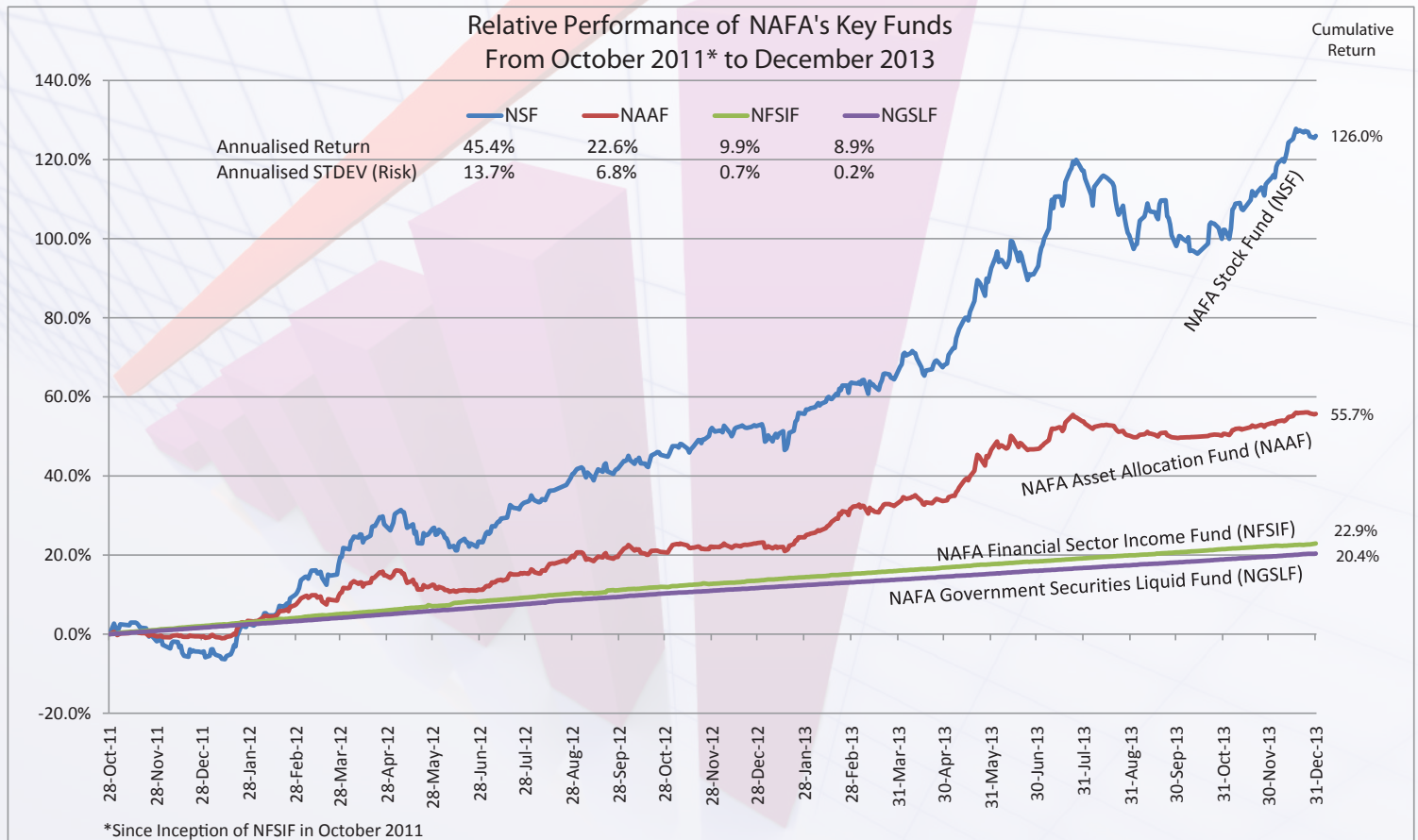




NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

Fund Manager Report

December 2013



Note: Detailed monthly reports on NAFA Funds are available on our website at www.nafafunds.com

Managed by:
NBP Fullerton Asset Management Limited

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

Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

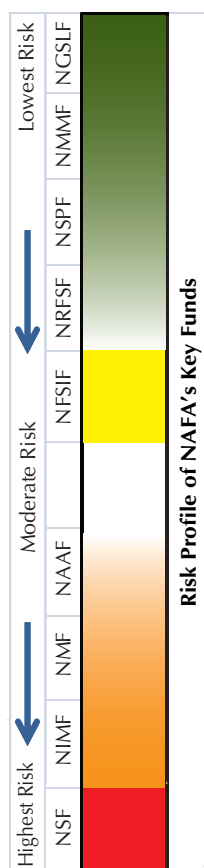


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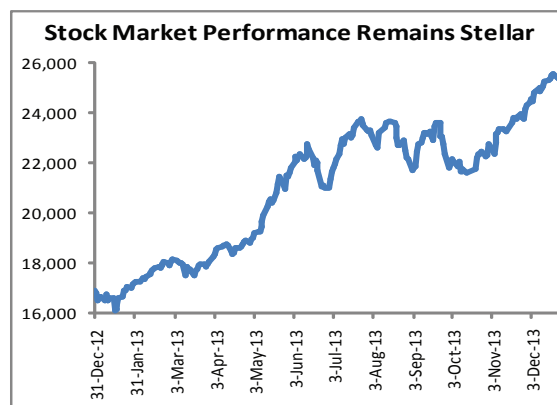
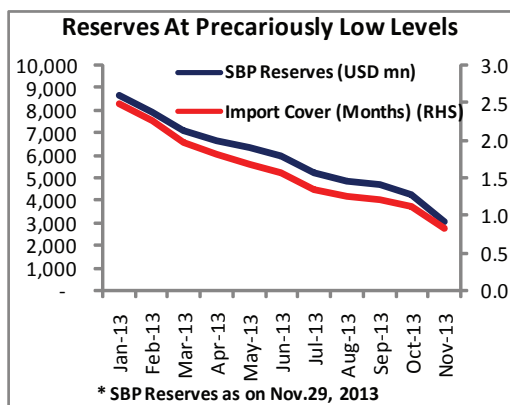
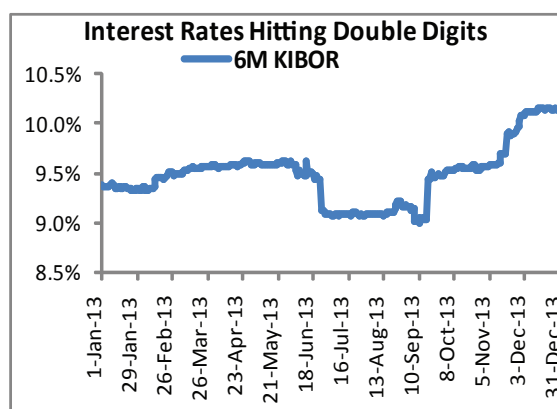
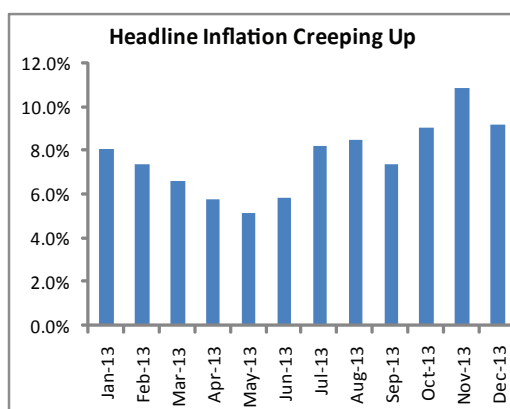


Fund Name	Fund Size (Rs. In Crore)	Stability Rating	December - 2013	FYTD - 2014	FY - 2013	FY - 2012	FY - 2011
Fixed Income Funds		Annualized Returns					
NAFA Government Securities Liquid Fund	1,492	AAA (f)	7.78%	7.42%	8.67%	10.86%	11.46%
NAFA Money Market Fund	1,066	AA (f)	8.28%	7.65%	9.16%	n/a	n/a
NAFA Savings Plus Fund	305	AA- (f)	7.40%	7.47%	8.77%	11.01%	10.64%
NAFA Riba Free Savings Fund	346	AA- (f)	7.96%	7.50%	8.73%	10.80%	n/a
NAFA Financial Sector Income Fund	309	A+ (f)	6.63%	7.58%	9.28%	n/a	n/a
Equity Related Funds		Cumulative Returns					
NAFA Asset Allocation Fund	127	-	1.75%	6.07%	31.94%	14.38%	n/a
NAFA Multi Asset Fund	89	-	3.36%	10.70%	34.14%	15.54%	25.30%
NAFA Islamic Multi Asset Fund	38	-	3.63%	8.34%	36.25%	13.26%	28.44%
NAFA Stock Fund	112	-	5.50%	18.33%	54.93%	21.98%	28.37%
<p>n/a = Not applicable. - Return is reported where full period performance is available.</p> <p><i>Note: Detailed monthly reports on NAFA Funds are available on our website at www.nafafunds.com</i></p>							

Investment outlook 2014

The year 2013 has finished on a mixed note for the local economy.

The year 2013 has ended on a mixed note for the Pakistan economy. Some of the negatives of 2013 include: Headline inflation notably picking up, foreign exchange reserves dwindling to precariously low levels exerting pressure on the rupee, and interest rates rising to double digits following an increase in policy rate and tighter liquidity conditions. On a positive note, post-resolution of power sector circular debt, industrial activity has picked up that has given a boost to the GDP growth rate; and government has demonstrated greater commitment to fiscal discipline by entering into a new IMF program.

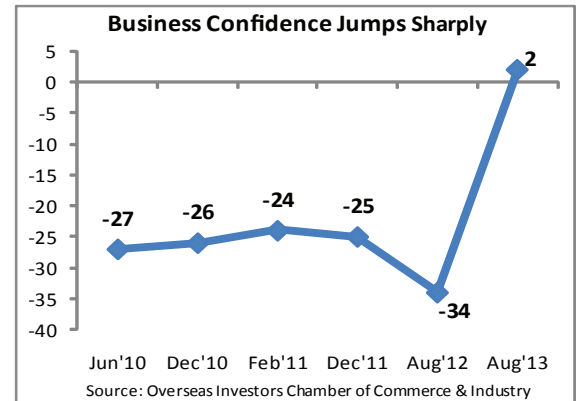


But the stock market has continued to hit new highs with the benchmark KSE-100 Index rising by 5,345 points or 27% to 25,261 level since May 2013 general elections.

