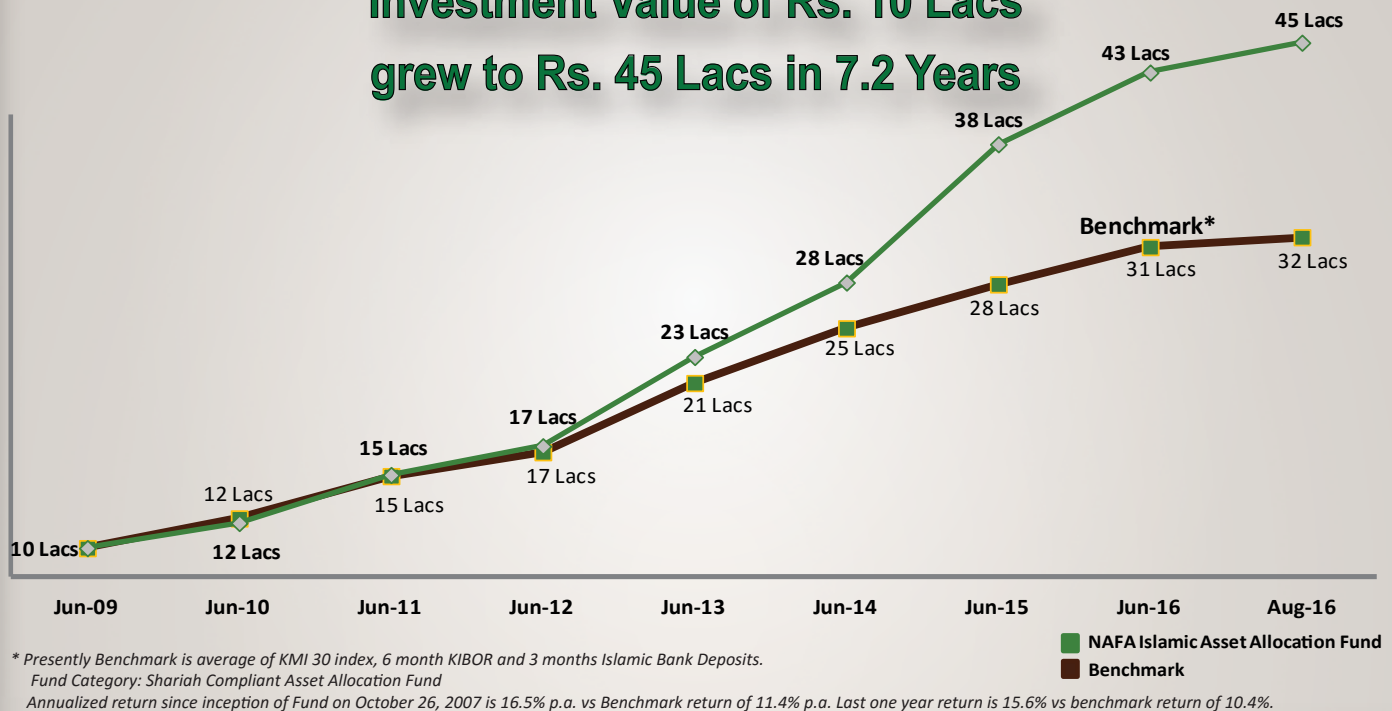


# Fund Manager Report

## August 2016

### NAFA Islamic Asset Allocation Fund

Investment Value of Rs. 10 Lacs  
grew to Rs. 45 Lacs in 7.2 Years



### Launching

## NAFA Islamic Active Allocation Plan-IV\*

Last date for Investment 30<sup>th</sup> September 2016

- Halal & attractive returns.
- Initial maturity of 2 years.
- Tax Benefits as per current Income Tax Laws.
- Rs. 327 Crores investment in NAFA Islamic Active Allocation Plans I, II & III.

\* Shariah Compliant - Fund of Fund Category

### For Information & Investment

Call : 0800-20002 ◆ SMS: NAFA INVEST to 8080 ◆ info@nafafunds.com  
www.nafafunds.com ◆  /nafafunds



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

Your investments & "NAFA" grow together



Joint - Venture Partners

Note: The calculation of performance does not include front end load. Taxes apply as per current income tax law.  
Disclaimer: All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. The investors are advised in their own interest to carefully read the contents of the Offering Document in particular the Investment Policies mentioned in Clause 2 and Risk Factors mentioned in Clause 2.4 and Warnings in Clause 9 before making any investment decision. The NIAAF holds certain non-compliant investments. Before making any investment decision, investors should review the latest monthly Fund Manager Report and Financial statements. The reported return may include provisions and reversal of provisions against some debt securities.

# Table of Contents



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

Performance Summary Sheet of NAFA's Key Funds	Pg. 01
CEO's Write-up	Pg. 02
Capital Markets Review	Pg. 03
NAFA Government Securities Liquid Fund	Pg. 04
NAFA Money Market Fund	Pg. 05
NAFA Government Securities Savings Fund	Pg. 06
NAFA Savings Plus Fund	Pg. 07
NAFA Riba Free Savings Fund	Pg. 08
NAFA Financial Sector Income Fund	Pg. 09
NAFA Islamic Aggressive Income Fund	Pg. 10
NAFA Income Opportunity Fund	Pg. 11
NAFA Income Fund	Pg. 12
NAFA Asset Allocation Fund	Pg. 13
NAFA Islamic Asset Allocation Fund	Pg. 14
NAFA Multi Asset Fund	Pg. 15
NAFA Islamic Stock Fund	Pg. 16
NAFA Stock Fund	Pg. 17
NAFA Pension Fund	Pg. 18
NAFA Islamic Pension Fund	Pg. 19
NAFA Islamic Principal Protected Fund-I (NIPPF-I)	Pg. 20
NAFA Islamic Principal Protected Fund-II (NIPPF-II)	Pg. 21
NAFA Islamic Principal Preservation Fund (NIPPF)	Pg. 22
NAFA Islamic Active Allocation Plan-I (NIAAP-I)	Pg. 23
NAFA Islamic Active Allocation Plan-II (NIAAP-II)	Pg. 24
NAFA Islamic Active Allocation Plan-III (NIAAP-III)	Pg. 25
NAFA Active Allocation Riba Free Savings Fund	Pg. 26
NAFA Islamic Active Allocation Equity Fund	Pg. 27
NAFA Islamic Energy Fund	Pg. 28

# Table of Contents

# Performance Summary of NAFA's Key Funds



"August 2016"

		Fund Name	Fund Size (Rs. In Crore)	Stability Rating	Inception Date	Aug-2016	FYTD	Rolling 12 Months	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Inception
		<b>Fixed Income Funds</b>			<b>Annualized Returns</b>									
Lowest Risk	NGSLF	NAFA Government Securities Liquid Fund	483	AAA (f)	15-May-09	5.4%	5.4%	5.7%	5.7%	8.3%	8.1%	8.7%	10.9%	9.0%
		Benchmark				5.2%	5.4%	5.8%	6.0%	8.7%	8.6%	8.9%	10.8%	9.2%
	NIMF	NAFA Money Market Fund	803	AA (f)	23-Feb-12	6.1%	6.1%	6.3%	6.3%	8.9%	8.2%	9.2%	n/a	8.3%
		Benchmark				4.2%	4.2%	4.4%	4.6%	6.8%	6.9%	6.8%	n/a	6.3%
	NSPF	NAFA Savings Plus Fund	51	AA- (f)	21-Nov-09	5.6%	5.5%	6.1%	6.3%	8.7%	7.9%	8.8%	11.0%	8.9%
		Benchmark				4.3%	4.3%	4.5%	4.7%	6.7%	7.1%	7.3%	8.4%	7.1%
	NRSF	NAFA Riba Free Savings Fund	108	A (f)	20-Aug-10	5.2%	5.4%	5.4%	5.5%	7.4%	7.8%	8.7%	10.8%	8.3%
		Benchmark				4.3%	4.3%	4.7%	4.9%	6.7%	6.7%	7.3%	8.3%	6.9%
	NISF	NAFA Financial Sector Income Fund	102	A+ (f)	28-Oct-11	6.6%	6.2%	6.2%	6.4%	10.9%	7.9%	9.3%	n/a	9.1%
		Benchmark				5.5%	5.5%	5.8%	5.9%	8.3%	8.9%	9.0%	n/a	8.3%
Moderate Risk	NIAIF	NAFA Income Opportunity Fund	1,159	A (f)	21-Apr-06	5.1%	8.6%	7.3%	7.5%	13.2%	16.6%	10.3%	(0.5%)	8.4%
		Benchmark				6.0%	6.0%	6.4%	6.5%	9.0%	9.8%	9.9%	12.4%	10.7%
	NIOF	NAFA Islamic Aggressive Income Fund	268	A- (f)	26-Oct-07	5.4%	5.6%	7.2%	7.4%	9.2%	13.6%	6.8%	19.0%	6.8%
		Benchmark				4.5%	4.5%	4.7%	4.8%	6.6%	6.5%	7.0%	7.9%	6.4%
		<b>Equity Related Funds</b>			<b>Cumulative Returns</b>									
	NAAF	NAFA Asset Allocation Fund	146		20-Aug-10	1.6%	6.8%	12.7%	7.6%	24.6%	13.7%	32.0%	14.4%	19.5%
		Benchmark				0.2%	2.1%	8.3%	6.2%	9.6%	15.3%	17.1%	8.1%	11.7%
	NIMF	NAFA Multi Asset Fund	142		19-Jan-07	1.5%	6.7%	14.6%	8.7%	26.8%	25.4%	34.1%	15.5%	16.2%
		Benchmark				0.1%	2.8%	10.3%	7.1%	11.0%	19.6%	22.4%	8.0%	9.5%
	NIAAF	NAFA Islamic Asset Allocation Fund	620		26-Oct-07	(0.1%)	4.8%	15.6%	13.1%	33.8%	22.2%	36.3%	13.2%	16.5%
		Benchmark				(0.02%)	2.2%	10.4%	9.2%	12.1%	17.7%	28.9%	11.1%	11.4%
Highest Risk	NSF	NAFA Stock Fund	953		19-Jan-07	1.5%	8.0%	18.3%	11.4%	36.9%	36.3%	55.0%	22.0%	17.7%
		Benchmark				(0.3%)	4.7%	13.8%	7.1%	12.3%	29.6%	36.0%	2.9%	7.3%
	NISF	NAFA Islamic Stock Fund	291		9-Jan-15	0.5%	7.9%	19.2%	12.9%	n/a	n/a	n/a	n/a	20.4%
		Benchmark				(1.0%)	4.9%	20.0%	15.5%	n/a	n/a	n/a	n/a	18.6%

Notes: 1) Performance is net of management fee and all expenses. The calculation of performance does not include cost of front-end load. The performance reported is based on dividend reinvestment (gross of with-holding tax where applicable).  
 2) Tax credit also available as per section 62 of the Income Tax Ordinance, 2001.  
 3) Taxes apply.

n/a = Not applicable.

Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)

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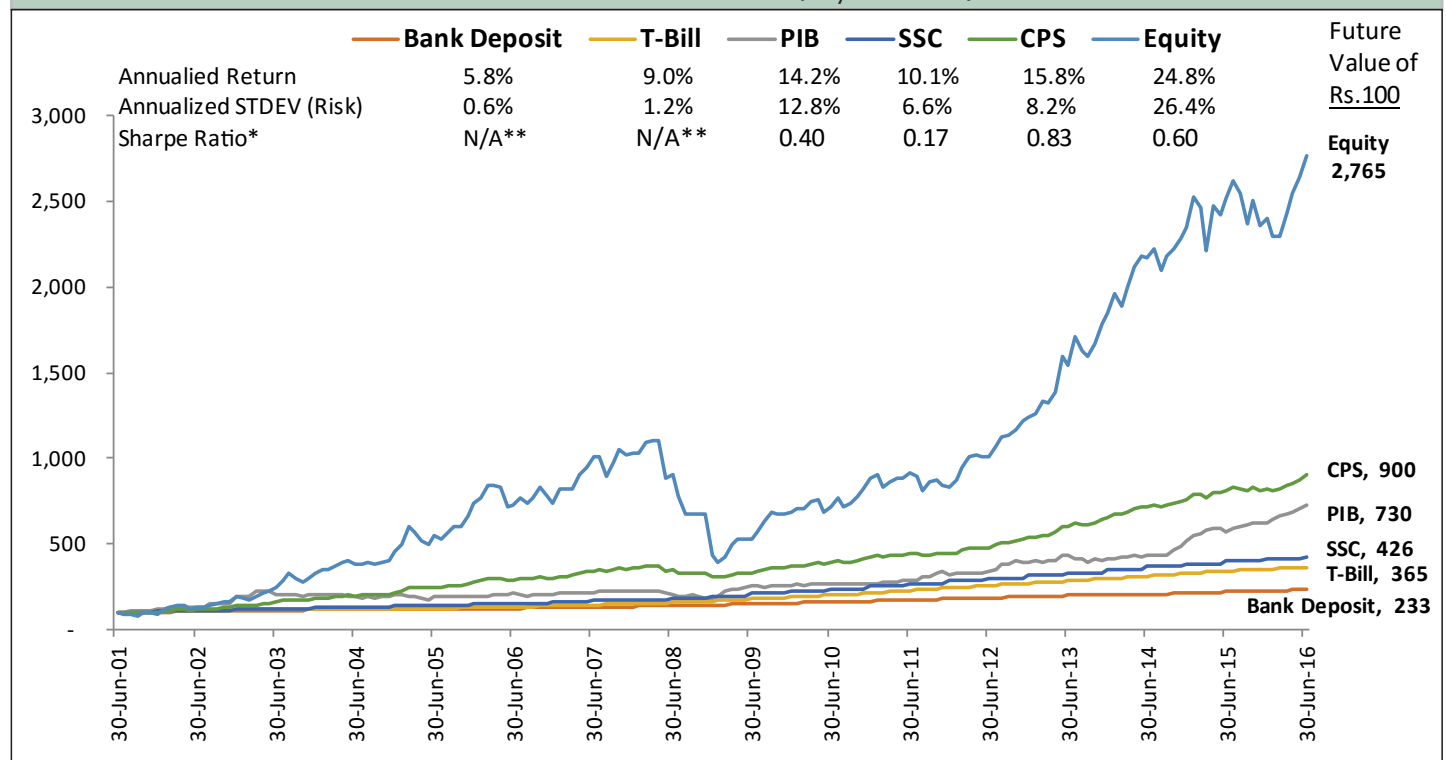
## Performance of Key Asset Classes A 15 Year Snapshot

With the objective to provide guidance for prudent investment decision, we have analyzed the historical performance of key domestic asset classes for a 15 year period (June 2001 to June 2016) to see how their risk/return compare over time. We have included six key investment categories for which long-term data is available, comprising of five major asset classes i.e. Treasury Bills, Bank Deposits, National Savings Schemes (NSS), Pakistan Investment Bonds (PIBs) and Equities, and one synthetic asset class i.e. Capital Protected Strategy (CPS) in our analysis. During this 15-year period, headline inflation (CPI) has averaged 8.4% per annum and Pak Rupee has depreciated by 4.4% per year, on average, against the US Dollar.

T-Bills are zero coupon short term sovereign debt instruments, issued in 3, 6 and 12 month tenors. National Savings Schemes (NSS), representing unfunded government debt, are non-tradable instruments of various maturities. For our study, we have used Special Savings Certificates as a proxy for NSS. For bank deposits, we have used monthly weighted average deposit rates published by the SBP. We have used 10-year PIB for return on long-term Sovereign Bonds. Under the Capital Protected Strategy (CPS), the portfolio is dynamically managed between a low risk and a high risk asset with the objective of protecting the initial investment amount, while also capturing upside growth of the stock market.

The historical analysis, as given in the Graph below, shows that equities offered the highest return among all asset classes. A PKR 100 investment in equities in June 2001 would be worth PKR 2,765 by June 2016 in nominal terms. During the same period, a PKR 100 investment in bank deposits would increase to just PKR 233, not even compensating for inflation. However, as expected, equities exhibited the highest volatility (risk) and bank deposits and T-bills the lowest, supporting the time-tested investment notion that there is a positive correlation between risk and return.

Performance of asset classes from July 2001 to June 2016



\*Sharpe Ratio = Excess return per unit of risk = (Expected return – Risk free rate)/(Standard deviation), we have used 6M T-bill as a proxy for risk free rate

\*\*Due to negative excess return, standard sharpe ratio is meaningless

Source: SBP Statistical Bulletin, PSX, NSS website, NAFA Research

During the 15-year period, Capital Protected Strategy offered the best risk-adjusted return as measured by Sharpe Ratio, delivering an attractive nominal return of about 15.8% per annum with a relatively low risk level (standard deviation of 8.2%). However, this strategy performs well in a trending market and deliver lagged performance in non-trending and highly volatile markets due to large transaction costs associated with frequent entries/exits. As an alternative, one can consider a strategic asset allocation strategy that provides the flexibility to increase equity exposure when stock market is expected to perform well, and decrease equity exposure when stock market is expected to decline.

## Stock Market Review

After a robust start to FY17 with the benchmark KSE 100 Index rising by around 4.6% during July 2016, the stock market swung between gains and losses during August, hitting an intra-day all time high of 40,214 but closing the month at 39,810 levels. The local investors, buoyed by improving economic prospects, reasonable valuations, and improving security situation, remained net-buyers during the month absorbing foreign selling of around US \$ 20 million. Majority of the companies posted above expected earnings and announced healthy payouts in the ongoing corporate results season that contributed to the investors' optimism in the market. Global and regional stock markets posted healthy returns during the month amid lower volatility despite uncertain global growth outlook, elevated valuations, political fluidity, and rising odds of interest rate hike by the US Fed. That said, ultra-low sovereign yields assisted by extremely accommodative monetary policy in the systematically important developed economies are forcing investors to search for returns in risky assets, including equities, despite elevated valuations. Recently, global asset managers have warmed up on the emerging markets driven by improving growth outlook on recovery in the commodity prices, stabilization in China, and calm in the US dollar. In addition, reclassification of Pakistan equity markets in the widely followed MSCI EM Index along with the attractive fundamentals has brought our market on the radar screen of Emerging Market Fund Managers. Notable observation during the month was change of the market focus on the second-tier stocks with significant contributions to the market volume.

Turning to the sectoral performance during the month, Automobile Assemblers, Oil & Gas Exploration, Chemicals, Commercial Banks, Engineering, Textile Composite, and Refinery sectors performed better than the market, while Cement, Power Generation & Distribution, and Fertilizer sectors lagged behind. Automobile Assemblers continued their robust run amid strong volumetric growth, healthy profit margin, and launch of a new model by one of the major players. Oil & Gas exploration sector out-performed the market on the back of brief recovery in the global oil prices amid talks of supply side adjustments by some key players. Rally in the refinery sector extended during the month as a result of healthy earnings announcement and expectation of improving earnings outlook. Textile composite sector drew investors' interest on the news of increase in yarn prices which should filter down to value-added products and rising probability of measured PKR devaluation in the near-term. Investors' interest was witnessed in the Banking sector amid some healthy earnings announcements and attractive valuations. Power Generation & Distribution sector lagged the market amid stretched valuation of a major company and investors' shift to the second tier stocks.

Currently, the market is trading at around 9.8 times estimated earnings and offers around 4.8% dividend yield. Relatively attractive stock market valuations, benign near-term inflation & interest rate outlook, improving macroeconomic prospects, and expectation of healthy portfolio inflows in 2HFY16 have us maintain positive outlook on equities. However, volatility may increase going forward on the back of expected escalation in domestic political climate, shifting global political rhetoric, concerns on global economic growth, and uncertainty on the global policy front.

## Money Market Review

Inflation as measured by CPI clocked in at 3.6% for August 2016 as compared to 4.1% reading for the previous month. Despite record accumulation of FX reserve of US \$ 23 billion, the confluence of declining remittances, challenged exports outlook, and heavy scheduled foreign loan payments during FY17 has raised concerns on the Pak Rupee recently. We see inflation to pick up to 5.5% by the year-end due to measured increase in commodity prices and PKR devaluation; and expectation of strong private sector borrowing.

State Bank of Pakistan (SBP) held three T-Bill auctions during the month, with a combined target of Rs. 850 billion and a maturity of Rs. 785 billion. In the third and last T-Bill auction during the month, an amount of Rs. 179 billion was accepted against the target of Rs. 200 billion and maturity of Rs. 168 billion. Cut-off yields were maintained at 5.86%, 5.90% and 5.91% for 03, 06 and 12 month tenors, respectively. Bid pattern skewed towards 06 months as compared to 03 and 12 months. In the The PIB auction during the month, an amount of Rs. 222 billion was accepted against the target of Rs. 100 billion and maturity of Rs 281 billion at a cut-off yield of 6.2%, 6.7% and 7.8% in the 03, 05 year and 10 years, respectively, while, no bid was received in 20 year tenors.

We have adjusted the portfolio of our money market and income funds based on our capital market expectations. We are closely monitoring the developments in the capital markets and will rebalance the portfolio accordingly.

## Our Contacts

**Contact our Investment Consultant for free Investment advice**

Call 0800-20002 || sms NAFA INVEST to 8080 || [www.nafafunds.com](http://www.nafafunds.com) || [info@nafafunds.com](mailto:info@nafafunds.com)

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## Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch May 15, 2009*
NAFA Government Securities Liquid Fund	5.4%	5.4%	5.7%	5.7%	8.3%	8.1%	8.7%	10.9%	9.0%
Benchmark	5.2%	5.4%	5.8%	6.0%	8.7%	8.6%	8.9%	10.8%	9.2%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	May 15, 2009
Fund Size:	Rs. 4,827 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:	8% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	0.91% p.a.(including 0.16% government levies)
Risk Profile:	Exceptionally Low
Fund Stability Rating:	"AAA (f)" by PACRA
Listing:	Pakistan 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 Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (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.

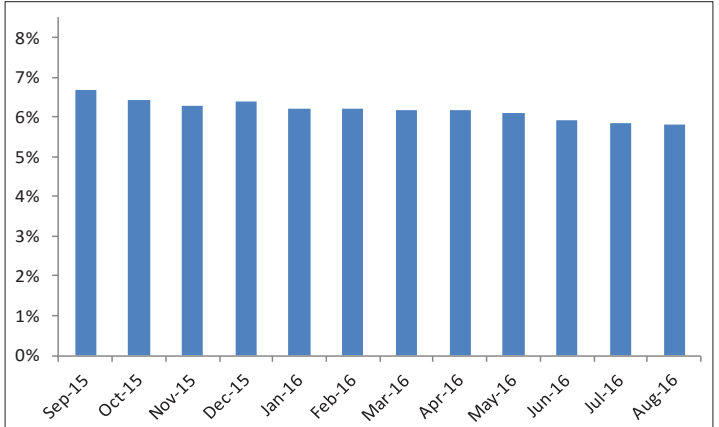
## Fund Manager Commentary

The Fund earned an annualized return of 5.4% during August 2016 versus the Benchmark return of 5.2%. The annualized return for FYTD is 5.4% in line with the Benchmark. 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. NGSLF is the largest Fund in Pakistan with this rating. The rating reflects exceptionally strong credit and liquidity profile of the Fund. Average daily allocation for the last 365 days in short-term T-Bills was around 79.5% of net assets. At the end of the month, T-Bills comprised around 95.3% of the Total Assets and 99.7% of Net Assets. Weighted average time to maturity of the Fund is 37 days.

We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

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



## Asset Allocation (% of Total Assets) 31-Aug-16 30-July-16

	31-Aug-16	30-July-16
T-Bills	95.3%	90.4%
Bank Deposits	3.9%	6.7%
Other including receivables	0.8%	2.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 115,240,318/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.2445/2.52%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

T-Bills (AAA rated)	95.3%
AAA	0.3%
AA+	3.1%
AA	0.1%
AA- & below	0.4%
Other including receivables	0.8%
<b>Total</b>	<b>100.0%</b>

# NAFA Money Market Fund (NMMF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs. 9.9393

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep15 - Aug16	FY 2016	FY 2015	FY 2014	FY 2013	Since Launch February 23, 2012*
NAFA Money Market Fund	6.1%	6.1%	6.3%	6.3%	8.9%	8.2%	9.2%	8.3%
Benchmark	4.2%	4.2%	4.4%	4.6%	6.8%	6.9%	6.8%	6.3%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	February 23, 2012
Fund Size:	Rs. 8,026 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: without Life Insurance: 0.5%, with Life Insurance 3% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	8% of Net Income (Min 0.5% p.a., Max 1.00% p.a.)
Total Expense Ratio:	0.92% p.a.(including 0.16% government levies)
Risk Profile:	Very Low
Fund Stability Rating:	"AA (f)" by PACRA
Listing:	Pakistan 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:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (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 6.1% during August 2016 versus the Benchmark return of 4.2%, thus registering an outperformance of 1.9% p.a. Since its launch in February 2012, the Fund has outperformed its Benchmark by 2.0% p.a. by earning an annualized return of 8.3%. This outperformance 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 months 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 very low exposure to risks.

