



For the month of

August-17

NAV 10.2149

| Fund Returns | BECF | BM |
|------------------------------------|-------|-------|
| Annualized Return (August-17) | 4.44% | 5.17% |
| Annual. Return (FY18) | 4.44% | 5.18% |
| Annual. Return (365 days) | 4.71% | 5.28% |
| Annual. Return (Last 3 Years) | 5.85% | 6.22% |
| Annual. Return (Last 5 Years) | 7.69% | 7.30% |
| Annual. Return (Inception to Date) | 8.01% | 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-August-17) | 101.7976 |
| NAV/unit in PKR (31-August-17) | 10.2149 |
| Portfolio Weighted Average Maturity (in Days) | 7 |
| Portfolio Standard Deviation | 0.01% |

| Asset Allocation | Aug-17 | Jul-17 |
|------------------|--------|--------|
| Cash | 91.69% | 91.59% |
| Commercial Paper | 9.68% | 9.76% |
| Accruals/Others | -1.37% | -1.36% |
| 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* | 2.09% |
| *This includes 0.17% 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 |
| Syed Qamar Abbas | 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

0800 00262
 info@bmafunds.com
 www.bmafunds.com

MUFAP Recommended Format

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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 4.44% during August'17 as against the benchmark of 5.17%, underperformed by 73bps. This performance is net of management fee and all other expenses. Standard deviation of portfolio was 0.01%, reflecting the stable nature of the fund's income. Portfolio weighted average maturity was also at 7 days. We have maintained investment in daily products & shorter tenor instruments and will continue so to avoid interest rate risk.

Economic Outlook

CPI inflation clocked in at 3.4% in Aug'17, depicting an increase from 2.9% recorded in Jul'17 mainly on account of a low base from last year. On MoM basis, CPI treaded up by only 0.2% in Aug'17. Headline inflation came in lower than our expectation of 3.7% mainly owing to lower than anticipated food inflation. In 2MFY18, CPI averaged at 3.16% compared to 3.84% in the same period last year. Overall, we believe the CPI level seen in some monthly readings in 2HFY17 (near 5%) is unlikely to be repeated in FY18 helped by subdued international oil prices and limited food inflation.

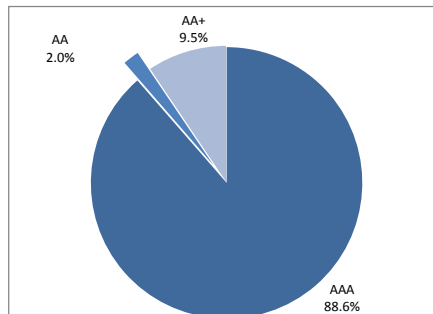
While inflation remains benign, concerns over rising current account deficit (CAD) are likely to keep interest rates unchanged in upcoming MPS in Sep-17. We expect dovish monetary policy to continue in near term due to weaker inflationary pressures, however, we anticipate interest rate liftoff to begin from Mar-18 with 3 hikes of 25bps in 2018.

As per the latest data available, the country posted high current account deficit of USD 2.1bn in the first month of FY18 as compared to FY17 deficit of USD 662mn primarily on account of increasing trade deficit. Exports increased by 26% (USD 1.8bn) whereas imports grew by 51% (USD 4.7bn) during the year thereby accelerating trade deficit to USD 2.9bn, up by 80% over last year. The high trade deficit has effectively eclipsed remittances, which were up to USD 1.5bn as compared to USD 1.33bn in the same month of last year.

Country's total foreign reserves stood at USD 20.387bn as of 31st August, 2017 as compared to its value of USD 20.223bn in last month. We believe the debt repayment ahead and the widening CAD to put the forex reserves under pressure, which have already dropped from peak level of 24bn. Despite the increasing pressure on currency due to widening current account deficit the PKR remained stable during the month.

No bids were accepted in the PIB auction held during the month while the government raised PKR1,646bn in T-bills auctions during the month.

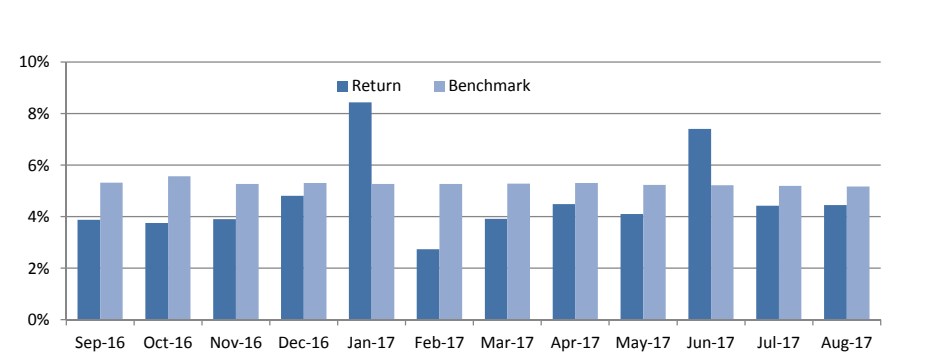
Portfolio Ratings Profile



Monthly Return and Benchmark Comparison

| Month | Return | Benchmark |
|--------------|--------|-----------|
| 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% |
| October-16 | 3.75% | 5.57% |
| September-16 | 3.87% | 5.32% |

Monthly return (on annualized basis)



Disclosure: The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the amount of Rs.96,278. If the same were not made the NAV per unit of the fund would have been higher by Rs. 0.009/0.0094%.

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.