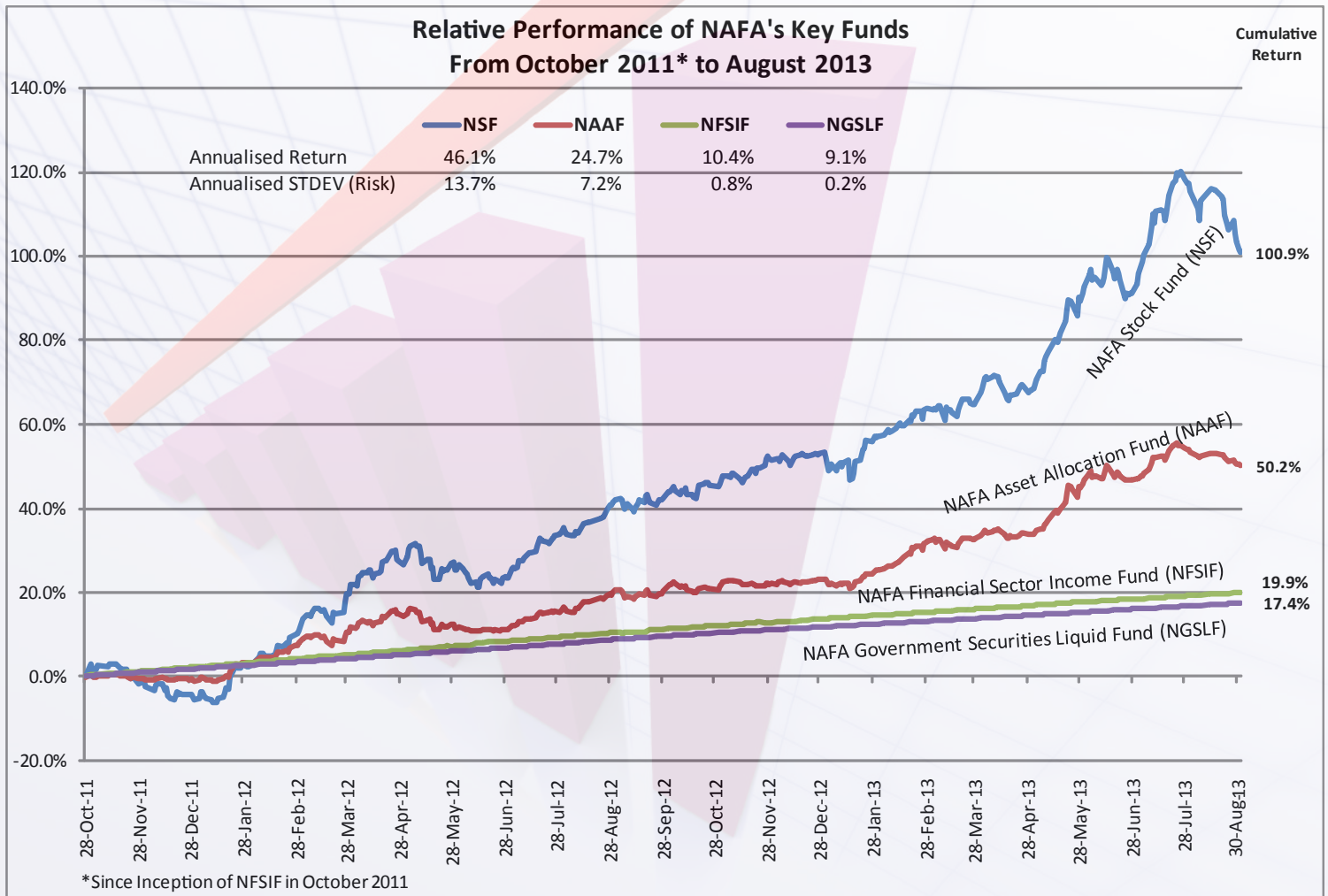




NBP Fullerton  
Asset Management Ltd.  
A Subsidiary of  
National Bank of Pakistan

# Fund Manager Report

## August 2013



Note: Detailed monthly reports on NAFA Funds are available on our website at [www.nafafunds.com](http://www.nafafunds.com)

Managed by:  
NBP Fullerton Asset Management Limited

7<sup>th</sup> Floor Clifton Diamond Building, Block No. 4, Scheme No. 5,  
Clifton Karachi. Helpline (Toll Free): 0800-20001 Fax: (021) 35825329  
UAN (Khi/Lhr/Isb): 111-111-NFA (111-111-632)  
Website: [www.nafafunds.com](http://www.nafafunds.com)  
Email: [info@nafafunds.com](mailto:info@nafafunds.com)

Your investments & "NAFA" grow together



Joint - Venture Partners

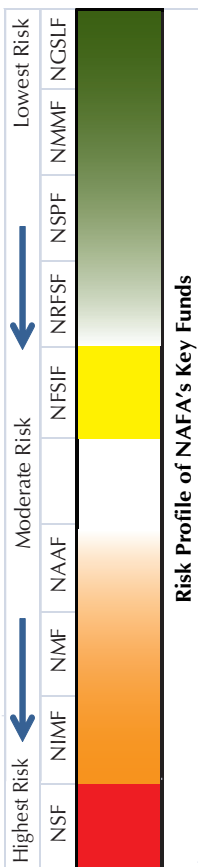


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“August 2013”

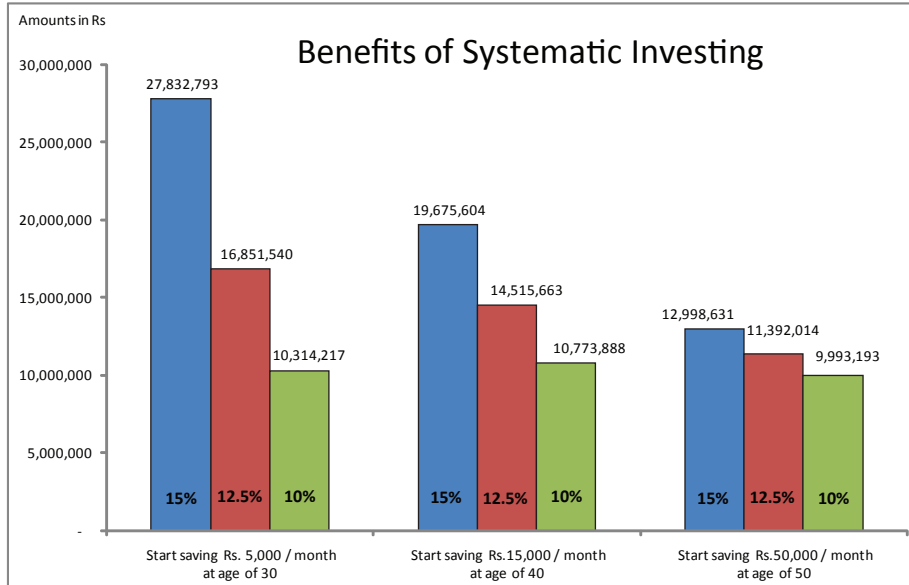


Fund Name	Fund Size (Rs. In Crore)	Stability Rating / Star Ranking*	August - 2013	FYTD - 2014	FY - 2013	FY - 2012	FY - 2011
<b>Fixed Income Funds</b>		<b>Annualized Returns</b>					
NAFA Government Securities Liquid Fund <sup>1</sup>	1,298	AAA (f)	7.09%	7.12%	8.67%	10.86%	11.46%
NAFA Money Market Fund <sup>1</sup>	1,518	AA (f)	7.15%	7.37%	9.16%	n/a	n/a
NAFA Savings Plus Fund <sup>1</sup>	304	AA- (f)	7.56%	7.42%	8.77%	11.01%	10.64%
NAFA Riba Free Savings Fund <sup>1</sup>	328	AA- (f)	7.01%	6.76%	8.73%	10.80%	n/a
NAFA Financial Sector Income Fund <sup>1</sup>	500	A+ (f)	7.71%	7.68%	9.28%	n/a	n/a
<b>Equity Related Funds</b>		<b>Cumulative Returns</b>					
NAFA Asset Allocation Fund <sup>2</sup>	139	***** (5-star)	-2.33%	2.31%	31.94%	14.38%	n/a
NAFA Multi Asset Fund <sup>2</sup>	80	**** (4-star)	-4.35%	2.59%	34.14%	15.54%	25.30%
NAFA Islamic Multi Asset Fund <sup>2</sup>	49	**** (4-star)	-5.59%	1.37%	36.25%	13.26%	28.44%
NAFA Stock Fund <sup>2</sup>	107	**** (4-star)	-7.52%	5.19%	54.93%	21.98%	28.37%
<p>* Stability rating for Fixed Income Funds and Star Ranking for Equity/Balanced Funds.  n/a = Not applicable.  - Return is reported where full period performance is available.  1 Returns upto August 31, 2013  2 Returns upto August 30, 2013</p>							
<p><i>Note: Detailed monthly reports on NAFA Funds are available on our website at <a href="http://www.nafafunds.com">www.nafafunds.com</a></i></p>							

## Voluntary Pension Schemes – An Attractive Avenue for Long-term Savings

At a stage in our life we stop working while we still need enough earnings to maintain our lifestyle. This stage is called retirement. In addition, during this time we would ideally like to spend our time relaxing with the family, traveling, and pursuing other interests which we put aside earlier owing to our busy work schedule. To finance all these activities we require savings that generate a regular income stream. A Pension Fund (Voluntary Pension Scheme – VPS) will help accumulate the savings needed to achieve the financial security desired after retirement.

It is recommended that people start saving and accumulating pensions as earlier as possible. An illustration of how systematic investing for a longer duration increases the value of savings growing at annual rate of 15%, 12.5% and 10% is given below:



Voluntary Pension Schemes (VPS) offer added benefits compared to other saving schemes like Provident Fund and Gratuity schemes. In a typical employee scheme, all employees are given similar asset allocation while in VPS each employee can choose an individualized asset allocation based on his/her risk/return profile and time horizon. Individuals are entitled to a tax credit of up to 20% of the taxable income and an additional catch up rebate of 2% per annum for each year of age exceeding 40 years. Pension Funds continue even after change of employer unlike provident and gratuity funds. Investors can encash 50% of their accumulated balance from their accounts tax free at retirement and can buy annuity for the remaining amount. In case of unfortunate early retirement due to permanent disability the investor is entitled to all the benefits available at the time of retirement.