Weighted average time to maturity of the Fund is 1 day. We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

AAA	1.0%
AA+	98.2%
AA	0.1%
AA- & below	0.2%
Other including receivables	0.5%
<b>Total</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets) 31-Aug-16 30-July-16

Bank Deposits	99.5%	99.4%
Others including receivables	0.5%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 69,380,310/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0859/0.92%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs. 10.3728

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	Since Launch July 10, 2014*
NAFA Government Securities Savings Fund	4.5%	4.8%	5.9%	6.5%	9.9%
Benchmark	4.9%	5.3%	6.0%	6.2%	7.5%

\* Annualized Return Based on Morning Star Methodology The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.  
All other returns are Annualized Simple Return

## General Information

Launch Date:	July 10, 2014
Fund Size:	Rs. 174 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: 1% (Nil on investment above Rs. 16 million) Back end: 0%
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.44% p.a.(including 0.17% government levies)
Risk Profile:	Low
Fund stability rating	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)
Fund Manager:	Asad Haider
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

To provide competitive return from portfolio of low credit risk by investing primarily in Government Securities.

## Fund Manager Commentary

During the month under review, the Fund has generated an annualized return of 4.5% against the benchmark return of 4.9%. Since its launch in July 2014, the Fund offered an annualized return of 9.9% against the Benchmark return of 7.5%, hence an outperformance of 2.4% p.a. This outperformance is net of management fee and all other expenses.

NAFA Government Securities Savings Fund (NGSSF) invests a minimum of 70% in Government Securities. The Fund invests a minimum 10% of its assets in less than 90 days T-Bills or saving accounts with banks, which enhances liquidity profile of the Fund.

As the asset allocation of the Fund shows, exposure in Government Securities was around 74.9% of the Total Assets and 78.6% of Net Assets at the end of the month with average Yield to Maturity of 5.9% p.a. Last one year allocation in Government Securities was around 78.3%. The weighted average time-to-maturity of the Fund is 0.4 year.

We will rebalance the allocation of the fund proactively based on the capital market outlook.

## Asset Allocation (% of Total Assets)

	31-Aug-16	30-July-16
PIBs	31.9%	18.9%
Tbills	43.0%	63.2%
Bank Deposits	22.5%	16.3%
Other including receivables	2.6%	1.6%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

Government Securities (AAA rated)	74.9%
AAA	1.6%
AA+	4.6%
AA	0.3%
AA-	0.7%
A+ & below	15.3%
Other including receivables	2.6%
Total	100.0%

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1,621,195/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0965/0.98%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.



Performance %									
Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch November 21, 2009*
NAFA Savings Plus Fund	5.6%	5.5%	6.1%	6.3%	8.7%	7.9%	8.8%	11.0%	8.9%
Benchmark	4.3%	4.3%	4.5%	4.7%	6.7%	7.1%	7.3%	8.4%	7.1%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

General Information		Investment Objective	
Launch Date:	November 21, 2009	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 Size:	Rs. 513 million		
Type:	Open-end – Income fund	<b>Fund Manager Commentary</b>	
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	The Fund earned an annualized return of 5.6% during the month versus the Benchmark return of 4.3% thus registering an outperformance of 1.3% p.a. Since its launch in November 2009, the Fund offered an annualized return of 8.9% against the Benchmark return of 7.1%, hence an outperformance of 1.8% p.a. This outperformance is net of management fee and all other expenses.	
Pricing Mechanism:	Forward Pricing	NSPF is one of the highest rated income funds in the market due to its restrictive investment guidelines. The Fund is allowed to invest in Government Securities up to a maximum maturity of 3 years and also in debt securities with rating of A and above with a maximum remaining maturity of 1 year. The Fund invests 25% of its net assets in less than 90 days T-Bills or saving accounts with banks, which further enhances liquidity profile of the Fund.	
Load:	Front end: without Life Insurance: 0.5%, with Life Insurance 3% (Nil on investment above Rs. 16 million), Back end: 0%		
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.50% p.a.)	The portfolio of NSPF is invested in Treasury bills, MTS, and bank deposits etc. The allocation in MTS is around 35.4% of net assets. The weighted average time to maturity of the entire Fund is around 26 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.	
Total Expense Ratio:	1.56% p.a. (including 0.18% government levies)	We will rebalance the allocation of the portfolio proactively based on the capital market outlook.	
Risk Profile:	Very Low		
Fund Stability Rating:	"AA- (f)" by PACRA	<b>Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)</b>	
Listing:	Pakistan Stock Exchange		
Custodian & Trustee:	Central Depository Company (CDC)	Govt. Securities (AAA rated)	7.0%
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants	AAA	2.6%
Benchmark:	Average 6-Month deposit rate (A & above rated banks)	AA+	22.5%
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM	AA	5.4%
Minimum Growth Unit:	Rs. 1,000/-	AA-	1.4%
Subscription:	Income Unit: Rs. 100,000/-	A+ & below	23.9%
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)	MTS (Unrated)	32.1%
		Other including receivables	5.1%
		<b>Total</b>	<b>100.0%</b>

Asset Allocation (% of Total Assets)	31-Aug-16	30-July-16
T-Bills	7.0%	6.9%
Margin Trading System (MTS)	32.1%	22.6%
Placements with Banks	8.5%	8.3%
Bank Deposits	47.3%	61.4%
Other including receivables	5.1%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.12,099,338/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.2408/2.50%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the Period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved.

# NAFA Riba Free Savings Fund (NRFSF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs. 10.2620

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Riba Free Savings Fund	5.2%	5.4%	5.4%	5.5%	7.4%	7.8%	8.7%	10.8%	8.3%
Benchmark	4.3%	4.3%	4.7%	4.9%	6.7%	6.7%	7.3%	8.3%	6.9%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	August 20, 2010
Fund Size:	Rs. 1,082 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: without Life Takaful: 0.5%, with Life Takaful 3% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.25% p.a.)
Total Expense Ratio:	1.27% p.a.(including 0.17% government levies)
Risk Profile:	Very Low
Fund Stability Rating:	"A(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	Average 6-month deposit rate of A- and above rated Islamic Banks
Fund Manager:	Muhammad Ali Bhabha CFA,FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (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 5.2% for the month of August 2016 versus the Benchmark return of 4.3% thus registering an outperformance of 0.9% p.a. During FYTD, the Fund has outperformed its Benchmark by 1.1% by earning an annualized return of 5.4%. This outperformance is net of management fee and all other expenses.

The Fund aims to consistently provide better return 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 corporate debt securities and the Equities.

The allocation of the Fund is around 9.3% of net assets in GOP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 93% of net assets of the portfolio is invested in bank deposits which enhances the liquidity profile of the Fund. The weighted average time to maturity of the fund is 78 days.

We will rebalance the allocation of the fund proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	9.0%
AAA	25.2%
AA+	4.9%
AA	0.1%
AA-	0.7%
A+	15.0%
A	0.1%
A-	43.3%
BBB+ & below	0.3%
Others including receivables	1.4%
<b>Total</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets) 31-Aug-16 30-July-16

GOP Ijara Sukuk	9.0%	9.6%
Bank Deposits	89.6%	89.2%
Other including receivables	1.4%	1.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 10,079,475/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0956/0.98%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs. 10.5830

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	Since Launch October 28, 2011*
NAFA Financial Sector Income Fund	6.6%	6.2%	6.2%	6.4%	10.9%	7.9%	9.3%	9.1%
Benchmark	5.5%	5.5%	5.8%	5.9%	8.3%	8.9%	9.0%	8.3%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	October 28, 2011
Fund Size:	Rs. 1,024 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: 1% (Nil on investment above Rs. 16 million) Back end: 0%
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.5% p.a.)
Total Expense Ratio:	1.30% p.a. (including 0.19% government levies)
Risk Profile:	Low
Fund stability rating:	'A+(f)' by PACRA
Listing:	Pakistan 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:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (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 6.6% for the month of August 2016 versus the Benchmark return of 5.5%. Since its launch in October 2011, the Fund offered an annualized return of 9.1% against the Benchmark return of 8.3%, hence an outperformance of 0.8% p.a. This outperformance 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 (mainly banks) debt securities, instruments or deposits. Minimum entity rating of issuers of debt securities is "AA-". 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 net 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 35.2% of net assets at the end of the month with average time to maturity of 1.6 years. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. The weighted average time-to-maturity of the Fund is 0.6 year.

We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

## Asset Allocation (% of Total Assets) 31-Aug-16 30-July-16

	31-Aug-16	30-July-16
TFCs	33.3%	30.6%
Bank Placements	18.5%	12.8%
Bank Deposits	46.7%	55.5%
Other including receivables	1.5%	1.1%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Top TFC (as at Aug 31, 2016)

Name of TFC	% of Total Assets
Bank Alfalah Limited IV - FT	16.0%
Faysal Bank Limited III	9.8%
Askari Bank Limited IV	4.1%
Jahangir Siddiqui and Company Ltd.(Pre IPO) 16-MAY-16 16-MAY-21	1.9%
Standard Chartered Bank (Pakistan) Limited IV	1.5%
Total	33.3%

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 17,975,588/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.1858/1.86%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

AAA	2.1%
AA+	37.3%
AA	4.4%
AA-	26.1%
A+	28.5%
A & below	0.1%
Other including receivables	1.5%
Total	100.0%

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs. 9.5755

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch October 26, 2007*
NAFA Islamic Aggressive Income Fund	5.4%	5.6%	7.2%	7.4%	9.2%	13.6%	6.8%	19.0%	6.8%
Benchmark	4.5%	4.5%	4.7%	4.8%	6.6%	6.5%	7.0%	7.9%	6.4%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	October 26, 2007
Fund Size:	Rs. 2,678 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:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.09% p.a.(including 0.17% government levies)
Risk Profile:	Low to Medium
Fund Stability Rating:	"A-(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	Average 3-month deposit rate of Islamic Banks
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

To seek preservation of capital and earn a reasonable rate of return in a Shariah compliant manner.

## Fund Manager Commentary

During the month under review, the Fund posted an annualized return of 5.4% as compared to the Benchmark return of 4.5% thus registering an outperformance of 0.9% p.a. During FYTD, the Fund has posted 5.6% annualized return versus 4.5% by the Benchmark, hence an outperformance of 1.1% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks stood at around 1.6% of the net assets. Around 94.0% of net assets of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues.

The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio is around 5.3% p.a. and weighted average time to maturity is 2.2 years. The weighted average time to maturity of the Fund is 42 days.

We will rebalance the allocation of the fund proactively based on the capital market outlook.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

Sukuks	1.6%	1.7%
GOP Ijarah Sukuks - Govt. Backed	3.7%	4.1%
Bank Deposits	92.3%	92.8%
Other including receivables	2.4%	1.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	3.7%
AAA	23.7%
AA	1.7%
AA-	0.5%
A+	26.9%
A	0.1%
A-	41.0%
Other including receivables	2.4%
<b>Total</b>	<b>100.0%</b>

## Top Sukuk Holdings (as at Aug 31, 2016)

Name of Sukuk	% of Total Assets
K Electric Azm Sukuk - 5 Yrs	1.0%
K Electric Azm Sukuk - 3 Yrs	0.6%
<b>Total</b>	<b>1.6%</b>

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 2,944,049/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0105/0.12%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved. The reported returns may include provisioning and reversal of provisioning against some debt securities.

