



For the month of

October-17

NAV

10.291

| Fund Returns | BECF | BM |
|------------------------------------|-------|-------|
| Annualized Return (October-17) | 4.44% | 5.16% |
| Annual. Return (FY18) | 4.46% | 5.17% |
| Annual. Return (365 days) | 4.82% | 5.23% |
| Annual. Return (Last 3 Years) | 5.59% | 5.98% |
| Annual. Return (Last 5 Years) | 7.43% | 7.12% |
| Annual. Return (Inception to Date) | 8.02% | 8.38% |
| FY 2017 | 4.58% | 5.29% |
| FY 2016 | 4.61% | 5.82% |
| FY 2015 | 8.15% | 8.20% |
| FY 2014 | 8.47% | 8.90% |
| FY2013 | 9.14% | 8.90% |

Portfolio Characteristics

| | |
|---|----------|
| Net Assets in PKR MLN (31-October-17) | 101.5798 |
| NAV/unit in PKR (31-October-17) | 10.291 |
| Portfolio Weighted Average Maturity (in Days) | 0.69 |
| Portfolio Standard Deviation | 0.02% |

| Asset Allocation | Oct-17 | Sep-17 |
|------------------|--------|--------|
| Cash | 91.2% | 89.60% |
| Commercial Paper | 9.8% | 9.62% |
| Accruals/Others | -1.0% | 0.78% |
| 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* | 1.96% |
| *This includes 0.26% of SECP Fee & Govt. Levy | |
| **Management fee is reduced to 0% from 18 November 2016 | |

Investment Committee

| | |
|--------------------|-----------------------------|
| Khaldoon Bin Latif | Chief Executive Officer |
| Farrukh Hussain | Chief Investment Officer |
| Faisal Ali Khan | Chief Financial Officer |
| Zafar Rehman | Fund Manager (Fixed Income) |
| Umair Ahmad Khan | Fund Manager (Equity) |
| Sandeep Kumar | Risk Manager |

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

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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. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved.

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 4.44% during October'17 as against the benchmark of 5.16%, underperformed by 72bps. This performance is net of management fee and all other expenses. Standard deviation of portfolio was 0.02%, reflecting the stable nature of the fund's income. Portfolio weighted average maturity was also at 0.69 day. We have maintained investment in daily products & shorter tenor instruments and will continue so to avoid interest rate risk.

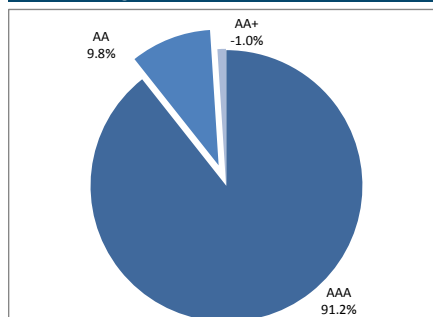
Economic Outlook

In October, CPI inflation increased by 3.8% on YoY basis as compared to an increase of 3.9% in the previous month. On MoM basis, it increased by 0.7% as compared to an increase of 0.6% in the previous month. On the other hand, core inflation also slipped further to 5.3% from 5.4%, declining by 0.1% each month since July. On MoM basis, it increased by 0.9% in October 2017 as compared to increase of 0.1% in previous month. Going forward, we estimate CPI inflation to clock in at 4.2% for FY18. We firmly believe that policy rate is wedged in lower for longer and expect first rate hike by the mid of FY18. Major risks to CPI include; (i) further uptick in oil prices which has already increased to 4% since Jun'17 and (ii) potential exchange rate devaluation risk.

As per the latest available data, Pakistan's external account reported a current account deficit of less than a billion dollars for the second consecutive month in Sep-2017. Current Account Deficit (CAD) increased to USD956mn in Sep'17 compared to USD550mn in Aug'17 led by a much expected decline (34% MoM) in remittances from Eid season's high seen in Aug'17. Exports dipped by 17% MoM to USD1.7bn while imports also fell by 8% MoM in Sep'17. There have been two key trends in 1QFY18, which if sustained could provide some relief to the current account: (i) exports up 12% to USD5.67bn with textile exports up 8%YoY, and (ii) machinery import being stagnant in 1Q compared to last year which could reflect some slowdown in investment cycle. Country's total foreign reserves stood at USD 19.76bn as of 30st September, 2017 as compared to its value of USD 20.4bn in previous month. Net reserves with SBP declined 5.62% to USD 13.85bn while net reserves with banks increased 3.26% to USD 5.90bn.

No bids were accepted in the auction of Pakistan Investment Bonds (PIBs) held by the State Bank of Pakistan while the amount of PKR. 740.89 billion was raised from the auction of 3Months, 6Months & 12Months Government of Pakistan Market Treasury Bills .

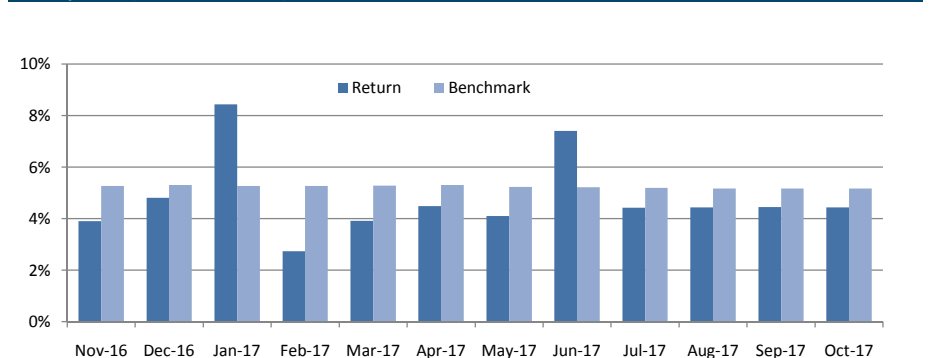
Portfolio Ratings Profile



Monthly Return Comparison

| Month | Return | Benchmark |
|--------------|--------|-----------|
| October-17 | 4.44% | 5.16% |
| September-17 | 4.45% | 5.17% |
| August-17 | 4.44% | 5.17% |
| July-17 | 4.42% | 5.19% |
| June-17 | 7.40% | 5.22% |
| May-17 | 4.10% | 5.23% |
| April-17 | 4.48% | 5.31% |
| March-17 | 3.92% | 5.28% |
| February-17 | 2.73% | 5.27% |
| January-17 | 8.43% | 5.26% |
| December-16 | 4.81% | 5.30% |
| November-16 | 3.90% | 5.26% |

Monthly return (on annualized basis)



Disclosure: The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the amount of Rs.111,791. If the same were not made the NAV per unit of the fund would have been higher by Rs. 0.0001/0.1%.

Annualized return is based as per MUFAP stated methodology.

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

Funds returns computed on NAV to NAV with the dividend reinvestment.