However, completely defying the earlier said negatives and to some extent, economic fundamentals, the stock market extended the earlier gains and hit new highs with the benchmark KSE-100 Index rising by 5,345 points or 27% to 25,261 level since May 2013 general elections.

We attribute this robust performance to continuous foreign buying and a sharp upswing in the local business sentiments as captured in the latest OICCI Business

Confidence Index (BCI) Survey. According to the Survey, business sentiments have improved dramatically from negative 34% in August 2012 to positive 2% in July 2013. The positive sentiments are fueled by the perception that the new political setup will take appropriate measures to address load shedding, effectively tackle the law and order situation and generally improve governance. We feel that positive sentiments may have subsided since then on account of slow progress on the economic and governance fronts.



We expect macroeconomic challenges to continue during CY14. However, overall, CY14 is expected to be a better year than CY13.

With 2013 coming to an end, the million dollar question is how the domestic financial markets will perform in 2014. On the macroeconomic front, we expect the challenges to continue at least during 1H CY14. For instance, inflation is likely to remain at elevated levels due to further increase in administered prices notably energy, and their trickledown effect, and impact of currency weakness. Despite expected improvement in foreign exchange reserves, exchange rate would remain under pressure due to an aggressive reserves accumulation target set by the IMF. Interest rates would also remain on the higher side due to incessant government borrowing needs amid increasingly stringent quarterly government borrowing targets from SBP and higher private sector credit demand. On the flip side, driven by an upsurge in the industrial sector, FY14 GDP growth is likely to remain decent at around 4.0%. Budget deficit for the current fiscal year is also expected to come around 6-6.5% of GDP on account of certain expenditure rationalization and revenue enhancement measures, which though still quite high, would be below 8.0% registered last year.

We expect a steady improvement in macroeconomic indicators in 2H CY14 and beyond.

We expect a steady improvement in macroeconomic indicators in 2H CY14 and beyond. For instance, in the latter half of the year, inflationary pressures are likely to subside due to continued soft global commodity prices amid anemic demand, a more stable exchange rate and normalization of base effect of inflation. Further, despite a wider current account deficit, reserves position is likely to improve, driven by net disbursements from IMF and higher equity (FDIs/FPIs/privatization) and debt flows (multilateral lending, sovereign bond issues). GDP growth is expected to accelerate on improved energy supply and higher private sector investment in the aftermath of further structural reforms with a focus on fiscal policy, financial sector and trade policy; improved governance; greater political stability; and more conducive security situation.



One issue often debated is government's heavy and increasingly unsustainable debt burden which currently stands at USD147bn or 63 % of GDP. However, the argument on government indebtedness or creditworthiness doesn't often consider the huge assets the federal government owns.

The government owns real estate and infrastructure assets well in excess of its total debt. The government could easily generate billions of dollars just through sale of its stake in listed companies through the local and international stock exchanges.

One frequently debated issue is government's heavy and increasingly unsustainable debt burden which currently stands at USD147bn or 63% of GDP. Debt servicing currently stands at Rs1.15tn, devouring 44% of tax revenues and leaving very little for development and other government expenditures. However, the argument on government indebtedness or creditworthiness ignores the assets owned by the federal government. According to our ballpark estimates, the government owns real estate and infrastructure assets well in excess of its total debt. It just needs to show the will and competency to gradually dispose off these assets to pay down liabilities the Pakistan government owns:

- Millions of acres of potential industrial, commercial, residential and agriculture land.
- Thousands of underutilized buildings at prime locations
- Mineral rights (coal, copper, oil, gas etc.) on millions of acres of land.
- Vast infrastructure assets including transportation assets (roads, bridges, railways, airports, seaports etc.), utility assets (electricity and gas networks, water treatment and distribution) and energy assets (extraction, power generation and transmission, pipelines etc.).
- Huge real estate owned by Government organizations and institutions such as the Military, PIA, Railways, Pakistan Steel Mills, etc.

A small proportion of the government owned assets are listed on the stock exchanges in the form of public sector (some now privatized) corporations. At current market capitalization, the value of government stake in these companies amounts to around USD15.5bn as depicted in the following table. This is substantially higher than the current EFF IMF loan facility of USD6.6bn. In our opinion, the government could easily generate billions of dollars just through sale of additional stake in these listed companies through the local and international stock exchanges. Further, the government could raise significantly higher amounts through new listings of erstwhile unlisted public sector organizations (e.g. PARCO, GHPL, State Life etc.) and strategic sale of its assets to local and international investors. The proceeds could be utilized to pay down public debt and build foreign exchange reserves as well as to invest in major infrastructure projects.

Govt. Stake in Listed Companies		
Company	M. Cap (USD mn)	Value of Govt. Stake (USD mn)
OGDC	11,285	8,532
PPL	4,005	2,846
HBL	2,110	876
UBL	1,541	362
KESC	1,481	363
NBP	1,173	887
PTC	1,019	634
ABL	890	90
PSO	779	175
KAPCO	516	237
PIAA	229	194
SSGC	201	131
MARI	186	34
SNGP	128	41
PNSC	105	86
Total	25,648	15,486



We expect the stock market to perform in line with corporate earnings growth of 20% in CY14.

During the last calendar year (CY13), the stock market has risen by a robust 49%. Subsequent to the above, the market is currently valued at a forward Price to Earnings ratio of 8.7 times. As per our estimates, corporate earnings are expected to grow at around 20% in CY14. We hold a positive outlook on foreign portfolio inflows as 1) despite expected Quantitative Easing (QE) tapering in US, global liquidity conditions are likely to remain easy due to a flagging economic recovery and persisting fears of deflation 2) Pakistan's weight in the benchmark MSCI Frontier Market Index will rise from 3.9% at present to 5.5% in May 2014 attracting additional foreign flows. We remain optimistic that the government is serious about undertaking key structural reforms this time around. Nonetheless, we do not expect the market to replicate the last year's performance due to relatively rich valuations and higher yield on fixed investments amid tighter liquidity conditions. However, we expect the stock market to rise in line with corporate earnings growth in CY14.

We expect yield on debt instruments to significantly improve in CY14 driven by higher interest rates, tighter liquidity conditions due to retirement of government borrowing from SBP and a strong credit demand from both public and private sector.

The yield on fixed income securities has remained quite subdued in CY13 due to lower interest rates, very loose liquidity conditions and dearth of private sector issuance and hunt for yield by the investors. We expect the yield on the debt instruments to improve in CY14 driven by higher interest rates, tighter liquidity conditions due to retirement of government borrowing from SBP and a strong credit demand from both public and private sector.



December 2013

Stock Market Review

During December-13, stock market depicted stellar performance and delivered 4% return driven primarily by benign December inflation outlook, healthy foreign buying, recovery in FX reserves & Pak rupee after hitting historical lows, positive statement from IMF post quarterly review. The market surged by 49% during CY13 extending the 49% upside in CY12. Key triggers for this upbeat performance during the year include: first democratic power handover in the country's history, smooth judicial and military transitions, loose monetary policy, ample market liquidity, healthy foreign portfolio inflows, upside in the global equities and entry into IMF program. Foreign Portfolio Investment was recorded at US\$398 million during CY13 compared with US \$126 million during the same period last year. Average daily trading volumes registered phenomenal improvement increasing by almost 76% to clock in at 212 million shares.

Construction & Material, Banks, Personal Goods sectors performed better than the market, while Oil & Gas, Chemicals and Industrial Engineering sectors lagged the market during CY13. Improving margins and steady top-line growth upped the investors' interest in the cement sub-sector. Banking sector outperformed on the back of expected improvement in NIMs with uptick in the interest rates, gains on the equity portfolios and subdued credit costs. Downward trend in the international fertilizer prices and upside risk to the Gas prices kept investors from Fertilizer sub-sector resulting in subpar performance of Chemical sector. Personal Goods sector outperformed the market with a wide margin on healthy earnings growth and expectation of grant of GSP plus status to Pakistan exports.

Currently the market is valued at 8.7X estimated earnings and offers 6.0% dividend yield as per our estimates. Corporate earnings are forecasted to grow at around 20% over the next year. We contend that currently the market is not pricey; however any rerating hinges on the implementation of structural reforms, foreign inflows, inflation & interest rate outlook, global liquidity conditions, and domestic security situation.

Fixed Income Review

External account remained under pressure with SBP FX reserves hitting a multi-year low of US \$2.9 billion in early December; however, inflows from multilateral & bilateral sources towards the end of the month buttressed the reserve level mitigating the imminent Balance of Payment risks. On a positive note, inflation as measured by CPI significantly eased off from 10.90% in November to 9.18% in December amid decline in prices of perishable food items during the month. Government borrowing for budgetary support remained unabated while private sector credit also picked up as seen in strong growth in NDAs of the banking system. We expect SBP to continue with the monetary tightening policy in its upcoming bi-monthly monetary policy review in January 2014 primarily due to upside risks to the external account despite immediate let-up in inflation.

In the two T-Bills auctions during the month, MoF accepted Rs 913 billion (realized amount) against the target of Rs 650 billion and maturity of Rs 974 billion. The cut-off annualized yields for the last T-Bill auction increased slightly to around 9.96% and 9.98% for 3-month and 6-month respectively, while no bids were received in 12-month tenor. T-Bills auction bid pattern remained entirely skewed towards the 3-month tenor. In PIB auction during the month an amount of Rs. 56 billion was accepted against the target of Rs. 50 billion at a cut-off yield of 12.09%, 12.56%, 12.95% and 13.29% in the 3 year, 5 year, 10 year and 20 year tenors respectively. In a specialized move, SBP conducted outright sale of 25 days maturity T-Bills with cut-off yields at 10.29% and 10.69%, respectively to meet IMF's quarterly target for government borrowing from SBP.

We have repositioned the portfolio allocation of our money market funds based on the developments in the money market and our inflation and interest rate outlook.

Our Contacts

Contact our Investment Consultant for free Investment advice
Helpline (Toll Free): 0800-20001 or UAN: 111-111-632 (nfa)
Email: info@nafafunds.com
www.nafafunds.com

Disclaimer: This publication is for informational purpose only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell the fund. All investments in mutual funds are subject to market risks. The price of units may go up as well as down. Past Performance is not necessarily indicative of future results.