# NAFA Income Opportunity Fund (NIOF)



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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs. 10.8573

August 2016

Performance %									
Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch April 21, 2006 *
NAFA Income Opportunity Fund	5.1%	8.6%	7.3%	7.5%	13.2%	16.6%	10.3%	(0.5%)	8.4%
Benchmark	6.0%	6.0%	6.4%	6.5%	9.0%	9.8%	9.9%	12.4%	10.7%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

General Information	
Launch Date:	April 21, 2006
Fund Size:	Rs. 11,592 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: 1% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.30% per annum
Total Expense Ratio:	1.85% p.a.(including 0.26% government levies)
Risk Profile:	Low
Fund Stability Rating:	"A(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

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

### Fund Manager Commentary

The Fund posted an annualized return of 5.1% in August 2016 as compared to the Benchmark return of 6.0%. During FYTD, the Fund has outperformed its Benchmark by 2.6% by earning an annualized return of 8.6%. This outperformance is net of management fee and all other expenses.

The weighted average Yield to Maturity of the Fund is around 7.4% p.a. and that of the TFC portfolio is 6.4% p.a. The weighted average time to maturity of the Fund is around 0.24 year. The Fund's sector allocation is fairly diversified with exposure to Electricity, Banking and Financial Services sectors. TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

We will rebalance the allocation of the fund proactively based on the capital market outlook.

Asset Allocation (% of Total Assets)	31-Aug-16	30-July-16
TFCs / Sukuks	4.4%	4.9%
MTS	9.0%	0.9%
T-Bills	2.2%	0.7%
RFS	6.2%	0.0%
PIBs	2.2%	2.5%
Placements with Banks	17.7%	14.8%
Equity	0.4%	0.5%
Bank Deposits	53.1%	70.4%
Others including receivables	4.8%	5.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</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
BRR Guardian Modaraba - Sukuk (Revised 07-07-08/07-APR-15)	SUKUK	19,062,500	19,062,500	-	-	-
Saudi Pak Leasing	TFC	41,321,115	41,321,115	-	-	-
World Call Telecom Limited	TFC	88,455,825	88,455,825	-	-	-
Eden Housing (Sukuk II)	SUKUK	9,056,250	9,056,250	-	-	-
AgriTech Limited I	TFC	149,860,200	149,860,200	-	-	-
AgriTech Limited V	TFC	32,320,000	32,320,000	-	-	-
Azzard Nine Limited III	TFC	108,376,850	108,376,850	-	-	-
Azzard Nine Limited V	TFC	82,180,000	82,180,000	-	-	-
Dewan Cement Limited	TFC	150,000,000	150,000,000	-	-	-
New Allied Electronics (PPTFC)	TFC	31,706,536	31,706,536	-	-	-
New Allied Electronics (Sukuk II)	SUKUK	44,148,934	44,148,934	-	-	-
PACE Pakistan Limited	TFC	149,820,000	149,820,000	-	-	-
Azzard Nine Limited (Non-Voting Ordinary Shares)	Equity	12,854	12,854	-	-	-
AgriTech Limited Shares	Equity	141,403,150	87,669,953	53,733,197	0.5%	0.4%
<b>Total</b>		<b>1,047,724,214</b>	<b>993,991,017</b>	<b>53,733,197</b>	<b>0.5%</b>	<b>0.4%</b>

Top TFC/Sukuk Holdings (as at Aug 31, 2016)	
Name of TFCs / Sukuks	% of Total Assets
K Electric Azm Sukuk	1.8%
Bank Alfalah Limited V	1.3%
Jahangir Siddiqui and Company Ltd.(Pre IPO) 16-MAY:16 16-MAY-21	0.8%
Jahangir Siddiqui and Company Ltd. 08-APR-14	0.5%
<b>Total</b>	<b>4.4%</b>

### Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

PIBs (AAA rated)	2.2%
T-Bills (AAA rated)	2.2%
AAA	12.6%
AA+	11.9%
AA	5.8%
AA-	1.4%
A+	28.6%
A-	14.9%
RFS (Un-rated)	6.2%
MTS (Un-rated)	9.0%
Equity (Un-rated)	0.4%
NR & Other including receivables	4.8%
<b>Total</b>	<b>100.0%</b>

### WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 31,128,042/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0292/0.29%. For details investors are advised to read note 06 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

### Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

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## Performance %

Performance Period	Aug 2016	FYTD 2017	Trailing 12 months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch March 28, 2008*
NAFA Income Fund	6.3%	7.4%	6.8%	6.9%	13.7%	2.3%	6.9%	(6.9%)	3.9%
Benchmark	6.0%	6.0%	6.4%	6.5%	9.0%	9.8%	9.9%	12.4%	10.6%

\* Annualized Return Based on Morning Star Methodology  
All other returns are Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	March 28, 2008
Fund Size:	Rs. 630 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:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.53% p.a.(including 0.18% government levies)
Risk Profile:	Low
Fund Stability Rating	"A (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	MCB Financial Services Limited
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (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 6.3% during August 2016 versus the Benchmark return of 6.0%. The annualized return during FYTD is 7.4% against the Benchmark return of 6.0%, hence an outperformance of 1.4% p.a. This outperformance is net of management fee and all other expenses.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stands at 27.6% of total assets. All TFCs in the Fund are floating rate instruments linked to KIBOR.

The weighted average Yield-to-Maturity of the Fund is around 7.3% p.a. while, its weighted average time to maturity is 0.8 year. This yield does not include potential recovery in fully provided TFCs (Face Value of around Rs. 309 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.

We will rebalance the allocation of the fund proactively based on the capital market outlook.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

TFCs / Sukuks	27.6%	27.9%
T-Bills	4.6%	6.6%
MTS	5.3%	13.6%
Placement with Banks	14.1%	7.9%
Bank Deposits	47.1%	42.7%
Others including receivables	1.3%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Top TFC (as at Aug 31, 2016)

Name of TFC / Sukuk	% of Total Assets
K Electric Azm Sukuk	7.8%
Jahangir Siddiqui and Company Ltd.(Pre IPO) 16-MAY-16 16-MAY-21	6.2%
Askari Commercial Bank Limited 30-SEP-14 30-SEP-24	5.9%
Faysal Bank Limited	3.0%
Jahangir Siddiqui and Company Ltd. 08-APR-14	3.1%
Bank Alfalah Limited (Floater)	1.6%
<b>Total</b>	<b>27.6%</b>

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 4,095,302/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0641/0.69%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.

2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## 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
World Call Telecom Limited	TFC	26,881,190	26,881,190	-	-	-
Saudi Pak Leasing	TFC	41,321,115	41,321,115	-	-	-
Eden Housing (Sukuk II)	SUKUK	19,687,500	19,687,500	-	-	-
AgriTech Limited II	TFC	149,875,800	149,875,800	-	-	-
AgriTech Limited V	TFC	22,180,000	22,180,000	-	-	-
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	-	-
<b>Total</b>		<b>308,999,976</b>	<b>308,999,976</b>	-	-	-

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

Govt. Securities (AAA rated)	4.6%
AAA	0.2%
AA+	33.1%
AA	14.2%
AA-	10.6%
A+ & below	30.7%
MTS (Unrated)	5.3%
Other including receivables	1.3%
<b>Total</b>	<b>100.0%</b>

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# Nafa Asset Allocation Fund (NAAF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.15.8429

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15-Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Asset Allocation Fund	1.6%	6.8%	12.7%	7.6%	24.6%	13.7%	32.0%	14.4%	19.5%
Benchmark**	0.2%	2.1%	8.3%	6.2%	9.6%	15.3%	17.1%	8.1%	11.7%

\* Annualized Return  
All Other returns are Cumulative

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.  
\*\*From January 01, 2014, KSE-30 Total Return Index

## General Information

Launch Date:	August 20, 2010
Fund Size:	Rs. 1,456 million
Type:	Open-end – Asset Allocation 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. 50 million) Back end – 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.88% p.a.(including 0.38% government levies)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Total Return Index
Fund Manager:	Asim Wahab Khan, CFA, ACCA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (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) increased by 1.6% while the Benchmark increased by 0.2%. Thus your Fund outperformed the Benchmark by 1.4%. Since inception on August 20, 2010 the Fund has posted 193.7% cumulative return, versus 94.9% by the Benchmark. Thus, to date the cumulative outperformance of your Fund stands at 98.8%. This outperformance is net of management fee and all other expenses.

NAAF started off the month with an allocation of around 63% in equities, which decreased to around 55% towards the end of the month. NAAF outperformed the Benchmark in August as the Fund was underweight in select Commercial Banks and Fertilizer sectors stocks which underperformed the market and overweight in select Oil & Gas Exploration Companies, Engineering, Automobile Parts & Accessories, Commercial Banks, and Glass & Ceramics sectors stocks which outperformed the market. During the month, the allocation was reduced Primarily in Cement, Engineering, Power Generation & Distribution Companies, Oil & Gas Exploration Companies, and Glass & Ceramics sectors.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

	31-Aug-16	29-July-16
Equities / Stocks	55.1%	63.3%
Cash	41.0%	32.3%
Bank Placements	3.3%	3.8%
Others including receivables	0.6%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NAAF	9.1	2.7	4.8%
KSE-30	10.1	2.3	5.2%

\*\*\* Based on Nafa's estimates

## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Oil & Gas Exploration Companies	9.3%
Commercial Banks	8.1%
Cement	7.1%
Textile Composite	5.6%
Fertilizer	4.7%
Others	20.3%

## Name of the Members of Investment Committee

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

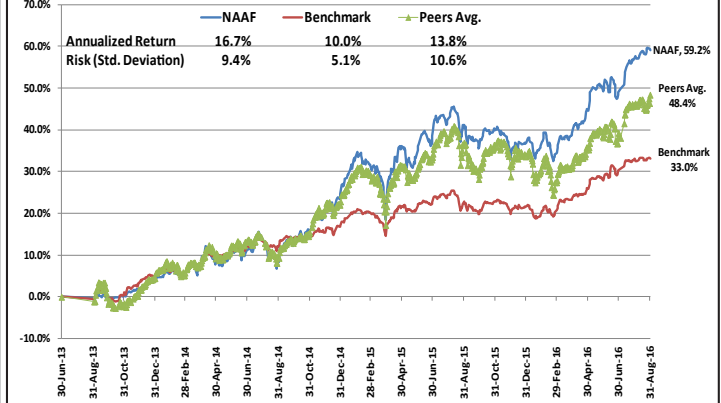
## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 18,637,505/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.2028/1.44%. For details investors are advised to read Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

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## Relative Performance of Nafa Asset Allocation Fund (NAAF) for the Last Three Years



## Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets
Nishat Mills Ltd	Equity	2.9%
Mari Petroleum Company Ltd	Equity	2.8%
Tariq Glass Ltd	Equity	2.7%
Kohinoor Textile Mills Ltd	Equity	2.6%
Indus Motor Company Ltd	Equity	2.5%
Pakistan Oilfields Ltd	Equity	2.4%
Pak Petroleum Ltd	Equity	2.4%
Engro Fertilizer Ltd	Equity	2.3%
Thal Ltd	Equity	2.3%
Lucky Cement Ltd	Equity	2.1%
<b>Total</b>		<b>25.0%</b>

# NAFA Islamic Asset Allocation Fund (NIAAF)



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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.16.3429

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15-Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch October 26, 2007*
NAFA Islamic Asset Allocation Fund	(0.1%)	4.8%	15.6%	13.1%	33.8%	22.2%	36.3%	13.2%	16.5%
Benchmark**	(0.02%)	2.2%	10.4%	9.2%	12.1%	17.7%	28.9%	11.1%	11.4%

\* Annualized Return  
All Other returns are Cumulative  
The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

Note:\*\* KSE-30 is used as equity component for the Benchmark before June 30, 2008, the launch date of KMI-30 Index. The fund category was changed to Islamic Asset Allocation from Islamic Balanced with effect from April 22, 2014. Consequently, allowed equity range is now 0% to 90% which previously was 30% to 70%. Previous benchmark was 50% KMI-30 Index & 50% Islamic Bank Deposit.

## General Information

Launch Date:	October 26, 2007
Fund Size:	Rs. 6,197 million
Type:	Open-end-Shariah Compliant -Asset Allocation 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. 50 million), Back end: 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.65% p.a.(including 0.36% government levies)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:**	Average of (i) average 3-month Islamic banks deposit rate (ii) 6-month KIBOR or its Shariah Compliant equivalent (iii) KMI 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 (High Investment Management Standards)

## Investment Objective

To generate capital appreciation by investing in Shariah Compliant equity and equity related securities and income by investing in Shariah Compliant bank deposits, debt & money market securities.

## Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Asset Allocation Fund decreased by 0.1% whereas the Benchmark decreased by 0.02%, thus your Fund underperformed the Benchmark by 0.08%. Since inception your Fund has posted 287.0% return, versus 159.4% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 127.6%. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 63% in equities, which decreased to around 59% towards the end of the month. NIAAF lagged the Benchmark in August as the Fund was overweight in equities which fell during the month. However, the Fund outperformed in security selection as it was overweight in select Oil & Gas Exploration Companies, Leather & Tanneries, and Refinery sectors stocks which outperformed the market. During the month the allocation was reduced primarily in Engineering, Cement, Power Generation & Distribution, Refinery, and Oil & Gas Marketing Companies sectors.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

Asset Allocation (% of Total Assets)	31-Aug-16	29-July-16
Equities / Stocks	58.7%	62.5%
Sukuks	0.7%	0.8%
Cash	39.7%	34.8%
Others including receivables	0.9%	1.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAF	9.7	2.9	4.4%
KMI-30	10.9	2.2	4.8%

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

## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Cement	10.8%
Oil & Gas Exploration Companies	10.6%
Fertilizer	6.9%
Power Generation & Distribution	6.6%
Oil & Gas Marketing Companies	6.2%
Others	17.6%

## Name of the Members of Investment Committee

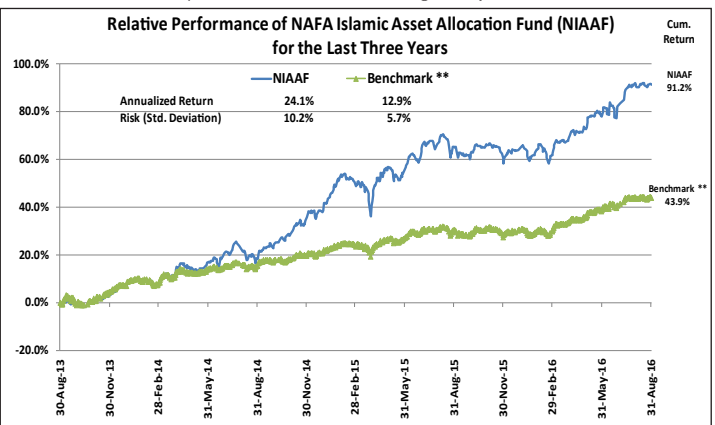
Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 15,789,039/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0416/0.30%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

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## Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan State Oil Co. Ltd	Equity	4.4%	Hub Power Company Ltd	Equity	2.7%
Engro Corporation Ltd	Equity	3.7%	Kohinoor Textile Mills Ltd	Equity	2.5%
Mari Petroleum Company Ltd	Equity	3.5%	Indus Motor Company Ltd	Equity	2.4%
Lucky Cement Ltd	Equity	3.4%	Nishat Mills Ltd	Equity	2.4%
Pakistan Oilfields Ltd	Equity	3.2%	Pak Petroleum Ltd	Equity	2.2%

## 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
Eden Housing (Sukuk II)	SUKUK	4,921,875	4,921,875	-	-	-
<b>Total</b>		<b>4,921,875</b>	<b>4,921,875</b>	<b>-</b>	<b>-</b>	<b>-</b>



# NAFA Multi Asset Fund (NMF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.16.6806

August 2016

## Performance %

Performance Period	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15-Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch January 19, 2007*
NAFA Multi Asset Fund	1.5%	6.7%	14.6%	8.7%	26.8%	25.4%	34.1%	15.5%	16.2%
Benchmark**	0.1%	2.8%	10.3%	7.1%	11.0%	19.6%	22.4%	8.0%	9.5%

\* Annualized Return  
All Other returns are Cumulative

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.  
\*\*From January 01, 2014, KSE-30 Total Return Index

## General Information

Launch Date:	January 19, 2007
Fund Size:	Rs 1,415 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. 50 million) Back end: 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.80% p.a.(including 0.37% government levies)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	50% KSE-30 Total Return Index & 50% 3-month KIBOR
Fund Manager:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (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) increased by 1.5% while the Benchmark increased by 0.1%. Thus your Fund outperformed the Benchmark by 1.4%. Since inception on January 19, 2007 your Fund has posted 322.3% return, versus 140.1% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 182.2%. This outperformance is net of management fee and all other expenses.

NMF started off the month with an allocation of around 65% in equities which decreased to around 62% towards the end of the month. NMF outperformed the Benchmark in August as the Fund was underweight in select Commercial Banks and Fertilizer sectors stocks which underperformed the market and overweight in select Engineering, Commercial Banks, Glass & Ceramics, Automobile Parts & Accessories, and Refinery sectors stocks which outperformed the market. During the month, the allocation was primarily increased in Commercial banks and Fertilizer sectors, whereas it was reduced primarily in Engineering, Cement, Power Generation & Distribution, Refinery, and Oil & Gas Marketing Companies sectors.

## Asset Allocation (% of Total Assets)

	31-Aug-16	29-July-16
Equities / Stocks	62.3%	64.9%
TFCs / Sukuks	8.3%	8.3%
Cash	25.9%	22.8%
PIBs	2.7%	2.7%
Others including receivables	0.8%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NMF	9.1	2.6	4.8%
KSE-30	10.1	2.3	5.2%

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

## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Oil & Gas Exploration Companies	9.6%
Commercial Banks	9.2%
Cement	7.9%
Textile Composite	7.3%
Fertilizer	6.3%
Others	22.0%

## Name of the Members of Investment Committee

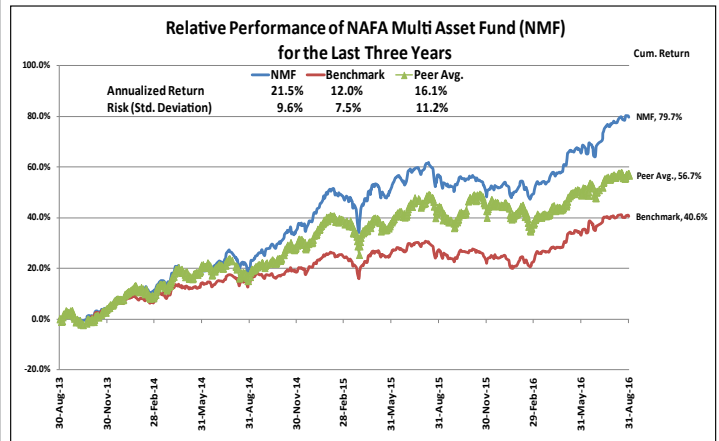
Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA  
Muhammad Ali Bhabha, CFA, FRM

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 20,016,564/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.2359/1.62%. For details investors are advised to read Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Documents to understand the investment policies and the risks involved. The scheme holds certain non-compliant investments. Before making any investment decision, investors should review the latest monthly Fund Manager Report and Financial statements. The reported return may include provisions and reversal of provisions against some debt securities.



## Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
K Electric Azm	Sukuk	5.6%	Jahangir Siddiqui and Co Ltd	TFC	2.7%
Nishat Mills Ltd	Equity	3.8%	Indus Motor Company Ltd	Equity	2.6%
Engro Corporation Ltd	Equity	3.5%	Thal Ltd	Equity	2.6%
Kohinoor Textile Mills Ltd	Equity	3.1%	Pak Petroleum Ltd	Equity	2.4%
Mari Petroleum Company Ltd	Equity	2.8%	Kot Addu Power Co Ltd	Equity	2.3%

## 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
Saudi Pak Leasing	TFC	27,547,410	27,547,410	-	-	-
Eden Housing (Sukuk II)	SUKUK	9,843,750	9,843,750	-	-	-
New Allied Electronics (Sukuk I)	SUKUK	10,000,000	10,000,000	-	-	-
<b>Total</b>		<b>47,391,160</b>	<b>47,391,160</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Performance

Performance Period	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15 - Aug 16	FY 2016	Since Launch* January 09, 2015
NAFA Islamic Stock Fund	0.5%	7.9%	19.2%	12.9%	20.4%
Benchmark	(1%)	4.9%	20.0%	15.5%	18.6%

\* Annualized Return  
All Other returns are Cumulative

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	January 9, 2015
Fund Size:	Rs. 2,912 million
Type:	Open-end-Shariah Compliant-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:	Forward Pricing
Load:	Front end 3% (Nil on investment above Rs 50 million) Back end - 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.86% p.a.(including 0.38% government levies)
Risk Profile	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	"A. F. Ferguson & Co. Chartered Accountants"
Benchmark:	KMI-30 Index
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities.

## Fund Manager's Commentary

During the month under review, NAFA Islamic Stock Fund's (NISF) unit price (NAV) increased by 0.5%, whereas the Benchmark decreased by 1.0%, thus an outperformance of 1.5% was recorded. Since inception on January 9, 2015 your Fund has posted 35.7% cumulative return, versus 32.3% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 3.4%. This outperformance is net of management fee and all other expenses.

NISF started off the month with an allocation of around 87% in equities, which decreased to around 86% towards the end of the month. NISF outperformed the Benchmark in August as the Fund was underweight in select Power Generation & Distribution, Fertilizer, and Cement sectors stocks which underperformed the market and overweight in select Engineering, Automobile Assembler, Oil & Gas Marketing Companies, Glass & Ceramics, and Automobile Parts & Accessories sectors stocks which outperformed the market. During the month, the allocation was decreased primarily in Cement, Oil & Gas Exploration Companies, Fertilizer, and Refinery sectors.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

Asset Allocation (% of Total Assets)	31-Aug-16	29-July-16
Equities / Stocks	86.1%	87.4%
Cash Equivalents	13.6%	11.8%
Others including receivables	0.3%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NISF	8.9	2.9	4.0%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

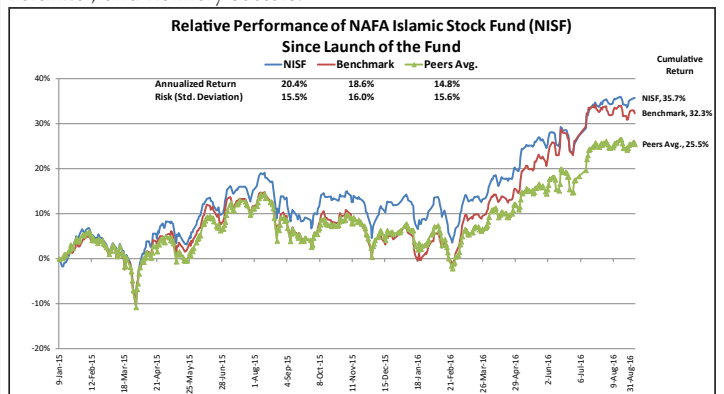
## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Cement	15.0%
Fertilizer	12.8%
Oil & Gas Exploration Companies	12.4%
Oil & Gas Marketing Companies	10.3%
Textile Composite	6.7%
Others	28.9%

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 2,403,366/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0102/0.10%.For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2016.From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.



## Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	4.8%	Attock Cement Pakistan Ltd	Equity	3.5%
Pakistan State Oil Co Ltd	Equity	4.8%	Lucky Cement Ltd	Equity	3.3%
Mari Petroleum Company Ltd	Equity	4.4%	Pak Petroleum Ltd	Equity	3.2%
Nishat Mills Ltd	Equity	4.1%	Dawood Hercules Corp Ltd	Equity	2.9%
Pakistan Oilfields Ltd	Equity	3.7%	Honda Atlas Cars Ltd	Equity	2.8%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA

Performance %									
Performance Period	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15 - Aug 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch January 19, 2007*
NAFA Stock Fund	1.5%	8.0%	18.3%	11.4%	36.9%	36.3%	55.0%	22.0%	17.7%
Benchmark**	(0.3%)	4.7%	13.8%	7.1%	12.3%	29.6%	36.0%	2.9%	7.3%

\* Annualized Return  
All Other returns are Cumulative

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.  
\*\*From January 01, 2014, KSE-30 Total Return Index

General Information	
Launch Date:	January 19, 2007
Fund Size:	Rs. 9,531 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:	Forward Pricing
Load:	Front end: 3% (Nil on investment above Rs. 50 million), Back end: 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.68% p.a.(including 0.36% government levies)
Risk Profile:	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	KSE-30 Total Return 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 (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, NAFA Stock Fund's (NSF) unit price (NAV) increased by 1.5%, whereas the Benchmark decreased by 0.3%, thus an outperformance of 1.8% was recorded. Since inception on January 19, 2007 your Fund has posted 380.4% cumulative return, versus 97.5% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 282.9%. This outperformance is net of management fee and all other expenses.

