

# Bachat Nama

Fund Manager's Report (February - 2016)



February 29, 2016

## PERSPECTIVE



### Macro-Environment Review and Outlook

In line with our expectations, the Consumer Price Index (CPI) for the month of February 2016 registered an increase of 4.03% YoY. Despite the withering of low base, we expect uptick in inflation to be subdued as the recent downward revision in petroleum prices is expected to have trickle down affect on transport services besides keeping food inflation in check. Incorporating a minuscule uptick in food inflation, we expect inflation for the second half to average around 3.4% keeping the yearly average around 2.7%.

The benefit of lower oil prices failed to cushion external account position where the current account deficit reduced by just US\$ 600 million relative to last year. The reduction in imports of US\$ 2.488 billion was countered by US\$ 1.805 billion reduction in exports. The resilience of Pakistani rupee continued to suppress exports. Whereas, the import of cotton yarn due to significantly lower production compared to target and import of power machinery kept the benefit of lower oil prices in check. Overall Balance of payment account reported a surplus of near USD 1.04 billion supported by a narrower current account and inflows in financial account.

Despite muted foreign inflows during the month, the foreign exchange reserves stayed strong at around US\$ 20.39 billion. Consequently, the rupee showed resilience against dollar which depreciated by 0.02% relative to US dollar during the month.

The inflation for second half is expected to average around 3.4% with core inflation to average around 5%. The recent reduction in petroleum product prices does provide room for 50 bps monetary easing. However, the uptick in inflation due to vanishing of low base effect is expected to keep a lid on further monetary easing. Further, the recent volatility in oil prices warrants a cautious stance from the central bank with any agreement of production cuts could trigger inflationary pressures. The subdued improvement of current account warrants measured rupee depreciation which would require prudent monetary decisions.

### Equity Market Performance Review and Outlook

The corporate result season failed to bring any excitement in equities, as the benchmark KSE-100 index inched up by a nominal 0.2% during the month. Foreigners selling remained unabated, whom offloaded USD 39 million of equities during the month. This took the net selling of foreigners for 7MFY16 to USD 329 million. Mutual funds also joined hands with foreigners selling USD 13 million of equities, albeit, triggered by selling from capital protected funds. Most of the selling during the month was absorbed by Individuals and Companies, buying a cumulative USD 47 million worth of equities. The liquidity slightly improved with average volumes increasing to 134 million shares compared with 129 million shares traded last month.

Commercial Banks lead the mainstream charts, with the sector advancing by 3.4%. The rally in banks was triggered after the central bank maintained status quo in the monetary policy, while, the market was expecting a cut of 50 bps. Power sector also inched up by 1.5%, as upbeat dividend announcements attracted the attention of investors. On the flip side, concerns on the pricing power of the fertilizer sector continued to haunt investors, as the sector declined by 2.2%. Similarly, Oil & Gas sector failed to garner attention despite Output Freeze agreements reached by the major oil producers; Saudi Arabia and Russia.

The trend of the general market will be shaped by the flows from foreigners, whereby we expect the selling to subside in near term. Bottom-up approach will play a key role in generating returns, as the outlook of major index-heavyweights remains grim.

The KSE-100 index trades at a forward P/E ratio of 8.3x against regional P/E ratio of 13.6x (35% discount) and provides a dividend yield of 6.5%. Possible re-entry into the emerging market index remains a key catalyst and can result in re-rating of the index.

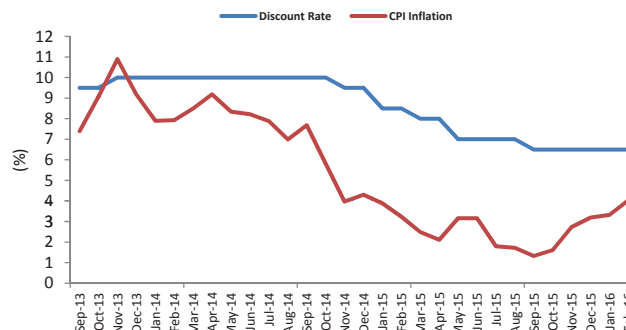
### Money Market Performance Review and Outlook

On back of high volatility in international oil prices where WTI after making a bottom of around 26 USD/bbl in first week of the month rose sharply and settled around 33.75 USD/bbl at month end. This volatility also reflected in the yield movement of PIBs where yield curve shifted its position on number of occasions and kept activity lively in the market. This excitement was evident in government securities auction where participation in Treasury bill auction was majorly skewed towards 12 months paper and a heavy participation of PKR 241bn was witnessed in PIB auction against a target of just PKR 50bn, with massive undercutting in longer tenor bonds resulting in a dip of almost 50 and 60 bps in yields of 5 and 10 year PIBs. For the first time Ijara auction was conducted on a fixed rental rate instead of previous variable rental rate, where the federal government borrowed over Rs 116 billion at 6.10 percent against a target of PKR 100 billion.

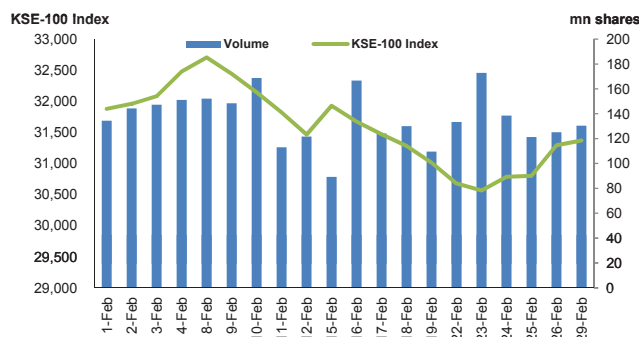
M2 witnessed an increase of 3.40% in FY16YTD to stand at PKR 11.67 trillion in Feb '16. In this regard, NFA posted an increase of PKR63.277 billion to PKR 876.024 billion whereas NDA stood at the level of PKR 10.79tn (increase of PKR 320 billion). On the cash basis, the government's borrowing for budgetary support stood at PKR 422.2 billion. It has borrowed PKR 706.6 billion from commercial banks vs borrowing of PKR 863.06 billion same period last year. Credit to non-government sector (including PSEs) increased by PKR 302.38 billion to PKR 4.7 trillion, while much awaited private sector credit off-take surged 107 percent to PKR 299.74 billion in the current fiscal year to date.

Considering external account concerns and recent reduction in petroleum prices, market players are in a mix bag with some of the opinion of status quo where few expecting a cut in upcoming monetary policy.