MONTHLY REPORT (MUFAP's Recommended Format)

Unit Price (31/12/2013): Rs. 10.0423

December 2013

Performance

Performance %	December 2013 *	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch May 16, 2009**
NAFA Government Securities Liquid Fund	7.78%	7.42%	7.70%	10.10%
Benchmark	8.45%	8.07%	8.28%	10.19%

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

General Information

Launch Date:	May 16, 2009
Fund Size:	Rs. 14,923 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0%, Back end: 0%
Management Fee:	10% of Gross Earnings (Min 1% p.a., Max 1.25% p.a. of Average Annual Net Assets)
Risk Profile:	Exceptionally Low
Fund Stability Rating:	"AAA (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	"KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	70% 3-Month T-Bills & 30% average 3-Month deposit rates (AA & above rated banks)
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

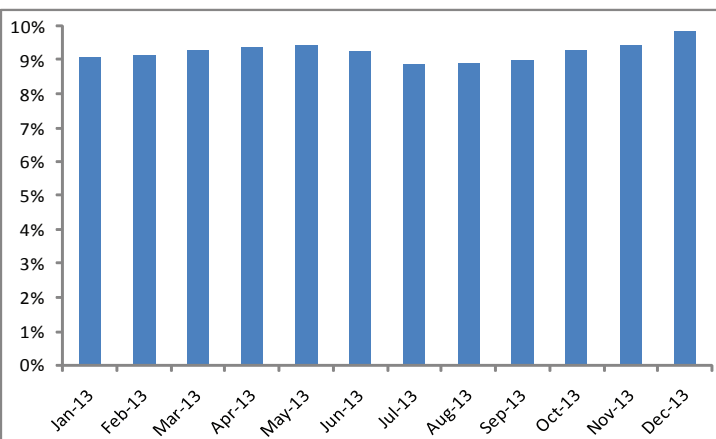
Fund Manager Commentary

The Fund earned an annualized return of 7.8% during December 2013 versus the benchmark return of 8.5%. The annualized return for FYTD is 7.4% against the benchmark return of 8.1%. 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. NGSFLF is the largest Fund in Pakistan in this rating category. 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 82% of the Fund size. While at the end of the month, T-Bills comprised around 75% of the Total Assets and 76% of Net Assets. Weighted average time to maturity of the Fund is 46 days.

We had kept short maturities for our money market funds on the expectation of upside risk to the interest rates. Taking advantage of the flexibility that we have, we are now deploying our funds in slightly longer maturities to take full advantage of upward movement in the yield curve.

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



Asset Allocation (% of Total Assets) 31-Dec-13 30-Nov-13

T-Bills	75.07%	83.64%
Placements with Banks	11.26%	-
Placements with DFIs	6.96%	9.41%
Cash Equivalents	6.54%	6.72%
Other including receivables	0.17%	0.23%
Total	100.00%	100.00%
Leverage	Nil	Nil

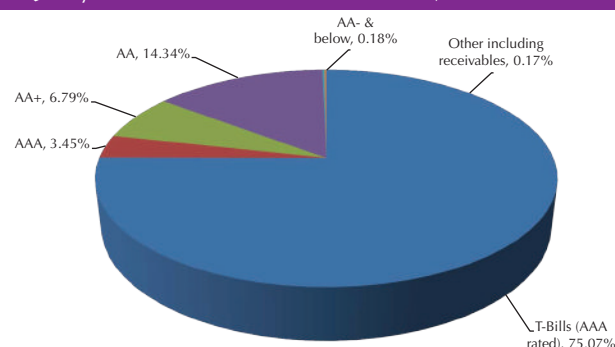
WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 94,442,615/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0636/0.68%. For details investors are advised to read note 7 of the Financial Statements of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

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

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



Disclaimer: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs. 10.0118

December 2013

Performance

Performance %	December 2013*	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch February 24, 2012**
NAFA Money Market Fund	8.28%	7.65%	7.98%	9.07%
Benchmark	6.85%	6.65%	6.58%	6.82%

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

General Information

Launch Date:	February 24, 2012
Fund Size:	Rs. 10,658 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end: 0.5% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.00% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	"A. F. Ferguson & Co Chartered Accountants
Benchmark:	3-Month deposit rates (AA & above rated banks)
Fund Manager:	Salman Ahmed
Minimum	Growth Unit: Rs. 10,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

To 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 8.3% during December 2013 versus the benchmark return of 6.9%, thus registering an outperformance of 1.4% p.a. Since the launch of the Fund in February 2012, the Fund has outperformed its benchmark by 2.3% p.a. by earning an annualized return of 9.1%. This outperformance is net of management fee and all other expenses.

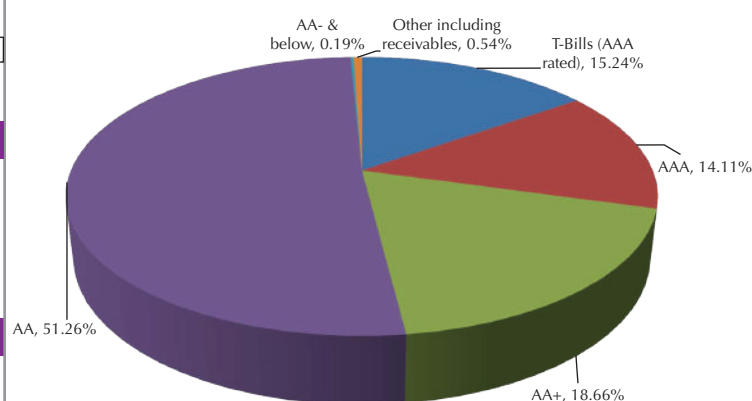
Being a money market scheme, the Fund has very restrictive investment guidelines. The authorized investments of the Fund include T-Bills, Bank Deposits and Money Market instruments. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six month maturity. The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

The allocation of the Fund in Treasury Bills is around 15% at month-end. The weighted average time to maturity of the Fund is 24 days. We had kept short maturities for our money market funds on the expectation of upside risk to the interest rates. Taking advantage of the flexibility that we have, we are now deploying our funds in slightly longer maturities to take full advantage of upward movement in the yield curve. We are monitoring the capital market expectations and will rebalance the portfolio accordingly.

Asset Allocation (% of Total Assets) 31-Dec-13 30-Nov-13

T-Bills	15.24%	54.43%
Placements with Banks	49.31%	31.28%
Placements with DFIs	9.30%	11.49%
Cash Equivalents	25.61%	2.48%
Others including receivables	0.54%	0.32%
Total	100.00%	100.00%
Leverage	Nil	Nil

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



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 58,397,628/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0549/0.59%. For details investors are advised to read note 8 of the Financial Statements of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs. 10.0448

December 2013

Performance

Performance %	December 2013 *	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch November 21, 2009**
NAFA Savings Plus Fund	7.40%	7.47%	7.82%	9.81%
Benchmark	7.06%	6.78%	6.84%	7.86%

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

General Information

Launch Date:	November 21, 2009
Fund Size:	Rs.3,048 million
Type:	Open-end – Income fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0.5% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.50% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Average 6-Month deposit rate (A & above rated banks)
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum	Growth Unit: Rs. 1,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager Commentary

The Fund earned an annualized return of 7.4% during the month versus the benchmark return of 7.1%, thus depicting an outperformance of 0.3% p.a. The annualized return in the CY13 is 7.8% against the benchmark return of 6.8%, hence an outperformance of 1.0% p.a. This outperformance is net of management fee and all other expenses.

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

The portfolio of NSPF is invested in Treasury bills, MTS and bank deposits etc. The allocation in MTS is around 36%. The weighted average time to maturity of the entire Fund is around 24 days.

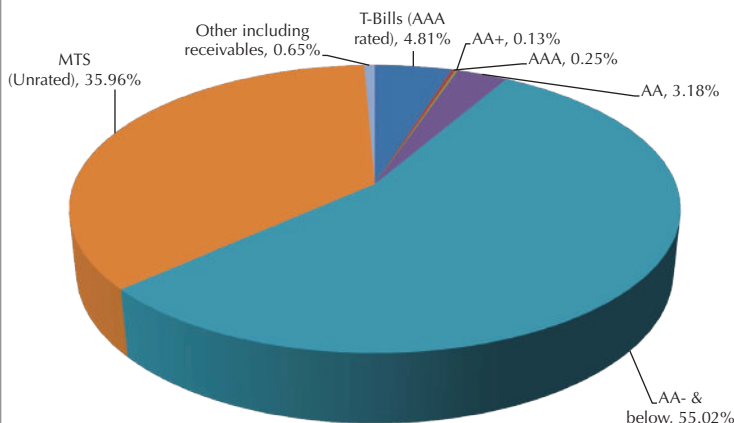
Our internal guidelines permit MTS financing in only fundamentally strong companies with lower volatility. It is pertinent to mention that in this asset class the Fund provides financing at only pre-determined rates of return with no direct exposure to the stock market.

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

Asset Allocation (% of Total Assets)

	31-Dec-13	30-Nov-13
T-Bills	4.81%	4.82%
Margin Trading System (MTS)	35.96%	11.60%
Cash Equivalents	58.58%	82.48%
Other including receivables	0.65%	1.10%
Total	100.00%	100.00%
Leverage	Nil	Nil

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



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.8,427,377/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0278/0.30%. For details investors are advised to read note 8 of the Financial Statements of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, 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. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs. 10.0955

December 2013

Performance

Performance %	December 2013 *	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch August 21, 2010**
NAFA Riba Free Savings Fund	7.96%	7.50%	7.83%	9.61%
Benchmark	6.66%	6.68%	6.76%	7.69%

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

General Information

Launch Date:	August 21, 2010
Fund Size:	Rs. 3,464 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0.5% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.25% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA-(f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Average 6-month deposit rate of A- and above rated Islamic Banks
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager Commentary

The Fund generated an annualized return of 8.0% for the month of December 2013 versus the benchmark return of 6.7% thus registering an outperformance of 1.3% p.a. During the last one year the Fund has outperformed its benchmark by 1.0% by earning an annualized return of 7.8%. 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 debt securities and the Equities. With stability rating of AA-(f), NRF SF is amongst the highest rated Islamic Income Funds in the market.

The allocation of the Fund is around 14% in GoP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 85% of the portfolio is invested in bank deposits which further enhance liquidity profile of the Fund.

