

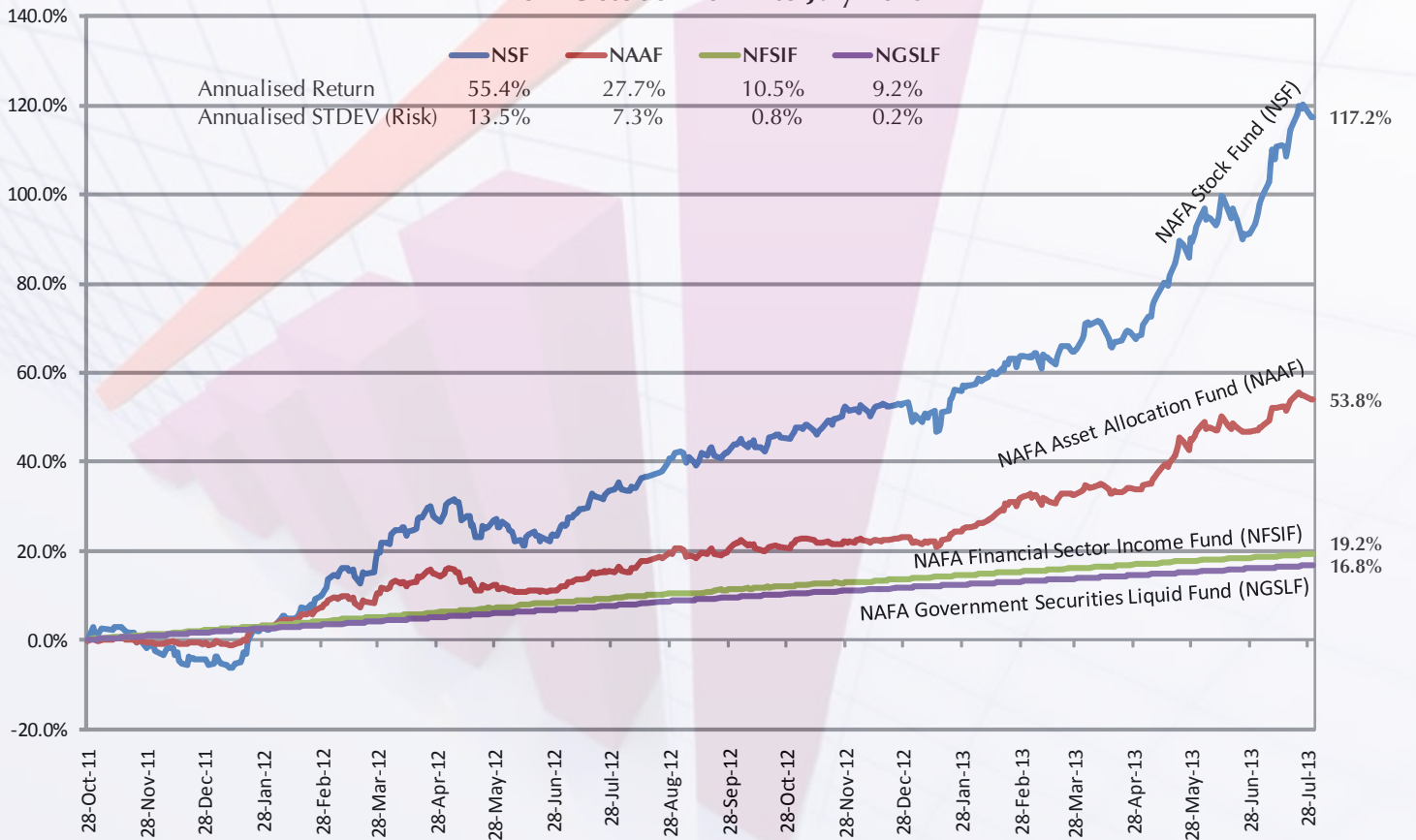


NBP Fullerton  
Asset Management Ltd.  
A Subsidiary of  
National Bank of Pakistan

# Fund Manager Report

## July 2013

Relative Performance of NAFA's Key Funds  
From October 2011\* to July 2013



\*Since Inception of NFSIF in October 2011

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

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NBP Fullerton Asset Management Limited

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Your investments & "NAFA" grow together



Joint - Venture Partners



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"July 2013"