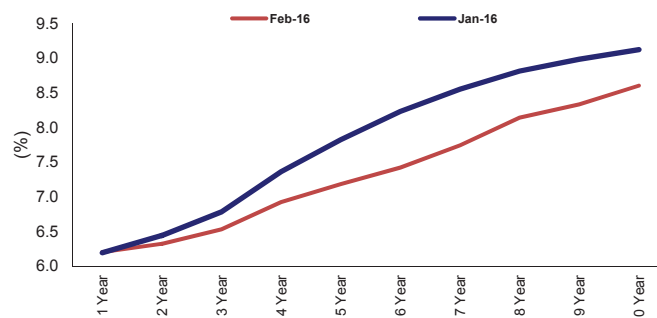
### Discount Rate vs. CPI Inflation



### KSE During February 2016



### Yield Curve



# MCB Cash Management Optimizer

February 29, 2016 NAV - PKR 104.0278



## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	AA(f) by PACRA (31-Dec-15)
Risk Profile	Low
Launch Date	1-Oct-09
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	KPMG Taseer Hadi & 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 4.94% during the month as against its benchmark return of 4.23%. The fund's exposure towards T-Bills was drastically decreased from 61.1% to 35.6%. Exposure in PIBs increased to 35.9% from 25.6% while there was no exposure in TDRs.

WAM of the fund decreased from 86 days to 77 days.

## Provision against WWF liability

MCB-CMOP has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.102.91 million, if the same were not made the NAV per unit of MCB-CMOP would be higher by Rs.1.6826 and YTD return would be higher by 1.68%. For details investors are advised to read Note 9.2 of the latest Financial Statements for the half year ended December 31, 2015 of MCB-CMOP.

Fund Facts / Technical Information	MCB CMOP	Benchmark
NAV per Unit (PKR)	104.0278	
Net Assets (PKR M)	6,362	
Weighted average time to maturity (Days)	77	
Sharpe Measure*	0.11	-1.15
Correlation*	-11%	40%
Standard Deviation	0.027	0.007
Alpha*	0.003%	-0.008%
Total expense ratio with government levy	0.79%	
Total expense ratio without government levy	0.58%	
*as against 3 month PKRV net of expenses		

## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

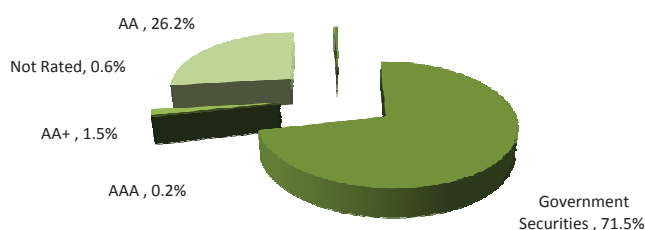
Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Cash	27.9%	0.5%
T-Bills	35.6%	61.1%
PIBs	35.9%	25.6%
Term Deposits with Banks	0.0%	12.4%
Others including receivables	0.6%	0.4%

Performance Information (%)	MCB CMOP	Benchmark
Year to Date Return (Annualized)	5.85	4.52
Month to Date Return (Annualized)	4.94	4.23
180 Days Return (Annualized)	5.79	4.31
365 Days Return (Annualized)	6.85	4.93
Since inception (CAGR)*	9.54	6.76

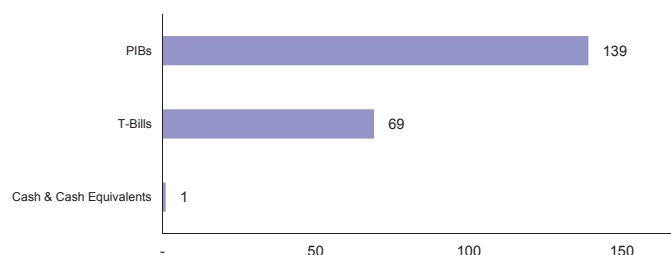
\*Adjustment of accumulated WWF since Oct 1, 2009

Annualized	2011	2012	2013	2014	2015
Benchmark (%)	5.60	6.10	5.40	7.19	6.74
MCB CMOP (%)	11.60	11.30	9.20	8.25	8.83

## Asset Quality (%age of Total Assets)



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



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## MUFAP's Recommended Format.

# Pakistan Cash Management Fund

February 29, 2016 NAV - PKR 52.1315



## General Information

Fund Type	An Open End Scheme
Category	Money Market Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	AAA(f) by PACRA (31-Dec-15)
Risk Profile	Low
Launch Date	20-March-2008
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	MCB Financial Services Limited
Auditor	KPMG Taseer Hadi & 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 5:00 PM)
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 5.43% during the month against its benchmark return of 6.01%. The fund increased its cash exposure to 1.3% while T-Bills exposure decreased to 98.5% from 99.2% last month. WAM of the fund at month end stood at 15 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. 26.88 million, if the same were not made the NAV per unit of PCF would be higher by Rs. 1.3198 and YTD return would be higher by 2.63%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of PCF.

Fund Facts / Technical Information	PCF	Benchmark
NAV per Unit (PKR)	52.1315	
Net Assets (PKR M)	1,062	
Weighted average time to maturity (Days)	15	
Sharpe Measure*	0.02	0.16
Correlation*	32.8%	
Standard Deviation	0.04	0.02
Alpha*	-0.003%	
Total expense ratio with government levy	0.62%	
Total expense ratio without government levy	0.47%	
*as against 3 month PKRV net of expenses		

## Members of the Investment Committee

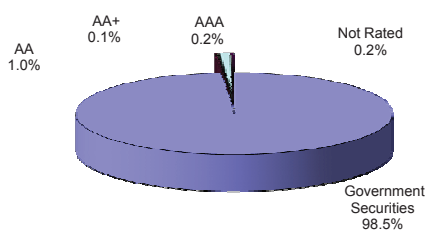
Muhammad Saqib Saleem	Acting Chief Executive Officer
Mohammad Asim CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst
Syed Muhammad Usama Iqbal	Manager - Fixed Income

Asset Allocation (%age of Total Assets)	Jan-16	Dec-15
Cash	1.3%	0.7%
T-Bills	98.5%	99.2%
Others including receivables	0.2%	0.1%

Performance Information (%)	PCF	Benchmark
Year to Date Return (Annualized)	5.92	6.83
Month to Date Return (Annualized)	5.43	6.01
180 Days Return (Annualized)	5.85	6.74
365 Days Return (Annualized)	7.01	7.46
Since inception (CAGR)	9.93	11.03

Annualized	2011	2012	2013	2014	2015
Benchmark (%)	12.9	13	10.5	9.56	9.83
PCF (%)	12	11.0	9.0	8.41	8.86