The weighted average duration of the Fund is 20 days and the weighted average time to maturity is 55 days. The Fund is invested in floating rate securities. Therefore, the return on the Fund will improve with increase in interest rates. We will rebalance the portfolio based on the economic and market conditions.

Asset Allocation (% of Total Assets)	31-Dec-13	30-Nov-13
GOP Ijarah Sukuk - Govt. Backed	13.90%	14.97%
Cash Equivalents	84.93%	83.31%
Other including receivables	1.17%	1.72%
Total	100.00%	100.00%
Leverage	Nil	Nil

Top Holdings (as at December 31st, 2013)

Name of Sukuk	% of Total Assets
GOP Ijarah (Sukuk IX)	5.40%
GOP Ijarah (Sukuk VIII)	2.88%
GOP Ijarah (Sukuk XII)	1.45%
GOP Ijarah (Sukuk XIII)	1.36%
GOP Ijarah (Sukuk X)	1.16%
GOP Ijarah (Sukuk XIV)	0.72%
GOP Ijarah (Sukuk XI)	0.70%
GOP Ijarah (Sukuk VII)	0.23%
Total	13.90%

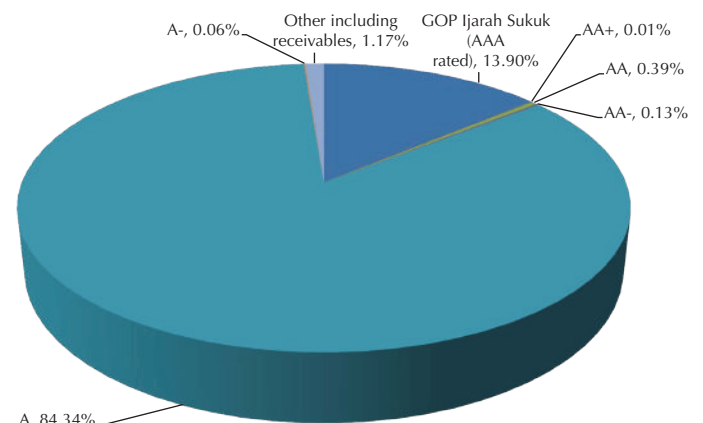
WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.6,460,435/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0188/0.20%. For details investors are advised to read note 8 of the Financial Statements of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

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

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



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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs. 10.5029

December 2013

Performance

Performance %	December 2013 *	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch October 28, 2011 **
NAFA Financial Sector Income Fund	6.63%	7.58%	8.19%	9.95%
Benchmark	9.16%	8.62%	8.62%	9.47%

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

General Information

Launch Date:	October 28, 2011
Fund Size:	Rs. 3,089 Million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Dealing Time:	2-3 business days
Settlement:	Forward Pricing
Pricing Mechanism:	Front end: 1% (Nil on investment above Rs. 16 million) Back end: 0%
Load:	1.5% per annum
Management Fee:	Low
Risk Profile:	A+(f) by PACRA
Fund stability rating:	Lahore Stock Exchange
Listing:	Central Depository Company (CDC)
Custodian & Trustee:	A. F. Ferguson & Co.
Auditors:	Chartered Accountants
Benchmark:	70% 6-Month KIBOR & 30% average 3-Month deposit rates A & above rated banks)
Fund Manager:	Salman Ahmed
Minimum	Growth Unit: Rs. 10,000/-
Subscription:	Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager Commentary

The Fund generated an annualized return of 6.6% for the month of December 2013 versus the benchmark return of 9.2%. Since its launch in October 2011, the Fund offered an annualized return of 9.9% against the benchmark return of 9.5%, hence an outperformance of 0.4% 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 minus. This minimizes credit risk and at the same time enhances liquidity of the Fund. Duration of the overall portfolio cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances liquidity profile of the Fund.

Exposure in TFCs was 36.9% at the end of the month with average time to maturity of 3.92 years and Yield to Maturity of 11.1% p.a. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. The weighted average time-to-maturity of the Fund is 1.49 years.

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

Asset Allocation (% of Total Assets) 31-Dec-13 30-Nov-13

TFCs	36.94%	24.54%
Cash Equivalents	61.40%	73.73%
Other including receivables	1.66%	1.73%
Total	100.00%	100.00%
Leverage	Nil	Nil

Top 10 TFC (as at December 31st, 2013)

Name of TFC	% of Total Assets
Bank Alfalah Limited IV - FT	11.69%
Faysal Bank Limited III	9.75%
Askari Bank Limited III	4.85%
Allied Bank Limited II	2.05%
Bank Alfalah Limited IV - FX	1.95%
Standard Chartered Bank (Pakistan) Limited IV	1.59%
Pakistan Mobile Communication Limited (17 Sep 13)	1.58%
Askari Bank Limited IV	1.46%
Pak Libya Holding Company	1.31%
Allied Bank Limited I	0.35%
Total	36.58%

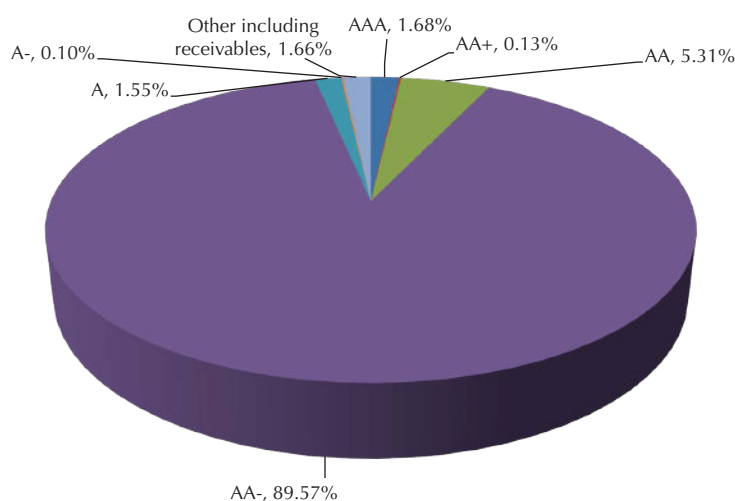
WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 13,052,351/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0444/0.46%. For details investors are advised to read note 8 of the Financial Statements of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

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

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



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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs.12.0686

December 2013

Performance

Performance %	December 2013*	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch August 21, 2010**
NAFA Asset Allocation Fund *	1.75%	6.07%	26.40%	21.24%
Benchmark	1.49%	7.94%	16.96%	13.46%

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

General Information

Launch Date: August 21, 2010
Fund Size: Rs. 1,269 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. 16 million) Back end - 0%
Management Fee: 2% per annum
Risk Profile: Moderate
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: A. F. Ferguson & Co.
Chartered Accountants
Benchmark: 1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Index
Fund Manager: Muhammad Imran, CFA, ACCA
Minimum Subscription: Growth Unit: Rs. 10,000/-
Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager's Commentary

During the month under review, NAFA Asset Allocation Fund's (NAAF) unit price (NAV) increased by 1.8% while the benchmark increased by 1.5%. Thus your Fund outperformed the benchmark by 0.3%. Since inception on August 21, 2010 the Fund has posted 91.3% return, versus 53.0% by the benchmark. Thus, to date the cumulative outperformance of your Fund stands at 38.3%. This outperformance is net of management fee and all other expenses.

The stock market crossed the 25,000 index level during the month of December and closed at 25,261 points. The market continued its bull run as the sentiments remained largely positive on the back of stability in PKR vs USD, benign inflation outlook for January, grant of GSP Plus status, and improved investment outlook especially in the power sector. NAAF started off the month with an allocation of around 21% in equities, which was increased to around 30% towards the end of the month. Despite being underweight in equities, the Fund outperformed the benchmark in December as the Fund's key holdings in Banks, Construction and Materials, and Personal Goods sectors outperformed the market. During the month, allocation was increased in all the sectors barring Electricity, and Chemicals sectors, where the allocation was reduced.

Asset Allocation (% of Total Assets) 31-Dec-13 29-Nov-13

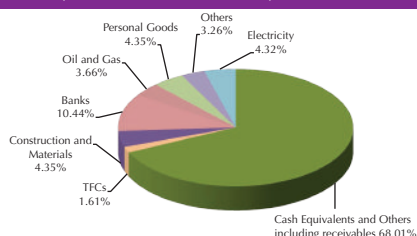
Equities / Stocks	30.38%	20.64%
TFCs	1.61%	2.16%
T-Bills	-	57.89%
Cash Equivalents	67.44%	18.22%
Others including receivables	0.57%	1.09%
Total	100.00%	100.00%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

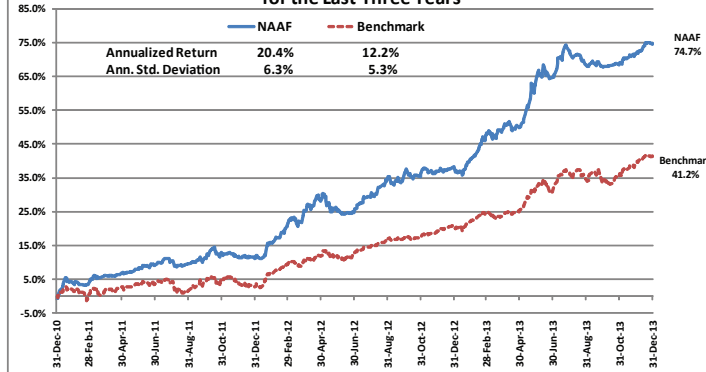
	PER	PBV	DY
NAAF	7.0	1.7	6.6%
KSE-30	8.1	2.0	6.8%

*** Based on NAFA's estimates

Asset Allocation (% of Total Assets)(as on 31st December, 2013)



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



Top Ten Holdings (as on 31st, December, 2013)

Name	Asset Class	% of Total Assets
Bank AL-Habib Ltd	Equity	4.37%
Bank Al-Falah Ltd	Equity	4.34%
Nishat Mills Ltd.	Equity	4.34%
Kot Addu Power Company Ltd	Equity	4.14%
Lucky Cement Ltd	Equity	2.08%
Pakistan State Oil Co. Ltd.	Equity	1.89%
Pakistan Telecommunication Ltd	Equity	1.75%
United Bank Ltd	Equity	1.73%
Pioneer Cement Ltd	Equity	1.16%
Pakistan Petroleum Ltd	Equity	1.03%
Total		26.83%

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
Muhammad Imran, CFA, ACCA

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 7,825,389/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0744/0.78%. For details investors are advised to read Note 8 of the Financial Statements of the Scheme for the period ended September 30, 2013.

