertinent to note that the reversal in oil prices would weigh up on import bill in coming months. Remittances fell by 1.98% YoY in the month of December to USD 1.58 bn. The future trend in remittances remains uncertain with positive contribution likely from implementation of OPEC's agreement and downside risk emerging from President Trump's foreign policy.

The LSM growth clocked in at an impressive 8.0% during the month of November, 2016 with major contributions driven from automobile (Trucks and tractors) and electrical items.

**Keeping in view the rising Current Account deficit, and falling remittances the SBP adopted a cautious approach and decided to maintain the discount rate at current levels.**

The foreign exchange reserves stood at 23.25 bn increasing by USD 114 mn during the month. It is pertinent to note that foreign exchange reserves have decreased by USD 1.2 bn from their peak in October due to deteriorating current account balance and maturity of loans.

**Equity Market Review and Outlook**

The positive momentum witnessed in the previous two months extended in Jan'17, lifting the index by ~2% to close at 48,758 points. The local market outflows mirrored those of emerging markets with foreigners liquidating USD 111 mn of equities. Interestingly, the market continued to absorb this outflow mainly on account of robust domestic liquidity where selling was absorbed by mutual funds, individuals and companies who bought USD 44 mn, USD 40 mn and USD 30 mn respectively worth of equities. While average daily volumes increased by ~24% to 440 mn shares, value traded increased by ~30% to PKR 22.5 bn. Massive increase in volumes in 2nd and 3rd tier stocks has largely compensated for the slow-down in activity in blue chip stocks.

Steel sector led the charts, recording a gain of an impressive 30% during the month, on the back of rising international steel prices, imposition of anti-dumping duty on CRC, capacity expansions, and strong result expectations. This was yet another month in which Automobile Assemblers outperformed the market with new flow regarding the launch of new models (BR-V, Ciaz and Alto) and face-lift of Corolla circulating the market.

OMCs outperformed the benchmark index and rallied 4% due to uptake in volumes and optimistic result expectations. Refinery rallied 15% amid rising GRMs and upbeat result expectations. Like last month, Pharmaceuticals remained under limelight, gaining 5% during the month.

**Oil and Gas exploration sector underperformed the market as news flows regarding OGDC and Mari's divestment by the government of Pakistan kept the performance under check in the sector. Similarly Commercial banks remained laggards with lower than expected inflation in the month of December.**

Going forward, we believe strong local liquidity is expected to mitigate the impact of adverse foreign flows. However, sooner or later, we can expect improved foreign flows in the market because of inclusion in MSCI in May 2017. We recommend our investors to focus on the long term value offered by the local bourse through our equity funds.

**Money Market Review and Outlook**

During the month, significant trading activity was witnessed in secondary market where yield of bonds remained highly volatile. With the close of the calendar year, Commercial Banks were active again and came into market for portfolio building which reversed bond yields across the tenure.

**While all three PIB auctions were rejected in 2QFY17 because of limited bidding and higher yields; a hefty participation was witnessed during the month of January with bids of PKR 135bn being placed against the target of PKR 50bn. SBP accepted around PKR 39bn, out of which PKR 29bn & PKR 10bn were accepted in 3 & 5 years respectively whereas, a total of mere 1mn was accepted in 10 year PIB. Cut offs for 3 years, 5 years and 10 years were at 6.4074%, 6.8998% and 7.9414% respectively. Yield curve straight away took upward shift as cut offs announced by SBP were higher than previous ones. This adverse yields movement resulted in mark to market losses on the portfolios carrying longer tenor bonds.**

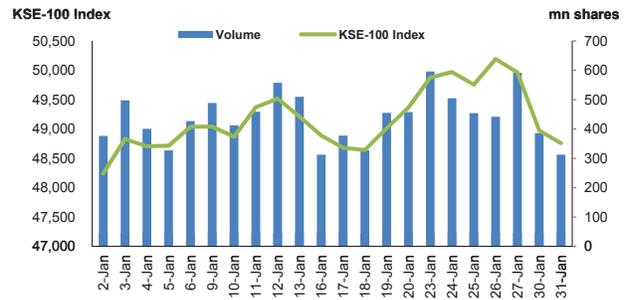
During the month, State Bank of Pakistan also announced Monetary Policy in which the committee decided to keep the discount rate. Prime reasons to maintain the discount rate were cited as concerns on growing CPEC-related imports, decline in exports, absence of Coalition Support Fund, and slowdown in remittances. The results of the last MTB auction of January 2017 showed a downward trend as the cut offs for 3month, 6 month and 12 month were decreased to 5.9017%, 5.9258% and 5.9598% respectively. **The target for the auction amounted to PKR 450 billion out of which a mammoth total of PKR 519 billion was accepted, thus showing the interest of FIs on shorter tenors as compared to longer tenors. Short term liquidity remained comfortable as SBP conducted regular OMOs.**

Going forward, market will further remain cautious on back of strengthening dollar after US elections along with stable to rising international oil prices. Furthermore, ease in CPI numbers and any foreign flow could generate some demand in medium to longer tenor bonds.

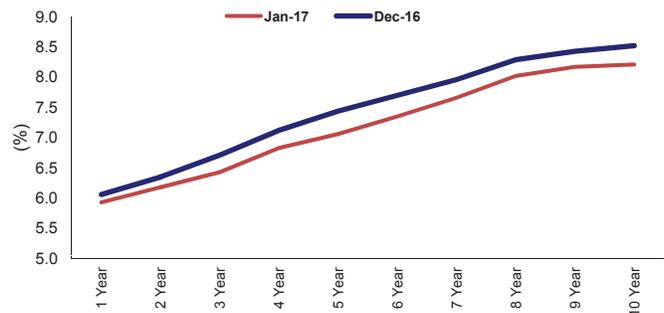
Discount Rate vs. CPI Inflation



KSE During January 2017



Yield Curve



# MCB Cash Management Optimizer

January 31, 2017 NAV - PKR 104.8737



## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	AA(f) by PACRA (09-Dec-16)
Risk Profile	Low
Launch Date	1-Oct-09
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co. Chartered Accountants
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets
Front / Back end Load*	Nil
Min. Subscription	
Growth Units	PKR 5,000
Cash Dividend Units	PKR 5,000
Income Units	PKR 100,000
Listing	Pakistan Stock Exchange
Benchmark	An Average of 3 Month deposit rates of AA and above rated scheduled banks for the period of return
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

To provide Unit-Holders competitive returns from a low risk portfolio of short duration assets while maintaining high liquidity.

## Manager's Comment

The fund generated an annualized return of 21.61% during the month outstripping the benchmark by an astounding 17.86%. The fund's exposure towards TDRs was decreased to 7.2% from 19.6% while exposure in cash was increased to 92.2% from 79.4% last month.

WAM of the fund decreased from 08 days to 02 days.