Following tables show the attractive tax benefits for investing in VPS:

### TAX SAVINGS FOR THE SALARIED INDIVIDUALS

Per Month Income (Rs)	Allowable per year investment in Pension Fund for tax credit	Annual Tax Savings as a % of investment	Annual Tax Savings
50,000	120,000	1.7%	2,000
100,000	240,000	5.2%	12,500
200,000	480,000	10.2%	49,000
300,000	720,000	13.9%	100,000
650,000	1,560,000	21.3%	333,000

### TAX SAVINGS FOR SALARIED INDIVIDUALS WHO JOIN VPS AT THE AGE OF 41 OR ABOVE

Investor's Age	Per Year Income	Annual Tax on salary	Allowable per year investment in Pension Fund for tax credit*	Annual Tax Savings
45 Years	1,200,000	62,500	360,000	18,750
	2,400,000	245,000	720,000	73,500
	7,800,000	1,665,000	2,340,000	499,500
50 Years	1,200,000	62,500	480,000	25,000
	2,400,000	245,000	960,000	98,000
	7,800,000	1,665,000	3,120,000	666,000
55 Years	1,200,000	62,500	600,000	31,250
	2,400,000	245,000	1,200,000	122,500
	7,800,000	1,665,000	3,900,000	832,500

NAFA has recently launched two Voluntary Pension Schemes, NAFA Pension Fund (NPF) and NAFA Islamic Pension Fund (NIPF). We recommend investors to invest in NAFA Pension Funds to optimize their wealth and enjoy host of other benefits enunciated above.

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August 2013

## Stock Market Review

The stock market swung between gains and losses during the first half of the month and retreated during the latter half driven by concerns regarding possible hike in interest rates in the upcoming monetary policy and liquidity tightening under the upcoming IMF program. Sell-off in the global and regional markets amid signals of Quantitative Easing (QE) tapering off by the US Fed and debate on military actions in Syria by the US lead coalition also weighed in on the investors' sentiments. Furthermore, investors' mood dampened due to below expected earnings announcements and payouts by the majority of companies. Trading activity dropped with average daily trading volume recorded at 201 million shares versus 253 million shares during the previous month. Foreign investors were net buyers in the market during the month with net Foreign Portfolio Inflows (FPI) at US \$ 26.5 million. Overall, KSE 100 Index declined by 4.9% during August 2013.

Banking, Electricity and Oil & Gas sectors out-performed the market whereas, Construction & Materials, Fixed Line Communication, and Personal Goods sectors under-performed the market. Investors took fresh positions in the Banking sector on the expectations of improvement in the earnings outlook driven by the interest rates hike. Sanguine valuations and healthy payouts resulted in the upbeat performance of the Electricity sector. Talks of rift in cement cartel and lower than expected earnings and payouts resulted in subdued performance of Construction & Material sector.

Stock market is currently trading at an 8.6 times forward earnings as per our estimates. Going forward, announcement of the fresh IMF package, foreign portfolio inflows, developments in Syria, and inflation and interest rates outlook will be the key drivers of the stock market.

## Fixed Income Review

As expected, inflationary pressures have stoke up recently with YoY headline inflation as measured by Consumer Price Index (CPI) jumping to 8.55% in August 2013 as compared to 5.9% in June 2013. We expect further pick up in inflation in the coming months led by spike in food prices due to recent floods along with rupee depreciation, upward adjustment in utility prices, and unabated government borrowing to finance fiscal deficit.

SBP is scheduled to announce Monetary Policy on 13 September 2013 wherein market expects increase in the policy rate. Bid pattern of the Treasury Bills in the last auction and increase in cut off yields in last PIB auction corroborates the market view of increase in the Discount Rate.

In the two T-Bills auctions during the month, MoF accepted Rs 229 billion (realized amount) against the target of Rs 500 billion and maturity of Rs 367 billion. The cut-off annualized yields for the last T- Bill auction were noted at around 8.96% and 8.99% for 3 and 6 month tenors, respectively while bids were rejected in 12 month tenor. In PIB auction during the month an amount of Rs. 30 billion was accepted against the target of Rs. 50 billion at a cut-off yield of 11.15%, 11.65% and 11.99% in the 3 year, 5 year and 10 year tenors respectively, whereas no bids were received in the 20-year tenor.

We are keeping short maturities for our money market funds on the expectation of upside risk to the inflation and interest rates. Therefore, increase in the interest rate bodes well for the performance of our money market funds.





MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2013): Rs. 10.0426

August 2013

**Performance**

Performance %	August 2013 *	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch May 16, 2009**
NAFA Government Securities Liquid Fund	7.09%	7.12%	8.01%	10.30%
Benchmark	8.04%	8.21%	8.53%	10.36%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

**General Information**

Launch Date: May 16, 2009  
Fund Size: Rs. 12,977 million  
Type: Open-end – Money Market Fund  
Dealing Days: Daily – Monday to Saturday  
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M  
(Friday) 9:00 A.M to 5:30 P.M  
(Saturday) 9:00 A.M to 1:00 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end: 0%, Back end: 0%  
Management Fee: 10% of Gross Earnings (Min 1% p.a., Max 1.25% p.a. of Average Annual Net Assets)  
Risk Profile: Exceptionally Low  
Fund Stability Rating: "AAA (f)" by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: KPMG Taseer Hadi & Co.  
Chartered Accountants  
Benchmark: 70% 3-Month T-Bills & 30% average 3-Month deposit rates (AA & above rated banks)  
Fund Manager: Muhammad Ali Bhabha, CFA, FRM  
Minimum Growth Unit: Rs. 10,000/-  
Subscription: Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

**Investment Objective**

To generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

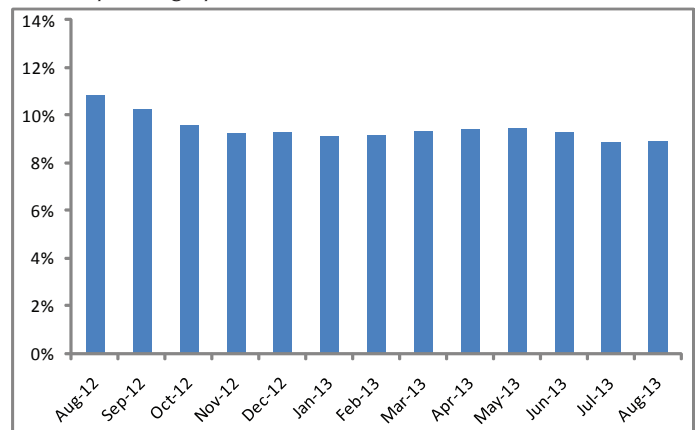
**Fund Manager Commentary**

The Fund earned an annualized return of 7.09% during August 2013 versus the benchmark return of 8.04%. The annualized return in the CY-13 is 7.62% against the benchmark return of 8.42%. The return generated by the Fund is net of management fees and all other expenses.

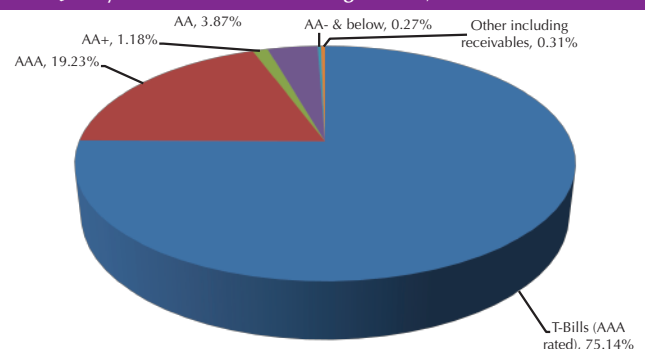
NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of the Fund. Average daily allocation for the last 365 days in short-term Government Securities was around 85% of the Fund size. While, at the end of the month Government Securities comprised around 75% of the Total Assets (76% of Net Assets). Weighted average time to maturity of the Fund is 18 days.

In the two T-Bill auctions of August, MoF cumulatively accepted around Rs. 229 billion in realized value against the target of Rs. 500 billion. The cut-off annualized yields for the last T-Bill auction was noted at around 8.96%, 8.99% for 3 and 6 month tenors, respectively while bids were rejected for 12 months. The return on the Fund will track the yield on T-Bills. Increase in interest rates will bode well for the Fund due to its short maturity.

Monthly average yield of 3-month T-Bills for the last 12 months



Credit Quality of the Portfolio as of August 31st, 2013 (% of Total Assets)



**Asset Allocation (% of Total Assets) 31-Aug-13 31-July-13**

T-Bills	75.14%	70.96%
Placements with Banks	19.09%	19.40%
Placements with DFIs	1.15%	1.16%
Cash Equivalents	4.31%	8.16%
Other including receivables	0.31%	0.32%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 87,769,403/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0679/0.73%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2013): 10.0085

August 2013

## Performance

Performance %	August 2013*	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch February 24, 2012**
NAFA Money Market Fund	7.15%	7.37%	8.41%	9.33%
Benchmark	6.47%	6.49%	6.60%	6.85%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

## General Information

Launch Date:	February 24, 2012
Fund Size:	Rs. 15,182 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end: 0.5% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.00% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	3-Month deposit rates (AA & above rated banks)
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To provide stable income stream with preservation of capital by investing in AA and above rated banks and money market instruments.

## Fund Manager Commentary

The Fund earned an annualized return of 7.15% during August 2013 versus the benchmark return of 6.47%, thus registering an out-performance of 0.68% p.a. Since the launch of the Fund in February 2012, the Fund has out-performed its benchmark by 2.48% p.a. by earning an annualized return of 9.33%. This out-performance is net of management fee and all other expenses.