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs.12.6749

December 2013

Performance

Performance %	December 2013*	FYTD Jul 2013 - Dec 2013 *	CY 2013*	Since Launch January 22, 2007**
NAFA Multi Asset Fund*	3.36%	10.70%	32.45%	14.32%
Benchmark	1.96%	10.39%	22.62%	8.92%

* Cumulative Returns
** Annualized Return

[Net of management fee & all other expenses]

General Information

Launch Date: January 22, 2007
Fund Size: Rs 889 million
Type: Open-end – Balanced Fund
Dealing Days: Daily – Monday to Friday
Dealing Time: (Mon-Thr) 9:00 A.M to 5:00 P.M
(Friday) 9:00 A.M to 5:30 P.M
Settlement: 2-3 business days
Pricing Mechanism: Forward Pricing
Load: Front end – 3% (Nil on investment above Rs. 16 million) Back end - 0%
Management Fee: 2% per annum
Risk Profile: Moderate
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: M. Yousuf Adil Saleem & Co.
Chartered Accountants
Benchmark: 50% KSE-30 Index & 50% 3-month KIBOR
Fund Manager: Asim Wahab Khan, CFA
Minimum Subscription: Growth Unit: Rs. 10,000/-
Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

To provide investors with a combination of capital growth and income. 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 3.4% while the benchmark increased by 2.0%. Thus your Fund outperformed the benchmark by 1.4%. Since inception on January 22, 2007 your Fund has posted 153.6% return, versus 81.2% by the benchmark. Thus, to date the cumulative out performance of your Fund stands at 72.4%. This outperformance is net of management fee and all other expenses.

The stock market crossed the 25,000 index level during the month of December and closed at 25,261 points. The market continued its bull run as the sentiments remained largely positive on the back of stability in PKR vs USD, benign inflation outlook for January, grant of GSP Plus status, and improved investment outlook especially in the power sector. NMF started off the month with an allocation of around 41% in equities, which was increased to around 45% towards the end of the month. Despite being underweight in equities, the Fund outperformed the benchmark in December as the Fund's key holdings in Construction and Materials, and Personal Goods sectors outperformed the market. During the month, allocation was increased in Banks, Construction and Materials, Fixed Line Telecommunications, and Personal Goods sectors, whereas it was reduced in Chemicals, Electricity, and Oil and Gas sectors.

Asset Allocation (% of Total Assets)

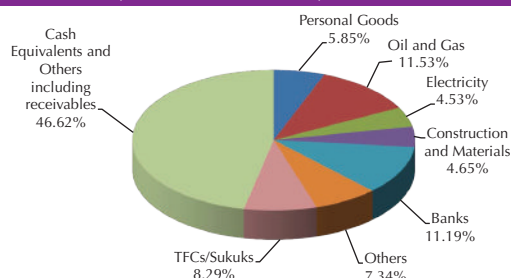
	31-Dec-13	29-Nov-13
Equities / Stocks	45.09%	41.19%
TFCs / Sukuks	8.29%	9.59%
T-Bills	-	28.05%
Cash Equivalents	43.44%	19.58%
Others including receivables	3.18%	1.59%
Total	100.00%	100.00%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NMF	7.1	1.9	6.8%
KSE-30	8.1	2.0	6.8%

*** Based on NAFA's estimates

Asset Allocation (% of Total Assets)(as on 31st December , 2013)



Name of the Members of Investment Committee

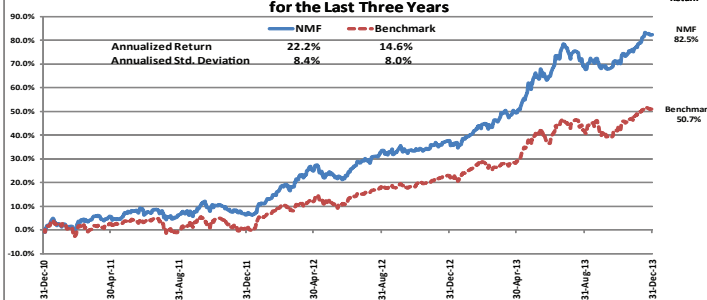
Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA
Muhammad Imran, CFA, ACCA

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 11,367,537/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1621/1.69%. For details investors are advised to read Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2013.

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Relative Performance of NAFA Multi Asset Fund (NMF) for the Last Three Years



Top Ten Holdings (as on 31st December , 2013)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Nishat Mills Ltd.	Equity	4.29%	Pakistan Telecommunication	Equity	3.36%
Bank Al-Falah Ltd	Equity	4.09%	Maple Leaf Cement I	Sukuk	3.31%
Bank AL-Habib Ltd	Equity	3.64%	Pakistan Petroleum Ltd	Equity	3.23%
Kot Addu Power Co Ltd	Equity	3.59%	Thal Ltd	Equity	2.87%
Pakistan State Oil Co. Ltd	Equity	3.39%	Oil & Gas Dev.Co Ltd	Equity	2.80%

Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
Saudi Pak Leasing****	TFC	28,748,460	-	14,374,230	1.62%	1.58%	62.44%
Eden Housing (Sukuk II)	SUKUK	13,125,000	4,575,519	8,549,481	0.96%	0.94%	118.57%
Maple Leaf Cement (Sukuk I)	SUKUK	74,986,065	44,991,639	29,994,426	3.38%	3.31%	42.79%
Pak Elektron Limited (Sukuk)	SUKUK	17,142,857	17,142,857	-	-	-	-
New Allied Electronics (Sukuk I)	SUKUK	10,000,000	10,000,000	-	-	-	-
Total		144,002,382	76,710,015	52,918,137	5.96%	5.83%	

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



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs.12.9412

December 2013

Performance

Performance %	December 2013*	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch October 29, 2007**
NAFA Islamic Multi Asset Fund	3.63%	8.34%	29.88%	13.29%
Benchmark	2.43%	9.39%	24.53%	11.23***
* Cumulative Return ** Annualized Return [Net of management fee & all other expenses] *** KSE-30 is used as equity component for the Benchmark before June 30, 2008, the launch date of KMI-30 Index.				

General Information

Launch Date: October 29, 2007
Fund Size: Rs. 382 million
Type: Shariah Compliant - Open-end - Balanced Fund
Dealing Days: Daily - Monday to Friday
Dealing Time: (Mon-Thr) 9:00 A.M to 5:00 P.M
(Friday) 9:00 A.M to 5:30 P.M
Settlement: 2-3 business days
Pricing Mechanism: Forward Pricing
Load: Front end - 3% (Nil on investment above Rs. 16 million) Back end - 0%
Management Fee: 2% per annum
Risk Profile: Moderate
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: KPMG Taseer Hadi & Co.
Chartered Accountants
Benchmark: 50% KMI - 30 Index & 50% average 3-month profit rate of Islamic banks.
Fund Manager: Asim Wahab Khan, CFA
Minimum Subscription: Rs. 10,000/-
Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

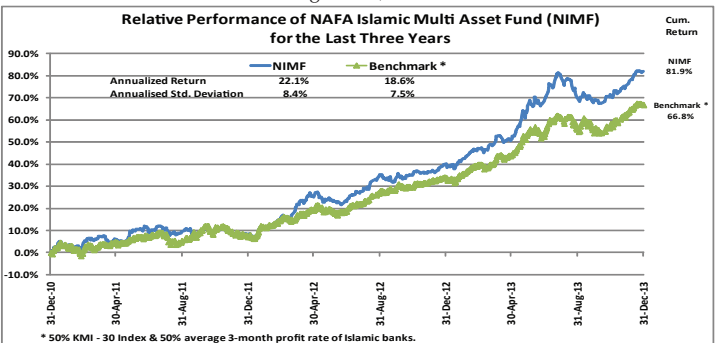
Investment Objective

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

Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Multi Asset Fund (NIMF) increased by 3.6%, whereas the benchmark increased by 2.4%, thus your Fund outperformed the benchmark by 1.2%. Since inception your Fund has posted 116.3% return, versus 93.1% by the benchmark. Thus, an outperformance of 23.2% was recorded. This outperformance is net of management fee and all other expenses.

The stock market crossed the 25,000 index level during the month of December and closed at 25,261 points. The market continued its bull run as the sentiments remained largely positive on the back of stability in PKR vs USD, benign inflation outlook for January, grant of GSP Plus status, and improved investment outlook especially in the power sector. NIMF started off the month with an allocation of around 41% in equities, which was increased to around 44% towards the end of the month. Despite being underweight in equities, the Fund outperformed the benchmark in December as the Fund's key holdings in Construction and Materials, Industrial Transportation, and Personal Goods sectors outperformed the market. During the month, allocation was increased in all the sectors barring Banks, where the allocation was reduced.

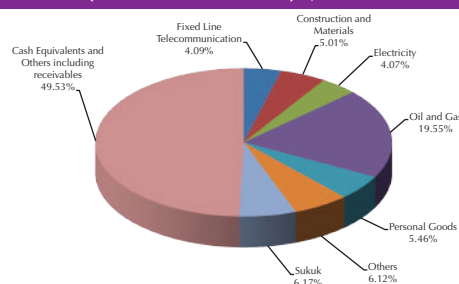


Characteristics of Equity Portfolio****

	PER	PBV	DY
NIMF	7.3	2.1	7.0%
KMI-30	7.7	2.0	7.6%

**** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 31st December, 2013)



Name of the Members of Investment Committee

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

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 5,377,740/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1822/1.83%.For details investors are advised to read the Note 10 of the Financial Statements of the Scheme for the period ended September 30, 2013.