## Provision against WWF liability

MCB-CMOP has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.8.54 million, if the same were not made the NAV per unit of MCB-CMOP would be higher by Rs.0.1177 and YTD return would be higher by 0.12%. For details investors are advised to read Note 7.2 of the latest Financial Statements for the quarter ended September 30, 2016 of MCB-CMOP.

## Fund Facts / Technical Information

## MCB CMOP

NAV per Unit (PKR)	104.8737
Net Assets (PKR M)	7,607
Weighted average time to maturity (Days)	2
Sharpe Measure*	0.29
Correlation*	11%
Standard Deviation	0.040
Alpha*	0.011%
Total expense ratio with government levy**	0.71%
Total expense ratio without government levy	0.51%

\*as against 3 month PKRV net of expenses

\*\* This includes 0.20% representing government levy, worker's welfare fund and SECP Fee

## Asset Allocation (%age of Total Assets)

	Jan-17	Dec-16
Cash	92.2%	79.4%
T-Bills	0.0%	0.2%
Term Deposits with Banks	7.2%	19.6%
Others including receivables	0.6%	0.8%

## Performance Information (%)

	MCB CMOP	Benchmark
Year to Date Return (Annualized)	7.68%	3.80%
Month to Date Return (Annualized)	21.61%	3.75%
180 Days Return (Annualized)	8.16%	3.78%
365 Days Return (Annualized)	6.81%	3.98%
Since inception (CAGR)*	9.21%	6.41%
Average Annual Return (Geometric Mean)	9.77%	-

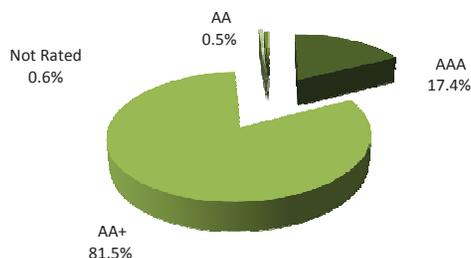
\*Adjustment of accumulated WWF since Oct 1, 2009

Annualized	2012	2013	2014	2015	2016
Benchmark (%)	6.10	5.40	7.19	6.74	4.42
MCB CMOP (%)	11.30	9.20	8.25	8.83	5.77

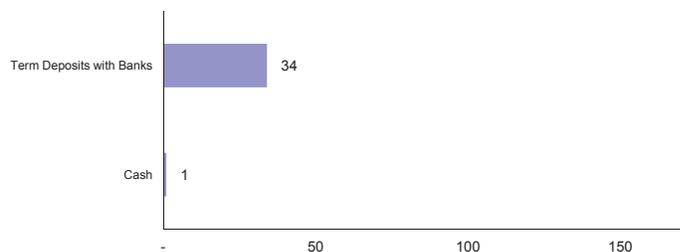
## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Asset Quality (%age of Total Assets)



## Asset-wise Maturity (No. of Days)



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## MUFAP's Recommended Format.

# Pakistan Cash Management Fund

January 31, 2017 NAV - PKR 52.8499



## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	AAA(f) by PACRA (09-Dec-16)
Risk Profile	Low
Launch Date	20-March-2008
Fund Manager	Saad Ahmed
Trustee	MCB Financial Services Limited
Auditor	Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants
Management Fee	10% of Gross Earnings subject to minimum fee of 0.25% of average daily Net Assets
Front / Back end Load*	0% / 0.1% if redeemed within 3 days & if converted within 30 days
Min. Subscription	A PKR 5,000 B PKR 10,000,000
Listing	Pakistan Stock Exchange
Benchmark	3-Month T-Bill return
Pricing Mechanism	Backward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 10:00 AM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

The objective of PCF is to deliver regular income and provide high level of liquidity, primarily from short duration government securities investments.

## Manager's Comment

The fund generated an annualized return of 29.77% during the month against its benchmark return of 6.09%. The fund decreased its cash exposure from 99.7% to 5.7% while T-Bills exposure was increased to 94.1%. WAM of the fund at month end stood at 45 Days.

The fund would remain vigilant towards the changes in macroeconomic variables and would continue to harvest attractive opportunities in the market.

## Provision against WWF liability

PCF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1.76 million, if the same were not made the NAV per unit of PCF would be higher by Rs. 0.0746 and YTD return would be higher by 0.15%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2016 of PCF.

Fund Facts / Technical Information	PCF	Benchmark
NAV per Unit (PKR)	52.8499	
Net Assets (PKR M)	1,250	
Weighted average time to maturity (Days)	45	
Sharpe Measure*	0.03	0.17
Correlation*	22.7%	
Standard Deviation	0.05	0.02
Alpha*	-0.002%	
Total expense ratio with government levy**	0.56%	
Total expense ratio without government levy	0.43%	
*as against 3 month PKRV net of expenses		

\*\*This includes 0.13% representing government levy, worker's welfare fund and SECP fee

Asset Allocation (%age of Total Assets)	Jan-17	Dec-16
Cash	5.7%	99.7%
T-Bills	94.1%	0.0%
Others including receivables	0.2%	0.3%

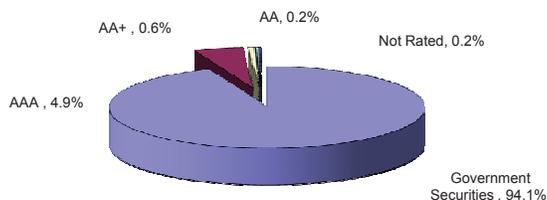
Performance Information (%)	PCF	Benchmark
Year to Date Return (Annualized)	8.94%	5.90%
Month to Date Return (Annualized)	29.77%	6.09%
180 Days Return (Annualized)	9.64%	5.87%
365 Days Return (Annualized)	7.68%	6.15%
Since inception (CAGR)	9.71%	10.51%
Average Annual Return (Geometric Mean)	10.20%	-

Annualized	2012	2013	2014	2015	2016
Benchmark (%)	13	10.5	9.56	9.83	6.75
PCF (%)	11.0	9.0	8.41	8.86	5.88

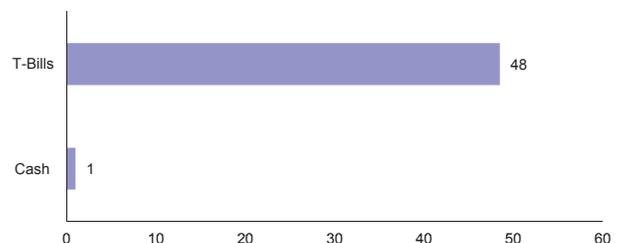
## Members of the Investment Committee

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Saad Ahmed	Asset Class Specialist-Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

Asset Quality (%age of Total Assets)



Asset-wise Maturity (No. of Days)



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## MUFAP's Recommended Format.



**Investment Objective**

To deliver superior fixed income returns by investing in an optimal mix of authorized debt instruments while taking into account capital security and liquidity considerations.