NSF started off the month with an allocation of around 88% in equities which decreased to around 87% towards the end of the month. NSF outperformed the Benchmark in August as the Fund was underweight in select Power Generation & Distribution, Commercial Banks, Cement, and Fertilizer sectors stocks which underperformed the market and overweight in select Engineering, Glass & Ceramics, and Commercial Banks sectors stocks which outperformed the market. During the month, the allocation was primarily increased in Commercial Banks, Food & Personal Care Products, and Textile composite sectors, whereas it was reduced primarily in Engineering, Cement, Fertilizer, and Oil & Gas Marketing Companies sectors.

Asset Allocation (% of Total Assets)	31-Aug-16	29-July-16
Equities / Stock	87.0%	88.2%
Cash	12.8%	11.3%
Others including receivables	0.2%	0.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Characteristics of Equity Portfolio***			
	PER	PBV	DY
NSF	9.2	2.5	4.6%
KSE-30	10.1	2.3	5.2%

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

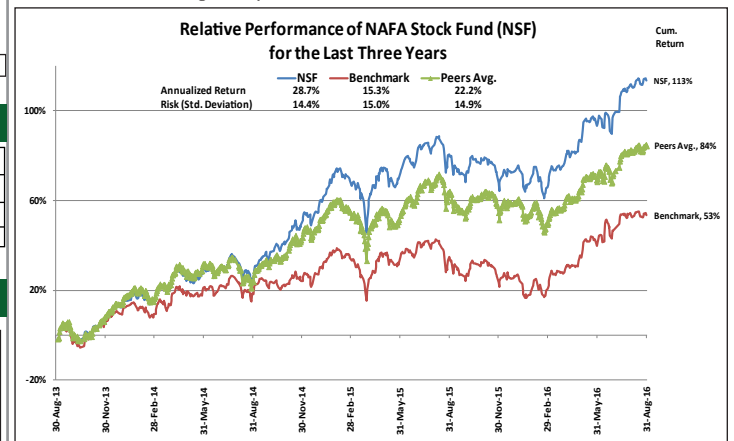
Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)	
Commercial Banks	15.2%
Cement	13.2%
Oil & Gas Exploration Companies	13.0%
Fertilizer	9.1%
Textile Composite	7.3%
Others	29.2%

**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 47,574,549/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0712/0.59%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

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Top Ten Equity Holdings (as on 31 Aug, 2016)			
Name	% of Total Assets	Name	% of Total Assets
Pakistan State Oil Co Ltd	4.9%	Oil & Gas Dev Co Ltd	3.5%
Engro Corporation Ltd	4.8%	Mari Petroleum Co Ltd	3.5%
Nishat Mills Ltd	4.2%	D G Khan Cement Co Ltd	3.4%
Habib Bank Ltd	3.7%	Pakistan Oilfields Ltd	3.1%
United Bank Ltd	3.7%	Lucky Cement Ltd	3.0%

**Name of the Members of Investment Committee**

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA

## Performance %

	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) Aug 31, 2016	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15 - Aug 16	FY 2016	FY 2015	Since Launch July 02, 2013
NPF-Equity Sub-fund	656.2	259.9460	0.9%*	7.8%*	19.3%*	14.8%*	49.6%*	34.8%
NPF-Debt Sub-fund	385.5	136.4405	4.2%	4.3%	5.1%	5.5%	17.3%	9.9%
NPF-Money Market Sub-fund	355.2	123.9328	4.6%	4.5%	4.8%	4.9%	7.8%	6.6%

\* Cumulative Returns

The performance reported is net of management fee & all other expenses.

All Other returns are annualized

## General Information

Launch Date:	July 2, 2013
Fund size: NPF	Rs. 1,397 million
Type:	Open-end – 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 05:30 P.M
Pricing Mechanism	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a. Equity 2.01% p.a. (including 0.24% government levies)
Total Expense Ratio (%)	Debt 1.98% p.a. (including 0.25% government levies) Money Market 1.66% p.a. (including 0.24% government levies)
Risk Profile	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1000/-
Asset Manager Rating:	AM2++ by PACRA (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's Commentary

### During the month of August:

NPF Equity Sub-fund unit price increased by 0.9% compared with 0.7% increase in KSE-100 Index. The Sub-fund was around 95% invested in equities with major weights in Oil & Gas Exploration, Commercial Banks, and Cement sectors. Equity Sub-fund maintains exposure of at least 95% in listed equities on average. Last 90 days average allocation in equity was 95.3% of net asset.

NPF Debt Sub-fund generated annualized return of 4.2%. The Sub-fund was invested primarily in Government securities and TFCs. Debt Sub-fund maintains a minimum combined exposure of 50% in Government Securities (25% minimum) and AA+ rated banks. Weighted Average Maturity of Sub-fund is 0.7 year.

NPF Money Market Sub-fund generated annualized return of 4.6%. In line with its investment strategy, the Sub Fund will maintain high exposure in money market securities. Money Market Sub-fund average maturity cannot exceed 90 days. Weighted Average Maturity of Sub-fund is 5 days.

## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Sector	% of Total Assets
Oil & Gas Exploration Companies	13.7%
Commercial Banks	13.3%
Cement	12.0%
Fertilizer	10.2%
Textile Composite	8.0%
Others	38.0%

## Top Ten Holdings of Equity Sub-fund (as on 31 Aug, 2016)

Name	(% of Total Assets)	Name	(% of Total Assets)
Engro Corporation Ltd	5.1%	United Bank Ltd	3.7%
Pakistan State Oil Co. Ltd	4.7%	Pakistan Oilfields Ltd	3.5%
Mari Petroleum Company Ltd	4.7%	Pak Petroleum Ltd	3.3%
Nishat Mills Ltd	4.2%	Lucky Cement Ltd	3.2%
Habib Bank Ltd	3.8%	Kot Addu Power Co Ltd	2.7%

As on 31 Aug, 2016

## Top TFC/Sukuk Holdings of Debt Sub-fund

Name	(% of Total Assets)
Jahangir Siddiqui and Company Ltd 08-APR-14	5.1%
Askari Commercial Bank Limited 30-SEP-14 30-SEP-24	4.7%
Jahangir Siddiqui and Company Ltd.(Pre IPO) 16-MAY-16 16-MAY-21	0.8%
Standard Chartered Bank (Pakistan) Limited IV	0.6%
Faysal Bank Limited III	0.3%
<b>Total</b>	<b>11.5%</b>

## WORKERS' WELFARE FUND (WWF)

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

	Total amount Provided Rs	Amount Per Unit Rs	Last One Year return would otherwise have been higher by:
Equity Sub-Fund	2,346,729	0.8643	0.40%
Debt Sub-Fund	809,223	0.2698	0.21%
Money Market Sub-Fund	351,954	0.1153	0.10%

For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front-end load.

2) Taxes apply. Further, tax credit also available as per section 63 of the Income Tax Ordinance, 2001.

## Credit Quality of the Portfolio (as on 31 Aug, 2016)

	Debt	Money Market
Government Securities (AAA rated)	63.8%	-
AAA	5.8%	19.9%
AA+	24.1%	38.9%
AA	-	2.6%
AA-	5.0%	0.4%
A+	-	36.9%
Others	1.3%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets)

	31-Aug-16	29-July-16
<b>Equity Sub-fund</b>		
Equity	95.2%	94.0%
Cash Equivalents	4.3%	5.8%
Others	0.5%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Debt Sub-fund</b>		
Cash Equivalents	23.4%	24.1%
TFC/Sukuk	11.5%	11.4%
PIBs	3.7%	3.7%
T-Bills	60.1%	59.7%
Others	1.3%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Money Market Sub-fund</b>		
Cash Equivalents	81.7%	81.6%
Bank Placement	17.0%	17.3%
Others	1.3%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

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

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## Performance %

	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) Aug 31, 2016	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15 - Aug 16	FY 2016	FY 2015	Since Launch July 02, 2013
NIPF-Equity Sub-fund	532.2	261.0658	0.5%*	7.4%*	20.8%*	16.9%*	51.5%*	35.1%
NIPF-Debt Sub-fund	311.3	120.4588	4.2%	4.0%	3.6%	3.8%	5.6%	5.7%
NIPF-Money Market Sub-fund	170.9	120.5770	4.4%	4.3%	3.9%	3.9%	6.2%	5.8%

\* Cumulative Returns  
All Other returns are annualized  
The performance reported is net of management fee & all other expenses.

## General Information

Launch Date:	July 2, 2013
Fund size: NIPF	Rs. 1,014 million
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 05:30 P.M
Pricing Mechanism	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a. Equity 2.00% p.a. (including 0.24% government levies)
Total Expense Ratio (%)	Debt 1.96% p.a. (including 0.24% government levies) Money Market 2.06% p.a. (including 0.24% government levies)
Risk Profile	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1000/-
Asset Manager Rating:	AM2++ by PACRA (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's Commentary

### During the month of August:

NIPF Equity Sub-fund unit price increased by 0.5% compared with 1.0% decrease in KMI-30 Index. The Sub-fund was around 91% invested in equities with major weights in Cement, Fertilizer, and Oil & Gas Exploration Companies sectors. Equity Sub-fund maintains exposure of at least 90% in listed equities on average. Last 90 days average allocation in equity was 93.5% of net asset.

NIPF Debt Sub-fund generated annualized return of 4.2%. The Sub-fund was invested primarily in GoP Ijara Sukuks and Islamic bank deposits. Debt Sub-fund maintains a minimum combined exposure of 50% in Islamic Government Securities (25% minimum) and A+ rated Islamic banks / AA rated Islamic windows. Weighted Average Maturity of Sub-fund is 0.7 year.

NIPF Money Market Sub-fund generated annualized return of 4.4%. The Sub-fund was invested primarily in Islamic bank deposits. Money Market Sub-fund average maturity cannot exceed 1 year. Weighted Average Maturity of Sub-fund is 0.2 year.

## Credit Quality of the Portfolio (as on 31 Aug 2016)

	Debt	Money Market
Government Securities (AAA rated)	36.8%	8.7%
AAA	19.2%	16.0%
AA+	19.8%	23.5%
AA	5.1%	6.0%
AA-	-	18.8%
A+	17.6%	25.3%
Others	1.5%	1.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets)

Equity Sub-fund	31-Aug-16	29-July-16
Equity	90.7%	93.6%
Cash Equivalents	8.8%	6.0%
Others including receivables	0.5%	0.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Debt Sub-fund	31-Aug-16	29-July-16
Cash Equivalents	61.7%	61.3%
GOP Ijara Sukuk	36.8%	37.2%
Others	1.5%	1.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Money Market Sub-fund	31-Aug-16	29-July-16
Cash Equivalents	89.6%	89.8%
GOP Ijara Sukuk	8.7%	8.8%
Others	1.7%	1.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA,  
Asim Wahab Khan, CFA,

## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Cement	15.4%
Fertilizer	13.0%
Oil & Gas Exploration Companies	11.6%
Oil & Gas Marketing Companies	9.5%
Textile Composite	7.1%
Others	34.1%

## Top Ten Holdings of Equity Sub-fund (as on 31 Aug, 2016)

Name	(% of Total Assets)	Name	(% of Total Assets)
Pakistan State Oil Co. Ltd	5.5%	Lucky Cement Ltd	3.7%
Engro Corporation Ltd	5.4%	Pakistan Oilfields Ltd	3.3%
Mari Petroleum Company Ltd	4.5%	Dawood Hercules Corp Ltd	3.0%
Nishat Mills Ltd	4.4%	Engro Fertilizer Ltd	3.0%
Pak Petroleum Ltd	3.9%	Kohinoor Textile Mills Ltd	2.7%

## WORKERS' WELFARE FUND (WWF)

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

	Total amount Provided Rs	Amount Per Unit Rs	Last One Year return would otherwise have been higher by:
Equity Sub-Fund	1,341,944	0.5717	0.27%
Debt Sub-Fund	182,708	0.0617	0.05%
Money Market Sub-Fund	137,561	0.0841	0.07%

For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front-end load.  
2) Taxes apply. Further, tax credit also available as per section 63 of the Income Tax Ordinance, 2001.