Top Ten Holdings (as on 31st December, 2013)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan State Oil Co. Ltd.	Equity	5.81%	Pakistan Telecommunication	Equity	4.09%
Nishat Mills Ltd.	Equity	5.46%	Hub Power Company Ltd	Equity	4.07%
Pakistan Petroleum Ltd	Equity	5.26%	Pakistan Oilfields Ltd	Equity	3.02%
Oil & Gas Dev.Co Ltd	Equity	4.66%	Meezan Bank Ltd	Equity	2.61%
Maple Leaf Cement I	Sukuk	4.33%	Pioneer Cement Ltd	Equity	2.40%

Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
Kohat Cement Limited (Sukuk)****	SUKUK	3,389,373	-	2,542,030	0.67%	0.65%	4.27%
Eden Housing (Sukuk II)	SUKUK	6,562,500	2,287,760	4,274,740	1.12%	1.09%	118.57%
Maple Leaf Cement (Sukuk I)	SUKUK	42,393,750	25,436,250	16,957,500	4.44%	4.33%	42.79%
Pak Elektron Limited (Sukuk)	SUKUK	21,428,571	-	-	-	-	-
Total		73,774,194	49,152,581	23,774,270	6.23%	6.07%	

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs.10.2248

December 2013

Performance

Performance %	December 2013*	FYTD Jul 2013 - Dec 2013 *	CY 2013*	Since Launch January 22, 2007**
NAFA Stock Fund	5.50%	18.33%	47.62%	14.29%
Benchmark	3.08%	16.05%	36.65%	5.01%

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

General Information

Launch Date: January 22, 2007
Fund Size: Rs. 1,118 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 16 million) Back end - 0%
Management Fee: 2% per annum
Risk Profile: High
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: M. Yousuf Adil Saleem & Co.
Chartered Accountants
Benchmark: KSE-30 Index
Fund Manager: Asim Wahab khan, CFA
Minimum Growth Unit: Rs. 10,000/-
Subscription: Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2 by PACRA (very high investment management standards)

Investment Objective

To 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 5.5%, whereas the benchmark increased by 3.1%, thus an outperformance of 2.4% was recorded. Since inception on January 22, 2007 your Fund has posted 153.1% return, versus 40.4% by the Benchmark. Thus, to date the cumulative outperformance of your Fund stands at 112.7%. This outperformance is net of management fee and all other expenses.

The stock market crossed the 25,000 index level during the month of December and closed at 25,261 points. The market continued its bull run as the sentiments remained largely positive on the back of stability in PKR vs USD, benign inflation outlook for January, grant of GSP Plus status, and improved investment outlook especially in the power sector. NSF started off the month with an allocation of around 76% in equities, which was increased to around 84% by the end of the month. The Fund outperformed the benchmark in December as the Fund's key holdings in Banks, Construction and Materials, Industrial Transportation, and Personal Goods sectors outperformed the market. During the month, allocation was increased in all the sectors barring Chemicals, Electricity, and General Industrials where the allocation was reduced.

Asset Allocation (% of Total Assets) 31-Dec-13 29-Nov-13

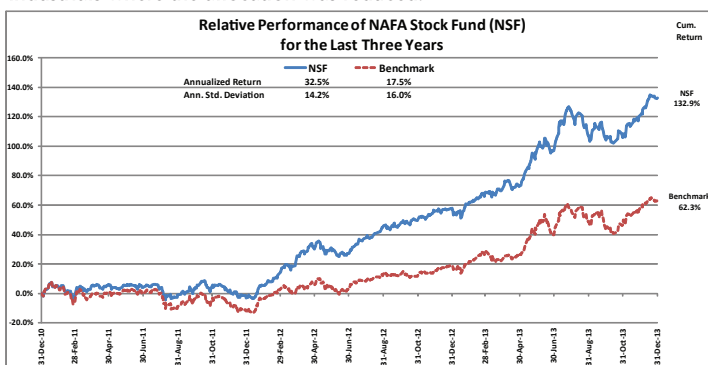
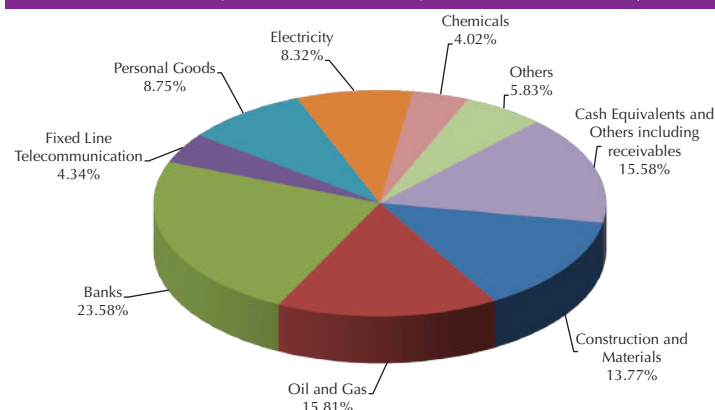
Equities / Stock	84.42%	76.27%
Cash Equivalents	15.03%	20.34%
Others including receivables	0.55%	3.39%
Total	100.00%	100.00%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NSF	7.1	1.8	6.3%
KSE-30	8.1	2.0	6.8%

*** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 31st December, 2013)



Top Ten Equity Holdings (as on 31st December, 2013)

Name	% of Total Assets	Name	% of Total Assets
Bank Al-Falah Ltd	8.15%	Pakistan Petroleum Ltd	4.51%
Bank AL-Habib Ltd	7.07%	Pakistan Telecommunication Ltd	4.34%
Nishat Mills Ltd	6.73%	Pioneer Cement Ltd	4.32%
Kot Addu Power Ltd	5.64%	Oil & Gas Dev.Co Ltd	3.90%
Pakistan State Oil Co Ltd	4.66%	United Bank Ltd	3.35%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 25,188,918 /-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.2304 /3.33%. For details investors are advised to read the Note 10 of the Financial Statements of the Scheme for the period ended September 30, 2013.

Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs. 9.4697

December 2013

Performance

Performance %	December 2013 *	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch March 29, 2008 **
NAFA Income Fund	6.01%	7.42%	8.19%	2.30%
Benchmark	10.14%	9.48%	9.49%	11.73%

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

General Information

Launch Date: March 29, 2008
Fund Size: Rs. 509 million
Type: Open-end – Income Fund
Dealing Days: Daily – Monday to Friday
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M
(Friday) 9:00 A.M to 5:30 P.M
Settlement: 2-3 business days
Pricing Mechanism: Forward Pricing
Load: Front end: 1% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee: 2.0% per annum
Risk Profile: Low
Fund Stability Rating: "A- (f)" by PACRA
Listing: Lahore Stock Exchange
Custodian & Trustee: MCB Financial Services Limited
Auditors: M. Yousuf Adil Saleem & Co.
Chartered Accountants
Benchmark: 6-Month KIBOR
Fund Manager: Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription: Rs. 10,000/-
Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager Commentary

The Fund posted an annualized return of 6.0% during December 2013 versus the benchmark return of 10.1%. Subdued performance of the Fund during the month is due to provision in the telecommunication sector TFC. The annualized return generated by the Fund in the CY-13 is 8.2% against the benchmark return of 9.5%.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stand at 36.7%. The weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is around Rs. 92 against the par value of Rs.100. All TFCs in the Fund are floating rate instruments linked to KIBOR.

The weighted average Yield-to-Maturity of the Fund is around 16.7% p.a. while its weighted average time to maturity is 1.34 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs. 251 million), which is potential upside for the Fund. Thus, the Fund is expected to perform well over the medium to long term horizon. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

Asset Allocation (% of Total Assets) 31-Dec-13 29-Nov-13

TFCs / Sukuks	36.73%	33.12%
PIBs	0.10%	0.10%
Placement with Banks	19.45%	19.33%
Cash Equivalents	41.88%	45.13%
Others including receivables	1.84%	2.32%
Total	100.00%	100.00%
Leverage	Nil	Nil

Top 10 TFC (as at December 31st, 2013)

Name of TFC / Sukuk	% of Total Assets
Engro Fertilizers Limited 30-NOV-07	6.21%
Standard Chartered Bank (Pakistan) Limited IV	5.85%
Faysal Bank Limited	5.09%
Jahangir Siddiqui and Co Ltd	4.86%
Saudi Pak Leasing	4.19%
Eden Housing (Sukuk II)	3.33%
Engro Fertilizer Limited (PPTFC)	2.71%
Bank Alfalah Limited (Floater)	2.05%
Allied Bank Limited II	1.94%
Engro Fertilizers Limited 17-DEC-09	0.50%
Total	36.73%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.2,702,381/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0503/0.57%. For details investors are advised to read note 8 of the Financial Statements of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

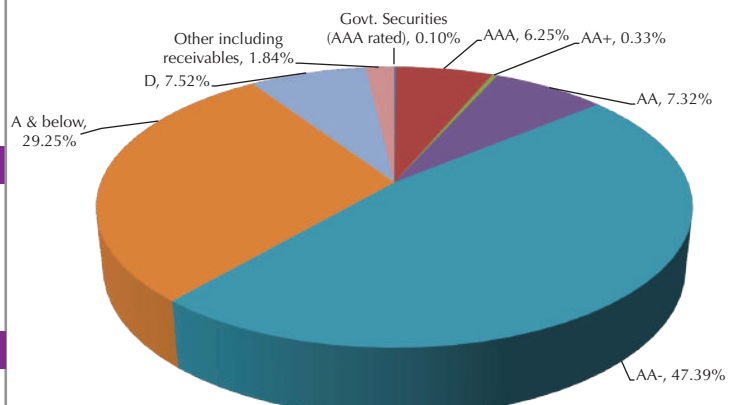
Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, CFA

Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
World Call Telecom Limited	TFC	29,982,002	29,982,002	-	n/a	n/a	n/a
Saudi Pak Leasing***	TFC	43,122,690	-	21,561,345	4.24%	4.19%	62.44%
Eden Housing (Sukuk II)	SUKUK	26,250,000	9,151,039	17,098,961	3.36%	3.33%	118.57%
AgriTech Limited II	TFC	149,875,800	149,875,800	-	n/a	n/a	n/a
AgriTech Limited V	TFC	22,180,000	22,180,000	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	n/a	n/a	n/a
Total		320,464,863	260,243,212	38,660,306	7.60%	7.52%	

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

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



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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs. 9.1272

December 2013

Performance

Performance %	December 2013 *	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch October 29, 2007 **
NAFA Islamic Aggressive Income Fund	19.11%	7.62%	9.02%	5.38%
Benchmark	6.45%	6.48%	6.56%	6.74%

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

General Information

Launch Date:	October 29, 2007
Fund Size:	Rs. 169 million
Type:	Open-end – Shariah Compliant Aggressive Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 1% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	2.0% per annum
Risk Profile:	Low to Medium
Fund Stability Rating:	"BBB+ (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	MCB Financial Services Limited
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	Average 3-month deposit rate of Islamic Banks
Fund Manager:	Muhammad Imran, CFA, ACCA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager Commentary

During the month under review, the Fund posted an annualized return of 19.1% as compared to the benchmark return of 6.5%. Outperformance of the Fund during the month is due to 1) profit & principal repayment of cement sector Sukuks which are valued at a discount to their par values 2) profit payment of non performing Household Goods sector sukuk. During CY13, the Fund has posted 9.0% annualized return versus 6.6% by the benchmark, hence an outperformance of 2.4% p.a.