**General Information**

Fund Type An Open End Scheme  
 Category Income Scheme  
 Asset Manager Rating AM2 ++ (AM Two Double Plus) by PACRA (08-Jun-16)  
 Stability Rating A+(f) by PACRA (09-Dec-16)  
 Risk Profile Low  
 Launch Date 1-Mar-07  
 Fund Manager Saad Ahmed  
 Trustee Central Depository Company of Pakistan Limited  
 Auditor Ernst & Young Ford Rhodes Sidat Hyder & Co. Chartered Accountants  
 Management Fee 1.5% p.a.

**Front-end Load\***  
 Growth and Income Units: Individual 1.5%  
 Corporate Nil

Bachat Units: Nil  
**Back-end Load\***  
 Growth & Income Units Nil  
 Bachat Units 3% if redeemed before completion of two years from the date of initial investment.  
 0% if redeemed after completion of two years from the date of initial investment.

**Min. Subscription**  
 Growth & Bachat Units PKR 500  
 Income Units PKR 100,000  
 Listing Pakistan Stock Exchange  
 Benchmark Six(6) months KIBOR rates  
 Pricing Mechanism Forward  
 Dealing Days Monday - Friday  
 Cut off Timing Mon-Fri (9:00AM to 4:30 PM)

Leverage Nil

\*Subject to government levies

**Manager's Comment**

During the month the fund generated an annualized return of 22.30% against its benchmark return of 6.14%. The fund increased its exposure in TBills from 2.4% to 5.9%. Allocation in cash and TFCs was also increased.

**Provision against WWF liability**

MCB-DCFIF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 16.79 million, if the same were not made the NAV per unit of MCB-DCFIF would be higher by Rs. 0.2646 and YTD return would be higher by 0.25%. For details investors are advised to read Note 6.2 of the latest Financial Statements for the quarter ended September 30,2016 of MCB-DCFIF.

Performance Information (%)	MCB-DCFIF	Benchmark
Year to Date Return (Annualized)	7.20%	5.93%
Month to Date Return (Annualized)	22.30%	6.14%
180 Days Return (Annualized)	7.78%	5.89%
365 Days Return (Annualized)	6.47%	6.28%
Since inception (CAGR) **	10.17%	10.67%
Average Annual Return (Geometric Mean)	10.71%	-

Annualized	2012	2013	2014	2015	2016
Benchmark (%)	12.2	9.3	9.57	10.57	7.01
MCB-DCFIF (%)	10.8	9.8	10.79	12.64	6.23

\*\*One off hit of 4% due to SECP directive on TFCs' portfolio

Adjustment of accumulated WWF since July 1, 2008

Asset Allocation (%age of Total Assets)	Jan-17	Dec-16
Cash	28.0%	25.5%
Term Deposits with Banks	13.9%	13.0%
PIBs	0.0%	0.0%
TFCs	24.6%	22.5%
Spread Transactions	8.0%	12.8%
T-Bills	5.9%	2.4%
Others including receivables	4.3%	19.5%
Margin Trading	15.3%	4.3%

**Fund Facts / Technical Information**

NAV per Unit (PKR)	110.5427
Net Assets (PKR M)	7,016
Weighted average time to maturity (Years)	1.7
Duration (Years)	1.6
Sharpe Measure*	0.04
Correlation*	4.1%
Standard Deviation	0.10
Alpha*	0.004%
Total expense ratio with government levy**	1.48%
Total expense ratio without government levy	1.23%

\*as against benchmark

\*\*This includes 0.25% representing government levy, worker's welfare fund and SECP fee

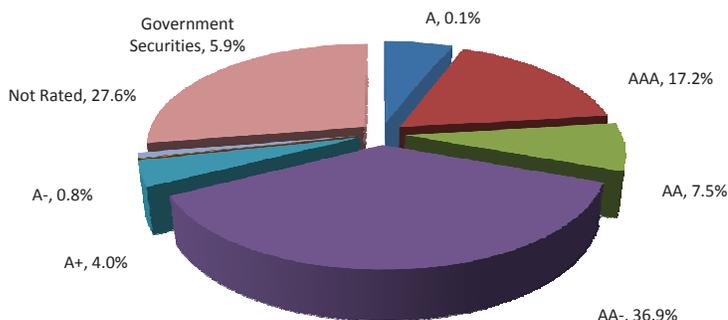
**Members of the Investment Committee**

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Muhammad Asim, CFA	Asset Class Specialist-Equities
Saad Ahmed	Asset Class Specialist-Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

**Top 10 TFC Holdings (%age of Total Assets)**

Habib Bank Limited (19-Feb-16)	6.0%
Bank Alfalah Limited (20-Feb-13)	4.9%
Askari Bank Limited (30-Sep-14)	3.8%
Bank Al Habib Limited (17-Mar-16)	3.6%
Standard Chartered Bank (Pakistan) Limited (29-Jun-12)	2.5%
Bank Alfalah Limited - Floating (02-Dec-09)	1.8%
Engro Fertilizer Limited (09-Jul-14)	0.9%
Bank Alfalah Limited-Fixed (02-Dec-09)	0.8%
Faysal Bank Limited (27-Dec-10)	0.3%
Security Leasing Corporation Limited (28-Mar-06)	0.0%

**Asset Quality (%age of Total Assets)**



**Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. in millions)**

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provision held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Saudi Pak Leasing Company Limited - TFC	2.26	0.84	0.84	-	0.00%	0.00%
Security Leasing Corporation Limited - Sukuk	4.23	1.48	1.48	-	0.00%	0.00%
Security Leasing Corporation Limited - TFC	5.08	3.00	3.00	-	0.00%	0.00%
New Allied Electronics Industries - TFC	21.98	21.98	21.98	-	0.00%	0.00%
New Allied Electronics Industries - Sukuk	35.00	35.00	35.00	-	0.00%	0.00%

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**MUFAP's Recommended Format.**



### Investment Objective

The objective of the Fund is to deliver returns primarily from debt and fixed income investments without taking excessive risk.

### Manager's Comment

During the month the fund posted an annualized return of 26.61% against its benchmark return of 6.12%. Weighted Average Time to Maturity of the Fund stood at 1.3 years. Exposure in Cash was increased from 27.4% to 39.4% while exposure in T-Bills remained same.

### General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2+ (AM Two Double Plus ) by PACRA (08-Jun-16)
Stability Rating	A+(f) by PACRA (09-Dec-16)
Risk Profile	Low
Launch Date	11-Mar-2002
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	Central Depository Company of Pakistan Limited
Auditor	A.F.Ferguson & Co., Chartered Accountants
Management Fee	1.5% p.a
Front end Load*	- For individual - 2% - For Corporate - Nil
Back-end load*	Nil
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	75% KIBOR (6Month) + 25% PKRV (3Month)
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

### Provision against WWF liability

PIF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 2.5 million, if the same were not made the NAV per unit of PIF would be higher by Rs. 0.1185 and YTD return would be higher by 0.22%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2016 of PIF.