		Fund Name	Fund Size (Rs. In Crore)	Stability Rating / Star Ranking*	July - 2013	FY - 2013	FY - 2012	FY - 2011
		<b>Fixed Income Funds</b>	<b>Annualized Returns</b>					
Lowest Risk	NCSLF	NAFA Government Securities Liquid Fund	1,276	AAA (f)	7.12%	8.67%	10.86%	11.46%
	NMMF	NAFA Money Market Fund	1,391	AA (f)	7.54%	9.16%	n/a	n/a
	NSPF	NAFA Savings Plus Fund	308	AA- (f)	7.23%	8.77%	11.01%	10.64%
	NRFSLF	NAFA Riba Free Savings Fund	319	AA- (f)	6.47%	8.73%	10.80%	n/a
	NFSIF	NAFA Financial Sector Income Fund	498	A+ (f)	7.59%	9.28%	n/a	n/a
		<b>Equity Related Funds</b>	<b>Cumulative Returns</b>					
Moderate Risk	NAAF	NAFA Asset Allocation Fund	138	***** (5-star)	4.75%	31.94%	14.38%	n/a
	NMF	NAFA Multi Asset Fund	87	**** (4-star)	7.26%	34.14%	15.54%	25.30%
	NIMF	NAFA Islamic Multi Asset Fund	51	**** (4-star)	7.37%	36.25%	13.26%	28.44%
Highest Risk	NSF	NAFA Stock Fund	130	**** (4-star)	13.75%	54.93%	21.98%	28.37%
Risk Profile of NAFA's Key Funds		<p>* Stability rating for Fixed Income Funds and Star Ranking for Equity/Balanced Funds. n/a = Not applicable. - Return is reported where full period performance is available.</p>						
		<i>Note: Detailed monthly reports on NAFA Funds are available on our website at <a href="http://www.nafafunds.com">www.nafafunds.com</a></i>						

## Stock Market - Out of Sync with other Financial Markets

Lately, the stock market and other financial markets are moving in opposite directions. In an abnormal relationship, the stock market is scaling new highs, while bond and foreign exchange markets have turned bearish as depicted by a marked increase in bond yields and decline in PKR/USD parity. Historically, Pakistani stock market and foreign exchange reserves have moved in the same direction. However, since February, 2012 we are witnessing an anomaly where net foreign exchange reserves of the country have continuously declined, whereas the stock market has continuously risen (see Chart 1). A possible rationale for this is investors' expectations that IMF will approve the loan facility for Pakistan in September, following which foreign flows from World Bank, ADB, US Coalition Support Fund, Saudi Arabia, and foreign direct investments will start pouring in. Expectations of better governance and resolution of energy crises over the next few years by the present government are other key reasons for the upbeat performance of the stock market recently.

**Forex market:** After remaining reasonably stable in 2HFY13, Pak Rupee has depreciated by 2.9% in the interbank market and 2.7% in the open market during the last one month. We expect rupee depreciation to continue in the coming months due to lumpy IMF loan repayments, SBP's continued hands-off approach, currency devaluation of our competing countries like India, and IMF insistence to the government to devalue the currency. Pakistani currency is expected to devalue against key currencies by about 8% in FY 13-14.

**Inflation:** After hitting a multi-year low of 5.1% in May, headline inflation (CPI) has started rising again. We expect inflationary pressures to further intensify and headline inflation to hit double-digits by December 2013, driven by increase in GST rate, energy prices hike, reversal of base effect, continuation of strong growth in money supply, and currency devaluation.

**Bond market:** The yield curve has considerably steepened during July, suggesting that the bond market is expecting an interest rate hike in the near-future (see Chart 2). Bid patterns, with T-bills participation concentrated in the 3 and 6 month papers in the recent auctions, also corroborate this view. 10-year PIB yield has increased by 83bp to 11.76% in the last one month. However, short-term yields continue to drift lower due to ample liquidity injected in the system through massive government borrowing from the central bank. We expect interest rates to rise in the coming months due to: (i) rising inflation; (ii) expected restriction on government borrowing from SBP under the upcoming IMF program; and (iii) IMF persuasion to the government to raise the discount rate.

**Stock market:** Ignoring negative signals from bond/forex markets, the stock market has continued to show strong performance. The benchmark KSE-100 Index has risen by around 11% during July. After recent performance, stock market's price-to-earnings ratio has risen to about 8.9 times on 1-year forward earnings, as per our estimates. Given the expected rise in inflation and interest rates, we see slim chances of further re-rating of the stock market. In the immediate term, we expect the market to remain sideways in view of the tough decisions being undertaken by the government. However, on a one-year or longer investment horizon, we believe that the stock market will provide double digit returns to investors.