## 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

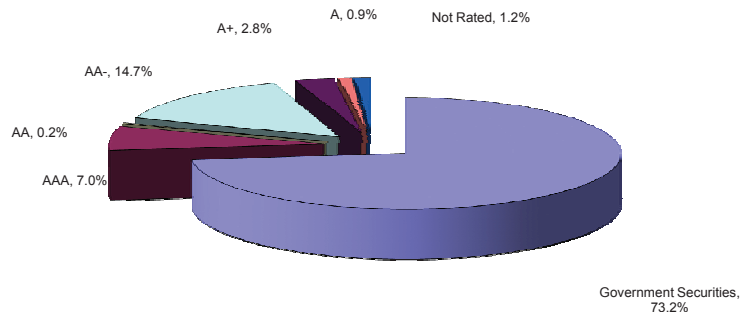
Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2 + (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	A+(f) by PACRA (31-Dec-15)
Risk Profile	Low
Launch Date	1-Mar-07
Fund Manager	Saad Ahmed
Trustee	Central Depository Company of Pakistan Limited
Auditor	Ernst & Young Ford Rhodes Sidat Hyder & Co. Chartered Accountants
Management Fee	1.5% p.a.
Front-end Load*	Transaction less than or equal to Rs.15m 1.5% Transaction more than Rs.15m Nil For Corporate Nil
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	75% 6 Month KIBOR + 25% 6 Month PKRV
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

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

Habib Bank Limited - (19-Feb-16)	5.1%
Bank Alfalah Limited.- (20-Feb-13)	3.0%
Askari Bank Limited - (30-Sep-14)	2.3%
Standard Chartered Bank (Pakistan) Limited.- (29-Jun-12)	1.7%
Bank Alfalah Limited - (02-Dec-09) - Floating	1.7%
Maple Leaf Cement Factory Limited - (03-Dec-07)	0.9%
Bank Alfalah Limited- (02-Dec-09) - Fixed	0.8%
Engro Fertilizer Limited - (09-Jul-14)	0.6%
Faysal Bank Limited (27-Dec-10)	0.4%
Askari Bank Limited- (23-Dec-11)	0.4%

## Asset Quality (%age of Total Assets)



## Manager's Comment

During the month the fund generated an annualized return of 5.63% against its benchmark return of 6.06%. The fund decreased its exposure in TBills from 23.6% to 20.9%. Allocation in PIBs increased from 47.5% to 52.3%

## Provision against WWF liability

MCB-DCFIF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.121.19 million, if the same were not made the NAV per unit of MCB-DCFIF would be higher by Rs.1.1863 and YTD return would be higher by 1.12%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2015 of MCB-DCFIF.

Performance Information (%)				MCB-DCFIF	Benchmark
Year to Date Return (Annualized)				6.74	7.07
Month to Date Return (Annualized)				5.63	6.06
180 Days Return (Annualized)				6.19	7.11
365 Days Return (Annualized)				7.22	7.96
Since inception (CAGR) **				10.55	11.13
Annualized	2011	2012	2013	2014	2015
Benchmark (%)	12.8	12.2	9.3	9.57	10.57
MCB-DCFIF (%)	12.9	10.8	9.8	10.79	12.64
**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)	Feb-16	Jan-16
Cash	5.8%	5.8%
Term Deposits with Banks	2.8%	2.7%
PIBs	52.3%	47.5%
TFCs	17.0%	16.2%
Spread Transactions	0.0%	0.0%
T-Bills	20.9%	23.6%
Others including receivables	1.2%	4.2%

## Fund Facts / Technical Information

NAV per Unit (PKR)	110.3603
Net Assets (PKR M)	11,275
Weighted average time to maturity (Years)	2.0
Duration (Years)	2.0
Sharpe Measure*	0.04
Correlation*	2.7%
Standard Deviation	0.10
Alpha*	0.004%
Total Expense ratio with government levy	1.63%
Total Expense ratio without government levy	1.25%
*as against benchmark	

## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

## 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	11.80	4.37	2.60	1.77	0.02%	0.01%
Security Leasing Corporation Limited - Sukuk	5.01	1.75	0.40	1.35	0.01%	0.01%
Security Leasing Corporation Limited - TFC	6.01	3.55	1.88	1.67	0.01%	0.01%
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.



# Pakistan Income Fund

February 29, 2016 NAV - PKR 55.86



## 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 5.66% against its benchmark return of 6.10%. Weighted Average Time to Maturity of the Fund decreased from 2.1 years to 1.9 years. The exposure in PIBs was marginally decreased from 34.7% to 34.0%.

## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2+ (AM Two Plus ) by PACRA (07-Apr-15)
Stability Rating	A+(f) by PACRA (31-Dec-15)
Risk Profile	Low
Launch Date	11-Mar-2002
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	1.5% p.a
Front end Load*	Transaction
	- less than or equal to Rs.15m - 2%
	- more than Rs.15m - Nil
	- For Corporate - Nil
Back-end load*	Nil
Min. Subscription	PIF PKR 5,000
	PIF-CD PKR 10,000,000
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. 24.33 million, if the same were not made the NAV per unit of PIF would be higher by Rs. 1.1749 and YTD return would be higher by 2.20%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31, 2015 of PIF.

Performance Information (%)				PIF	Benchmark
Year to Date Return (Annualized)				6.83	7.03
Month to Date Return (Annualized)				5.66	6.10
180 Days Return (Annualized)				5.48	7.04
365 Days Return (Annualized)				7.26	7.87
Since inception (CAGR)				10.01	9.18
Annualized	2011	2012	2013	2014	2015
Benchmark (%)	12.60	13.30	11.00	9.33	10.43
PIF(%)	12.5	9.40	7.20	8.13	11.31

Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Cash	18.1%	6.5%
TFCs	24.3%	24.8%
T-Bills	17.7%	28.1%
Term Deposits with Banks	4.2%	4.3%
PIBs	34.0%	34.7%
Others including receivables	1.7%	1.6%

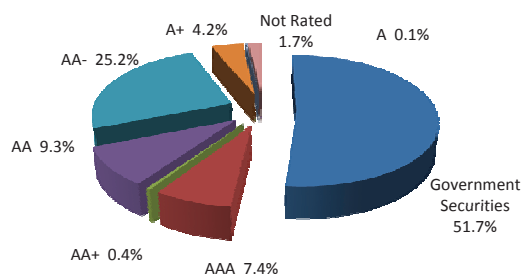
## Top TFC Holdings (%age of Total Assets)

Engro Fertilizers Limited (18-Mar-08)	8.4%
Bank Alfalah Limited (20-Feb-13)	5.7%
Habib Bank Limited (19-Feb-16)	4.2%
Askari Bank Limited (23-Dec-11)	3.5%
Bank Alfalah Limited- (02-Dec-09) - Floating	1.9%
Bank Al-Habib Limited (30-Jun-11)	0.4%
Maple Leaf Cement Factory Limited (03-Dec-07)	0.1%

## Fund Facts / Technical Information

NAV per Unit (PKR)	55.86
Net Assets (PKR M)	1,157
Weighted average time to maturity (Years)	1.9
Duration (Years)	1.9
Sharpe Measure	-0.02
Correlation	-0.23%
Standard Deviation	2.19
Alpha	-0.044%
Total expense ratio with government levy	1.90%
Total expense ratio without government levy	1.52%

## Asset Quality (%age of Total Assets)



## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst
Syed Mohammad Usama Iqbal	Manager - Fixed Income

## 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	9.98	6.59	6.59	-	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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Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

MUFAP's Recommended Format.

