



For the month of

October-16

NAV

10.2635

Fund Returns	BECF	BM
Annualized Return (Oct-16)	3.75%	5.57%
Annual. Return (FY17 YTD)	3.78%	5.36%
Annual. Return (365 days)	4.06%	5.53%
Annual. Return (Last 3 Years)	7.03%	7.38%
Annual. Return (Last 5 Years)	9.04%	8.23%
Annual. Return (Inception to Date)	11.33%	9.65%
FY 2016	4.61%	5.83%
FY 2015	8.15%	8.13%
FY 2014	8.47%	8.91%
FY2013	9.14%	8.87%
FY2012	11.32%	11.00%

Portfolio Characteristics	
Net Assets in PKR MLN (31-Oct-16)	100.2819
NAV/unit in PKR (31-Oct-16)	10.2635
Portfolio Duration (in Days)	Nil
Portfolio Weighted Average Maturity (in Days)	Nil
Portfolio Standard Deviation	0.01%

Asset Allocation	Oct-16	Sep-16
Cash	101.10%	57.79%
Placements	0.00%	0.00%
T Bills	0.00%	43.95%
Accruals	-1.10%	-1.74%
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	2.35%*

*This includes 0.27% 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

*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 3.75% during Oct'16 as against the benchmark of 5.57%, underperformed by 182 bps. The FY17 return of the fund stood at 3.78% against the benchmark of 5.36%, hence posted an underperformance of 158 bps. 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. Going forward, we will maintain investment in shorter tenor instruments to avoid interest rate risk.

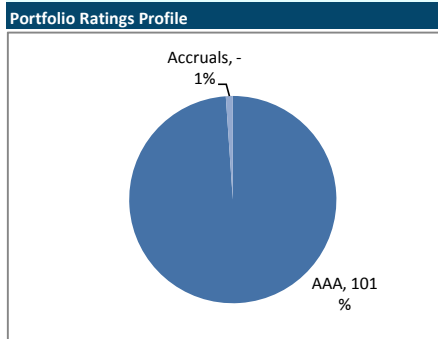
Economic Outlook
 CPI for Oct'16 inched up to 4.21%YoY compared to 3.88%YoY in Sept'16. This took the average CPI to 3.94% in 4MFY17. The CPI increased by 0.81%MoM in comparison to an increase of 0.20% in the preceding month. The monthly increase in CPI was due to high food inflation (+0.88%) and quarterly adjustment of house rent. Housing, water, fuel & lighting segment constitute 29% of the index and was up by 1.41%MoM and 4.90%YoY. Core inflation (Non-food non-energy CPI) increased by 5.2%YoY in Oct'16 as compared to increase of 4.8%YoY in Sept'16. On monthly basis, it increased by 0.9% in Oct'16 as compared to increase of 0.3% in the preceding month. We are expecting inflation to remain in the range of 4.0%-4.5% which is less than the SBP target of 6%.

The current account balance improved by 280%MoM as it stood in deficit of US\$ 161mn from deficit of US\$ 612mn in the preceding month. However sluggish exports, dropping remittances and surging imports during 1QFY17, widened the deficit to US\$ 1,368mn against the deficit of US\$ 579mn for the same period last year, depicting an increase of 136%YoY.

During the month government issued Sukuks of US\$ 1bn with maturity of 5 years. The government received bids of US\$2.5bn with considerably low rate of 5.50% against of 6.75% of the issue floated in 2014. The proceeds from this issue helped the country's foreign exchange reserves to surge beyond US\$ 24bn for the first time and stood at US\$ 24.19bn as on Oct 28, 2016. Growing foreign exchange reserves propelled Pak rupee to trade within a narrow band against the US dollar.

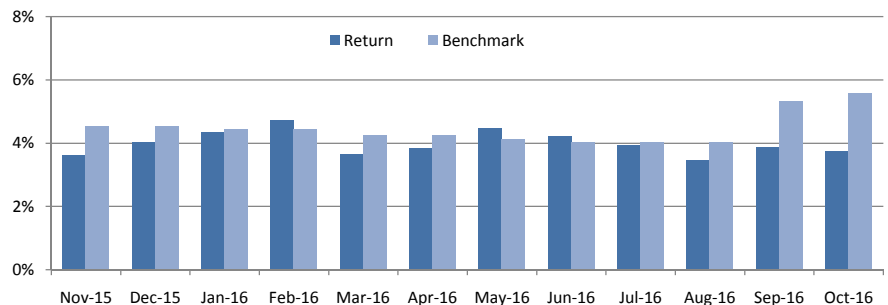
During the month rising political noise related to Panamagate and expectations of jump in price level kept the bond market volatile. In secondary market, yields inched up by 17 and 15 bps for 5 and 10 years bonds respectively.

In the PIB auction held during the month, bids worth Rs.75.02bn were received against the target of Rs.100bn, all bids were quite high as compared to last month cut-off yields and were rejected. Government raised 170.06bn in two auctions for t-bills against the target of 450bn. In second auction the cut-off yields remained flat for 6 and 12 months, while increased by 5bps for 3-months tenor.



Month	Return	Benchmark
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%
November-15	3.62%	4.55%

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 11.1 to the latest period ended report 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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