Performance Information (%)	PIF	Benchmark
Year to Date Return (Annualized)	7.92%	5.94%
Month to Date Return (Annualized)	26.61%	6.12%
180 Days Return (Annualized)	8.51%	5.89%
365 Days Return (Annualized)	6.73%	6.26%
Since inception (CAGR)	9.80%	8.99%
Average Annual Return (Geometric Mean)	10.15%	-

Annualized	2012	2013	2014	2015	2016
Benchmark (%)	13.30	11.00	9.33	10.43	6.97
PIF(%)	9.40	7.20	8.13	11.31	6.14

### Top 10 TFC Holdings (%age of Total Assets)

Bank Al Falah Limited (20-Feb-13)	5.7%
Habib Bank Limited (19-Feb-16)	4.2%
Bank Al Habib limited (17-Mar-16)	3.8%
Askari Bank limited (23-Dec-11)	3.1%
Askari Bank limited (30-Sep-14)	2.1%
Bank Al Falah Limited - Floating (02-Dec-09)	1.3%
Byco Oil Pakistan Limited - Sukuk	0.1%
Pace Pakistan Limited (15-Feb-08)	0.0%
Telecard Limited (27-May-05)	0.0%
Trust Investment Bank Limited (04-Jul-08)	0.0%

### Asset Allocation (%age of Total Assets)

	Jan-17	Dec-16
Cash	39.4%	27.4%
TFCs	20.3%	19.9%
Spread Transactions	1.8%	0.0%
T-Bills	4.1%	4.1%
Term Deposits with Banks	12.5%	14.4%
PIBs	0.7%	0.7%
Others including receivables	4.8%	24.2%
Margin Trading	16.4%	9.3%

### Fund Facts / Technical Information

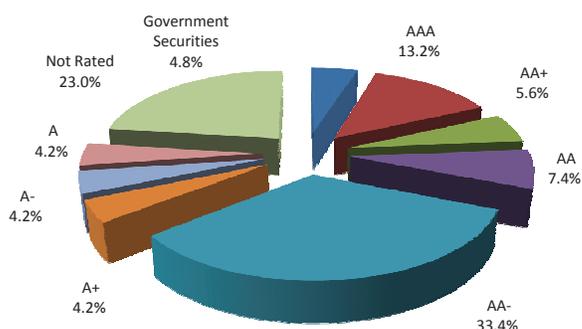
NAV per Unit (PKR)	56.11
Net Assets (PKR M)	1,184
Weighted average time to maturity (Years)	1.3
Duration (Years)	1.3
Sharpe Measure	0.03
Correlation	6.16%
Standard Deviation	0.18
Alpha	0.003%
Total expense ratio with government levy*	1.55%
Total expense ratio without government levy	1.28%

\* This includes 0.27% representing government levy, worker welfare fund and SECP fee.

### Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

### Asset Quality (%age of Total Assets)



### Details of non-compliant investments with the investment criteria of assigned category (securities below investment grade - Rs. in millions)

Name & Type of Non-Compliant Investment	Outstanding face value	Value of investment before provision	Provisions held, if any	Value of investment after provision	% of Net Assets	% of Gross Assets
Pace Pakistan Limited TFC	4.99	4.85	4.85	-	0.00%	0.00%
Telecard Limited- TFC	31.09	31.09	31.09	-	0.00%	0.00%
Trust Investment Bank Limited - TFC	18.74	18.74	18.74	-	0.00%	0.00%

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### MUFAP's Recommended Format.

# MCB Pakistan Sovereign Fund

January 31, 2017 NAV - PKR 55.1500



## General Information

Fund Type	An Open End Scheme	
Category	Income Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	AA-(f) by PACRA (09-Dec-16)	
Risk Profile	Low to Moderate	
Launch Date	1-Mar-2003	
Fund Manager	Saad Ahmed	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants	
Management Fee	10% of the gross revenue subject to a minimum fee of 0.5% of the net assets and maximum fee of 1.5% of the net assets of the Scheme.	
Front end Load*	<u>Type A Units</u>	
	For Individual	1.5%
	For Corporate	Nil
	<u>Type B "Bachat" Units</u>	Nil
Back-end load*	<u>Type A Units</u>	Nil
	<u>Type B "Bachat" Units</u>	
	3% if redeemed before completion of two years from the date of initial investment.	
	0% if redemption after completion of two years from the date of initial investment.	
Min. Subscription	PKR 500.	
Listing	Pakistan Stock Exchange	
Benchmark	6 month PKRV rates	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

The objective of the fund is to deliver income primarily from investment in government securities.

## Manager's Comment

During the month, the fund generated an annualized return of 18.21% as against its benchmark return of 6.39%

Allocation in PIBs was increased to 66.5% from 49.4% last month.

WAM of the fund stood at 1.1 years at month end.

## Provision against WWF liability

MCB-PSF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 4.66 million, if the same were not made the NAV per unit of MCB-PSF would be higher by Rs. 0.0728 and YTD return would be higher by 0.14%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2016 of MCB-PSF.

## Fund Facts / Technical Information

	MCB-PSF
NAV per Unit (PKR)	55.15
Net Assets (PKR M)	3,529
Weighted average time to maturity (years)	1.1
Duration (years)	1.1
Sharpe Measure*	0.003
Correlation	20.21%
Standard Deviation	0.16
Alpha	-0.002%
Total expense ratio with government levy**	0.72%
Total expense ratio without government levy	0.58%
*Against 12M PKRV	
**This includes 0.14% representing government levy, worker's welfare fund and SECP fee	

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist-Equities
Saad Ahmed	Asset Class Specialist-Fixed Income
Syed Mohammad Usama Iqbal	Fund Manager - Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

## Asset Allocation (%age of Total Assets)

	Jan-17	Dec-16
Cash	13.2%	48.7%
T-Bills	18.4%	0.0%
PIBs	66.5%	49.4%
Others including Receivables	1.9%	1.9%

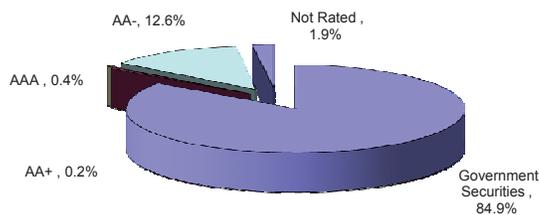
## Performance Information (%)

	MCB-PSF	Benchmark
Year to Date Return (Annualized)	6.22%	5.80%
Month to Date Return (Annualized)	18.21%	6.39%
365 Days Return (Annualized)	6.11%	6.16%
180 Days Return (Annualized)	6.45%	5.80%
Since inception (CAGR)	7.73%	8.54%
Average Annual Return (Geometric Mean)	7.49%	-

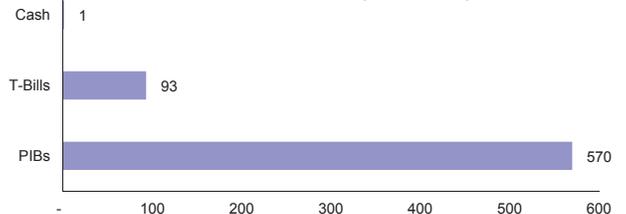
## Annualized

	2012	2013	2014	2015	2016
Benchmark (%)	13.30	11.00	9.11	10.41	6.93
MCB-PSF (%)	11.30	12.30	9.26	16.58	7.30

## Asset Quality (%age of Total Assets)



## Asset-wise Maturity (No. of days)



MUFAP's Recommended Format.