# MCB Pakistan Sovereign Fund [Formerly : MetroBank-Pakistan Sovereign Fund]

February 29, 2016 NAV - PKR 55.92



## General Information

Fund Type	An Open End Scheme
Category	Income Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	A+(f) by PACRA (31-Dec-15)
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	Lower of 10% of Operating Revenue or 1.5% of average daily net assets subject to minimum fee of 0.5% of average daily Net Assets
Front end Load*	Transaction less than or equal to Rs.15m 1.5% Transaction more than Rs.15m Nil For Corporate Nil
Back-end load*	Nil
Min. Subscription	MSF-Perpetual 100 units
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 6.56% as against its benchmark return of 5.87%.

Allocation towards T-bills witnessed an increase from 18.3% to 24.0% and allocation in PIBs was decreased to 73.4%.

WAM of the fund stood at 1.2 years at month end.

## Provision against WWF liability

MCB-PSF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 42.25 million, if the same were not made the NAV per unit of MCB-PSF would be higher by Rs. 0.2556 and YTD return would be higher by 0.48%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31, 2015 of MCB-PSF.

## Fund Facts / Technical Information

## MCB-PSF

NAV per Unit (PKR)	55.92
Net Assets (PKR M)	9,245
Weighted average time to maturity (Years)	1.2
Duration (Years)	1.2
Sharpe Measure*	0.002
Correlation	20.30%
Standard Deviation	0.17
Alpha	-0.003%
Total expense ratio with government levy	1.05%
Total expense ratio without government levy	0.78%
* Against 12M PKRV	

## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

## Asset Allocation (%age of Total Assets)

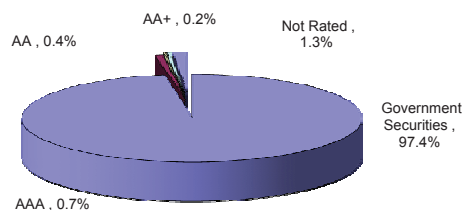
	Feb-16	Jan-16
Cash	1.3%	2.0%
T-Bills	24.0%	18.3%
PIBs	73.4%	76.6%
Others including Receivables	1.3%	3.1%

## Performance Information (%)

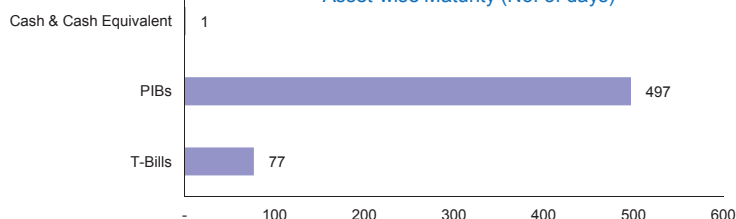
	MCB-PSF	Benchmark
Year to Date Return (Annualized)	8.06	7.00
Month to Date Return (Annualized)	6.56	5.87
365 Days Return (Annualized)	9.55	7.83
180 Days Return (Annualized)	7.21	7.02
Since inception (CAGR)	7.85	8.71

Annualized	2011	2012	2013	2014	2015
Benchmark (%)	12.38	13.30	11.00	9.11	10.41
MCB-PSF (%)	10.30	11.30	12.30	9.26	16.58

## Asset Quality (%age of Total Assets)



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



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## MUFAP's Recommended Format.

# Pakistan Income Enhancement Fund

February 29, 2016 NAV - PKR 56.31



## 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 6.97% as against its benchmark return of 6.02%. The fund increased its exposure in PIBs from 58.6% to 69.0% while it also increased exposure in cash from 9.7% to 13.9%. Exposure was decreased in T-Bills to 6.4% from 18.1%. Proportion of placements were also reduced in TDRs and TFCs to 2.4% and 6.8%, respectively.

## General Information

Fund Type	An Open End Scheme
Category	Aggressive Fixed Income Scheme
Asset Manager Rating	AM2+ (AM Two Plus ) by PACRA (07-Apr-15)
Stability Rating	A+(f) by (PACRA) (31-Dec-15)
Risk Profile	Low
Launch Date	28-Aug-2008
Fund Manager	Syed Mohammad Usama Iqbal
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front end Load *	Transaction less than or equal to Rs.15m 2% Transaction more than Rs.15m Nil For Corporate Nil
Back-end load*	Nil
Min. Subscription	A----PKR 5,000 B----PKR 10,000,000
Listing	Pakistan Stock Exchange
Benchmark	90% KIBOR (1 Year) + 10% PKRV (3 Month)
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

PIEF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 18.23 million, if the same were not made the NAV per unit of PIEF would be higher by Rs. 0.2523 and YTD return would be higher by 0.48%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2015 of PIEF.

Performance Information (%)			PIEF		Benchmark	
Year to Date Return (Annualized)			9.34		7.61	
Month to Date Return (Annualized)			6.97		6.02	
180 Days Return (Annualized)			7.20		7.78	
365 Days Return (Annualized)			8.80		8.84	
Since inception (CAGR)			11.55		11.65	
Annualized	2011	2012	2013	2014	2015	
Benchmark (%)	11.50	13.70	12.30	8.73	11.75	
PIEF (%)	12.40	8.90	7.20	8.73	13.63	

Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Cash	13.9%	9.7%
PIBs	69.0%	58.6%
TFCs	6.8%	7.1%
T-Bills	6.4%	18.1%
Term Deposits with Banks	2.4%	5.8%
Others including receivables	1.5%	0.7%

## Fund Facts / Technical Information

NAV per Unit (PKR)	56.31
Net Assets (PKR M)	4,068
Weighted average time to maturity (Years)	1.8
Duration (Years)	1.8
Sharpe Measure*	0.04
Correlation*	15.04%
Standard Deviation	0.13
Alpha	0.00%
Total expense ratio with government levy	1.48%
Total expense ratio without government levy	1.10%
*as against benchmark	

## Members of the Investment Committee

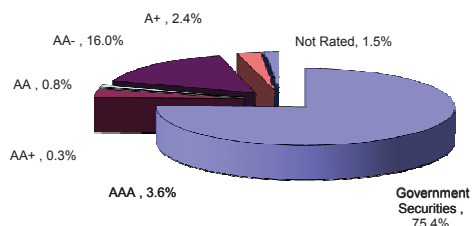
Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst
Syed Muhammad Usama Iqbal	Manager Fixed Income

MUFAP's Recommended Format.