Chart -1 SBP Foreign Exchange Reserves versus the Stock Market

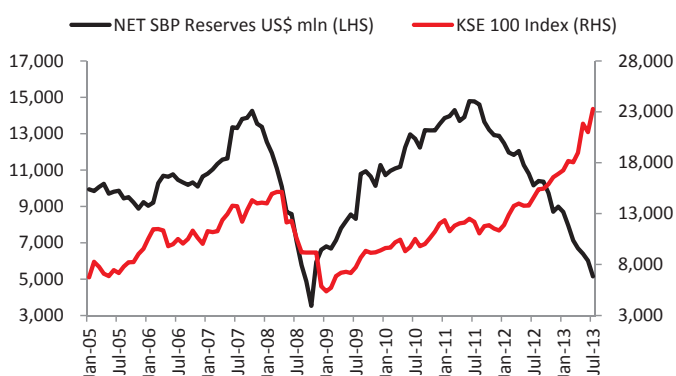
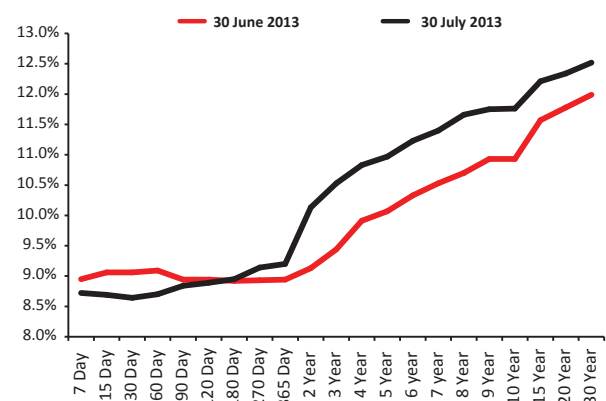


Chart -2 Yield curve steepens sharply





July 2013

## Stock Market Review

Paring back the losses of the last month, the stock market depicted robust performance during July. The benchmark KSE-100 Index surged by around 11% led by the Banking, Fixed Line Communication and Construction and Material sectors amid expectations of healthy corporate earnings announcements in the ongoing results season, mitigation of downside risk to the external account post Pak - IMF negotiations for fresh IMF package and improvement of liquidity with the resolution of energy related circular debt. However, at the end of the month, a sell-off was witnessed in the market as it started paying attention to negative signals from the bond and forex markets. Trading activity remained healthy with average daily trading volume recorded at 253 million shares. Foreign Portfolio Inflows were recorded at US \$ 26.5 million (adjusted for outflows related to KAPCO shares). KSE 100 Index started the month at 21,006 levels and after touching a high of 23,776 levels on July 24, closed July at 23,313.

Banking, Fixed Line Communication and Construction and Material sectors performed better than the market. On the other hand, Oil & Gas, Electricity and Industrial Engineering sectors lagged the market. Outlook of the banking sector improved on expectations of improvement in Net Interest Margins (NIMs) on the back of uptick in interest rates and relaxation in Minimum Deposit Rate (MDR). Investors took fresh positions in the selected telecom giant on the expectations of transfer of real estate properties. Hopes of robust earnings announcement and healthy payouts drove upbeat performance of Construction and Material sector. Electricity sector took a breather following robust performance during the last couple of months.

As per our estimates, the stock market is currently trading at an 8.9 times forward earnings. Going forward, developments on the fresh IMF package, foreign portfolio inflows, announcement/implementation of energy policy and upcoming financial results will be the key drivers of the stock market.

## Fixed Income Review

As compared to 5.9% in June 2013, the YoY headline inflation as measured by Consumer Price Index (CPI) increased to 8.3% in July 2013 led by the food component. Expected hike in energy tariffs, rupee weakness, upward adjustment in fuel prices, reversal of base effect and strong broad money growth are likely to further stoke up inflation going forward.

The market witnessed a major shift in the SBP Open Market Operation from injection to mop up due to the large maturities of Treasury Bills as compared to the targets in the month of July and significant increase in direct government borrowing from SBP to resolve the energy sector circular debt. Longer tenor yields surged during the month to the level seen before the last policy rate cut by the central bank. For instance, Yield of 10 year PIB increased to 11.76% at the end of the month compared to 10.93% at the beginning of the month.