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# Pakistan Income Enhancement Fund

January 31, 2017 NAV - PKR 54.61



## Investment Objective

The objective of the Fund is to deliver return from aggressive investment strategy in the debt and fixed income market.

## Manager's Comment

During the month the fund generated an annualized return of 10.44% as against its benchmark return of 6.45%. The fund increased its exposure in PIBs to 0.8% from 0.6%. Exposure in TFCs and Term Deposits stood at 19.4% and 25.9%, respectively. Exposure in cash decreased to 16.8% from 41.7% in the previous month.

## General Information

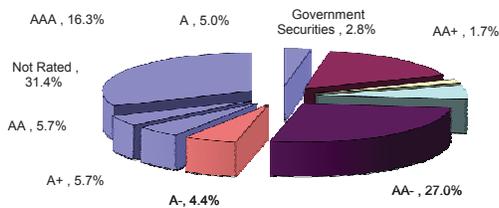
Fund Type	An Open End Scheme	
Category	Aggressive Fixed Income Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	A+(f) by (PACRA) (09-Dec-16)	
Risk Profile	Low to Moderate	
Launch Date	28-Aug-2008	
Fund Manager	Saad Ahmed	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants	
Management Fee	1.5% p.a.	
Front end Load *	<u>For Type A Units:</u> -For individual 2% -For Corporate Nil <u>For Type B Units:</u> - For individual 2% - For Corporate Nil <u>For Type C "Bachat" Units</u> Nil	
Back-end load*	Type A & Type B Units Nil Type C "Bachat" Unit - 3% if redeemed before completion of two (2) years from the date of initial investment. - 0% if redeemed after completion of two (2) years from the date of initial investment.	
Min. Subscription	Type A Units	Rs. 500/-
	Type B Units	Rs. 10,000,000/-
	Type C "Bachat" Units	Rs. 500/-
Listing	Pakistan Stock Exchange	
Benchmark	One(1) year KIBOR rates	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)	
Leverage	Nil	

\*Subject to government levies

## Top TFC Holdings (%age of Total Assets)

Habib Bank Limited (19-Feb-16)	4.9%
The Bank of Punjab - PPTFC	3.9%
Askari Bank Limited (23-Dec-11)	3.3%
Askari Bank Limited (30-Sep-14)	3.0%
Bank Alfalah Limited (20-Feb-13)	2.3%
Bank Al Habib Limited (17-Mar-16)	1.8%
Eden Housing Limited (31-Mar-08)	0.0%
Pace Pakistan Limited (15-Feb-08)	0.0%
Byco Oil Pakistan Limited-Sukuk	0.0%

## Asset Quality (%age of Total Assets)



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Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

## Provision against WWF liability

PIEF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 3.02 million, if the same were not made the NAV per unit of PIEF would be higher by Rs. 0.0808 and YTD return would be higher by 0.15%. For details investors are advised to read Note 6.2 of the latest Financial Statements for the quarter ended September 30, 2016 of PIEF.

## Performance Information (%)

	PIEF	Benchmark
Year to Date Return (Annualized)	4.63	6.25
Month to Date Return (Annualized)	10.44	6.45
180 Days Return (Annualized)	4.94	6.13
365 Days Return (Annualized)	5.36	6.61
Since inception (CAGR)	10.83	11.09
Average Annual Return (Geometric Mean)	10.68	-

Annualized	2012	2013	2014	2015	2016
Benchmark (%)	13.70	12.30	8.73	11.75	7.52
PIEF (%)	8.90	7.20	8.73	13.63	8.33

## Asset Allocation (%age of Total Assets)

	Jan-17	Dec-16
Cash	16.8%	41.7%
PIBs	0.8%	0.6%
TFCs	19.4%	13.7%
T-Bills	2.0%	3.5%
Term Deposits with Banks	25.9%	17.0%
Others including receivables	4.4%	14.4%
Margin Trading	15.0%	3.7%
Spread Transactions	12.0%	5.4%
Commerical Papers	3.70%	0.0%

## Fund Facts / Technical Information

NAV per Unit (PKR)	54.61
Net Assets (PKR M)	2,040
Weighted average time to maturity (Years)	1.9
Duration (Years)	1.8
Sharpe Measure*	0.04
Correlation*	15.52%
Standard Deviation	0.13
Alpha	-0.001%
Total expense ratio with government levy**	1.43%
Total expense ratio without government levy	1.22%

\*as against benchmark

\*\*This includes 0.21% representing government levy, worker's welfare fund and SECP fee

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Syed Muhammad Usama Iqbal	Fund Manager Fixed Income Funds
Awais Abdul Sattar, CFA	Senior Research Analyst

MUFAP's Recommended Format.

# MCB Pakistan Asset Allocation Fund

January 31, 2017

NAV - PKR 89.0988



## General Information

Fund Type	An Open End Scheme	
Category	Asset Allocation Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	17-Mar-08	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A.F. Ferguson & Co. Chartered Accountants	
Management Fee	2% p.a.	
Front end Load*	Growth & Cash Dividend Units	3%
	Bachat Units	Nil
Back end Load*	Growth & Cash Dividend Units	Nil
	Bachat Units:	
	- 3% if redeemed before completion of two years from the date of initial investment.	
	- 0% if redemption after completion of two years from the date of initial investment.	
Min. Subscription	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	6 months KIBOR plus 200 bps	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)	
Leverage	Nil	

## Investment Objective

MCB Pakistan Asset Allocation Fund is an asset allocation fund and its objective is to aim to provide a high absolute return by investing in equity and debt markets.

## Manager's Comment

The Fund posted a return of 0.48% during the month outperforming its benchmark return of 0.69%, while since inception return stood at 90.45%.

On the fixed income side exposure in T-Bills was increased.

## Provision against WWF liability

MCB-PAAF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 6.95 million, if the same were not made the NAV per unit of MCB-PAAF would be higher by Rs. 0.2835 and YTD return would be higher by 0.36%. For details investors are advised to read Note 10.2 of the latest Financial Statements for the quarter ended September 30, 2016 of MCB-PAAF.