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

Habib Bank Limited - (19-Feb-16)	3.0%
Bank Alfalah Limited (02-Dec-09) - Floating	1.1%
Askari Bank Limited (23-Dec-11)	1.1%
Engro Fertilizers Limited (18-Mar-08)	0.8%
Bank Alfalah Limited (20-Feb-13)	0.7%

## Asset Quality (%age of Total Assets)



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# MCB Pakistan Asset Allocation Fund [Formerly MCB Dynamic Allocation Fund]

February 29, 2016

NAV - PKR 76.5198



## General Information

Fund Type	An Open End Scheme	
Category	Asset Allocation Scheme	
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)	
Stability Rating	Not Applicable	
Risk Profile	Moderate to High	
Launch Date	17-Mar-08	
Fund Manager	Muhammad Asim, CFA	
Trustee	Central Depository Company of Pakistan Limited	
Auditor	KPMG Taseer Hadi & Co., Chartered Accountants	
Management Fee	2% p.a.	
Front end Load*	Transaction less than or equal to Rs15m	3%
	Transaction more than Rs.15m	NIL
Back end Load*	NIL	
Min. Subscription	PKR 5,000	
Listing	Pakistan Stock Exchange	
Benchmark	Weighted average of KSE 100 index, 6 months PKRV, 6 months KIBOR and Minimum Savings Rate as per amount invested in equities, Govt.securities, other debt & fixed income investments and cash and cash equivalents respectively on a particular time period.	
Pricing Mechanism	Forward	
Dealing Days	Monday - Friday	
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)	
Leverage	Nil	

\*Subject to government levies

## Investment Objective

MCB Pakistan Asset Allocation Fund [Formerly: MCB Dynamic 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 -0.29% during the month against its benchmark return of 1.27%, while since inception return stood at 61.90%. On the fixed income side, exposure in PIBs remained at 25.9% and exposure in T-Bills was increased to 25.7%.

## Provision against WWF liability

MCB-PAAF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 13.73 million, if the same were not made the NAV per unit of MCB-PAAF would be higher by Rs. 0.3386 and YTD return would be higher by 0.44%. For details investors are advised to read Note 11.2 of the latest Financial Statements for the half year ended December 31, 2015 of MCB-PAAF.

## Fund Facts / Technical Information

### MCB -PAAF

NAV per Unit (PKR)	76.5198
Net Assets (PKR M)	3,103
Sharp Measure*	-0.01
Beta**	0.16
Max draw up	214.49%
Max draw down	-48.57%
Standard Deviation	0.58
Alpha	0.022%
Total expense ratio with government levy	2.11%
Total expense ratio without government levy	1.60%

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

## Performance Information (%)

### MCB -PAAF

### Benchmark

Year to Date Return	-1.11	0.79
Month to Date Return	-0.29	1.27
180 Days Return	-0.85	0.32
365 Days Return	1.40	0.94
Since inception*	61.90	-

\*Adjustment of accumulated WWF since July 1, 2008

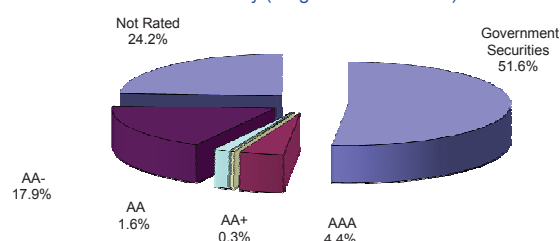
	2011	2012	2013	2014	2015
Benchmark (%)	NA	NA	NA	NA	8.85*
MCB-PAAF (%)	20.9	8.7	19.20	11.95	19.41

\* November-14 to June-15

## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

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



\* Inclusive of equity portfolio

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## MUFAP's Recommended Format.

## Asset Allocation (%age of Total Assets)

### Feb-16

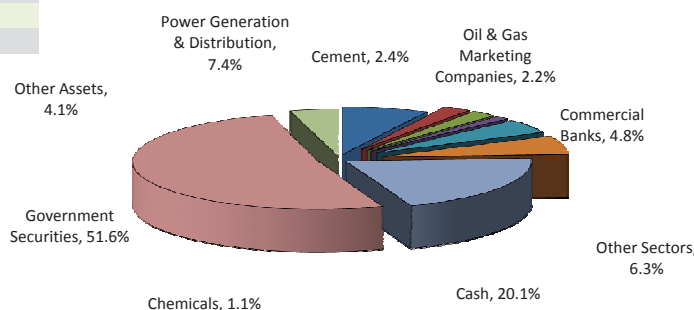
### Jan-16

Cash	20.1%	17.1%
TFCs	4.1%	4.1%
Stocks / Equities	17.0%	20.6%
Spread Transactions	3.1%	0.0%
T-Bills	25.7%	25.4%
PIBs	25.9%	25.9%
Others including receivables	4.1%	6.9%

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

Habib Bank Limited (19-Feb-16)	TFC	3.8%
Kot Addu Power Company Limited	Equity	3.6%
Maple Leaf Cement Factory Limited	Equity	2.0%
Pakistan State Oil Company Limited	Equity	2.0%
Hub Power Company Limited	Equity	1.9%
Pakgen Power Limited	Equity	1.3%
I.C.I Pakistan Limited	Equity	1.1%
Tariq Glass Industries Limited	Equity	1.0%
IGI Insurance Limited	Equity	0.9%
United Bank Limited	Equity	0.7%

## Sector Allocation (%age of Total Assets)



# MCB Pakistan Frequent Payout Fund

February 29, 2016

NAV - PKR 100.0175



## General Information

Fund Type	An Open End Scheme
Category	Asset Allocation Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	16-Nov-15
Fund Manager	Shoaib Kamal
Trustee	MCB Financial Services Limited
Auditor	KPMG Taseer Hadi & 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*	Transaction less than or equal to Rs. 15 million - 3% Transaction more than Rs. 15 million - NIL
Back end Load*	0%
Min. Subscription	PKR 5,000
Listing	Listing is in process
Benchmark	Weighted average of 6-month KIBOR and KSE-100 index as per amount invested in equities and fixed income investments including cash & cash equivalents respectively. All weightages shall be calculated as a percentage of net assets and shall be reset at the end of each month.
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

The Fund posted a monthly return of 0.32% against its benchmark return of -1.02%. The fund's major exposure increase is witnessed in cash which increased from 6.8% to 22.3%. Exposure is decreased from 23.2% to 17.8% in T-bills and increased from 51.2% to 56.4% in PIBs.