The allocation in corporate Sukuks with current Weightage at 21.5% is diversified among Cement, Fertilizer and Household Goods sector. Around 10.6% of the portfolio is allocated to AAA rated GoP Ijarah Sukuks which coupled with 61.5% allocation in bank deposits provides diversification and liquidity to the portfolio. Going forward, the Fund intends to maintain the present allocation.

The weighted average Yield-to-Maturity (YTM) of the sukuk portfolio is around 15.7% p.a. and weighted average time to maturity is 1.54 years. The weighted average time to maturity of the Fund is 0.50 years. Hence, for investors with medium to long term investment horizon, the Fund offers an attractive opportunity to earn decent returns. However, since Sukuks prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

Asset Allocation (% of Total Assets) 31-Dec-13 29-Nov-13

Sukuks	21.50%	24.32%
GOP Ijarah Sukuks - Govt. Backed	10.59%	10.74%
Cash Equivalents	61.53%	58.41%
Other including receivables	6.38%	6.53%
Total	100.00%	100.00%
Leverage	Nil	Nil

Top 10 Sukuks (as at December 31st, 2013)

Name of Sukuk	% of Total Assets
Engro Fertilizer Limited (Sukuk)	13.30%
GOP Ijarah (Sukuk X)	5.30%
Maple Leaf Cement (Sukuk I)	5.25%
Kohat Cement Limited (Sukuk)	2.95%
GOP Ijarah (Sukuk XI)	2.35%
GOP Ijarah (Sukuk XIII)	1.77%
GOP Ijarah (Sukuk VII)	1.17%
Total	32.09%

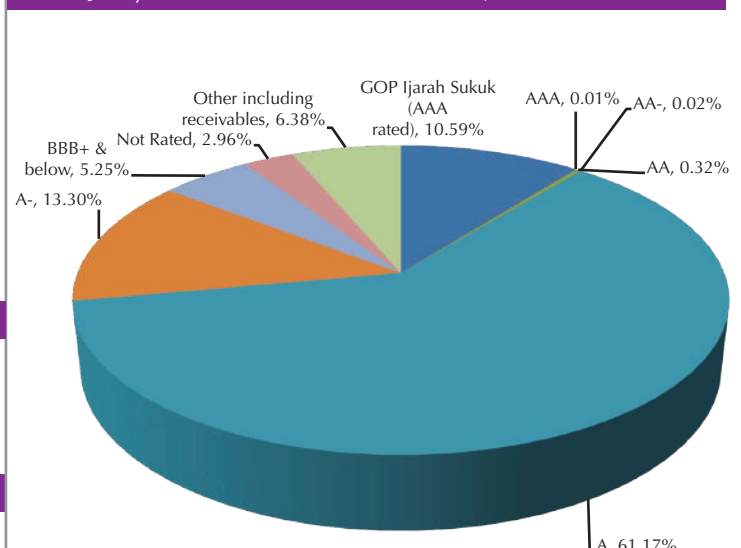
WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.1,471,428/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0795/0.95%. For details investors are advised to read note 7 of the Financial Statements of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

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

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



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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs. 10.6108

December 2013

Performance

Performance %	December 2013 *	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch April 22, 2006 **
NAFA Income Opportunity Fund	11.55%	11.65%	13.14%	7.11%
Benchmark	10.14%	9.48%	9.49%	11.38%

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

General Information

Launch Date: April 22, 2006
Fund Size: Rs. 2,022 million
Type: Open-end – Income Fund
Dealing Days: Daily – Monday to Saturday
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M
(Friday) 9:00 A.M to 5:30 P.M
(Saturday) 9:00 A.M to 1:00 P.M
Settlement: 2-3 business days
Pricing Mechanism: Forward Pricing
Load: Front end: 0%, Back end: 0%
Management Fee: 1.5% per annum
Risk Profile: Low
Fund Stability Rating: "BBB+(f)" by PACRA
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: KPMG Taseer Hadi & Co.
Chartered Accountants
Benchmark: 6-Month KIBOR
Fund Manager: Muhammad Imran, CFA, ACCA
Minimum Subscription: Growth Unit: Rs. 10,000/-
Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager Commentary

The Fund posted an annualized return of 11.6% during December 2013 as compared to the benchmark return of 10.1%. Outperformance of the Fund during the month is due to 1) profit & principal repayment of cement sector Sukuks which are valued at a discount to their par values 2) profit payment of non-performing Household Goods sector sukuk. During the last one year the Fund has outperformed its benchmark by 3.6% by earning an annualized return of 13.1%.

Weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is Rs. 84.29 against the par value of Rs. 100. The weighted average Yield to Maturity of the Fund is around 14.14% p.a. and that of the TFC portfolio is 22.55% p.a. The weighted average time to maturity of the Fund is about 1.32 years. The Fund's sector allocation is fairly diversified with exposure to Chemical, Banking, Construction & Material, Travel & Leisure and Financial Services sub-sectors. TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. Therefore, in case of increase in interest rates, the coupon income of the Fund will improve. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

Asset Allocation (% of Total Assets) 31-Dec-13 30-Nov-13

TFCs / Sukuks	28.05%	26.93%
Placement with Banks	11.95%	12.28%
Equity	2.04%	2.23%
Cash Equivalents	36.07%	36.16%
Others including receivables	21.89%	22.40%
Total	100.00%	100.00%
Leverage	Nil	Nil

Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
BRR Guardian Modaraba***	SUKUK	40,468,750	-	30,351,563	1.50%	1.21%	49.52%
Escort Investment Bank Limited***	TFC	4,995,960	-	3,683,801	0.18%	0.15%	18.00%
Kohat Cement Limited (Sukuk)***	SUKUK	16,946,865	-	12,710,149	0.63%	0.51%	4.27%
Saudi Pak Leasing***	TFC	43,122,690	-	21,561,345	1.07%	0.86%	62.44%
World Call Telecom Limited	TFC	96,370,722	96,370,722	-	n/a	n/a	n/a
Eden Housing (Sukuk II)	SUKUK	12,075,000	4,209,478	7,865,522	0.39%	0.31%	118.57%
Maple Leaf Cement (Sukuk I)	SUKUK	339,150,000	203,490,000	135,660,000	6.71%	5.40%	42.79%
Pak Elektron Limited (Sukuk)	SUKUK	51,428,571	51,428,571	-	n/a	n/a	n/a
Agritech Limited I	TFC	149,860,200	149,860,200	-	n/a	n/a	n/a
Agritech Limited V	TFC	32,320,000	32,320,000	-	n/a	n/a	n/a
Azzard Nine Limited III	TFC	108,376,850	108,376,850	-	n/a	n/a	n/a
Azzard Nine Limited V	TFC	82,180,000	82,180,000	-	n/a	n/a	n/a
Dewan Cement Limited	TFC	150,000,000	150,000,000	-	n/a	n/a	n/a
Gharibwal Cement Limited (PPTFC)	TFC	24,355,500	24,355,500	-	n/a	n/a	n/a
New Allied Electronics (PPTFC)	TFC	31,706,536	31,706,536	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	44,148,934	44,148,934	-	n/a	n/a	n/a
PACE Pakistan Limited	TFC	149,820,000	149,820,000	-	n/a	n/a	n/a
Azzard Nine Limited (Non-Voting Ordinary Shares)	Equity	12,854	12,854	-	n/a	n/a	n/a
Agritech Limited Shares	Equity	141,403,150	90,215,210	51,187,940	2.53%	2.04%	n/a
Total		1,518,742,582	1,218,494,855	263,020,320	13.01%	10.47%	

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

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

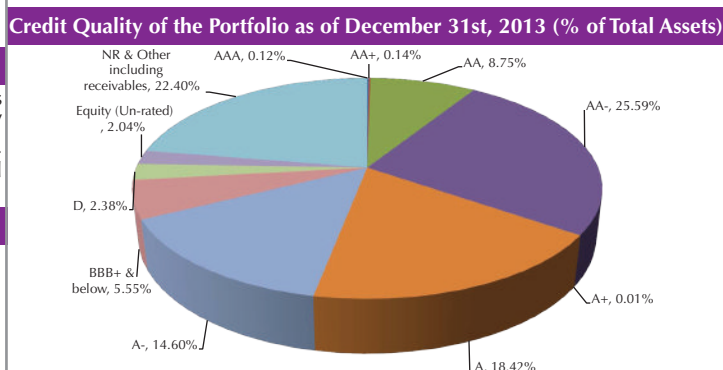
Name of TFCs / Sukuks	% of Total Assets
Engro Fertilizer Limited (PPTFC)	6.08%
Maple Leaf Cement (Sukuk I)	5.40%
Bank Alfalah Limited V	4.07%
Jahangir Siddiqui and Co Ltd	2.99%
Allied Bank Limited II	2.66%
Avari Hotels Limited	2.60%
BRR Guardian Modaraba	1.21%
Engro Fertilizer Limited	1.03%
Saudi Pak Leasing	0.86%
Kohat Cement Limited (Sukuk)	0.51%
Total	27.41%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.17,109,525/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0898/0.96%. For details investors are advised to read note 8 of the Financial Statement of the Scheme for the quarter ended September 30, 2013.