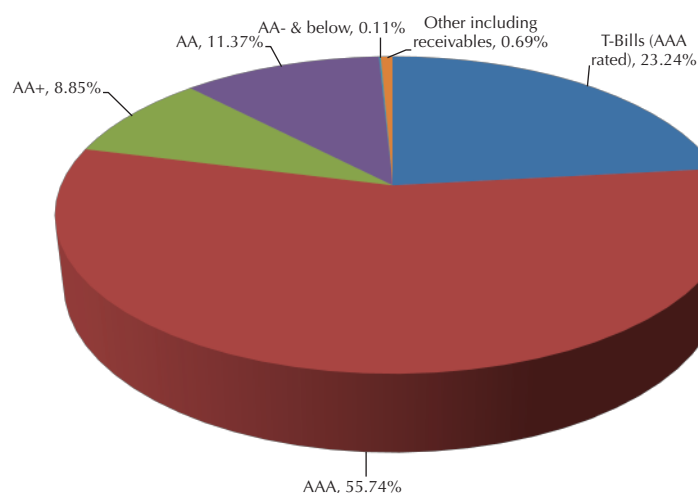
Being a money market scheme, the Fund has very restrictive investment guidelines. The authorized investments of the Fund include T-Bills, Bank Deposits and Money Market instruments. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six month maturity. The weighted average time to maturity of the Fund cannot exceed 90 days. The Fund is rated AA(f) by PACRA which denotes a very strong capacity to maintain relative stability in returns and possesses very low exposure to risks.

The allocation of the Fund in AAA rated investments is around 79% at month-end. The weighted average time to maturity of the Fund is 20 days. We are monitoring the developments in capital market conditions and will proactively rebalance the Portfolio.

## Asset Allocation (% of Total Assets) 31-Aug-13 31-July-13

T-Bills	23.24%	19.18%
Placements with Banks	55.64%	60.62%
Placements with DFIs	2.29%	2.50%
Cash Equivalents	18.14%	17.41%
Others including receivables	0.69%	0.29%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## Credit Quality of the Portfolio as of August 31st, 2013 (% of Total Assets)



## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 51,883,659/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0342/0.37%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Salman Ahmed

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MONTHLY REPORT (MUFAP's Recommended Format)

Unit Price (31/08/2013): Rs. 10.0471

August 2013

## Performance

Performance %	August 2013 *	FYTD Jul 2013 - Aug 2013 *	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch November 21, 2009**
NAFA Savings Plus Fund	7.56%	7.42%	8.26%	10.01%
Benchmark	6.60%	6.63%	7.02%	7.94%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

## General Information

Launch Date:	November 21, 2009
Fund Size:	Rs.3,038 million
Type:	Open-end – Income fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0.5% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.50% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Average 6-Month deposit rate (A & above rated banks)
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 1,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio primarily constituted of bank deposits and money market instruments.

## Fund Manager Commentary

The Fund earned an annualized return of 7.56% during the month versus the benchmark return of 6.60%, thus depicting an out-performance of 0.96% p.a. The annualized return in the CY13 is 7.84% against the benchmark return of 6.83%, hence an out-performance of 1.01% p.a. This out-performance is net of management fee and all other expenses.

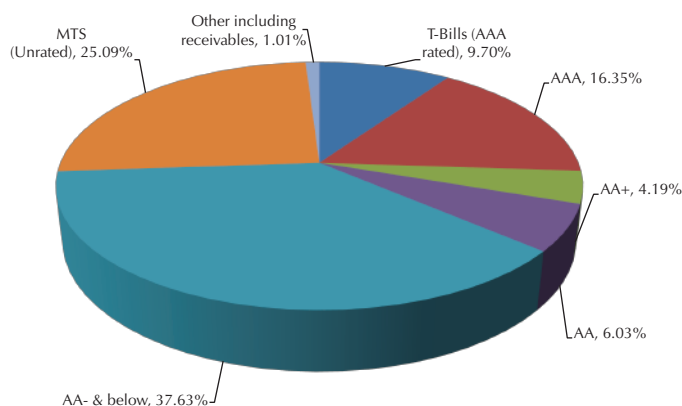
NSPF is one of the highest rated income funds in the market due to its restrictive investment guidelines. It cannot invest in any avenue which has more than six months maturity nor can it invest in debt securities and Equities. Moreover, it cannot invest in money market instruments below credit rating of 'AA-'.

The portfolio of NSPF is fairly diversified and invested in Treasury bills, placement with DFIs, TDRs, MTS and bank deposits etc. The allocation in T-Bills is around 9.70%, MTS around 25.09%, TDRs around 16.22% and DFIs is around 4.06%, with asset class maturities at 12 days, 60 days, 25 days and 25 days respectively. The weighted average time to maturity of the entire Fund is around 22 days.

Our internal guidelines permit MTS financing in only fundamentally strong companies with lower volatility. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rates of return with no direct exposure to the stock market.

We are monitoring the developments in capital market conditions and will position the portfolio allocation accordingly.

## Credit Quality of the Portfolio as of August 31st, 2013 (% of Total Assets)



## Asset Allocation (% of Total Assets)

	31-Aug-13	31-July-13
T-Bills	9.70%	4.75%
Placements with DFIs	4.06%	4.00%
Margin Trading System (MTS)	25.09%	34.05%
Placements with Banks	16.22%	15.99%
Cash Equivalents	43.92%	40.71%
Other including receivables	1.01%	0.50%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.6,888,437/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0228/0.25%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2013): Rs. 10.0841

August 2013

## Performance

Performance % *	August 2013 *	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch August 21, 2010**
NAFA Riba Free Savings Fund	7.01%	6.76%	8.13%	9.80%
Benchmark	6.63%	6.66%	7.02%	7.80%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

## General Information

Launch Date:	August 21, 2010
Fund Size:	Rs. 3,278 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0.5% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.25% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA-(f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC) (w.e.f 04th September 2013)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Average 6-month deposit rate of A- and above rated Islamic Banks
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To provide preservation of capital and earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shariah compliant banks and money market / debt securities.

## Fund Manager Commentary

The Fund generated an annualized return of 7.01% for the month of August 2013 versus the benchmark return of 6.63% thus registering an out-performance of 0.38% p.a. During the last one year the Fund has out-performed its benchmark by 1.11% by earning an annualized return of 8.13%. This out-performance is net of management fee and all other expenses.

The Fund aims to consistently provide better returns than the profit rates offered by Islamic Banks / Islamic windows of commercial banks, while also providing easy liquidity along with a high quality credit profile. The Fund is allowed to invest in short-term Shariah compliant money market securities of up to six months maturity rated AA- or better. The Fund is not authorized to invest in debt securities and the stock market. With stability rating of AA-(f), NRF SF is amongst the highest rated Islamic Income Funds in the market.

The allocation of the Fund is fairly diversified with exposure of around 18% in GoP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 80% of the portfolio is invested in bank deposits which further enhances liquidity profile of the Fund.

The weighted average duration of the Fund is 15 days and the weighted average time to maturity is 0.21 years. The Fund is invested in floating rate securities. Therefore, the return on the Fund will improve with increase in the interest rates. We will rebalance the portfolio based on the capital market condition.

Asset Allocation (% of Total Assets)	31-Aug-13	31-July-13
GOP Ijarah Sukuk - Govt. Backed	18.17%	18.63%
Cash Equivalents	80.53%	80.23%
Other including receivables	1.30%	1.14%
Total	100.00%	100.00%
Leverage	Nil	Nil

## Top Holdings (as at August 31st, 2013)

Name of Sukuk	% of Total Assets
GOP Ijarah (Sukuk IX)	5.22%
GOP Ijarah (Sukuk V)	3.34%
GOP Ijarah (Sukuk VIII)	3.04%
GOP Ijarah (Sukuk XII)	1.52%
GOP Ijarah (Sukuk XIII)	1.42%
GOP Ijarah (Sukuk X)	1.22%
GOP Ijarah (Sukuk XIV)	0.76%
GOP Ijarah (Sukuk XI)	0.73%
GOP Ijarah (Sukuk VI)	0.67%
GOP Ijarah (Sukuk VII)	0.25%
Total	18.17%

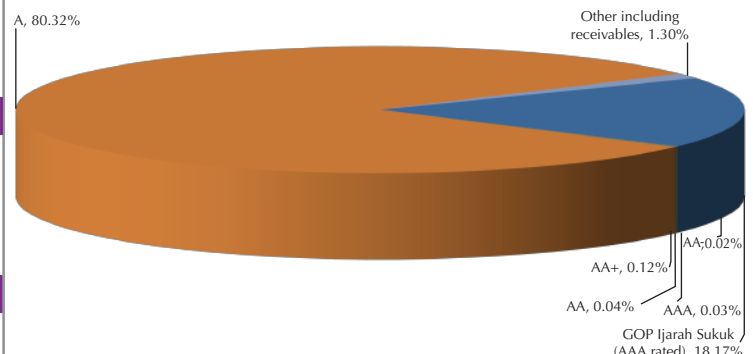
## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.4,684,604/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0144/0.15%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Salman Ahmed

## Credit Quality of the Portfolio as of August 31st, 2013 (% of Total Assets)



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**Performance**

Performance %	August 2013 *	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch October 28, 2011 **
NAFA Financial Sector Income Fund	7.71%	7.68%	8.72%	10.38%
Benchmark	8.30%	8.30%	8.67%	9.59%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

**General Information**

Launch Date: October 28, 2011  
Fund Size: Rs. 5,004 Million  
Type: Open-end – Income Fund  
Dealing Days: Daily – Monday to Saturday  
(Mon - Thr) 9:00 A.M to 5:00 P.M  
(Friday) 9:00 A.M to 5:30 P.M  
(Saturday) 9:00 A.M to 1:00 P.M  
Dealing Time: 2-3 business days  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end: 1% (Nil on investment above Rs. 16 million) Back end: 0%  
Management Fee: 1.5% per annum  
Risk Profile: Low  
Fund stability rating: A+(f) by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: A. F. Ferguson & Co. Chartered Accountants  
Benchmark: 70% 6-Month KIBOR & 30% average 3-Month deposit rates (A & above rated banks)  
Fund Manager: Salman Ahmed  
Minimum Subscription: Growth Unit: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

**Investment Objective**

To provide income enhancement and preservation of capital by investing in prime quality Financial Sector TFCs/Sukuks, Bank deposits and short-term money market instruments.