## Provisions against WWF liability

MCB-PFPF has not maintained provisions against Workers' Welfare Fund's liability consequent to amendments in statutory laws through Finance Act 2015 where Collective Investment Schemes have been excluded from the definition of "Industrial Establishment".

Fund Facts/Technical Information	MCB-PFPF
NAV per Unit (PKR)	100.0175
Net Assets (PKR M)	600
Total expense ratio with government levy	0.75%
Total expense ratio without government levy	0.59%

Performance Information (%)	MCB PFPF	Benchmark
Year to Date Return	1.56	-0.77
Month to Date Return	0.32	-1.02
365 days Return	-	-
180 days Return	-	-
Since inception	1.56	-0.77

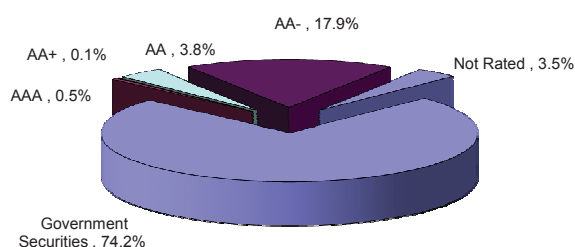
Top Equity Holdings (%age of Total Assets)		
Hub Power Company Limited	Equity	0.1%
Tariq Glass Industries Limited	Equity	0.0%

Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Cash	22.3%	6.8%
Term Deposits with Banks	0.0%	0.0%
PIBs	56.4%	51.2%
T-Bills	17.8%	23.2%
Spread Transactions	0.0%	0.1%
Stock/Equities	0.1%	0.9%
Others including receivables	3.4%	17.8%

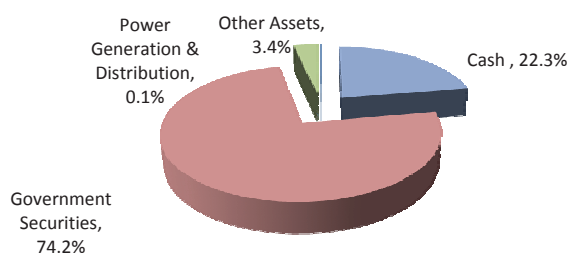
## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst
Shoaib Kamal	Manager - Fixed Income

Asset Quality (%age of Total Assets)



Sector Allocation (%age of Total Assets)



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## MUFAP's Recommended Format.

# Pakistan Capital Market Fund

February 29, 2016

NAV - PKR 9.96



## General Information

Fund Type	An Open End Scheme
Category	Balanced Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	24-Jan-2004
Fund Manager	Mohammad Aitazaz Farooqui
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front end Load*	Transaction less than or equal to Rs.15m 2% Transaction more than Rs.15m Nil For Corporate Nil
Back-end load*	Nil
Min. Subscription	PCM PKR 5,000 PCM-CD PKR 10,000,000
Listing	Pakistan Stock Exchange
Benchmark	50% KSE 100 Index + 50% 1 Year T-Bill
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

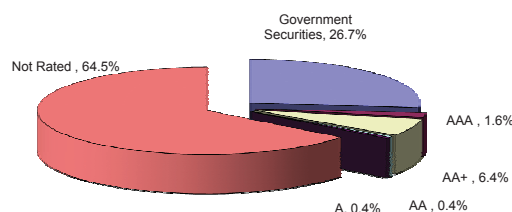
The fund posted a return of -1.68% during the month against its benchmark return of 0.31%. The Fund increased its exposure in equities to around 62.9%.The fund slightly increased its exposure in TBills to around 19.3% and exposure in PIBs stood at 7.4%.

## Provision against WWF liability

PCMF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 10.73 million, if the same were not made the NAV per unit of PCMF would be higher by Rs. 0.1481 and YTD return would be higher by 1.40%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2015 of PCMF.

Fund Facts / Technical Information	PCM	Benchmark
NAV per Unit (PKR)	9.96	
Net Assets (PKR M)	722	
Sharpe Measure	0.040	0.038
Beta	0.94	1.00
Max draw up	504.49%	438.85%
Max draw down	-44.71%	-46.24%
Standard Deviation	0.82	0.78
Alpha	0.007%	
Total expense ratio with government levy	2.26%	
Total expense ratio without government levy	1.76%	

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

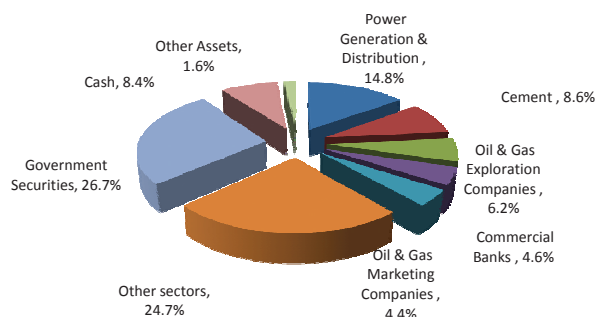


\* Inclusive of equity portfolio

Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Cash	8.4%	17.1%
T-Bills	19.3%	18.8%
TFCs	0.4%	0.4%
Stocks / Equities	62.9%	54.5%
PIBs	7.4%	7.2%
Others including receivables	1.6%	2.0%

Performance Information (%)				PCM	Benchmark
Year to Date Return				-5.59	-4.88
Month to Date Return				-1.68	0.31
180 Days Return				-5.59	-5.05
365 Days Return				-2.14	-2.65
Since inception				446.04	396.82
	2011	2012	2013	2014	2015
Benchmark (%)	21.9	11.6	29.2	27.12	13.92
PCM (%)	14.0	9.4	28.10	26.10	31.11

## Sector Allocation (%age of Total Assets)



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

Hub Power Company Limited	Equity	6.1%
Oil & Gas Development Company Limited	Equity	4.0%
Kot Addu Power Company Limited	Equity	3.8%
Pakistan State Oil Company Limited	Equity	3.8%
United Bank Limited	Equity	3.2%
Pioneer Cement Limited	Equity	3.0%
I.C.I Pakistan Limited	Equity	2.3%
Crescent Steel & Allied Products Limited	Equity	2.1%
Fatima Fertilizer Company Limited	Equity	2.1%
Shifa International Hospitals Limited	Equity	1.9%

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## MUFAP's Recommended Format.