\*Subject to government levies

## Fund Facts / Technical Information

### MCB -PAAF

NAV per Unit (PKR)	89.0988
Net Assets (PKR M)	2,184
Sharp Measure*	0.003
Beta**	0.16
Max draw up	266.96%
Max draw down	-48.57%
Standard Deviation	0.56
Alpha	0.025%
Total expense ratio with government levy***	2.19%
Total expense ratio without government levy	1.74%

\*as against 3 Year PIB, \*\* against KSE 30

\*\*\*This includes 0.45% representing government levy, worker's welfare fund and SECP fee

## Performance Information (%)

### MCB -PAAF

### Benchmark

Year to Date Return	12.70%	4.20%
Month to Date Return	0.48%	0.69%
180 Days Return	8.98%	2.38%
365 Days Return	17.11%	12.56%
Since inception*	90.45%	

\*Adjustment of accumulated WWF since July 1, 2008

	2012	2013	2014	2015	2016
Benchmark (%)	NA	NA	NA	8.85*	9.86
MCB-PAAF (%)	8.7	19.20	11.95	19.41	3.21

\* November-14 to June-15

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

## Asset Allocation (%age of Total Assets)

### Jan-17

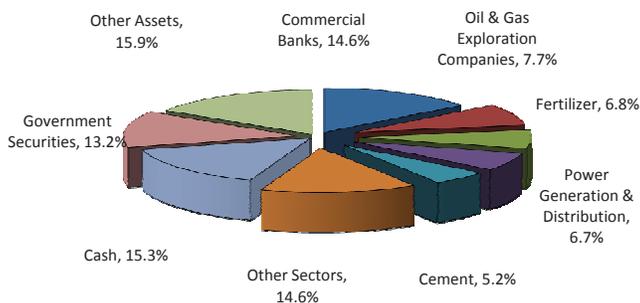
### Dec-16

Cash	15.3%	42.5%
TFCs	6.0%	5.5%
Stocks / Equities	46.2%	37.1%
Spread Transactions	3.4%	1.0%
T-Bills	13.1%	0.0%
PIBs	0.1%	2.3%
Term Deposits with Banks	8.8%	8.1%
Others including receivables	7.1%	3.5%

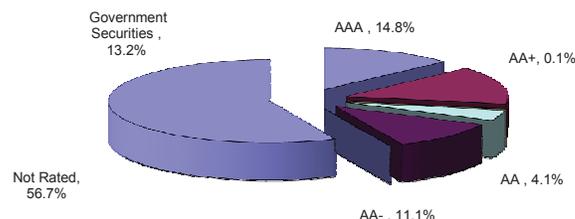
## Top 10 Holdings (%age of Total Assets)

Engro Fertilizers Limited	Equity	6.1%
Habib Bank Limited (19-Feb-16)	TFC	5.5%
Oil & Gas Development Company Limited	Equity	4.8%
United Bank Limited	Equity	4.0%
Lucky Cement Limited	Equity	4.0%
Kot Addu Power Company Limited	Equity	3.3%
Attock Petroleum Limited	Equity	2.9%
Allied Bank Limited	Equity	2.7%
Pak Elektron Limited	Equity	2.4%
K-Electric Limited	Equity	2.2%

## Sector Allocation (%age of Total Assets)



## Asset Quality (%age of Total Assets)\*



\* Inclusive of equity portfolio

MUFAP's Recommended Format.

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# MCB Pakistan Frequent Payout Fund

January 31, 2017

NAV - PKR 101.3360



## General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	16-Nov-15
Fund Manager	Awais Abdul Sattar, CFA
Trustee	MCB Financial Services Limited
Auditor	A.F. Ferguson & Co. Chartered Accountants
Management Fee	15% of the gross earnings subject to a minimum of 0.25% of the average daily net assets and maximum of 2% of the average daily net assets of the scheme
Front end Load*	3%
Back end Load*	Nil
Min. Subscription	PKR 500
Listing	Pakistan Stock Exchange
Benchmark	KSE 100 Index and Six (6) months KIBOR rates on the basis of actual proportion held by the Scheme
Pricing Mechanism	Forward
Dealing Days	First five business days of every month
Cut off Timing	9:00AM to 4:30 PM
Leverage	Nil

\*Subject to government levies

## Investment Objective

The objective of the Fund is to provide investors regular monthly payments by investing Fund's assets in Debt and Equity instruments.

## Manager's Comment

During the month, the Fund posted a return of 0.52% against its benchmark return of 0.34%. The fund decreased its exposure in cash from 56.6% to 42.3%. Exposure in T-bills and PIBs increased from 4.4% to 6.1% and from 19.8% to 27.7% respectively.

## Provisions against WWF liability

MCB-PFPF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1.14 million, if the same were not made the NAV per unit of MCB PFPF would be higher by 0.0980 and YTD return would be higher by 0.10%.

## Fund Facts/Technical Information

### MCB-PFPF

NAV per Unit (PKR)	101.3360
Net Assets (PKR M)	1,175
Total expense ratio with government levy*	1.31%
Total expense ratio without government levy	1.09%

\*This includes 0.22% representing government levy, worker's welfare fund and SECP fee

## Performance Information (%)

### MCB PFPF

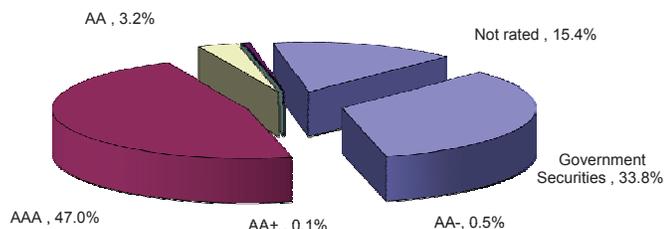
### Benchmark

Year to Date Return	4.12	3.39
Month to Date Return	0.52	0.34
365 days Return	6.47	6.45
180 days Return	3.60	2.23
Since inception	7.80	7.90

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist-Equities
Saad Ahmed	Asset Class Specialist-Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Mohammad Aitazaz Farooqui	Research Analyst

## Asset Quality (%age of Total Assets)

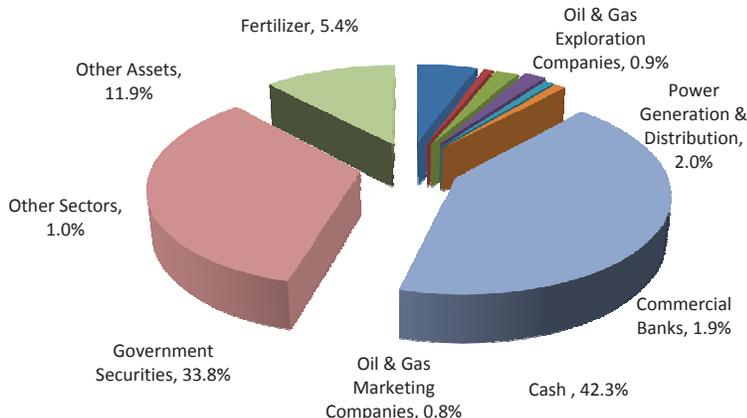


Asset Allocation (%age of Total Assets)	Jan-17	Dec-16
Cash	42.3%	56.6%
Term Deposits with Banks	8.4%	6.0%
PIBs	27.7%	19.8%
T-Bills	6.1%	4.4%
Stock/Equities	11.9%	11.5%
TFCs	0.1%	0.0%
Others including receivables	3.5%	1.7%

## Top Equity Holdings (%age of Total Assets)

Company Name	Equity	Percentage
Engro Fertilizers Limited	Equity	4.9%
Kot Addu Power Company Limited	Equity	2.0%
Allied Bank Limited	Equity	1.9%
Pakistan Oilfields Limited	Equity	0.9%
Attock Petroleum Limited	Equity	0.8%
Pak Suzuki Motors Company Limited	Equity	0.6%
Kohinoor Textile Mills Limited	Equity	0.5%
Fauji Fertilizer Bin Qasim Limited	Equity	0.5%
Byco Oil Pakistan Limited	Sukuk	0.1%

## Sector Allocation (%age of Total Assets)



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## MUFAP's Recommended Format.