**Fund Manager Commentary**

The Fund generated an annualized return of 7.71% for the month of August 2013 versus the benchmark return of 8.30%. Since its launch in October 2011, the Fund offered an annualized return of 10.38% against the benchmark return of 9.59%, hence an out-performance of 0.79% p.a. This out-performance is net of management fee and all other expenses.

The Fund is unique as it invests a minimum 70% of its assets in Financial Sector debt securities, instruments or deposits. Minimum entity rating of issuers of debt securities (mainly banks) is AA minus. This minimizes credit risk and at the same time enhances liquidity of the Fund. Duration of the overall portfolio cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances liquidity profile of the Fund.

Exposure in TFCs was 30.53% at the end of the month with average time to maturity of 3.38 years and Yield to Maturity of 10.27% p.a. Exposure in Term Deposit Receipts was around 9.94% and placement with DFIs was 5.96%. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. The weighted average time-to-maturity of the Fund is 1.05 years.

As the Fund is invested in floating rate TFCs and other short-term avenues any hike in interest rate is likely to improve the return of the Fund. We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

**Asset Allocation (% of Total Assets) 31-Aug-13 31-July-13**

TFCs	30.53%	39.55%
Placement with DFIs	5.96%	5.98%
Placement with Banks	9.94%	9.97%
Cash Equivalents	51.73%	42.95%
Other including receivables	1.84%	1.55%
Total	100.00%	100.00%
Leverage	Nil	Nil

**Top 10 TFC (as at August 31st, 2013)**

Name of TFC	% of Total Assets
Bank Alfalah Limited IV - FT	7.43%
Faysal Bank Limited III	6.19%
NIB Bank Limited	5.40%
Askari Bank Limited III	3.08%
Pakistan Mobile Communication Limited	2.30%
Bank Alfalah Limited IV - FX	1.25%
Allied Bank Limited II	1.23%
Standard Chartered Bank (Pakistan) Limited IV	0.99%
Askari Bank Limited IV	0.92%
Pak Libya Holding Company	0.81%
Total	29.60%

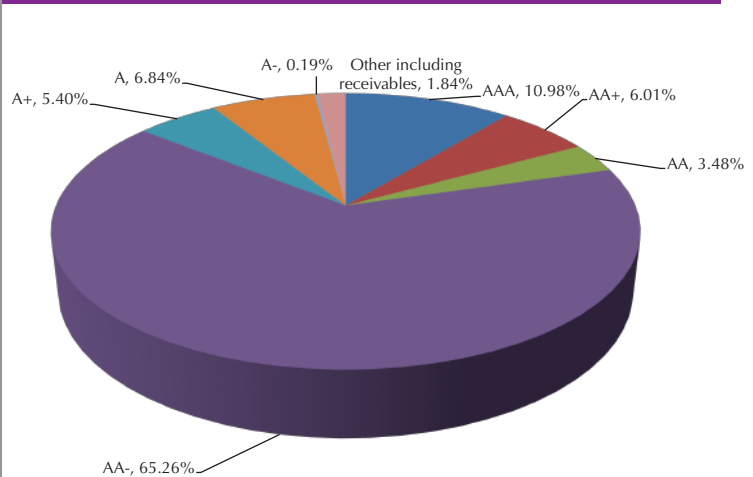
**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 10,652,596/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0221/0.23%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Salman Ahmed

**Credit Quality of the Portfolio as of August 31st, 2013 (% of Total Assets)**



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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/08/2013): Rs.11.6413

August 2013

## Performance

Performance %	August 2013*	FYTD Jul 2013 - Aug 2013 *	Trailing 12 Months Sep. 2012 - Aug. 2013*	Since Launch August 21, 2010**
NAFA Asset Allocation Fund *	(2.33%)	2.31%	25.04%	22.40%
Benchmark	(1.26%)	2.98%	15.59%	13.29%

\* Cumulative Returns  
\*\* Annualized Return [Net of management fee & all other expenses]

## General Information

Launch Date: August 21, 2010  
Fund Size: Rs. 1,393 million  
Type: Open-end – Asset Allocation Fund  
Dealing Days: Daily – Monday to Friday (Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M  
Dealing Time: 2-3 business days  
Settlement: Forward Pricing  
Pricing Mechanism: Front end – 3% (Nil on investment above Rs. 16 million) Back end - 0%  
Load:  
Management Fee: 2% per annum  
Risk Profile: Moderate  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: A. F. Ferguson & Co. Chartered Accountants  
Benchmark: 1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Index  
Fund Manager: Muhammad Imran, CFA, ACCA  
Minimum Subscription: Growth Unit: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To generate income by investing in Debt & Money Market securities and to generate capital appreciation by investing in equity and equity related securities.

## Fund Manager's Commentary

During the month under review, NAFA Asset Allocation Fund's (NAAF) unit price (NAV) decreased by 2.33% while the benchmark decreased by 1.26%. Thus your Fund under-performed the benchmark by 1.07%. Since inception on August 21, 2010 the Fund's has posted 84.51% return, versus 45.95% by the Benchmark. Thus, to-date the cumulative out-performance of your Fund stands at 38.56%. This out-performance is net of management fee and all other expenses.

The stock market swung between gains and losses during the first half of the month and retreated during the latter half. Overall, KSE 100 Index declined by 4.9% during August 2013. NAAF started off the month with an allocation of around 34% in equities, which was reduced to around 15% towards the end of the month. The Fund under-performed the benchmark as its key holdings of Oil and Gas Sector lagged the market amid disappointing results and payouts. Furthermore, news of rift in cement cartel and lower than expected earnings and payouts resulted in subdued performance of selected cement sub-sector stocks. During the month, allocation was reduced in all the sectors.

## Asset Allocation (% of Total Assets) 30-Aug-13 31-July-13

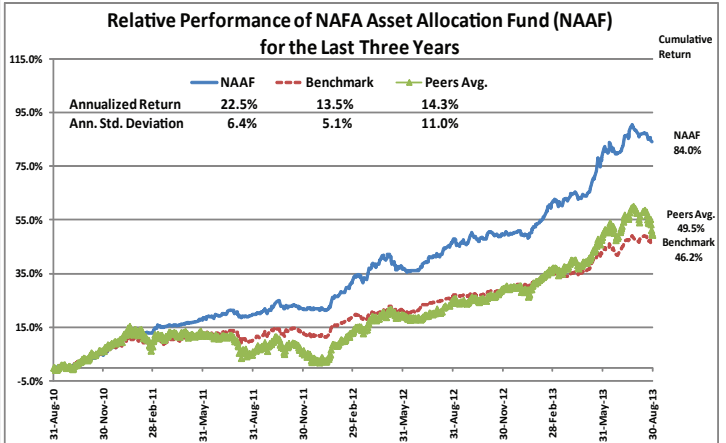
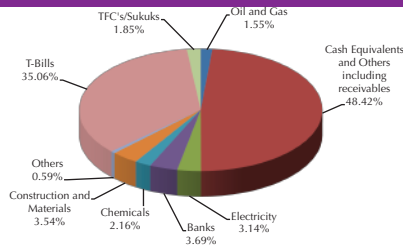
Asset Allocation (% of Total Assets)	30-Aug-13	31-July-13
Equities / Stocks	14.67%	33.95%
TFCs/Sukuks	1.85%	1.88%
T-Bills	35.06%	-
Cash Equivalents	47.58%	51.54%
Others including receivables	0.84%	12.63%
Total	100.00%	100.00%
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*\*

	PER	PBV	DY
NAAF	6.5	1.8	8.0%
KSE-30	8.2	2.2	6.7%

\*\*\* Based on NAFA's estimates

## Asset Allocation (% of Total Assets) (as on 30th August, 2013)



## Top Holdings (as on 30th August, 2013)

Name	Asset Class	% of Total Assets
Bank Al-Falah Ltd	Equity	1.78%
Bank AL-Habib Ltd	Equity	1.47%
Engro Corporation Ltd	Equity	1.46%
Kot Addu Power Company Ltd	Equity	1.38%
D. G. Khan Cement Co Ltd	Equity	1.35%
Allied Bank Ltd I	TFC	1.32%
Nishat Power Ltd.	Equity	0.92%
Kohat Cement Ltd	Equity	0.85%
Hub Power Company Ltd	Equity	0.84%
Maple Leaf Cement Factory Ltd	Equity	0.76%
<b>Total</b>		<b>12.13%</b>

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhter, CFA  
Asim Wahab Khan, CFA  
Muhammad Imran, CFA, ACCA

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 6,875,225/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0574/0.62%. For details investors are advised to read Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/08/2013): Rs.11.7462

August 2013

## Performance

Performance %	August 2013*	FYTD Jul 2013 - Aug 2013 *	Trailing 12 Months Sep. 2012 - Aug. 2013*	Since Launch January 22, 2007**
NAFA Multi Asset Fund*	(4.35%)	2.59%	27.03%	13.78%
Benchmark	(2.16%)	3.98%	20.39%	8.41%

\* Cumulative Returns  
\*\* Annualized Return  
[Net of management fee & all other expenses]

## General Information

Launch Date: January 22, 2007  
Fund Size: Rs 799 million  
Type: Open-end – Balanced Fund  
Dealing Days: Daily – Monday to Friday  
Dealing Time: (Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end – 3% (Nil on investment above Rs. 16 million) Back end - 0%  
Management Fee: 2% per annum  
Risk Profile: Moderate  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: M. Yousuf Adil Saleem & Co. Chartered Accountants  
Benchmark: 50% KSE-30 Index & 50% 3-month KIBOR  
Fund Manager: Asim Wahab Khan, CFA  
Minimum Subscription: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.

## Fund Manager's Commentary

During the month under review, NAFA Multi Asset Fund's (NMF) unit price (NAV) decreased by 4.35% while the benchmark decreased by 2.16%. Thus your Fund under-performed the benchmark by 2.19%. Since inception on January 22, 2007 your Fund has posted 135% return, versus 70.67% by the Benchmark. Thus, to-date the cumulative out-performance of your Fund stands at 64.33%. This out-performance is net of management fee and all other expenses.