# MCB Pakistan Stock Market Fund [Formerly Pakistan Stock Market Fund]

February 29, 2016

NAV 75.29



## General Information

Fund Type	An Open End Scheme
Category	Equity Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Risk Profile	Moderate to High
Launch Date	11-Mar-2002
Fund Manager	Muhammad Asim, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	2.0% p.a.
Front end Load*	Transaction less than or equal to Rs 15m 3% Transaction more than Rs.15m Nil For Corporate Nil
Back end Load*	Nil
Min. Subscription	MCB-PSM PKR 5,000 MCB-PSM CD PKR 10,000,000
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

## Investment Objective

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

## Manager's Comment

During the month, the fund posted a return of -3.24% whereas its benchmark KSE100 index return stood at 0.23%. The fund increased its overall equity allocation to around 83.5% from 82.1% last month. Cash balance increased from 3.8% to 3.9% at month end.

## Provision against WWF liability

MCB-PSM has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 107.63 million, if the same were not made the NAV per unit of MCB-PSM would be higher by Rs. 1.1989 and YTD return would be higher by 1.44%. For details investors are advised to read Note 7.1 of the latest Financial Statements for the half year ended December 31 of MCB-PSM.

Fund Facts / Technical Information	MCB-PSM	KSE-100
NAV per Unit (PKR)	75.29	
Net Assets (PKR M)	6,760	
Price to Earning (x)*	9.31	10.30
Dividend Yield (%)	5.4	6.0
No. of Holdings	50	100
Weighted. Avg Mkt Cap (PKR Bn)	85	122
Sharpe Measure	0.06	0.05
Beta	0.74	1.0
Correlation	91.2%	
Max draw up	2814.17%	2271.65%
Max draw down	-56.21%	-69.28%
Standard Deviation	1.10	1.35
Alpha	0.03%	
Total Expense ratio with government levy	2.12%	
Total Expense ratio without government levy	1.62%	
*prospective earnings		

Performance Information (%)				MCB-PSM	Benchmark
Year to Date Return				-9.54	-8.81
Month to Date Return				-3.24	0.23
180 Days Return				-8.38	-8.57
365 Days Return				-4.84	-6.73
Since inception				2165.34	1575.09
	2011	2012	2013	2014	2015
Benchmark (%)	28.50	10.40	52.20	41.16	16.01
MCB-PSM (%)	21.10	11.30	49.40	34.78	39.35

## Members of the Investment Committee

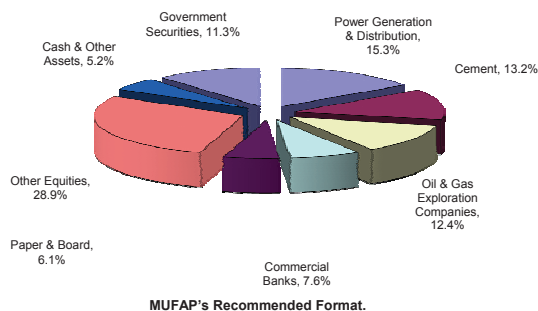
Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

Asset Allocation (%age of Total Assets)	Feb-16	Jan-16
Stocks / Equities	83.5%	82.1%
Cash	3.9%	3.8%
T-Bills	11.3%	12.2%
Others including receivables	1.30%	1.9%

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

Oil and Gas Development Company Limited	6.8%
Hub Power Company Limited	4.7%
Pakistan State Oil Company Limited	4.6%
Lucky Cement Limited	4.3%
United Bank Limited	4.3%
Packages Limited	3.7%
Kot Addu Power Company Limited	3.3%
Lalpir Power Limited	3.1%
Pioneer Cement Limited	3.0%
Mari Petroleum Company Limited	3.0%

## Sector Allocation (%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.

# Pakistan Sarmaya Mehfooz Fund

February 29, 2016

NAV - PKR 105.1208



## General Information

Fund Type	An Open End Scheme
Category	Capital Protected Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Risk Profile	Low
Launch Date	19-Dec-14
Fund Manager	Mohammad Aitazaz Farooqui
Trustee	Central Depository Company of Pakistan Limited
Auditor	Deloitte Yousuf Adil & Co., Chartered Accountants
Management Fee	1% p.a. of average daily Net Assets
Front end Load*	3%
Back end Load*	2%
Contingent Load*	Redemption during First Year 3% Redemption during Second Year 2%
Min. Subscription	PKR 5,000
Listing	Pakistan Stock Exchange
Benchmark	Weighted Average Daily Return of KSE-30 Total Return Index, Three (3) Month Deposit Rate of Double A minus (AA-) and above rated Banks and PIB's yields of appropriate maturity as measured by PKRV rates (bidside), based on the fund's actual proportion invested in equities, cash and bank deposits, and PIB's, measured on monthly basis.
Pricing Mechanism	Forward
Dealing Days	Monday - Friday
Cut off Timing	Mon-Fri (9:00AM to 4:30 PM)
Leverage	Nil

\*Subject to government levies

## Investment Objective

The objective of Pakistan Sarmaya Mehfooz Fund is to earn a return higher than short term bank deposits and government securities while providing capital protection upon maturity of the Fund.

## Manager's Comment

The fund posted a monthly return of -0.65% against its benchmark return of 1.81%. The fund decreased its exposure in equities from 22.4% to around 19% and increased allocation in cash to 8.1% from 5.8%.

## Provision against WWF liability

PAK-SMF has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.1.19 million, if the same were not made the NAV per unit of PAK-SMF would be higher by Rs. 0.1881 and YTD return would be higher by 0.17%. For details investors are advised to read Note 6.1 of the latest Financial Statements for the half year ended December 31, 2015 of PAK-SMF.

