BMA CHUNDRIGAR ROAD SAVINGS FUND

For the month of June-17 **NAV** 8.2415

Fund Returns	BCSF	BM
Annualized Return (June-17)	6.78%	6.46%
Annualized Return (FY17)	5.51%	6.40%
Annualized Return (365 days)	5.51%	6.40%
Annualized Return (Last 3 years)	10.73%	7.48%
Annualized Return (Last 5 years)	12.29%	8.55%
Annualized Return (Inception to Date)	3.87%	10.76%
FY 2016	11.62%	6.83%
FY 2015	12.26%	9.25%
FY 2014	7.70%	10.06%
FY 2013	13.38%	10.26%
FY 2012	-16.94%	12.78%

1 YR KIBOR & Standard Deviations*	
1YR KIBOR (June-16)	6.46%
1YR KIBOR Standard Deviation	0.41%
Portfolio Standard Deviation	5.10%

*Benchmark revised in line with the SECP Direction no. 27 of 2016; previously 6M KIBOR

Portfolio Characteristics	
Net Assets in PKR MLN (30-June-17)	108.540
NAV/unit in PKR (30-June-17)	8.2415
Portfolio Weighted Average Maturity (in days)	441
Portfolio Duration (in days)	441

Asset Allocation	Jun-17	May-17
Cash	66.59%	33.70%
PIBs*	6.45%	5.91%
TDR	9.21%	33.69%
Commercial Paper	8.96%	24.54%
TFC (Pre-IPO)	9.21%	0.00%
Others	-0.43%	2.16%

*Governament backed securities

Monthly Performance

Month	Return	Benchmark
June-17*	6.78%	6.46%
May-17*	4.76%	6.45%
April-17*	5.17%	6.47%
March-17*	7.74%	6.41%
February-17*	5.50%	6.41%
January-17*	4.51%	6.41%
December-16*	5.49%	6.43%
November-16*	5.58%	6.40%
October-16*	3.94%	6.35%
September-16*	4.74%	6.35%
August-16	3.00%	6.02%
July-16	7.29%	6.02%
June-16	14.97%	6.11%

*Benchmark changed to 1-yr KIBOR since Sept'16

Investment Committee	
Khaldoon Bin Latif	Chief Executive Officer
Farrukh Hussain	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Syed Qamar Abbas	Fund Manager (Fixed Income)
Umair Ahmed Khan	Fund Manager (Equity)
Sandeep Kumar	Risk Manager

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Fund Objective

The BMA Chundrigar Road Savings Fund seeks to provide its investors with an attractive rate of return by investing in all fixed income and money market instruments of medium risk and short duration. The fund will seek to maintain a rupee weighted average maturity for the investment portfolio of not more than 5 years.

Fund Commentary

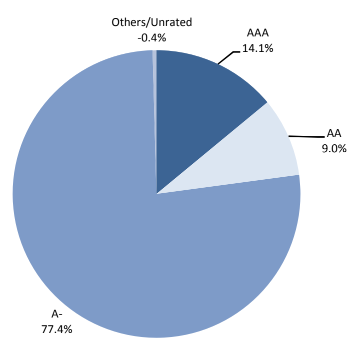
During June'17, the fund posted a return of 6.78% against the benchmark return of 6.46%, outperformed the benchmark by 32bps. In FY17, fund posted a return of 5.51% with underperformance of 86bps against the benchmark. The current allocation of the fund is as follows: 66.59% invested in Cash, 6.45% invested in PIBs, 9.21% placed with a Bank as TDR, 9.21% in TFC(Pre-IPO) and 8.96% in commercial papers. Portfolio's standard deviation was on the higher side at 5.10% due to adjustment of dividend to the NAV. Fund paid a divided of 0.45/unit during FY17. Portfolio duration was at 441 days while the weighted average maturity was also at 441 days. Based on recent developments at macro front, we believe that current allocation is quite attractive. However, we will rebalance the same incase of any uncertain event.

Fund Details	
Fund Type	Open End
Category	Aggressive Income Fund
Inception Date	23-Aug-07
Benchmark	1YR KIBOR
Dealing Days	Monday – Friday
Cut-off time	4:00 PM
Pricing Mechanism	Forward
Management Fee	1.50%
Front end Load	Upto 1%
Back End Load	Nil
Fund Stability Rating	A+ (F) (PACRA)
Risk Profile	Moderate
Listing	PSX
Trustee	MCBFSL
Auditor	A. F. Fergusons & Co.
Transfer Agent	Technology Trade
Legal Advisors	KMS Law Associates
Management Quality Rating	AM3
Expense Ratio*	2.00%

*This includes 0.34% of SECP Fee & Govt. Levy

Portfolio Ratings	
AAA	14.10%
AA	0.00%
A	8.96%
A-	77.37%
Others/Unrated	-0.43%
Total	**100.00%**

Portfolio Ratings Profile



Economic Outlook

CPI in Jun'17 clocked in at 3.93%YoY against 5.02%YoY in the preceding month, taking the average inflation in FY17 to 4.16% against the 2.86% during FY16. On sequential basis by CPI dropped by 0.41%MoM, mainly due to 0.20%MoM drop in food prices against the general expectations on the back of Ramadan, 15.32%MoM drop in Tobacco index following budgetary measures and drop in fuel prices. We believe the expected depreciation of Rupee might put some inflationary pressure, however contained somewhat by the decline in oil prices and food prices post Ramadan.

State Bank of Pakistan (SBP) has revised the 11MFY17 current account deficit figures to USD10.64 billion, which is USD1.71bn higher than the earlier reported figure of USD8.92bn. The 11MFY17 deficit is 2.1x wider than the revised figure of USD4.86bn during the same period last year. The widening CAD can mainly be attributed to growing trade deficit led by higher imports (both goods and services), which increased by 14% YoY.

Country's foreign exchange reserves stood at USD21.4bn as of June 30, 2017. In the scenario of widening CAD and debt payments up to USD5.0-6.0bn during FY18 we see a high probability of sharp FX reserves drawdown and steep currency devaluation in FY18. PKR remained stable during the month and FY17, however, SBP has taken the move to depreciate exchange rate by 3.1% in the interbank market after a long period of stability. However, in recent development the finance minster has intervened and the rupee recovered sharply. With REER standing at 127, we believe the depreciation is very much on the card.

In the PIB auction conducted during the month, bids worth Rs. 78.24bn were received, where much of the activity remained tilted towards the shorter tenor instrument of 3-yr PIB. The cut-off yields for 3-yr, 5-yr and 10-yr PIBs clocked in at 6.41%, 6.90% and 7.94% respectively whilst no bids were received in 20-yr tenor. The govt also raised 526.6bn in T-bills auction with no change in cut-off yields.

Name of non-compliant investment	Type of Investment	Value of investment before provision	Provision held if any	Value of investment after provision	Percentage (%) of Net Assets	Percentage (%) of Gross Asset
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

Disclousure: The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the amount of Rs. 304,595. If the same were not made the NAV per unit of the fund would have been higher by Rs.0.023/0.28%.

MUFAP Recommended Format