The stock market swung between gains and losses during the first half of the month and retreated during the latter half. Overall, KSE 100 Index declined by 4.9% during August 2013. NMF started off the month with an allocation of around 57% in equities, which was reduced to around 40% towards the end of the month. The Fund under-performed the benchmark as its key holdings of Oil and Gas Sector lagged the market amid disappointing results and payouts. Furthermore, news of rift in cement cartel and lower than expected earnings and payouts resulted in subdued performance of selected cement sub-sector stocks. During the month, allocation was reduced in all the sectors barring Banks, where the allocation was increased.

## Asset Allocation (% of Total Assets) 30-Aug-13 31-July-13

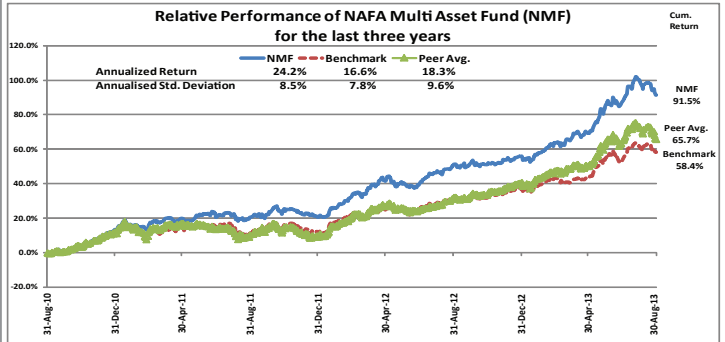
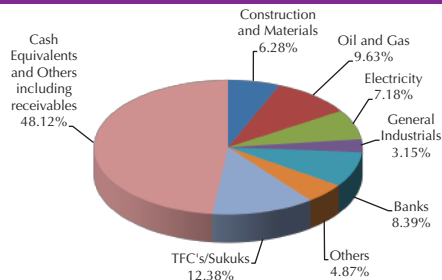
Asset Allocation (% of Total Assets)	30-Aug-13	31-July-13
Equities / Stocks	39.50%	57.46%
TFCs / Sukuks	12.38%	11.47%
Cash Equivalents	46.56%	22.66%
Others including receivables	1.56%	8.41%
Total	100.00%	100.00%
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*\*

	PER	PBV	DY
NMF	6.8	2.0	7.9%
KSE-30	8.2	2.2	6.7%

\*\*\* Based on NAFA's estimates

## Asset Allocation (% of Total Assets) (as on 30th August, 2013)



## Top Ten Holdings (as on 30th August, 2013)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Hub Power Company Ltd	Equity	4.32%	Kot Addu Power Co Ltd	Equity	2.86%
Maple Leaf Cement I	Sukuk	3.90%	Pakistan State Oil Co. Ltd	Equity	2.84%
Bank AL-Habib Ltd	Equity	3.57%	Bank Al-Falah Ltd	Equity	2.63%
Thal Ltd	Equity	3.15%	Oil & Gas Dev Co Ltd	Equity	2.11%
Pakistan Petroleum Ltd	Equity	2.86%	Pakistan Mobile Comm. II	TFC	1.84%

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
Saudi Pak Leasing****	TFC	29,816,060	-	14,908,030	1.87%	1.83%	51.72%
Eden Housing (Sukuk II)	SUKUK	15,937,500	5,555,988	10,381,512	1.30%	1.27%	80.13%
Maple Leaf Cement (Sukuk I)	SUKUK	79,408,065	47,644,839	31,763,226	3.97%	3.90%	38.79%
Pak Elektron Limited (Sukuk)	SUKUK	17,142,857	13,666,731	3,476,126	0.43%	0.43%	427.96%
New Allied Electronics (Sukuk I)	SUKUK	10,000,000	10,000,000	-	-	-	-
Total		152,304,482	76,867,558	60,528,894	7.57%	7.43%	

\*\*\*\* Said TFC is performing but classified as non Compliant on the basis of required rating. Due to this the difference between the Value of Investment before provision and after provision is mark to market loss instead of provisioning.

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 10,102,306/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1485/1.61%. For details investors are advised to read Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## WORKERS' WELFARE FUND (WWF)

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhter, CFA  
Asim Wahab Khan, CFA  
Muhammad Imran, CFA, ACCA

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## Performance

Performance %	August 2013*	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep. 2012 - Aug. 2013*	Since Launch October 29, 2007**
NAFA Islamic Multi Asset Fund	(5.59%)	1.37%	26.33%	12.82%
Benchmark	(3.24%)	2.26%	22.45%	NA***

\* Cumulative Return

\*\* Annualized Return [Net of management fee & all other expenses]

\*\*\* KMI-30 Index was launched from September 2008

## General Information

Launch Date:	October 29, 2007
Fund Size:	Rs. 488 million
Type:	Shariah Compliant - Open-end - Balanced Fund
Dealing Days:	Daily - Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism Load:	Forward Pricing Front end - 3% (Nil on investment above Rs. 16 million) Back end - 0%
Management Fee:	2% per annum
Risk Profile:	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	50% KMI - 30 Index & 50% average 3-month profit rate of Islamic banks.
Fund Manager:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To provide investors with a combination of capital growth and income by investing in Shariah compliant investments. NIMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of Shariah compliant securities, instruments and avenues such as Equities, Musharakah, Murabahah, Ijarah etc.

## Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Multi Asset Fund (NIMF) decreased by 5.59%, whereas the benchmark decreased by 3.24%, thus your Fund under-performed the benchmark by 2.35%.

The stock market swung between gains and losses during the first half of the month and retreated during the latter half. Overall, KMI 30 Index declined by 7.0% during August 2013. NIMF started off the month with an allocation of around 56% in equities, which was reduced to around 36% towards the end of the month. The Fund under-performed the benchmark as its key holdings of Oil and Gas Sector lagged the market amid disappointing results and payouts. Furthermore, news of rift in cement cartel and lower than expected earnings and payouts resulted in subdued performance of selected cement sub-sector stocks. During the month, allocation was reduced in all the sectors barring Banks, where the allocation was maintained.

## Asset Allocation (% of Total Assets) 30-Aug-13 31-July-13

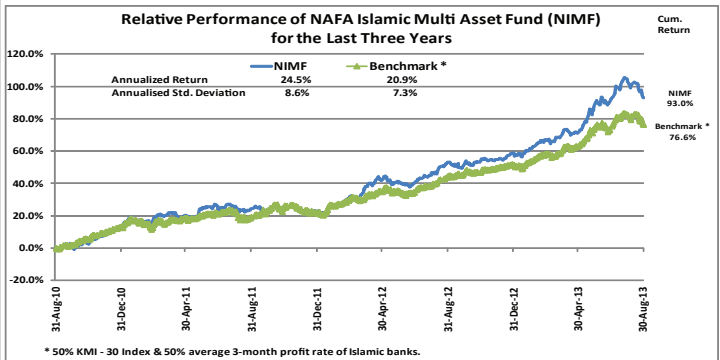
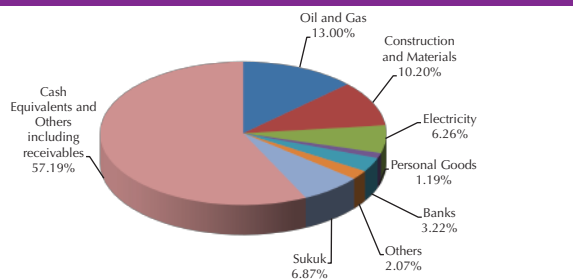
Asset Allocation (% of Total Assets)	30-Aug-13	31-July-13
Equities / Stocks	35.94%	56.23%
Sukus	6.87%	6.79%
Cash Equivalents	52.91%	29.94%
Others including receivables	4.28%	7.04%
Total	100.00%	100.00%
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*\*\*

	PER	PBV	DY
NIMF	6.9	2.2	8.8%
KMI-30	7.9	2.4	7.5%

\*\*\*\* Based on NAFA's estimates

## Asset Allocation (% of Total Assets) (as on 30th August, 2013)



## Top Ten Holdings (as on 30th August, 2013)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Hub Power Company Ltd	Equity	6.26%	Meezan Bank Ltd	Equity	3.22%
Pakistan State Oil Co. Ltd	Equity	4.51%	Pakistan Oilfields Ltd	Equity	3.07%
Pakistan Petroleum Ltd	Equity	4.03%	Kohat Cement Ltd	Equity	2.83%
D. G. Khan Cement Co Ltd	Equity	3.73%	Cherat Cement Co Ltd	Equity	1.72%
Maple Leaf Cement I	Sukuk	3.59%	Oil & Gas Dev.Co Ltd	Equity	1.38%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Asim Wahab Khan, CFA  
Muhammad Imran, CFA, ACCA

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 4,878,036/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.121/1.26%.For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
Kohat Cement Limited (Sukuk)****	SUKUK	7,578,781	-	5,684,086	1.16%	1.14%	7.67%
Eden Housing (Sukuk II)	SUKUK	7,968,750	2,777,994	5,190,756	1.06%	1.04%	80.13%
Maple Leaf Cement (Sukuk I)	SUKUK	44,893,750	26,936,250	17,957,500	3.68%	3.59%	38.79%
Pak Elektron Limited (Sukuk)	SUKUK	21,428,571	17,083,414	4,345,157	0.89%	0.87%	427.96%
Total		81,869,852	46,797,658	33,177,499	6.79%	6.64%	

\*\*\*\*Said TFC is performing but classified as non-Compliant on the basis of required rating. Due to this the difference between the Value of Investment before provision and after provision is mark to market loss instead of provisioning.

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/08/2013): Rs.9.0895

August 2013

## Performance

Performance %	August 2013*	FYTD Jul 2013 - Aug 2013 *	Trailing 12 Months Sep. 2012 - Aug. 2013*	Since Launch January 22, 2007**
NAFA Stock Fund	(7.52%)	5.19%	42.22%	13.04%
Benchmark	(5.02%)	6.43%	31.98%	3.90%

\* Cumulative Returns  
\*\* Annualized Return [Net of management fee & all other expenses]

## General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 1,069 million
Type:	Open-end – Equity Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism Load:	Forward Pricing Front end – 3% (Nil on investment above Rs 16 million) Back end - 0%
Management Fee:	2% per annum
Risk Profile:	High
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants
Benchmark:	KSE-30 Index
Fund Manager:	Asim Wahab khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan. The risk profile of the Fund will be moderate to high.

