BMA EMPRESS CASH FUND

For the month of	December-16	NAV	10.3385

Fund Returns	BECF	BM
Annualized Return (Dec-16)	4.81%	5.30%
Annual. Return (FY17 YTD)	4.00%	5.34%
Annual. Return (365 days)	4.16%	5.44%
Annual. Return (Last 3 Years)	6.80%	7.16%
Annual. Return (Last 5 Years)	8.79%	8.04%
Annual. Return (Inception to Date)	11.25%	9.06%
FY 2016	4.61%	5.85%
FY 2015	8.15%	8.20%
FY 2014	8.47%	8.90%
FY2013	9.14%	8.90%
FY2012	11.32%	11.02%

Portfolio Characteristics	
Net Assets in PKR MLN (31-Dec-16)	63.9449
NAV/unit in PKR (31-Dec-16)	10.3385
Portfolio Duration (in Days)	Nil
Portfolio Weighted Average Maturity (in Days)	Nil
Portfolio Standard Deviation	0.01%

Asset Allocation	Dec-16	Nov-16
Cash	101.73%	46.20%
T Bills	0.00%	54.76%
Accruals	-1.73%	-0.96%
Leverage	None	None

Fund Details	
Fund Type	Open End
Category	Money Market Fund
Benchmark	70% 3M PKRV + 30% 3M Bank Rate
Inception Date	12-Nov-09
Dealing Days	Monday – Friday
Cut-off time	4:00 PM
Pricing Mechanism	Forward
Management Fee**	0.00%
Front end Load	Upto 1%
Back end Load	Nil
Fund Stability Rating	AA+(F) (JCR)
Risk Profile	Low Risk
Listing	PSX
Trustee	MCBFSL
Auditor	A. F. Fergusons & Co.
Transfer Agent	Technology Trade
Legal Advisors	KMS Law Associates
Management Quality Rating	AM3
Expense Ratio*	2.25%

*This includes 0.25% of SECP Fee & Govt. Levy

**Management fee is reduced to 0% from 18 November 2016 for a period of six month

Investment Committee	
Khaldoon Bin Latif	Chief Executive Officer
Farrukh Hussain	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Syed Qamar Abbas	Fund Manager
Sandeep Kumar	Risk Manager
Talha Siddiqui	Head of Research

*Benchmark revised in line with the SECP Direction no. 27 of 2016; previously 3M BANK RATES

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Fund Objective

The BMA Empress Cash Fund is a professionally managed cash fund, which aims to minimize risk, maximize liquidity and generate a competitive rate of return. This will be achieved by concentrating portfolio allocation in AA rated banks and short duration sovereign rated securities.

Fund Commentary

The fund earned an annualized return of 4.81% during Dec'16 as against the benchmark of 5.30%, underperformed by 49bps. The 1HFY17 return of the fund stood at 4.00% p.a. against the benchmark of 5.34%. Standard deviation of returns was 0.01%, reflecting the stable nature of the fund's income. Going forward, we will maintain investment in shorter tenor instruments to avoid interest rate risk.

Economic Outlook

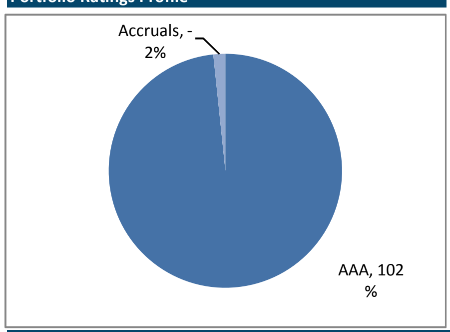
CPI for the month of Dec'16 clocked-in at 3.7% YoY compared to 3.8% YoY in the preceding month. Resultantly this has taken the average CPI for 1HYFY17/CY16 to 3.9%/3.9% vs 2.1%/2.6% in the same period last year. On monthly basis the CPI reading dropped by 0.68% on the back of seasonal drop in prices of perishable food items by 11.6%. NFNE core inflation clocked-in at 5.2% YoY, lower than 5.3% YoY in Nov'16 to take CY16 average to 4.7% - flat from CY15. Going forward we expect the inflation to fall in range of 4.5-5.0% for FY17, which is less than the SBP's target of 6%.

During Nov'16 dismal trend in current account continued as country reported a deficit of USD839mn compared to a deficit of USD381mn in the Oct'16. The deficit can be attributed to 13%MoM rise in imports. Consequently, 5MFY17 CAD stands at a massive USD2.6bn, up 91%YoY on account of 14%YoY increase in trade deficit. CAD during 5MFY17 increased to 2.0% of GDP, as against 1.1% of GDP during the same period last year. The limited uptick in exports and increase in oil prices may further deteriorate the CAD position.

Country's total foreign reserves stood at USD 23.16bn as of December 30, 2016. During the month Rupee traded in a narrow band against the US dollar. However the strengthening USD after Fed rates hike may put pressure on Pak Rupee as other regional currencies have depreciated considerably.

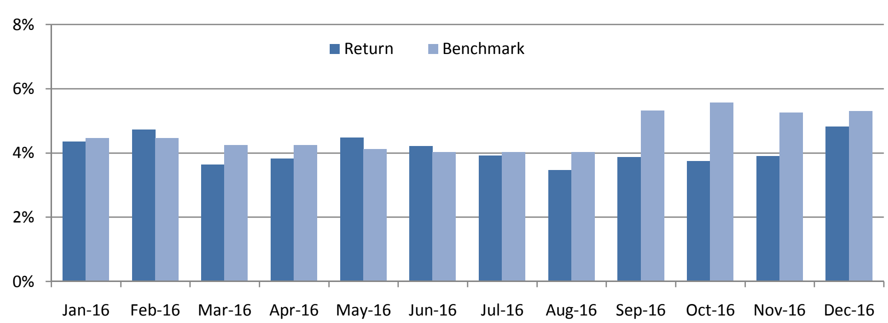
In the PIB auction held during the month, bids worth Rs.47bn were received against the target of Rs.50bn; all bids were quite high and were rejected. This was the third auction in a row for PIBs, which was rejected by the federal government as the Government is not under pressure from IMF and is borrowing from Central Bank instead of High yield PIBs. Government raised 299.45bn in two auctions for t- bills against the maturity of 207.89bn. Bids for 12-months tenor were rejected in both auctions.

Portfolio Ratings Profile



Month	Return	Benchmark
December-16	4.81%	5.30%
November-16	3.90%	5.26%
October-16	3.75%	5.57%
September-16	3.87%	5.32%
August-16	3.47%	4.03%
July-16	3.92%	4.03%
June-16	4.21%	4.03%
May-16	4.47%	4.12%
April-16	3.83%	4.25%
March-16	3.64%	4.25%
February-16	4.73%	4.45%
January-16	4.36%	4.45%

Monthly return (on annualized basis)



Disclosure: The scheme has maintained provisions against Workers' Welfare Fund (WWF) liability to the tune of Rs. 295,157 as of Jun 30, 2015 . Had the provision not been made, the NAV per unit/percentage return of the Fund would be higher by Rs. 0.0477/0.46%. Details are specified at note 11.1 to the latest period ended report of of Jun 2016. Performance Data does not include the cost incurred directly by an investor in the form of sales load etc. . Effective from July 1, 2015 no provision is being made as mutual funds have been excluded from levy of WWF vide Finance Act 2015.

MUFAP Recommended Format

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 capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.