



For the month of

October-15

NAV

10.4282

| Fund Returns                        | BECF   | BM    |
|-------------------------------------|--------|-------|
| Annualized Return (Oct-15)          | 4.48%  | 4.37% |
| Annual. Return (FY16 YTD)           | 5.37%  | 4.81% |
| Annual. Return (365 days)           | 7.11%  | 5.78% |
| Annual. Return (Last 3 Years)       | 8.29%  | 6.72% |
| Annual. Return (Last 5 Years)       | 11.23% | 7.13% |
| Annual. Return (Inception to Date)* | 8.93%  | 6.97% |
| FY 2015                             | 8.15%  | 6.73% |
| FY 2014                             | 8.47%  | 7.27% |
| FY2013                              | 9.14%  | 6.95% |
| FY2012                              | 11.32% | 8.23% |
| FY2011                              | 11.30% | 7.70% |

| Portfolio Characteristics                     |         |
|---|---------|
| Net Assets in PKR MLN (31-10-15)              | 101.375 |
| NAV/unit in PKR (31-10-15)                    | 10.4282 |
| Portfolio Duration (in Days)                  | 53      |
| Portfolio Weighted Average Maturity (in Days) | 53      |
| Portfolio Standard Deviation                  | 0.02%   |

| Asset Allocation | Oct-15 | Sep-15 |
|------------------|--------|--------|
| Cash             | 43.61% | 38.49% |
| Placements       | 0.00%  | 0.00%  |
| T Bills          | 57.40% | 63.66% |
| Accruals         | -1.01% | -2.15% |
| Leverage         | None   | None   |

| Fund Details              |                       |
|---------------------------|-----------------------|
| Fund Type                 | Open End              |
| Category                  | Money Market Fund     |
| Benchmark                 | 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                   |

| Investment Committee     |                          |
|--------------------------|--------------------------|
| Adeel Ahmad Khan         | Chief Executive Officer  |
| Farrukh Hussain          | Chief Investment Officer |
| Faisal Ali Khan          | Chief Financial Officer  |
| Syed Qamar Abbas         | Fund Manager             |
| Vijay Kukreja, ACCA, CFA | Fund Manager             |
| Muneeb Sikandar          | Risk Manager             |

\* Calculated via Geometric Mean

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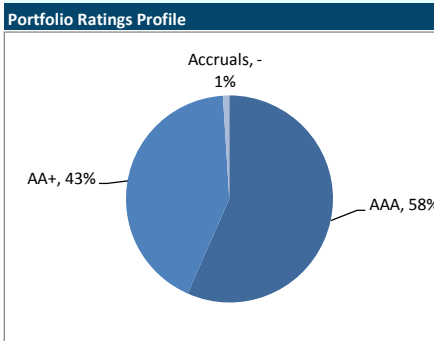
**Fund Objective**  
The BMA Empress Cash Fund is a professionally managed cash fund, which aims to minimize risk, maximize liquidity and generate a competitive rate of return. This will be achieved by concentrating portfolio allocation in AA rated banks and short duration sovereign rated securities.

**Fund Commentary**  
The fund earned an annualized return of 4.48% during Oct'15 against the benchmark of 4.37%, outperformed by 11 bps. The FY16 return of the fund is 5.37% against the benchmark of 4.81%, hence posted an outperformance of 56 bps. This outperformance is net of management fee and all other expenses. Standard deviation of returns was 0.023%, 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 inflation for Oct'15 recorded at 1.62% YoY, which is in line with market expectation and slightly above the last month figure of 1.3% YoY. Resultantly, 4MFY16 CPI has clocked in at 1.65% YoY as compared to 7.09% YoY in 4MFY15 (down 544bps) translating into real interest rate of +4.85%. On month-on-month basis, CPI increased by 0.49% primarily on the back of 1.17% quarterly revision in House Rent Index and 3.18% month-on-month increase in prices of perishable food items. Core inflation measured by non-food non-energy CPI (Core NFNE) increased by 3.4% on (YoY) basis in October as compared to increase 3.4% in the previous month and 7.8% in October 2014. Despite harsh budgetary measures, hike in energy tariff and seasonal impact are unable to fuel inflationary trend so far because of supply side stability, low oil prices and benefit of high base effect. However, we believe that cycle of downward trend shall reverse from November'15 on the back of start of low base effect and increase in price levels. We expect CPI average for FY16 would remain in the range of 4-4.5%.

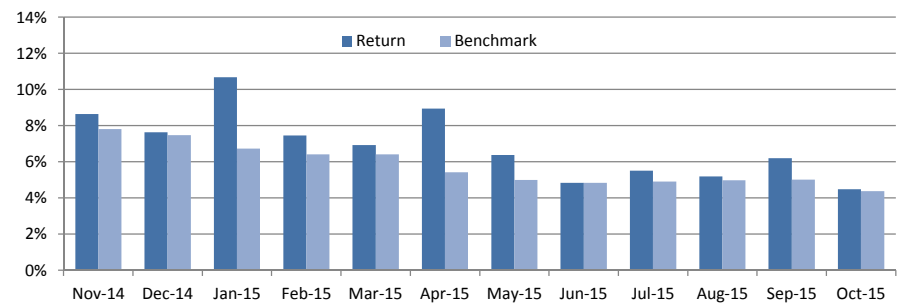
SBP shall announce its monetary policy for next two months in Nov'15. Recent behavior of treasury yields indicates expectations of further reduction in policy rate, on the back of low inflation and strong Fx reserves position. However, we believe that SBP shall maintain policy rate at current level considering expected rebound in inflationary pressures. During the month, Pak rupee traded within a narrow band against the US dollar and depreciated by 1%. Pakistan's foreign exchange reserves maintained almost at the same level of last month. We believe that the upward trend in forex reserves will continue on the back of strong remittances, higher foreign flows and expected privatization proceeds.

In the last couple of months, we have witnessed a considerable shift of fixed income's investors towards medium term papers. We have re-positioned portfolio of fixed income funds to gain maximum benefit of recent developments as well as gauge interest rate risk. Further, we are closely monitoring the behavior of secondary markets and will act accordingly.



| Month        | Return | Benchmark |
|--------------|--------|-----------|
| October-15   | 4.48%  | 4.37%     |
| September-15 | 6.20%  | 5.02%     |
| August-15    | 5.18%  | 4.97%     |
| July-15      | 5.51%  | 4.90%     |
| June-15      | 4.83%  | 4.83%     |
| May-15       | 6.37%  | 5.00%     |
| April-15     | 8.94%  | 5.42%     |
| March-15     | 6.93%  | 6.40%     |
| February-15  | 7.45%  | 6.40%     |
| January-15   | 10.68% | 6.73%     |
| December-14  | 7.63%  | 7.47%     |
| November-14  | 8.63%  | 7.80%     |

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. 0.030/0.29%. Details are specified at note 12 to the latest period ended report of Sep-2015. Performance Data does not include the cost incurred directly by an investor in the form of sales load etc.

**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.