## Fund Manager's Commentary

During the month under review, the benchmark decreased by 5.02% whereas NAFA Stock Fund's (NSF) unit price (NAV) decreased by 7.52%, thus an under-performance of 2.50% was recorded. Since inception on January 22, 2007 the Fund has posted cumulative return 125.01% while, the benchmark has increased by 28.80%, thus to date cumulative out-performance is 96.21%. This out-performance is net of management fee and all other expenses.

The stock market swung between gains and losses during the first half of the month and retreated during the latter half. Overall, KSE 100 Index declined by 4.9% during August 2013. NSF started off the month with an allocation of around 90% in equities, which was reduced to around 81% towards the end of the month. During the month, the Fund under-performed the benchmark as its key holdings of Oil and Gas Sector lagged the market amid disappointing results and payouts. Furthermore, news of rift in cement cartel and lower than expected earnings and payouts resulted in subdued performance of selected cement sub-sector stocks. During the month, allocation in Construction & Materials, Oil and Gas, and Chemicals sectors was reduced whereas it was increased in Banks and Electricity sectors.

## Asset Allocation (% of Total Assets) 30-Aug-13 31-July-13

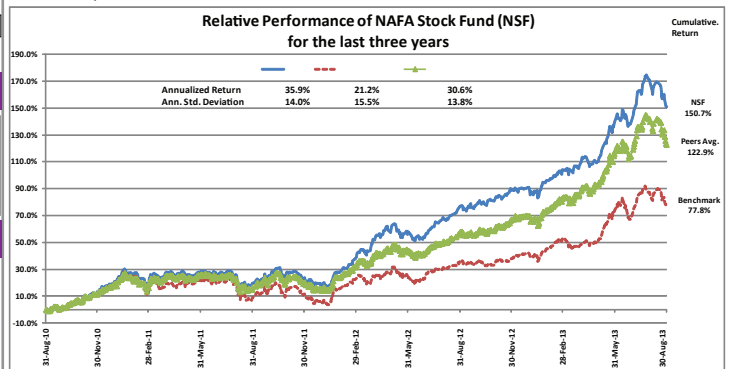
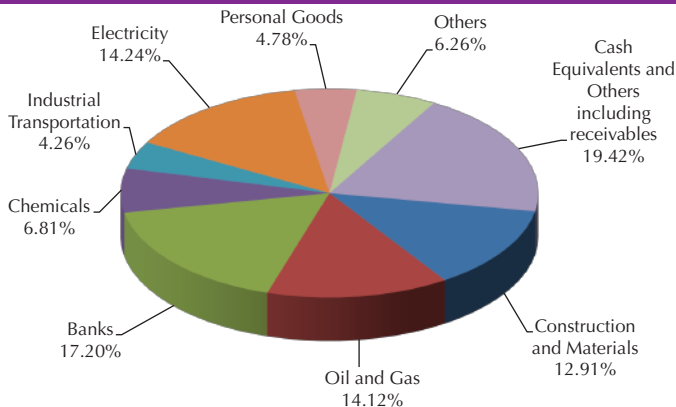
	30-Aug-13	31-July-13
Equities / Stock	80.58%	89.69%
Cash Equivalents	16.74%	4.59%
Others including receivables	2.68%	5.72%
Total	100.00%	100.00%
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*\*

	PER	PBV	DY
NSF	7.3	1.9	7.0%
KSE-30	8.2	2.2	6.7%

\*\*\* Based on NAFA's estimates

## Asset Allocation (% of Total Assets) (as on 30th August, 2013)



## Top Ten Equity Holdings (as on 30th August, 2013)

Name	% of Total Assets	Name	% of Total Assets
Hub Power Company Ltd	8.14%	Pakistan National Shipping Corp	4.26%
Bank Al-Falah Ltd	5.88%	Pakistan State Oil Co Ltd	4.12%
Meezan Bank Ltd	5.65%	Pakistan Petroleum Ltd	4.10%
Bank AL-Habib Ltd	5.65%	Engro Corporation Ltd	4.07%
Kot Addu Power Co Ltd	4.32%	Thal Ltd	3.36%

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 22,697,189 /-, If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1930 / 3.02%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhter, CFA  
Asim Wahab khan, CFA  
Muhammad Imran, CFA, ACCA

**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.



## Performance

Performance %	August 2013 *	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch March 29, 2008 **
NAFA Income Fund	6.00%	6.67%	6.37%	1.96%
Benchmark	9.12%	9.10%	9.52%	11.86%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

## General Information

Launch Date: March 29, 2008  
Fund Size: Rs. 495 million  
Type: Open-end – Income Fund  
Dealing Days: Daily – Monday to Friday  
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end: 1% (Nil on investment above Rs. 16 million), Back end: 0%  
Management Fee: 2.0% per annum  
Risk Profile: Low  
Fund Stability Rating: "A- (f)" by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: MCB Financial Services Limited  
Auditors: M. Yousuf Adil Saleem & Co. Chartered Accountants  
Benchmark: 6-Month KIBOR  
Fund Manager: Muhammad Ali Bhabha, CFA, FRM  
Minimum Subscription: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.

## Fund Manager Commentary

The Fund posted an annualized return of 6.00% during August 2013 versus the benchmark return of 9.12%. Subdued performance of the Fund during the month is due to mark to market loss related to fertilizer sector TFC. The annualized return generated by the Fund in the CY-13 is 8.22% against the benchmark return of 9.39%.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stand at 43.70%. The weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is around Rs. 90 against the par value of Rs.100. All TFCs in the Fund are floating rate instruments linked to KIBOR.

The weighted average Yield-to-Maturity of the Fund is around 14.86% p.a. while its weighted average time to maturity is 1.35 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs. 221 million), which is potential upside for the Fund. Thus, the Fund is expected to perform well over the medium to long term horizon. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

## Asset Allocation (% of Total Assets) 30-Aug-13 31-July-13

	30-Aug-13	31-July-13
TFCs / Sukuks	43.70%	47.12%
PIBs	0.10%	0.10%
GOP Ijara Sukuks - Govt. Backed	0.70%	0.71%
Placement with DFIs	4.98%	5.02%
Cash Equivalents	48.04%	45.15%
Other including receivables	2.48%	1.90%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## Details of Non-Compliant Investments

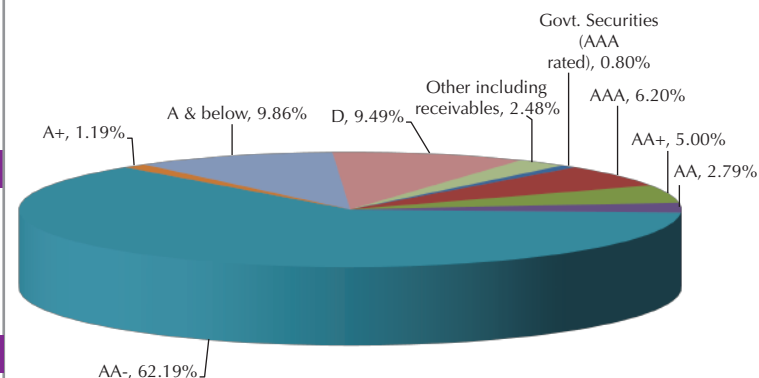
Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
World Call Telecom Limited	TFC	29,982,002	25,484,702	4,497,300	0.91%	0.90%	49.31%
Saudi Pak Leasing***	TFC	44,724,090	-	22,362,045	4.52%	4.46%	51.72%
Eden Housing (Sukuk II)	SUKUK	31,875,000	11,111,976	20,763,024	4.20%	4.14%	80.13%
AgriTech Limited II	TFC	149,875,800	149,875,800	-	n/a	n/a	n/a
AgriTech Limited V	TFC	22,180,000	22,180,000	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	n/a	n/a	n/a
<b>Total</b>		<b>327,691,263</b>	<b>257,706,848</b>	<b>47,622,369</b>	<b>9.63%</b>	<b>9.50%</b>	

\*\*\*Said TFC is performing but classified as Non-Compliant on the basis of required rating. Due to this the difference between the Value of Investment before provision and after provision is mark to market loss instead of provisioning.

## Top 10 TFC (as at August 30th, 2013)

Name of TFC / Sukuk	% of Total Assets
Pakistan Mobile Communication Limited	8.37%
Engro Fertilizers Limited 30-NOV-07	6.18%
Standard Chartered Bank (Pakistan) Limited IV	5.94%
Faysal Bank Limited	5.27%
Saudi Pak Leasing	4.46%
Eden Housing (Sukuk II)	4.14%
Engro Fertilizer Limited (PPTFC)	2.76%
Bank Alfalah Limited (Floater)	2.12%
Allied Bank Limited II	1.89%
NIB Bank Limited	1.19%
<b>Total</b>	<b>42.32%</b>

## Credit Quality of the Portfolio as of August 30th, 2013 (% of Total Assets)



## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.2,439,484/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0455/0.52%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA

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**Performance**

Performance %	August 2013 *	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch October 29, 2007 **
NAFA Islamic Aggressive Income Fund	-0.25%	1.31%	7.93%	5.06%
Benchmark	6.44%	6.47%	6.79%	6.76%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

**General Information**

Launch Date: October 29, 2007  
Fund Size: Rs. 163 million  
Type: Open-end – Shariah Compliant Aggressive Income Fund  
Dealing Days: Daily – Monday to Friday  
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end: 1% (Nil on investment above Rs. 16 million), Back end: 0%  
Management Fee: 2.0% per annum  
Risk Profile: Low to Medium  
Fund Stability Rating: "BBB+ (f)" by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: MCB Financial Services Limited  
Auditors: KPMG Taseer Hadi & Co. Chartered Accountants  
Benchmark: Average 3-month deposit rate of Islamic Banks  
Fund Manager: Muhammad Imran, CFA, ACCA  
Minimum Subscription: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

**Investment Objective**

To seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in Shariah Compliant money market & debt securities having good credit rating and liquidity.