# Pakistan Capital Market Fund

January 31, 2017

NAV - PKR 13.44



## General Information

Fund Type	An Open End Scheme	
Category	Balanced Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	24-Jan-2004	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants	
Management Fee	2.0% p.a.	
Front end Load*	For Individual	2%
	For Corporate	Nil
Back-end load*	Nil	
Min. Subscription	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	KSE 100 Index and Six (6) months KIBOR rates on the basis of actual proportion held by the scheme	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon-Fri (9:00 AM to 4:30 PM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

The objective of the Fund is to provide investors a mix of income and capital growth over medium to long term from equity and debt investments.

## Manager's Comment

The fund posted a return of 2.99% during the month against its benchmark of 2.63%. The Fund slightly reduced its exposure in equities, while increased its exposure in T-Bills.

## Provision against WWF liability

PCMF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 3.36 million, if the same were not made the NAV per unit of PCMF would be higher by Rs. 0.0630 and YTD return would be higher by 0.59%. For details investors are advised to read Note 6.1 of the latest Financial Statements for quarter ended September 30, 2016 of PCMF.

Fund Facts / Technical Information	PCM	Benchmark
NAV per Unit (PKR)	13.44	
Net Assets (PKR M)	716	
Sharpe Measure	0.050	0.049
Beta	0.94	1.00
Max draw up	688.82%	626.21%
Max draw down	-44.71%	-46.24%
Standard Deviation	0.81	0.77
Alpha	0.007%	
Total expense ratio with government levy*	2.43%	
Total expense ratio without government levy	1.82%	

\*This includes 0.61% representing government levy, worker's welfare fund and SECP Fee

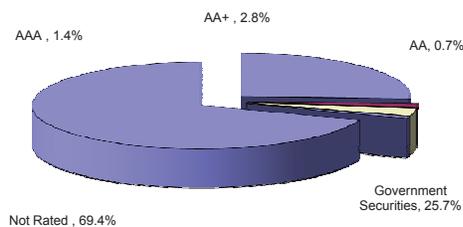
## Asset Allocation (%age of Total Assets)

	Jan-17	Dec-16
Cash	4.8%	31.5%
T-Bills	25.7%	0.0%
TFCs	0.1%	0.0%
Stocks / Equities	62.6%	65.6%
Others including receivables	6.8%	2.9%

## Performance Information (%)

	PCM	Benchmark
Year to Date Return	25.72	25.45
Month to Date Return	2.99	2.63
180 Days Return	21.30	21.45
365 Days Return	37.16	42.27
Since inception	664.74	613.48

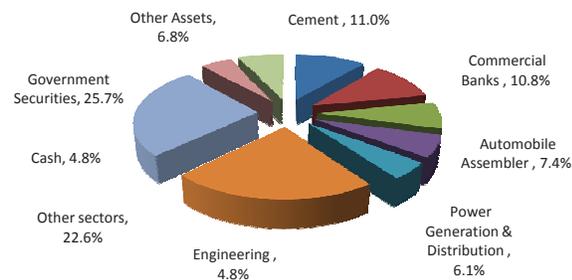
## Asset Quality (%age of Total Assets)\*



\* Inclusive of equity portfolio

	2012	2013	2014	2015	2016
Benchmark (%)	11.6	29.2	27.12	13.92	8.89
PCM (%)	9.4	28.10	26.10	31.11	5.17

## Sector Allocation (%age of Total Assets)



## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

## Top 10 Holdings (%age of Total Assets)

Lucky Cement Limited	Equity	6.3%
United Bank Limited	Equity	4.8%
Hub Power Company Limited	Equity	4.0%
International Steels Limited	Equity	3.5%
Mari Petroleum Company Limited	Equity	2.6%
Sui Northern Gas Company Limited	Equity	2.6%
Habib Bank Limited	Equity	2.4%
Nishat Mills Limited	Equity	2.3%
Pak Suzuki Motor Company Limited	Equity	2.3%
Kot Addu Power Company Limited	Equity	2.1%

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## MUFAP's Recommended Format.

# MCB Pakistan Stock Market Fund

January 31, 2017 NAV - PKR 116.41



## General Information

Fund Type	An Open End Scheme	
Category	Equity Scheme	
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	11-Mar-2002	
Fund Manager	Syed Abid Ali	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	A.F.Ferguson & Co. Chartered Accountants	
Management Fee	2.0% p.a.	
<b>Front end Load*</b>		
Growth Units:	Individual	3%
	Corporate	Nil
	Bachat Units	Nil
<b>Back-end Load*</b>		
Growth Units:	Nil	
Bachat Units:	3% if redeemed before completion of two years from the date of initial investment 0% if redemption after completion of two years from the date of initial investment	
Min. Subscription	PKR 500	
Listing	Pakistan Stock Exchange	
Benchmark	KSE 100 Index	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon-Fri (9:00 AM to 4:30PM)	
Leverage	Nil	

\*Subject to government levies

Fund Facts / Technical Information	MCB-PSM	KSE-100
NAV per Unit (PKR)	116.41	
Net Assets (PKR M)	11,654	
Price to Earning (x)*	12.55	12.25
Dividend Yield (%)	4.60	5.1%
No. of Holdings	60	100
Weighted. Avg Mkt Cap (PKR Bn)	134.63	169
Sharpe Measure	0.07	0.05
Beta	0.75	1.0
Correlation	91.2%	
Max draw up	3908.00%	3185.74%
Max draw down	-56.21%	-69.28%
Standard Deviation	1.08	1.32
Alpha	0.03%	
Total expense ratio with government levy**	2.37%	
Total expense ratio without government levy	1.69%	
*prospective earnings		
**This includes 0.68% representing government levy, worker's welfare fund and SECP fee		

Performance Information (%)	MCB-PSM	Benchmark
Year to Date Return	33.67	29.04
Month to Date Return	3.80	1.99
180 days	26.52	23.60
365 days	49.25	52.95
Since inception	3423.02	2503.59

	2012	2013	2014	2015	2016
Benchmark (%)	10.40	52.20	41.16	16.01	9.84
MCB-PSM (%)	11.30	49.40	34.78	39.35	5.25