Name of the Members of Investment Committee

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



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			Performance %	
	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) December 31, 2013	December 2013	Since Launch July 02, 2013
NPF-Equity Sub-fund*	54	118.4053	6.17%	17.25%
NPF-Debt Sub-fund**	53	104.6443	5.50%	6.87%
NPF-Money Market Sub-fund**	45	104.6080	6.63%	6.75%
* Cumulative Return [Net of management fee & all other expenses]				
** Simple Annualized Return				

General Information		Investment Objective
Launch Date:	July 2, 2013	To provide a secure source of savings and regular income after retirement to the Participants.
Fund size:	Rs. 152 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 5:30 P.M	
Pricing Mechanism	Forward Pricing	
Front end Load:	Upto 3% on Contributions	
Back end Management Fee:	0%	
	On average Net Assets of each Sub-fund.	
	Equity 1.50%	
	Debt 1.25%	
	Money Market 1%	
Risk Profile	Investor dependent	
Custodian & Trustee:	Central Depository Company (CDC)	
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants	
Fund Manager:	Sajjad Anwar, CFA	
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1000/-	
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)	
Leverage	Nil	
Credit Quality of the Portfolio as on 31st December, 2013		Fund Manager's Commentary
		NAFA launched its open-end Voluntary Pension Scheme, NAFA Pension Fund (NPF) in July '13 with the objective of providing a secure source of savings and regular income after retirement to the Participants.
		During the month of December:
		NPF Equity Sub-fund increased by 6.2%, as against KSE-100 return of 3.9%. The allocation in the equity sub-fund reduced to around 88% from around 90% due to increased of the fund size at end of the month, with major weights in Banks, Oil and Gas, and Construction and Materials sectors.
		NPF Debt Sub-fund generated annualized return of 5.5%. The Sub Fund was invested primarily in T-bills and Bank deposits. The investments are being gradually shifted to high quality TFCs/Sukuks offering attractive yields.
		NPF Money Market Sub-fund generated annualized return of 6.6%. It was around 71% invested in T-bills. In line with its investment strategy, the Sub Fund will maintain high exposure in money market securities.

Credit Quality of the Portfolio as on 31st December, 2013

	Debt	Money Market
Government Securities (AAA rated)	71.61%	71.30%
AAA	4.41%	-
AA+	17.93%	2.06%
AA	0.35%	25.69%
AA-	2.93%	-
A	1.48%	-
Others	1.29%	0.95%
Total	100.00%	100.00%

Asset Allocation (% of Total Assets)			
Equity Sub-fund	31-Dec-13	29-Nov-13	
Equity	82.46%	87.32%	
Cash Equivalents	15.55%	10.43%	
Others	1.99%	2.25%	
Total	100.00%	100.00%	
Debt Sub-fund	31-Dec-13	29-Nov-13	
Cash Equivalents	17.93%	28.91%	
TFC/Sukuk	9.17%	11.53%	
T-Bills	71.61%	58.25%	
Others	1.29%	1.31%	
Total	100.00%	100.00%	
Money Market Sub-fund	31-Dec-13	29-Nov-13	
Cash Equivalents	14.55%	26.21%	
Placements with Banks and DFIs	13.20%	-	
T-Bills	71.30%	72.97%	
Others	0.95%	0.82%	
Total	100.00%	100.00%	

WORKERS' WELFARE FUND (WWF)

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

	Total amount Provided upto December 31, 2013	Amount Per Unit Rs	Since Inception return would otherwise have been higher by:
Equity Sub-Fund ¹	138,012	0.3033	0.30%
Debt Sub-Fund ²	32,274	0.0639	0.13%
Money Market Sub-Fund ²	30,887	0.0720	0.14%

¹ Cumulative, ² Annualized

For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2013.

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 Pension fund. All investments in Pension funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

Investment Objective

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

Fund Manager's Commentary

NAFA launched its open-end Voluntary Pension Scheme, NAFA Pension Fund (NPF) in July '13 with the objective of providing a secure source of savings and regular income after retirement to the Participants.

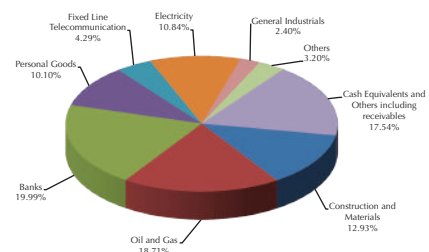
During the month of December:

NPF Equity Sub-fund increased by 6.2%, as against KSE-100 return of 3.9%. The allocation in the equity sub-fund reduced to around 88% from around 90% due to increased of the fund size at end of the month, with major weights in Banks, Oil and Gas, and Construction and Materials sectors.

NPF Debt Sub-fund generated annualized return of 5.5%. The Sub Fund was invested primarily in T-bills and Bank deposits. The investments are being gradually shifted to high quality TFCs/Sukuks offering attractive yields.

NPF Money Market Sub-fund generated annualized return of 6.6%. It was around 71% invested in T-bills. In line with its investment strategy, the Sub Fund will maintain high exposure in money market securities.

Equity Sub Fund Asset Allocation (% of Total Assets) (as on 31st December, 2013)



Top Ten Holdings of Equity Sub-fund (as on 31st December, 2013)

Name	(% of Total Assets)	Name	(% of Total Assets)
Bank Al-Falah Ltd	7.06%	Pakistan State Oil Co. Ltd	4.90%
Pakistan Petroleum Ltd	6.76%	Pioneer Cement Ltd	4.38%
Kot Addu Power Co Ltd	6.64%	Pakistan Telecommunication Ltd	4.29%
Nishat Mills Ltd.	6.62%	Pakistan Oilfields Ltd	4.14%
Bank AL-Habib Ltd	6.52%	United Bank Ltd	3.49%

As on 31st December, 2013 Top TFC/Sukuk Holdings of Debt Sub-fund

Name	(% of Total Assets)
Standard Chartered Bank (Pakistan) Ltd IV	4.41%
Faysal Bank Ltd III	2.93%
Engro Fertilizer Ltd (PPTFC)	1.48%
United Bank Ltd III	0.31%
Allied Bank Ltd I	0.04%
Total	9.17%

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, Muhammad Imran, CFA, ACCA
Salman Ahmed



	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) December 31, 2013	Performance %	
			December 2013	Since Launch July 02, 2013
NIPF-Equity Sub-fund*	41	117.1374	7.41%	16.29%
NIPF-Debt Sub-fund**	39	104.7830	6.84%	7.61%
NIPF-Money Market Sub-fund**	34	104.1143	4.29%	6.30%
* Cumulative Return [Net of management fee & all other expenses]				
** Simple Annualized Return				

General Information	
Launch Date:	July 2, 2013
Fund Size:	Rs. 114 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 5:30 P.M
Pricing Mechanism:	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end:	0%
Management Fee:	On average Net Assets of each Sub-fund. Equity 1.50% Debt 1.25% Money Market 1%
Risk Profile:	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)
Leverage:	Nil

Investment Objective

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

Fund Manager's Commentary

NAFA launched its Islamic open-end Voluntary Pension Scheme, NAFA Islamic Pension Fund (NIPF) in July '13 with the objective of providing a secure source of shariah compliant savings and regular income after retirement to the Participants.

During the month of December:

NIPF Equity Sub-fund generated a return of 7.4% compared with KMI-30 Index, which increased by 4.3%. The Sub-fund was around 90% invested of the fund size in equities with major weights in Oil and Gas, Construction and Materials, and Personal Goods sectors.

NIPF Debt Sub-fund generated annualized return of 6.8%. The Sub-fund was invested primarily in GoP Ijara Sukuks and Islamic bank deposits. NIPF Money Market Sub-fund generated annualized return of 4.3%. The Sub Fund was invested primarily in short-term GoP Ijara Sukuks and Islamic bank deposits.

Credit Quality of the Portfolio (as on 31st December, 2013)

	Debt	Money Market
Government Securities (AAA rated)	81.25%	70.86%
AAA	8.48%	16.33%
AA+	8.69%	11.55%
Others	1.58%	1.26%
Total	100.00%	100.00%

Asset Allocation (% of Total Assets)			
Equity Sub-fund	31-Dec-13	29-Nov-13	
Equity	87.97%	89.45%	
Cash Equivalents	9.73%	8.10%	
Others including receivables	2.30%	2.45%	
Total	100.00%	100.00%	
Debt Sub-fund	31-Dec-13	29-Nov-13	
Cash Equivalents	17.17%	17.87%	
GoP Ijara Sukuks - Govt Backed	81.25%	81.16%	
Others	1.58%	0.97%	
Total	100.00%	100.00%	
Money Market Sub-fund	31-Dec-13	29-Nov-13	
Cash Equivalents	27.88%	86.94%	
GoP Ijara Sukuks - Govt Backed	70.86%	12.46%	
Others	1.26%	0.60%	
Total	100.00%	100.00%	

WORKERS' WELFARE FUND (WWF)

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

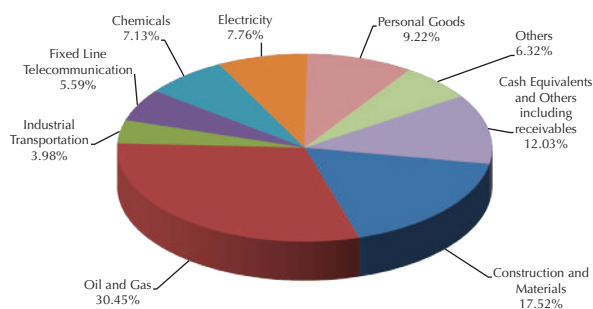
	Total amount Provided upto December 31, 2013	Amount Per Unit Rs	Since Inception return would otherwise have been higher by:
Equity Sub-Fund ¹	118,865	0.3382	0.34%
Debt Sub-Fund ²	30,879	0.0830	0.16%
Money Market Sub-Fund ²	25,478	0.0789	0.16%

¹ Cumulative, ² Annualized

For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2013.

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Equity Sub Fund Asset Allocation (% of Total Assets) (as on 31st December, 2013)



Top Ten Holdings of Equity Sub-fund (as on 31st December, 2013)

Name	(% of Total Assets)	Name	(% of Total Assets)
Nishat Mills Ltd.	9.22%	Pakistan State Oil Co. Ltd	6.92%
Pakistan Petroleum Ltd	8.50%	Oil & Gas Dev.Co Ltd	6.67%
Pakistan Oilfields Ltd	8.36%	Pakistan Telecommunication Ltd	5.59%
Hub Power Company Ltd	7.76%	Pioneer Cement Ltd	4.99%
Fauji Fertilizer Co Ltd	7.13%	Kohat Cement Ltd	4.44%

As on 31st December, 2013

Top Holdings of Debt Sub-fund		Top Holdings of Money Market Sub-fund	
Name	(% of Total Assets)	Name	(% of Total Assets)
GoP Ijarah (Sukuk XI)	71.10%	GoP Ijarah (Sukuk IX)	59.04%
GoP Ijarah (Sukuk IX)	10.15%	GoP Ijarah (Sukuk XI)	11.82%
Total	81.25%	Total	70.86%

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, Muhammad Imran, CFA, ACCA
Salman Ahmed