**Fund Manager Commentary**

During the month under review, the Fund posted an annualized loss of 0.25% as compared to the benchmark return of 6.44%. Subdued performance of the Fund during the month is due to provisioning in an Electronic sector sukuk and mark to market loss related to a fertilizer sector sukuk. During CY13 to date, the Fund has posted 7.87% annualized return versus 6.59% by the benchmark.

The allocation in corporate Sukuks with current weightage at 28.02% of the Gross Assets is diversified among Cement, Fertilizer and Consumer Electronics sub-sectors. Around 28.84% of the portfolio is allocated to AAA rated GoP Ijarah Sukuks which coupled with 35.58% allocation in bank deposits provides diversification and liquidity to the portfolio. Going forward, the Fund intends to maintain the present allocation.

The weighted average Yield-to-Maturity (YTM) of the sukuk portfolio is around 25.84% p.a. and weighted average time to maturity is 1.43 years. The weighted average time to maturity of the Fund is 0.83 years. Hence, for investors with medium to long term investment horizon, the Fund offers an attractive opportunity to earn decent returns. However, since Sukuks prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

**Asset Allocation (% of Total Assets) 30-Aug-13 31-July-13**

	30-Aug-13	31-July-13
Sukuks	28.02%	28.43%
GOP Ijarah Sukuks - Govt. Backed	28.84%	28.82%
Cash Equivalents	35.58%	35.80%
Other including receivables	7.56%	6.95%
Total	100.00%	100.00%
Leverage	Nil	Nil

**Top 10 Sukuk (as at August 30th, 2013)**

Name of Sukuk	% of Total Assets
Engro Fertilizer Limited (Sukuk)	13.62%
GOP Ijarah (Sukuk IX)	9.06%
GOP Ijarah (Sukuk X)	8.45%
Kohat Cement Limited (Sukuk)	6.84%
GOP Ijarah (Sukuk V)	5.91%
Maple Leaf Cement (Sukuk I)	5.74%
GOP Ijarah (Sukuk XI)	2.41%
Pak Elektron Limited (Sukuk)	1.82%
GOP Ijarah (Sukuk XIII)	1.80%
GOP Ijarah (Sukuk VII)	1.21%
Total	56.86%

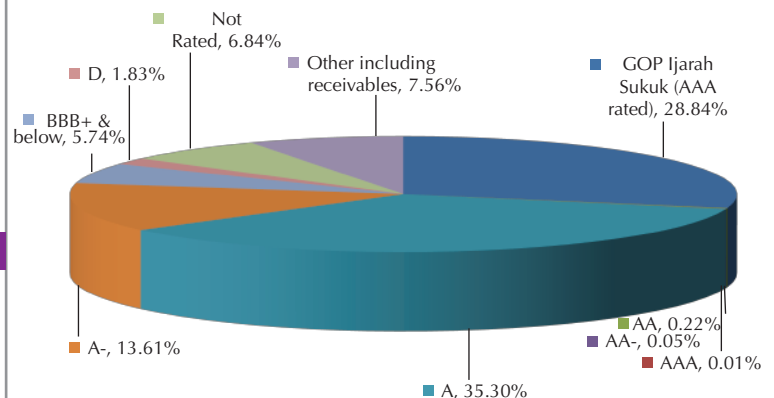
**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.1,397,890/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0754/0.92%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Muhammad Imran, CFA, ACCA

**Credit Quality of the Portfolio as of August 30th, 2013 (% of Total Assets)**



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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2013): Rs. 10.1113

August 2013

**Performance**

Performance %	August 2013 *	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep12 -Aug 13 *	Since Launch April 22, 2006 **
NAFA Income Opportunity Fund	6.49%	5.32%	10.11%	6.74%
Benchmark	9.12%	9.10%	9.51%	11.46%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

**General Information**

Launch Date: April 22, 2006  
Fund Size: Rs. 1,710 million  
Type: Open-end – Income Fund  
Dealing Days: Daily – Monday to Saturday (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M  
Dealing Time: 2-3 business days  
Settlement: Forward Pricing  
Pricing Mechanism: Forward Pricing  
Load: Front end: 0%, Back end: 0%  
Management Fee: 1.5% per annum  
Risk Profile: Low  
Fund Stability Rating: "BBB+(f)" by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: KPMG Taseer Hadi & Co. Chartered Accountants  
Benchmark: 6-Month KIBOR  
Fund Manager: Muhammad Imran, CFA, ACCA  
Minimum Subscription: Rs. 10,000/-  
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

**Investment Objective**

To seek preservation of Capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.

**Fund Manager Commentary**

The Fund posted an annualized return of 6.49% during August 2013 as compared to the benchmark return of 9.12%. Subdued performance of the Fund during the month is due to provisioning in an Electronic sector sukuk. During the last one year the Fund has out-performed its benchmark by 0.60% by earning an annualized return of 10.11%.

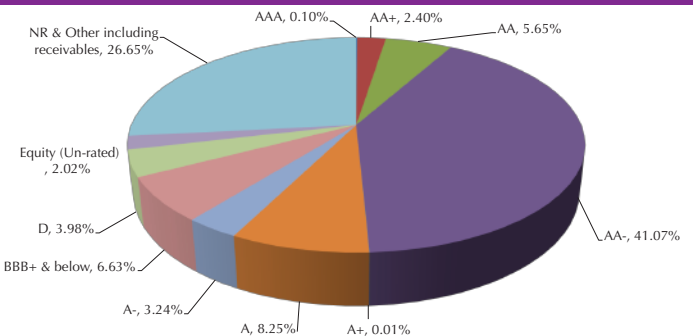
Weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is Rs. 82.59 against the par value of Rs. 100. The weighted average Yield to Maturity of the Fund is around 17.37% p.a. and that of the TFC portfolio is 26.92% p.a. The weighted average time to maturity of the Fund is about 1.54 years. The Fund's sector allocation is fairly diversified with exposure to Telecom, Fertilizer, Cement, Financial Services, Banking, and Leisure (Hotel) sub-sectors. TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. Therefore, in case of increase in interest rates, the coupon income of the Fund will improve. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

**Details of Non-Compliant Investments**

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
BRR Guardian Modaraba***	SUKUK	43,593,750	-	32,695,313	1.91%	1.45%	41.41%
Escort Investment Bank Limited***	TFC	7,493,940	-	5,525,702	0.32%	0.25%	18.00%
Kohat Cement Limited (Sukuk)***	SUKUK	37,893,905	-	28,420,429	1.66%	1.26%	7.67%
Saudi Pak Leasing***	TFC	44,724,090	-	22,362,045	1.31%	0.99%	51.70%
World Call Telecom Limited	TFC	96,370,722	81,915,114	14,455,608	0.85%	0.64%	49.34%
Eden Housing (Sukuk II)	SUKUK	14,662,500	5,111,509	9,550,991	0.56%	0.42%	80.13%
Maple Leaf Cement (Sukuk I)	SUKUK	359,150,000	215,490,000	143,660,000	8.40%	6.39%	38.79%
Pak Elektron Limited (Sukuk)	SUKUK	51,428,571	41,047,817	10,380,754	0.61%	0.46%	425.84%
Agritech Limited I	TFC	149,860,200	149,860,200	-	n/a	n/a	n/a
Agritech Limited V	TFC	32,320,000	32,320,000	-	n/a	n/a	n/a
Azzard Nine Limited III	TFC	108,376,850	108,376,850	-	n/a	n/a	n/a
Azzard Nine Limited V	TFC	82,180,000	82,180,000	-	n/a	n/a	n/a
Dewan Cement Limited	TFC	150,000,000	150,000,000	-	n/a	n/a	n/a
Ghanibwal Cement Limited (PPTFC)	TFC	24,355,500	24,355,500	-	n/a	n/a	n/a
New Allied Electronics (PPTFC)	TFC	31,706,536	31,706,536	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	44,148,934	44,148,934	-	n/a	n/a	n/a
PACE Pakistan Limited	TFC	149,820,000	149,820,000	-	n/a	n/a	n/a
Azzard Nine Limited (Non-Voting Ordinary Shares)	Equity	12,854	12,854	-	n/a	n/a	n/a
Agritech Limited Shares	Equity	141,403,150	95,952,137	45,451,013	2.66%	2.02%	n/a
<b>Total</b>		<b>1,569,501,502</b>	<b>1,212,297,450</b>	<b>312,501,855</b>	<b>18.27%</b>	<b>13.89%</b>	

\*\*\*Said TFCs are performing but classified as Non-Compliant on the basis of required rating. Due to this the difference between the Value of Investment before provision and after provision is mark to market loss instead of provisioning.

**Credit Quality of the Portfolio as of August 31st, 2013 (% of Total Assets)**



**Asset Allocation (% of Total Assets) 31-Aug-13 31-July-13**

TFCs / Sukuks	37.28%	36.74%
Placement with DFIs	2.22%	2.19%
Equity	2.02%	1.99%
Cash Equivalents	33.10%	33.57%
Other including receivables	25.38%	25.51%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

**Top 10 TFC/Sukuk Holdings (as at August 31st, 2013)**

Name of TFCs / Sukuks	% of Total Assets
Pakistan Mobile Communication (Listed II)	6.80%
Engro Fertilizer Limited (PPTFC)	6.75%
Maple Leaf Cement (Sukuk I)	6.39%
Bank Alfalah Limited V	4.54%
Avari Hotels Limited	2.92%
Allied Bank Limited II	2.83%
BRR Guardian Modaraba	1.45%
Kohat Cement Limited (Sukuk)	1.26%
Engro Fertilizer Limited	1.12%
Saudi Pak Leasing	0.99%
<b>Total</b>	<b>35.05%</b>

**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.15,617,860/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0924/1.01%. For details investors are advised to read note 6 of the Financial Statement of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Muhammad Imran, CFA, ACCA

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## Performance

Performance %	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) August 30, 2013	August 2013	Since Launch July 02, 2013
NPF-Equity Sub-fund*	35	103.1718	(7.87%)	2.17%
NPF-Debt Sub-fund**	35	102.4446	9.30%	7.74%
NPF-Money Market Sub-fund**	32	102.2585	6.36%	6.46%

\* Cumulative Return  
\*\* Annualized Return [Net of management fee & all other expenses]

## General Information

Launch Date: July 2, 2013  
Type: Open-end – Voluntary Pension Scheme  
Dealing Days: Daily – Monday to Friday (Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M  
Dealing Time: Forward Pricing  
Pricing Mechanism: Upto 3% on Contributions  
Front end Load: 0%  
Back end Management Fee: On average Net Assets of each Sub-fund.  
Equity 1.50%  
Debt 1.25%  
Money Market 1%  
Risk Profile: Investor dependent  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: M. Yousuf Adil Saleem & Co. Chartered Accountants  
Fund Manager: Sajjad Anwar, CFA  
Minimum Subscription: Initial: Rs. 10,000/- Subsequent: Rs. 1000/-  
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)  
Leverage: Nil

## Investment Objective

To provide a secure source of savings and regular income after retirement to the Participants.

