



For the month of

November-16

NAV

10.2964

Fund Returns	BECF	BM
Annualized Return (Nov-16)	3.90%	5.26%
Annual. Return (FY17 YTD)	3.81%	5.34%
Annual. Return (365 days)	4.08%	5.48%
Annual. Return (Last 3 Years)	6.93%	7.27%
Annual. Return (Last 5 Years)	8.91%	8.14%
Annual. Return (Inception to Date)	11.28%	9.12%
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%	11.01%

### Portfolio Characteristics

Net Assets in PKR MLN (30-Nov-16)	100.3281
NAV/unit in PKR (30-Nov-16)	10.2964
Portfolio Duration (in Days)	Nil
Portfolio Weighted Average Maturity (in Days)	4
Portfolio Standard Deviation	1.41%

Asset Allocation	Nov-16	Oct-16
Cash	46.20%	101.10%
T Bills	54.76%	0.00%
Accruals	-0.96%	-1.10%
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	0.75%
Front end Load	Upto 1%
Back end Load	Nil
Fund Stability Rating	AA+(F) (JCR)
Risk Profile	Low Risk
Listing	KSE
Trustee	MCBFSL
Auditor	A. F. Fergusons & Co.
Transfer Agent	Technology Trade
Legal Advisors	KMS Law Associates
Management Quality Rating	AM3
Expense Ratio	2.92%*

\*This includes 0.32% of SECP Fee & Govt. Levy

### 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
Ali Najeeb	AVP Investments

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

0800 00262

Info@bmafunds.com

www.bmafunds.com

### 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 3.90% during Nov'16 as against the benchmark of 5.26%, underperformed by 136 bps. The FY17 return of the fund stood at 3.81% against the benchmark of 5.34%, hence posted an underperformance of 153 bps. This performance is net of management fee and all other expenses. Standard deviation of portfolio was 1.41%, reflecting the volatile nature of the fund's income during the month. Going forward, we will maintain investment in shorter tenor instruments to avoid interest rate risk.

### Economic Outlook

CPI inflation for Nov'16 clocked-in at 3.81%YoY and 0.21%MoM. Among the major items, Food & Beverages head, increased by mere 0.2%MoM, mainly due to 2.5%MoM drop in perishable food items while non-perishable food items increased by 0.69%MoM. CPI in 5MFY17 has reached 3.92%YoY against 1.86%YoY for the same period last year. Core inflation measured by non-food non-energy CPI (Core NFNE) increased by 5.3%YoY in Nov'16 as compared to increase of 5.2%YoY in the previous month. We expect the yearly CPI for Dec'16 to remain between 4.9%-5.2%YoY due to low base effect.

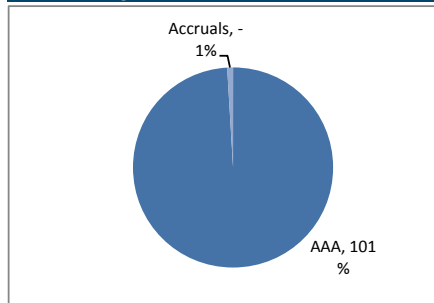
The State Bank of Pakistan (SBP) kept the policy rate unchanged at 5.75% in its Nov'16 Monetary Policy for next two months. The MPC highlighted the rising trend in inflation amidst stability in global commodities as against sharp decline earlier and a slight uptick in domestic demand. Though the central bank expects the inflation to pick up in the coming months, it is of the view that the inflation will remain manageable and will bode well for the growth momentum. We believe that interest rates have bottomed out and are eyeing a reversal by the tail of 2HFY17.

During Oct'16 current account of the country reported a deficit of USD381mn compared to a deficit of USD174mn in the preceding month. This deficit can primarily be attributed to 3%MoM decline in workers' remittances. However, sequential recovery in exports (+8%MoM) coupled with a nominal increase in imports somewhat contained further deterioration in current account position. Going forward current account weakness is expected to continue driven by trade deficit and slower remittances.

Country's total foreign exchange reserves declined to USD23.6bn as of November 25, 2016. The decline was attributable to external debt servicing and other official payments. In interbank the Rupee traded in narrow band against the US Dollar, while significant volatility was observed in the open market.

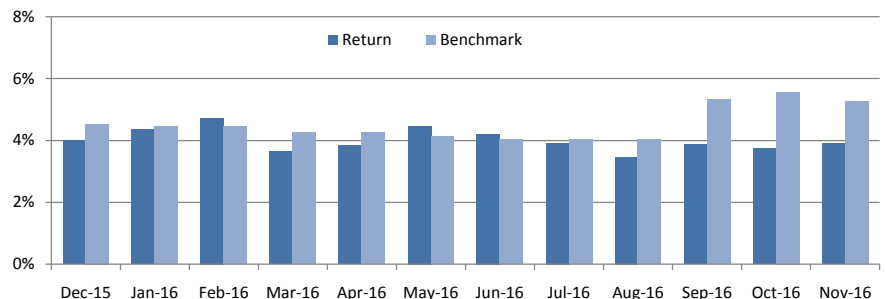
During the month bond market remained volatile in anticipation of supply cut decision from the OPEC members. The yields for latest 3-year and 5-year went up to 6.31% and 6.92%. In the PIB auction held during the month, bids worth Rs.113.84bn were received, however all bids were rejected. Government raised Rs.581.82bn in two auctions for t-bills against the target of Rs.500bn. The cut-off yield remained unchanged. Bids for 12-Months tenor were rejected in the second auction.

### Portfolio Ratings Profile



Month	Return	Benchmark
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%
December-15	4.01%	4.53%

### 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. 0.003/0.029%. 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

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