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.116.1622

August 2016

## Performance %

Performance	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15-Aug 16	FY 2016	FY 2015	Since Launch March 05, 2014*
NAFA Islamic Principal Protected Fund-I (NIPPF-I)	(0.03%)	4.0%	7.4%	4.2%	21.3%	12.8%
Benchmark	(0.4%)	2.5%	9.4%	7.7%	11.0%	10.0%

\* Annualized Return The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.  
All Other returns are Cumulative

## General Information

Launch Date:	March 5, 2014
Fund Size:	Rs. 643 million
Type:	Open-end Shariah Compliant -Capital Protected 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:	Back end: 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.81% p.a. (including 0.35% government levies)
Risk Profile:	Low
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

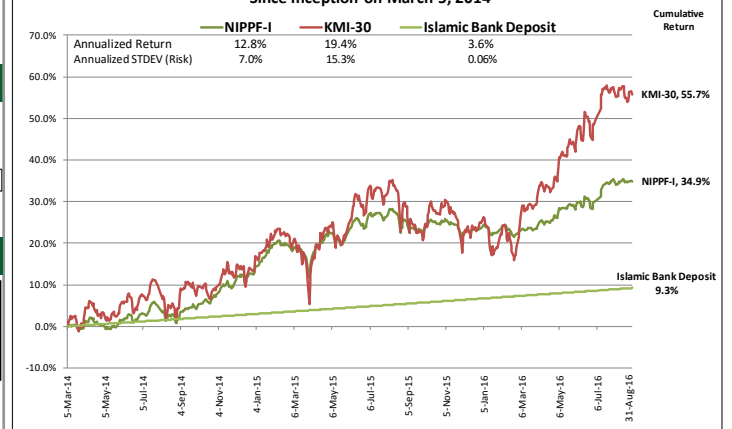
## Investment Objective

The objective of NAFA Islamic Principal Protected Fund-I is to earn a potentially high return through dynamic asset allocation between shariah compliant Equities and Money Market investment avenues, while providing principal protection.

## Fund Manager's Commentary

Since inception, NIPPF- I has generated a cumulative return of 34.9% versus 26.9% return of the Benchmark. The current equity exposure stands at around 47%. During the month, maximum and minimum multiplier stood at 2.0. Key holdings of the Fund belong to Cement, Oil & Gas Exploration Companies, and Oil & Gas Marketing Companies sectors. The Fund can invest up to 50% in equities subject to cushion availability. We are confident that the Fund will generate good returns considering the improved macroeconomic and political outlook and built in dynamic equity allocation mechanism of the Fund.

Relative Performance of NAFA Islamic Principal Protected Fund-I (NIPPF-I) Since Inception on March 5, 2014



## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

	31-Aug-16	29-July-16
Equities / Stocks	46.6%	46.8%
Cash	51.7%	52.1%
Others including receivables	1.7%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIPPF-I	10.0	2.7	4.9%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Cement	8.1%
Oil & Gas Exploration Companies	7.3%
Oil & Gas Marketing Companies	5.8%
Power Generation & Distribution	5.5%
Fertilizer	4.6%
Others	15.3%

## Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Indus Motor Company Ltd	Equity	3.5%	Hub Power Company Ltd	Equity	2.7%
Pakistan State Oil Co. Ltd	Equity	3.4%	Engro Corporation Ltd	Equity	2.2%
Pak Petroleum Ltd	Equity	3.3%	Lucky Cement Ltd	Equity	1.9%
Pakistan Oilfields Ltd	Equity	2.9%	Attock Cement Pakistan Ltd	Equity	1.8%
Kot Addu Power Co Ltd	Equity	2.8%	Engro Fertilizer Ltd	Equity	1.5%

## Name of the Members of Investment Committee

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

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 7,552,236/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 1.3651/1.26%. For details investors are advised to read Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2016.From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Documents to understand the investment policies and the risk involved. Capital protection only applies to unit holders who hold their investments until initial maturity of two years.

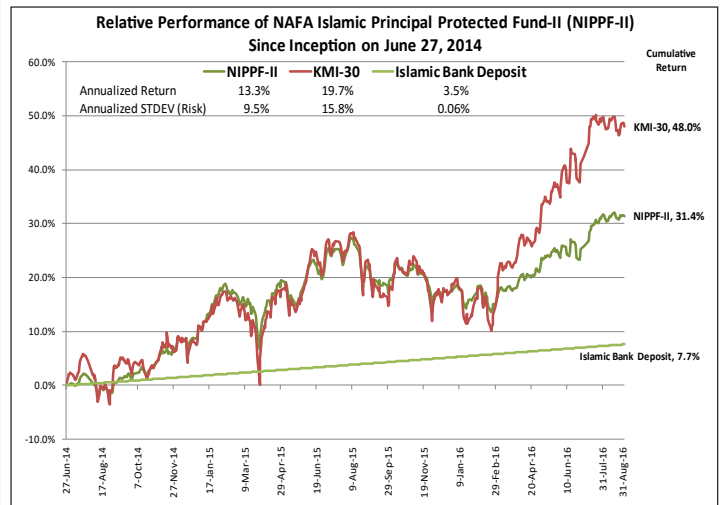
Performance Period	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15 - Aug 16	FY 2016	FY 2015	Since Launch June 27, 2014*
NAFA Islamic Principal Protected Fund-II (NIPPF-II)	0.03%	4.9%	7.6%	3.3%	21.0%	13.3%
Benchmark	(0.7%)	2.8%	11.1%	8.9%	12.2%	11.2%

\* Annualized Return The performance reported is net of management fee & all other expenses and based on All Other returns are Cumulative dividend reinvestment gross of with-holding tax where applicable.

General Information	Investment Objective
<p><b>Launch Date:</b> June 27, 2014  <b>Fund Size:</b> Rs. 974 million  <b>Type:</b> Open-end Shariah Compliant -Capital Protected Fund  <b>Dealing Days:</b> Daily – Monday to Friday  <b>Dealing Time:</b> (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M  <b>Settlement:</b> 2-3 business days  <b>Pricing Mechanism:</b> Forward Pricing  <b>Load:</b> Back end: 0%  <b>Management Fee:</b> 2% per annum  <b>Total Expense Ratio (%):</b> 2.81% p.a. (including 0.36% government levies)  <b>Risk Profile:</b> Low  <b>Listing:</b> Pakistan Stock Exchange  <b>Custodian &amp; Trustee:</b> Central Depository Company (CDC)  <b>Auditors:</b> A. F. Ferguson &amp; Co. Chartered Accountants  <b>Benchmark:</b> Daily weighted return of KMI-30 index &amp; Islamic Bank Deposits based on Fund's actual allocation.  <b>Fund Manager:</b> Sajjad Anwar, CFA  <b>Asset Manager Rating:</b> AM2++ by PACRA (High Investment Management Standards)</p>	<p>The objective of NAFA Islamic Principal Protected Fund-II is to earn a potentially high return through dynamic asset allocation between Shariah compliant Equities and Money Market investment avenues, while providing principal protection.</p>

### Fund Manager's Commentary

Since inception, NIPPF- II has generated a cumulative return of 31.4% versus 26.0% return of the Benchmark. The current equity exposure stands at around 72%. During the month, maximum multiplier stood a 3.4 whereas minimum multiplier was 3.3. Key holdings of the Fund belong to Cement, Oil & Gas Exploration Companies, and Oil & Gas Marketing Companies. The Fund can invest up to 100% in equities subject to cushion availability. We are confident that the Fund will continue to generate good returns considering the improved macroeconomic and political outlook and built in dynamic equity allocation mechanism of the Fund.



Asset Allocation (% of Total Assets)	31-Aug-16	29-July-16
Equities / Stocks	71.9%	69.1%
Cash Equivalents	27.1%	30.1%
Others including receivables	1.0%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

### Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIPPF-II	9.4	2.7	4.8%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

### Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Cement	11.0%
Oil & Gas Exploration Companies	10.3%
Oil & Gas Marketing Companies	10.3%
Textile Composite	9.8%
Fertilizer	8.3%
Others	22.2%

### Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Nishat Mills Ltd	Equity	5.5%	Indus Motor Company Ltd	Equity	3.2%
Pakistan State Oil Co. Ltd	Equity	4.9%	Pak Petroleum Ltd	Equity	3.2%
Engro Corporation Ltd	Equity	4.7%	Shell Pakistan Ltd	Equity	3.0%
Kohinoor Textile Mills Ltd	Equity	4.2%	Attock Cement Pakistan Ltd	Equity	3.0%
Pakistan Oilfields Ltd	Equity	3.9%	Kot Addu Power Co Ltd	Equity	2.9%

### WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 5,069,719,-/If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.6128/0.56%. For details investors are advised to read Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

### Name of the Members of Investment Committee

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

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Documents to understand the investment policies and the risk involved. Capital protection only applies to unit holders who hold their investments until initial maturity of two years.

# NAFA Islamic Principal Preservation Fund (NIPPF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.105.1452

August 2016

Performance %					
Performance Period	Aug 2016	FYTD 2017	Rolling 12 Months Sep 15 - Aug 16	FY 2016	Since Launch January 09, 2015*
NAFA Islamic Principal Preservation Fund (NIPPF)	0.4%	2.9%	6.0%	4.0%	7.4%
Benchmark	(0.3%)	1.8%	5.4%	3.6%	6.1%

\* Annualized Return  
All Other returns are Cumulative

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

General Information	Investment Objective
<p>Launch Date: January 9, 2015 Fund Size: Rs. 1,152 million Type: Open End Shariah Compliant Fund of Funds 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 Back end Load: 1% in year 1, 0.5% in year 2 and no load beyond 2 years Management Fee: 1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a. Total Expense Ratio (%): 1.30% p.a. (including 0.21% government levies) Risk Profile: Low Listing: Pakistan Stock Exchange Custodian &amp; Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson &amp; Co. Chartered Accountants Benchmark: Daily weighted return of KMI-30 index &amp; Islamic Bank Deposits based on Fund's actual allocation. Fund Manager: Sajjad Anwar, CFA Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)</p>	<p>The objective of NAFA Islamic Principal Preservation Fund is to earn a potentially high return through dynamic asset allocation between Shariah compliant equity related, and Shariah compliant income/ money market Collective Investment Schemes, while providing principal preservation.</p>
	Fund Manager's Commentary
	<p>Since inception, NIPPF has generated a cumulative return of 12.4% versus 10.2% return of the Benchmark. The current exposure in equity/asset allocation funds stands at around 44%. During the month, maximum multiplier stood at 4.3 whereas minimum multiplier was 3.7. The Fund can invest up to 100% in equity related funds subject to cushion availability. We are confident that the Fund will generate good returns considering the improved macroeconomic and political outlook and built in dynamic equity allocation mechanism of the Fund.</p>

Asset Allocation (% of Total Assets)	31-Aug-16	29-July-16
Islamic Stock Fund	28.3%	26.7%
Islamic Asset Allocation Fund	15.2%	15.6%
Cash	55.3%	56.1%
Others including receivables	1.2%	1.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Characteristics of Equity Portfolio**			
	PER	PBV	DY
NIAAF	9.7	2.9	4.4%
NISF	8.9	2.9	4.0%
KMI-30	10.9	2.2	4.8%

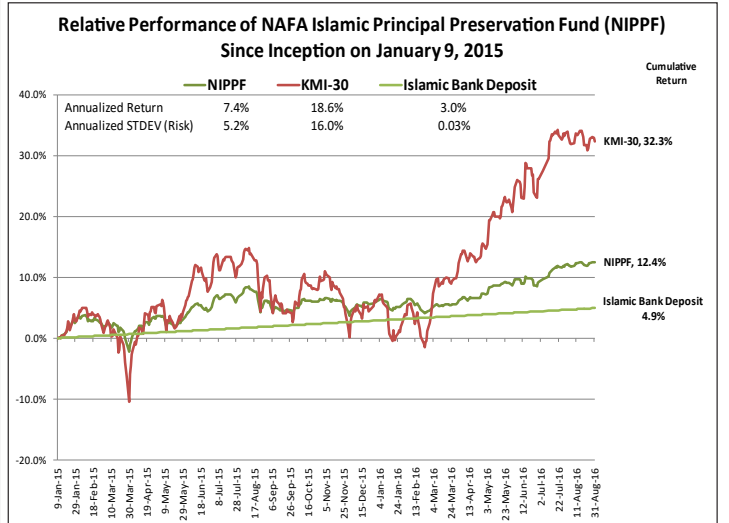
\*\* Based on NAFA's estimates

Top Holdings (%age of total assets) (as on 31 Aug, 2016)	
NAFA Islamic Stock Fund	28.3%
NAFA Islamic Asset Allocation Fund	15.2%
<b>Total</b>	<b>43.5%</b>

**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 1,767,381/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1614/0.16%.For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.