## Fund Manager Commentary

NAFA launched its open-end Voluntary Pension Scheme, NAFA Pension Fund (NPF), this July with the objective of providing a secure source of savings and regular income after retirement to the Participants.

### During the month of August:

NPF Equity Sub-fund declined by 7.87% compared with KSE-100 which fell by 4.9%. The underperformance was due to lagged performance of selective Construction and Materials and Oil and Gas Sectors stocks on the back of disappointing results and payouts. The Sub-fund was around 89% invested in equities with major weights in Oil & Gas, Banks, and Electricity sectors.

NPF Debt Sub-fund generated an annualized return of 9.30%. The Sub-fund was invested primarily in T-bills and Bank deposits. The investments will gradually be shifted to high quality TFCs/Sukuks offering attractive yields.

NPF Money Market Sub-fund generated annualized return of 6.36%. It was around 76% invested in T-bills. In line with its investment strategy, the Sub-fund will maintain high exposure in money market securities.

## Credit Quality of the Portfolio as on 30th August, 2013

	Debt	Money Market
Government Securities	36.99%	76.13%
AAA	6.68%	-
AA+	43.76%	17.47%
AA	1.96%	5.32%
AA-	6.68%	-
A	2.25%	-
Others	1.68%	1.08%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

### Asset Allocation (% of Total Assets)

Equity-Sub Fund	30-Aug-13	31-Jul-13
Equity	89.32%	91.81%
Cash Equivalents	8.50%	5.04%
Others including receivables	2.18%	3.15%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Debt-Sub Fund	30-Aug-13	31-Jul-13
Cash Equivalents	44.91%	54.88%
TFC/Sukuk	16.42%	2.43%
T-Bills	36.99%	41.57%
Others	1.68%	1.12%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Money Market-Sub Fund	30-Aug-13	31-Jul-13
Cash Equivalents	22.79%	18.57%
T-Bills	76.13%	80.41%
Others	1.08%	1.02%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

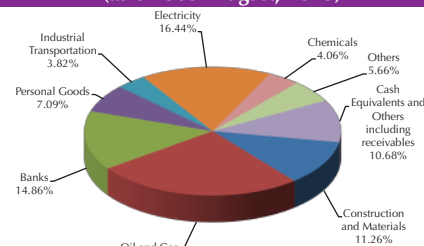
## WORKERS' WELFARE FUND (WWF)

NPF has maintained provisions against Workers' Welfare Fund's liability in individual sub-Funds as stated below:

	Total Amount Rs	Amount Per Unit Rs	Since Inception return would otherwise have been higher by:
Equity Sub-Fund <sup>1</sup>	16,534	0.0494	0.05%
Debt Sub-Fund <sup>2</sup>	15,378	0.0454	0.28%
Money Market Sub-Fund <sup>2</sup>	13,941	0.044	0.27%

<sup>1</sup> Cumulative, <sup>2</sup> Annualized

## Equity Sub Fund Asset Allocation (% of Total Assets) (as on 30th August, 2013)



## Top Holding of Debt-Sub Fund As on 30th August, 2013

Name	(% of Total Assets)
Standard Chartered Bank Ltd IV	6.69%
Faysal Bank Ltd III	4.53%
Engro Fertilizer Ltd (PPTFC)	2.25%
Pakistan Mobile Comm. Ltd	2.14%
United Bank Ltd III	0.71%
Allied Bank Limited I	0.10%
<b>Total</b>	<b>16.42%</b>

## Top Ten Holdings of Equity-Sub Fund (as on 30th August, 2013)

Name	% of Total Assets	Name	% of Total Assets
Hub Power Company Ltd	8.45%	Bank Al-Falah Ltd	6.02%
Pakistan Petroleum Ltd	7.95%	Pakistan State Oil Co. Ltd	4.59%
Kot Addu Power Co Ltd	7.52%	Bank AL-Habib Ltd	4.57%
Pakistan Oilfields Ltd	6.61%	Nishat (Chunian) Ltd	4.07%
Oil & Gas Dev Co Ltd	6.14%	Engro Corporation Ltd	4.06%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM, Syed Suleman Akhter, CFA,  
Asim Wahab Khan, CFA, Muhammad Imran, CFA, ACCA  
Salman Ahmed



## Performance

Performance %	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) August 30, 2013	August 2013	Since Launch July 02, 2013
NIPF-Equity Sub-fund*	30	101.0258	(9.92%)	0.30%
NIPF-Debt Sub-fund	31	102.0255	6.60%	6.59%
NIPF-Money Market Sub-fund**	31	102.1074	6.39%	7.14%

\* Cumulative Return

[Net of management fee & all other expenses]

\*\* Annualized Return

## General Information

Launch Date:	July 2, 2013
Type:	Open-end – Shariah Compliant Voluntary Pension Scheme
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Pricing Mechanism:	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end:	0%
Management Fee:	On average Net Assets of each Sub-fund. Equity 1.50% Debt 1.25% Money Market 1%
Risk Profile:	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)
Leverage:	Nil

## Investment Objective

To provide a secure source of savings and regular income after retirement to the Participants.

## Fund Manager Commentary

NAFA launched its Islamic open-end Voluntary Pension Scheme, NAFA Islamic Pension Fund (NIPF), this July with the objective of providing a secure source of shariah compliant savings and regular income after retirement to the Participants.

NIPF Equity Sub-fund declined by 9.9% compared with KMI-30 which fell by 7.0%. The underperformance was due to lagged performance of selective Construction and Materials and Oil and Gas Sectors stocks on the back of disappointing results and payouts. The Sub Fund was around 89% invested in equities with major weights in Oil and Gas, Construction and Materials, and Electricity sectors.

NIPF Debt Sub-fund generated annualized return of 6.60%. The Sub-fund was invested primarily in GoP Ijara Sukuks and Islamic bank deposits.

NIPF Money Market Sub-fund generated annualized return of 6.39%. The Sub-fund was invested primarily in short-term GoP Ijara Sukuks and Islamic bank deposits.

## Credit Quality of the Portfolio as on 30th August, 2013

	Debt	Money Market
Government Securities	90.91%	94.09%
AAA	0.20%	0.18%
AA+	4.91%	2.02%
AA	-	-
AA-	-	-
A	0.01%	0.04%
Others	3.97%	3.67%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

### Asset Allocation (% of Total Assets)

Equity-Sub Fund	30-Aug-13	31-Jul-13
Equity	89.31%	92.01%
Cash Equivalent	7.68%	5.48%
Others including receivables	3.01%	2.51%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Debt-Sub Fund	30-Aug-13	31-Jul-13
Cash Equivalent	5.12%	6.60%
Sukuks	90.91%	90.18%
Others	3.97%	3.22%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Money Market-Sub Fund	30-Aug-13	31-Jul-13
Cash Equivalent	2.25%	2.48%
Sukuks	94.09%	94.58%
Others	3.66%	2.94%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## WORKERS' WELFARE FUND (WWF)

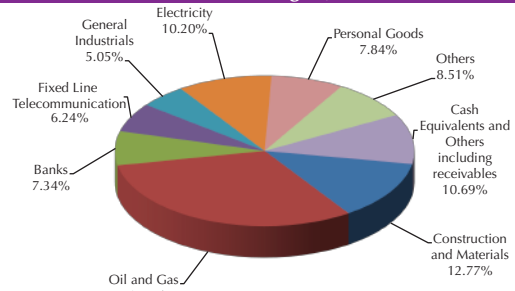
NIPF has maintained provisions against Workers' Welfare Fund's liability in individual sub-Funds as stated below:

	Total Amount Rs	Amount Per Unit Rs	Since Inception return would otherwise have been higher by:
Equity Sub-Fund <sup>1</sup>	6,249	0.0208	0.02%
Debt Sub-Fund <sup>2</sup>	12,404	0.0413	0.25%
Money Market Sub-Fund <sup>2</sup>	12,892	0.043	0.26%

<sup>1</sup> Cumulative.

<sup>2</sup> Annualized

## Equity Sub Fund Asset Allocation (% of Total Assets) (as on 30th August, 2013)



## Top Holdings of Debt-Sub Fund Top Holdings of Money Market-Sub Fund (as on 30th August, 2013)

Name	(% of Total Assets)	Name	(% of Total Assets)
GOP Ijarah (Sukuk XI)	90.91%	GOP Ijarah (Sukuk V)	81.09%
		GOP Ijarah (Sukuk XI)	13.00%

## Top Ten Holdings of Equity-Sub Fund (as on 30th August, 2013)

Name	% of Total Assets	Name	% of Total Assets
Hub Power Company Ltd	10.20%	Pakistan Oilfields Ltd	7.21%
Pakistan Petroleum Ltd	9.59%	Pakistan Telecommunication Ltd	6.24%
Oil & Gas DevCo Ltd	8.56%	Pakistan State Oil Co. Ltd	6.01%
Nishat Mills Ltd.	7.84%	Thal Ltd	5.05%
Meezan Bank Ltd	7.34%	Pakistan National Shipping Corp.	4.64%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM, Syed Suleman Akhter, CFA,  
Asim Wahab Khan, CFA, Muhammad Imran, CFA, ACCA  
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