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Asset Class Specialist-Fixed Income
Syed Abid Ali	Asset Class Specialist-Equities
Awais Abdul Sattar, CFA	Senior Research Analyst
Mohammad Aitazaz Farooqi	Research Analyst

## DISCLAIMER

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## Investment Objective

The objective of the fund is to provide investors long term capital appreciation from its investment in Pakistani equities

## Manager's Comment

The Fund posted a healthy return of 3.8% during January 2017, outpacing the benchmark by 181bps, which only grew by 1.99%. This strong outperformance mainly emanated from our exposure in Engineering, Power and cement sector. For YTD, PSMF yielded a return of 33.67% compared to the benchmark growth of 29.04%, outperforming the benchmark by a healthy 462ps. During January 2017, we reduced exposure in E&Ps by ~3.7% as developments on government's sell off in OGDC and MARI is expected to keep the performance of these stocks under check. We increased exposure in engineering sector by 3.7% during the month mainly on account of favorable pricing for the sector. We also increased exposure in Power sector by 2.7% to add a defensive flavor to the portfolio. With healthy demand outlook, we also increased exposure in cements by 2.6% while in order to rebalance the allocation, exposure in Banks, Fertilizer and refineries was reduced. At the month end, the fund was 92.1% invested in equities, while remaining in cash and cash equivalent.

## Provision against WWF liability

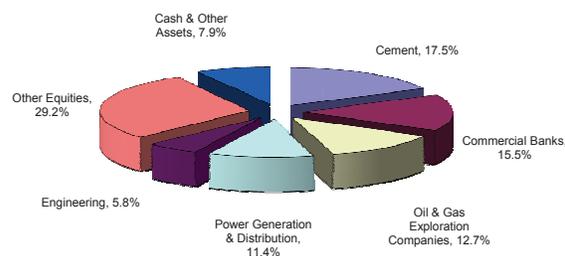
MCB-PSM has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 51.67 million, if the same were not made the NAV per unit of MCB-PSM would be higher by Rs. 0.5161 and YTD return would be higher by 0.59%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the quarter ended September 30, 2016 of MCB-PSM

Asset Allocation (%age of Total Assets)	Jan-17	Dec-16
Stocks / Equities	92.1%	93.0%
Cash	0.9%	5.9%
T-Bills	4.2%	0.0%
Others including receivables	2.8%	1.1%

## Top 10 Equity Holdings (%age of Total Assets)

Lucky Cement Limited	6.3%
Hub Power Company Limited	6.1%
United Bank Limited	5.9%
Engro Fertilizer Limited	4.4%
Oil and Gas Development Company Limited	3.8%
Habib Bank Limited	3.5%
Mari Petroleum Company Limited	3.5%
Pakistan Oilfields Limited	3.4%
Kot Addu Power Company Limited	3.4%
D. G. Khan Cement Company Limited	3.4%

## Sector Allocation (%age of Total Assets)



## MUFAP's Recommended Format.

# Pakistan Pension Fund

January 31, 2017



## General Information

Fund Type	An Open End Scheme
Category	Voluntary Pension Scheme
Asset Manager Rating	AM2++ (AM Two Double Plus) by PACRA (08-Jun-16)
Stability Rating	Not Applicable
Launch Date	29-Jun-07
Fund Manager	Syed Abid Ali
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 500
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 5:00 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

The investment objective of the fund is to seek steady returns with a moderate risk for investors by investing in a portfolio of equity, short-medium term debt and money market instruments.

## Manager's Comment

During the month, equity sub-fund generated return of 3.78% while the KSE-100 return stood at 1.99%. Overall equity allocation remained same.

Debt sub-fund generated an annualized return of 9.62% during the month. Exposure in T-Bills was increased.

Money Market sub-fund generated an annualized return of 5.84% during the month. Funds exposure in T-Bills was increased.

## Provision against WWF liability

PPF-EQ has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 3.97 million, if the same were not made the NAV per unit would be higher by Rs. 2.8832 and YTD return would be higher by 0.69%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the quarter ended September 30, 2016 of PPF.

PPF-DT has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1.00 million, if the same were not made the NAV per unit would be higher by Rs. 0.5069 and YTD return would be higher by 0.23%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the quarter ended September 30, 2016 of PPF.

PPF-MM has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 0.21 million, if the same were not made the NAV per unit would be higher by Rs. 0.2721 and YTD return would be higher by 0.14%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the quarter ended September 30, 2016 of PPF.

## Top 10 Equity Holdings (%age of Total Assets)- Equity Sub Fund

Lucky Cement Limited	7.0%
United Bank Limited	5.3%
Hub Power Company Limited	5.0%
Oil & Gas Development Company Limited	4.1%
Maple Leaf Cement Factory Limited	3.9%
Habib Bank Limited	3.5%
Mari Petroleum Company Limited	3.5%
Pakistan Petroleum Limited	3.1%
Pak Suzuki Motors Company Limited	3.1%
Engro Fertilizers Limited	3.0%

PPF-Money Market (%age of Total Assets)	Jan-17	Dec-16
Cash	37.7%	56.6%
T-Bills	43.3%	25.3%
Others including receivables	0.5%	0.2%
Term Deposits with Banks	18.5%	17.9%

PPF-Debt (%age of Total Assets)	Jan-17	Dec-16
Cash	19.4%	2.9%
PIBs	35.5%	71.5%
TFCs	0.4%	0.4%
T-Bills	25.0%	2.9%
Others including receivables	0.8%	3.5%
Term Deposits with Banks	18.9%	18.8%

Performance Information & Net Assets	PPF-EQ* PPF-DT** PPF-MM**				
	2012	2013	2014	2015	2016
Year to Date Return (%)			39.66	4.26	4.25
Month to Date Return (%)			3.78	9.62	5.84
Since inception (%)			481.42	8.86	7.86
Net Assets (PKR M)			800.80	445.79	160.20
NAV (Rs. Per unit)			581.54	225.80	206.59
PPF - EQ*	15.10	55.70	49.60	37.95	10.77
PPF - DT**	10.90	10.10	7.16	16.85	7.35
PPF - MM**	10.30	8.20	7.15	7.17	4.40
* Total Return	** Annualized return				

PPF-Equity (%age of Total Assets)	Jan-17	Dec-16
Cash	1.6%	1.7%
Cement	16.6%	11.2%
Commercial Banks	16.4%	14.1%
Oil & Gas Exploration Companies	13.6%	17.1%
Automobile Assembler	9.1%	6.5%
Power Generation & Distribution	6.4%	3.4%
Other equity sectors	34.9%	44.7%
Others including receivables	1.4%	1.3%

## Members of the Investment Committee

Muhammad Saqib Saleem	Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Syed Abid Ali	Asset Class Specialist - Equities
Saad Ahmed	Asset Class Specialist - Fixed Income
Awais Abdul Sattar, CFA	Senior Research Analyst
Muhammad Aitazaz Farooqui	Research Analyst

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