## Fund Facts/ Technical Information

### PAK-SMF

NAV per Unit (PKR)	105.1208
Net Assets (PKR M)	666
Total expense ratio with government levy	1.71%
Total expense ratio without government levy	1.44%

## Performance Information (%)

### PAK-SMF

### Benchmark

Year to Date Return	-2.33	-0.89
Month to Date Return	-0.65	1.81
365 days Return	1.43	-0.53
180 days Return	-1.91	-0.33
Since inception	8.37	4.35

## Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

## Asset Allocation (%age of Total Assets)

### Feb-16

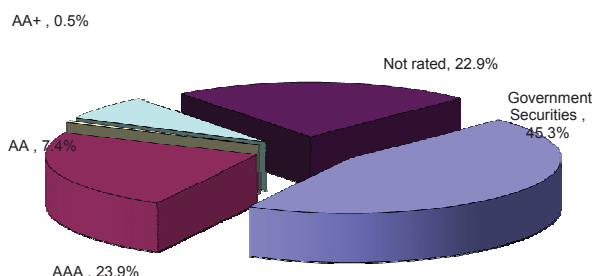
### Jan-16

Cash	8.1%	5.8%
Term Deposits with Banks	23.7%	23.4%
PIBs	45.3%	45.0%
T-Bills	0.0%	0.0%
Stock / Equities	19.0%	22.4%
Others including receivables	3.9%	3.4%

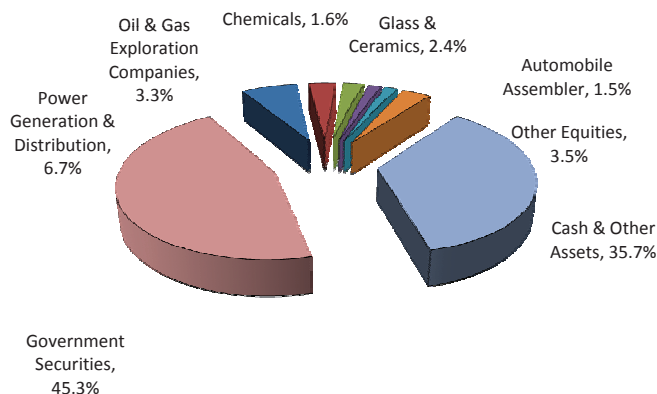
## Top 10 Equity Holdings (%age of Total Assets)

Oil and Gas Development Company Limited	Equity	2.6%
Lalpur Power Limited	Equity	2.4%
Kot Addu Power Company Limited	Equity	2.2%
Pakgen Power Limited	Equity	2.1%
Ghani Glass Limited	Equity	1.8%
I.C.I Pakistan Limited	Equity	1.6%
Indus Motor Company Limited	Equity	1.5%
Cherat Packaging Limited.	Equity	0.8%
Hum Network Limited	Equity	0.7%
Pakistan State Oil Company Limited	Equity	0.7%

## Asset Quality (%age of Total Assets)



## Sector Allocation (%age of Total Assets)



## DISCLAIMER

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

## MUFAP's Recommended Format.



# Pakistan Pension Fund

## February 29, 2016



### General Information

Fund Type	An Open End Scheme
Category	Voluntary Pension Scheme
Asset Manager Rating	AM2+ (AM Two Plus) by PACRA (07-Apr-15)
Stability Rating	Not Applicable
Launch Date	29-Jun-07
Fund Manager	Muhammad Asim, CFA
Trustee	Central Depository Company of Pakistan Limited
Auditor	Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants
Management Fee	1.5% p.a.
Front / Back end Load*	3% / 0%
Min. Subscription	PKR 1,000
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 -1.73% while the KSE-100 return stood at 0.23%. Allocation was reduced in Paper & Board sector while increased in Power Generation & Distribution, Commercial Banks, Chemical and Cement sectors.

Debt sub-fund generated an annualized return of 5.67% during the month. Exposure was marginally decreased in PIBs and T-bills to 74.1% and 22.3% respectively.

Money Market sub-fund generated an annualized return of 3.94% during the month. The fund decreased exposure towards T-bills at 97.7%.

### Provision against WWF liability

PPF-EQ has not made provisions amounting to Rs. 1.17 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-EQ would be lower by Rs. 1.0180 and YTD return would be lower by 0.27%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of PPF.

PPF-DT has not made provisions amounting to Rs. 0.80 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-DT would be lower by Rs. 0.4394 and YTD return would be lower by 0.21%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of PPF.

PPF-MM has not made provisions amounting to Rs. 0.59 million against Workers' Welfare Fund liability, if the same were made the NAV per unit of PPF-MM would be lower by Rs 0.7676 and YTD return would be lower by 0.40%. For details investors are advised to read Note 8.2 of the latest Financial Statements for the half year ended December 31, 2015 of PPF.

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

Hub Power Company Limited	9.7%
ICI Pakistan Limited	4.5%
Pakistan State Oil Company Limited	4.2%
Kot Addu Power Company Limited	3.8%
Cherat Packaging Limited	3.7%
Ghani Glass Limited	3.7%
Fauji Cement Company Limited	3.6%
Engro Fertilizers Limited	3.5%
United Bank Limited	3.5%
Systems Limited	3.4%

PPF-Money Market (%age of Total Assets)	Feb-16	Jan-16
Cash	2.2%	0.6%
T-Bills	97.7%	99.4%
Others including receivables	0.1%	0.0%

PPF-Debt (%age of Total Assets)	Feb-16	Jan-16
Cash	1.5%	0.7%
PIBs	74.1%	75.2%
GoP Ijara Sukuk	0.0%	0.0%
TFCs	0.6%	0.6%
T-Bills	22.3%	22.5%
Others including receivables	1.5%	1.0%

Performance Information & Net Assets			PPF-EQ*	PPF-DT**	PPF-MM**
Year to Date Return (%)			-3.39	8.10	4.49
Month to Date Return (%)			-1.73	5.67	3.94
Since inception (%)			263.11	13.41	11.39
Net Assets (PKR M)			416.78	394.07	153.38
NAV (Rs. Per unit)			363.18	216.26	198.81
	2011	2012	2013	2014	2015
PPF - EQ*	23.20	15.10	55.70	49.60	37.95
PPF - DT**	10.30	10.90	10.10	7.16	16.85
PPF - MM**	10.60	10.30	8.20	7.15	7.17
* Total Return	** Annualized return				

PPF-Equity (%age of Total Assets)	Feb-16	Jan-16
Cash	2.7%	14.2%
Power Generation & Distribution	13.6%	8.1%
Cement	10.6%	10.4%
Chemicals	9.2%	7.0%
Technology & Communication	6.7%	4.9%
Commercial Banks	6.6%	3.9%
Other equity sectors	47.2%	50.4%
Other including receivables	3.4%	1.1%

### Members of the Investment Committee

Muhammad Saqib Saleem	Acting Chief Executive Officer
Muhammad Asim, CFA	Chief Investment Officer
Saad Ahmed	Portfolio Manager - Fixed Income
Mohsin Pervaiz	Head of Risk Management
Mohammad Aitazaz Farooqui	Research Analyst

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