**Name of the Members of Investment Committee**

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



## Performance \*

Performance Period %	Aug 2016	FYTD 2017	Rolling 6 Months Mar 16-Aug 16	Since Launch January 15, 2016
NAFA Islamic Active Allocation Plan-I	0.2%	5.6%	16.7%	16.9%
Benchmark	(0.7%)	4.1%	18.6%	20.7%

\* Cumulative Return

[Returns are net of management fee & all other expenses]

## General Information

Launch Date:	January 15, 2016
Fund Size:	Rs. 885 million
Type:	Open Ended Shariah Compliant Fund of Funds
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
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.47% p.a.(including 0.11% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 index & 6 month deposit rate of A- and above rated Islamic banks and windows based on actual investment.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shariah Compliant Equity Fund and Income Fund.

## Fund Manager's Commentary

NAFA launched its NAFA Islamic Active Allocation Plan-I (NIAAP-I) in January, 2016 which is the first plan under NAFA Islamic Active Allocation Fund-I. The Active Allocation Plan will be dynamically managed between dedicated equity related and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-I has an initial maturity of two years.

Since inception, NIAAP-I has generated a return of 16.9% versus 20.7% return of the Benchmark. The current exposure in Equity Fund and Income Fund stands at 82.0% & 14.7% respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

	31-Aug-16	29-July-16
Shariah Compliant Funds	96.7%	95.7%
Cash Equivalents	3.2%	4.2%
Others including receivables	0.1%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF	9.2	2.9	4.2%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

## Top Holdings (% age of total assets) (as on 31 Aug, 2016)

NAFA Islamic Active Allocation Equity Fund	82.0%
NAFA Active Allocation Riba Free Savings Fund	14.7%
<b>Total</b>	<b>96.7%</b>

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.113.1926

August 2016

## Performance\*

Performance Period %	Aug 2016	FYTD 2017	Since Launch March 04, 2016
NAFA Islamic Active Allocation Plan-II	0.2%	5.4%	13.2%
Benchmark	(0.7%)	3.9%	14.7%

\* Cumulative Returns

[Returns are net of management fee & all other expenses]

## General Information

Launch Date:	March 04, 2016
Fund Size:	Rs. 720 million
Type:	Open Ended Shariah Compliant Fund of Funds
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
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.48% p.a.(including 0.11% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 index & 6 month deposit rate of A- and above rated Islamic banks and windows based on actual investment.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shariah Compliant Equity Fund and Income Fund.

## Fund Manager's Commentary

NAFA launched its NAFA Islamic Active Allocation Plan-II (NIAAP-II) in March 2016 which is the second plan under NAFA Islamic Active Allocation Fund-I. The Active Allocation Plan will be dynamically managed between dedicated equity related and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-II has an initial maturity of two years.

Since inception, NIAAP-II has generated a return of 13.2% versus 14.7% return of the Benchmark. The current exposure in Equity Fund and Income Fund stands at 78.8% & 17.9% respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

Asset Allocation (% of Total Assets)	31-Aug-16	29-July-16
Shariah Compliant Funds	96.7%	96.2%
Cash Equivalents	3.2%	3.7%
Others including receivables	0.1%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	9.2	2.9	4.2%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 Aug, 2016)

NAFA Islamic Active Allocation Equity Fund	78.8%
NAFA Active Allocation Riba Free Savings Fund	17.9%
<b>Total</b>	<b>96.7%</b>

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.102.8129

August 2016

## Performance\*

Performance Period %	Aug 2016	FYTD 2017	Since Launch June 28, 2016*
NAFA Islamic Active Allocation Plan-III	0.2%	2.7%	2.8%
Benchmark	(0.6%)	1.5%	2.2%

\* Cumulative Returns

[Returns are net of management fee & all other expenses]

## General Information

Launch Date:	June 28, 2016
Fund Size:	Rs. 1,467 million
Type:	Open Ended Shariah Compliant Fund of Funds
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
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.55% p.a. (including 0.12% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 index & 6 month deposit rate of A- and above rated Islamic banks and windows based on actual investment.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income Fund.

## Fund Manager's Commentary

NAFA launched its NAFA Islamic Active Allocation Plan-III (NIAAP-III) in June 2016 which is the third plan under NAFA Islamic Active Allocation Fund-I. The Active Allocation Plan will be dynamically managed between dedicated equity related and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-III has an initial maturity of two years.

Since inception, NIAAP-III has generated a return of 2.8% versus 2.2% return of the Benchmark. The current exposure in Equity Fund and Income Fund stands at 68.0% & 27.1% respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

	31-Aug-16	29-July-16
Shariah Compliant Funds	95.1%	75.9%
Cash Equivalents	4.6%	23.9%
Others including receivables	0.3%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	9.2	2.9	4.2%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

## Top Holdings (% age of total assets) (as on 31 Aug, 2016)

NAFA Islamic Active Allocation Equity Fund	68.0%
NAFA Active Allocation Riba Free Savings Fund	27.1%
<b>Total</b>	<b>95.1%</b>

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.10.0775

August 2016

## Performance %\*

Performance Period	Aug 2016	FYTD 2017	Rolling Six Month Mar-16-Aug-16	Since Launch January 18, 2016
NAFA Active Allocation Riba Free Savings Fund	4.4%	3.6%	4.0%	4.2%
Benchmark	4.3%	4.3%	4.6%	4.6%

\* Annualized Simple Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 668 Million
Type:	Open-end – Shariah Compliant 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: 0% Back end: 0%
Management Fee:	1.25% per annum
Total Expense Ratio:	1.92% p.a. (including 0.26% government levies)
Risk Profile:	Low
Fund stability rating	"A-(f)" by PACRA
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Average of 6-Month deposit rates (A- & above rated Islamic banks)
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription	Rs. 10,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

To earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shari'ah compliant banks deposits and money market/debt securities.

## Fund Manager's Commentary

During the month under review, the Fund has generated an annualized return of 4.4% against the benchmark return of 4.3%. The performance is net of management fee and all other expenses.

The Fund aims to consistently generate better return 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 Shariah compliant Government Securities of up to 3 years maturity as well as Shariah compliant money market and debt securities of up to 2 years maturity rated AA- or better.

Around 99.4% of net assets of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues. The weighted average time-to-maturity of the Fund is 1 day.

We will rebalance the allocation of the Fund proactively based on the capital market outlook.

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

Bank Deposits	98.6%	59.6%
Other including receivables	1.4%	40.4%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Credit Quality of the Portfolio as of Aug 31, 2016 (% of Total Assets)

AAA	14.6%
A+	60.9%
A-	23.1%
Other including receivables	1.4%
Total	100.0%

## Name of the Members of Investment Committee

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

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved.

## Performance\*

Performance %	Aug 2016	FYTD 2017	Rolling 6 Months Mar 16-Aug 16	Since Launch January 18, 2016
NAFA Islamic Active Allocation Equity Fund	0.2%	6.9%	28.2%	26.9%
Benchmark	(1.0%)	4.9%	29.1%	32.9%

\* Cumulative Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 2,330 million
Type:	Open Ended Shariah Compliant Equity 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
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end-0% Back end-0%
Management Fee:	2% p.a
Risk Profile	High
Total Expense Ratio (%)	2.54% p.a. (including 0.33% government levies)
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Asim Wahab Khan, CFA
Asset Manager Rating:	AM2++ by PACRA ( High Investment Management Standards)

## Investment Objective

The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities.

## Fund Manager's Commentary

NAFA launched its second open-end Islamic Equity Fund namely NAFA Islamic Active Allocation Equity Fund (NIAAEF) in January, 2016. The aim of the Fund is to provide growth to the investment of Unit holders over the long-term in approved Shariah compliant equities.

NIAAEF started off the month with an allocation of around 87% in equities, which decreased to around 85% towards the end of the month. NIAAEF outperformed the Benchmark in August as the Fund was underweight in select Power Generation & Distribution Companies, Fertilizer, and Cement sectors stocks which underperformed the market and overweight in select Engineering, Oil & Gas Marketing Companies, Glass & Ceramics, and Textile Composite sectors stocks which outperformed the market. During the month, the allocation was decreased primarily in Oil & Gas Marketing Companies, Fertilizer, Power Generation & Distribution, and Refinery sectors.

## Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	5.0%	Engro Fertilizer Ltd	Equity	3.6%
Pakistan State Oil Co Ltd	Equity	4.6%	D G Khan Cement Co	Equity	3.6%
Nishat Mills Ltd	Equity	4.5%	Attock Cement Pakistan Ltd	Equity	3.4%
Pakistan Oilfields Ltd	Equity	3.8%	Kohinoor Textile Mills Ltd	Equity	3.4%
Mari Petroleum Company Ltd	Equity	3.7%	Indus Motor Company Ltd	Equity	3.2%

## Asset Allocation (% of Total Assets)

	31-Aug-16	29-July-16
Equities / Stocks	84.9%	87.0%
Cash Equivalents	14.8%	12.5%
Others including receivables	0.3%	0.5%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF	9.2	2.9	4.2%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 31 Aug, 2016)

Cement	15.3%
Oil & Gas Exploration Companies	12.5%
Fertilizer	12.4%
Textile Composite	7.9%
Oil & Gas Marketing Companies	7.7%
Others	29.1%

Notes: 1) The calculation of performance does not include cost of front-end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2016): Rs.11.5025

August 2016

## Performance %\*

Performance Period	Aug 2016	FYTD 2017	Since Launch April 21, 2016
NAFA Islamic Energy Fund	3.0%	9.0%	19.4%
Benchmark	(1.0%)	4.9%	17.7%

\* Cumulative Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	April 21, 2016
Fund Size:	Rs. 1,425 million
Type:	Open Ended Shariah Compliant Equity 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
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end 3% (Nil on investment above Rs 50 million) Back end - 0%
Management Fee:	2% p.a
Total Expense Ratio (%)	2.99% p.a. (including 0.38% government levies)
Risk Profile	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-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 ( High Investment Management Standards)

## Investment Objective

The objective of NAFA Islamic Energy Fund is to provide investors with long term capital growth from an actively managed portfolio of Shari'ah Compliant listed equities belonging to the Energy Sector.

## Fund Manager's Commentary

NAFA launched its third open-end Islamic Equity Fund namely NAFA Islamic Energy Fund (NIEF) in April, 2016. The aim of the Fund is to provide growth to the investment of Unit holders over the long-term in approved Shariah compliant energy stocks.

NIEF started off the month with an allocation of around 85% in equities, which decreased to around 83% towards the end of the month. NIEF outperformed the Benchmark in August as the Fund was overweight in select Energy sectors stocks which outperformed the market. During the month, the allocation was primarily increased in Power Generation & Distribution sector whereas it was reduced primarily in Oil & Gas Exploration Companies, and Refinery sector.

## Top Ten Holdings (as on 31 Aug, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Mari Petroleum Co Ltd	Equity	12.0%	Shell Pakistan Ltd	Equity	6.4%
Pakistan State Oil Co. Ltd	Equity	10.7%	Sui Northern Gas Ltd	Equity	6.1%
Pakistan Oilfields Ltd	Equity	8.7%	Oil & Gas Dev Co Ltd	Equity	5.5%
Pak Petroleum Ltd	Equity	7.8%	K-Electric Ltd	Equity	5.2%
Kot Addu Power Co Ltd	Equity	6.7%	Attock Refinery Ltd	Equity	3.9%

## Asset Allocation (% of Total Assets) 31-Aug-16 29-July-16

Equities / Stocks	83.1%	84.7%
Cash Equivalents	16.2%	14.0%
Others including receivables	0.7%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIEF	9.1	3.1	4.3%
KMI-30	10.9	2.2	4.8%

\*\* Based on NAFA's estimates

## Sectors (% of Total Assets) (as on 31 Aug, 2016)

Oil & Gas Exploration Companies	34.0%
Oil & Gas Marketing Companies	28.6%
Power Generation & Distribution	15.7%
Refinery	4.8%

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA

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