In the two T-Bills auctions during the month, MoF accepted Rs 516 billion (realized amount) against the target of Rs 600 billion and maturity of Rs 803 billion. The cut-off annualized yields for the last T-Bill auction were noted at around 8.96%, 8.99% and 8.98% for 3, 6 and 12-month tenors, respectively. T-Bills auction bid pattern depicted major participation in 3 & 6-month tenor, while considerably smaller interest was observed in 12-month tenor. In PIB auction during the month an amount of Rs. 18 billion was accepted against the target of Rs. 50 billion at a cut-off yield of 10.44%, 10.90% and 11.65% in the 3 year, 5 year and 10 year tenors respectively, whereas no bid was received in the 20-year tenor. We are keeping short maturities for our money market funds on the expectation of upside risk to the inflation and interest rates.



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2013): Rs. 10.0424

July 2013

**Performance**

Performance %	July 2013 *	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch May 16, 2009**
NAFA Government Securities Liquid Fund	7.12%	7.66%	8.40%	10.36%
Benchmark	8.34%	8.47%	8.68%	10.41%

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

**General Information**

Launch Date: May 16, 2009  
Fund Size: Rs. 12,756 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 Earning (Min 1%, Max 1.25%)  
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.

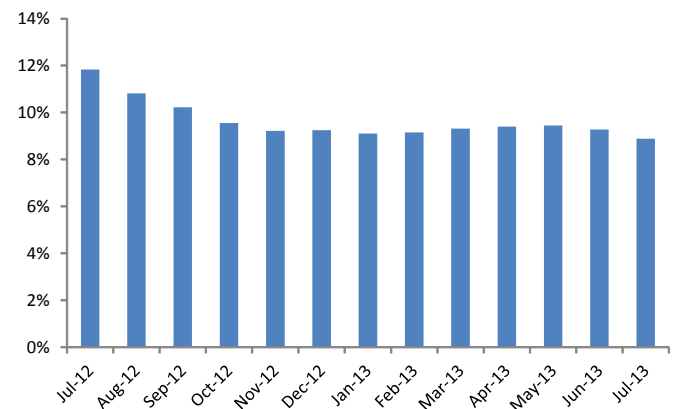
**Fund Manager Commentary**

The Fund earned an annualized return of 7.12% during July 2013 versus the benchmark return of 8.34%. The annualized return in the CY-13 is 7.66% against the benchmark return of 8.47%. The return generated by the Fund is net of management fees and all other expenses.

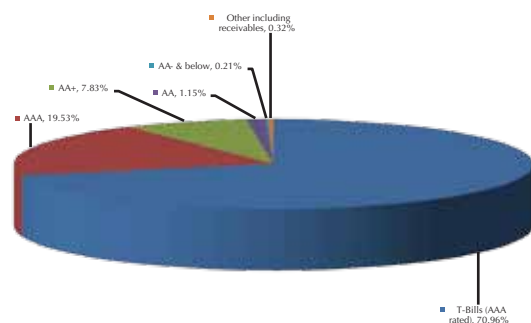
NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of the Fund. Average daily allocation for the last 365 days' in short-term Government Securities was around 87% of the Fund size. While, at the end of the month government securities comprised around 71% of the Total Assets (71.68% of Net Assets). Weighted average time to maturity of the Fund is 37 days.

In the two T-Bill auctions of July, MoF cumulatively accepted around Rs. 516 billion in realized value against the target of Rs. 600 billion. The cut-off annualized yields for the last T- Bill auction was noted at around 8.96%, 8.99% and 8.98% for 3, 6 and 12-month tenors, respectively. The return on the Fund will track the yield on T-Bills. Increase in interest rates bode well for the Fund due to its short maturity.

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



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



**Asset Allocation (% of Total Assets) 31-July-13 29-June-13**

T-Bills	70.96%	37.06%
Placements with Banks	19.40%	10.40%
Placements with DFIs	1.16%	1.20%
Cash Equivalents	8.16%	4.38%
Other including receivables	0.32%	46.96%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 86,189,035/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0679/0.73%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

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

**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 (31/07/2013): 10.0128

July 2013

## Performance

Performance %	July 2013*	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch February 24, 2012**
NAFA Money Market Fund	7.54%	7.99%	8.95%	9.45%
Benchmark	6.51%	6.51%	6.67%	6.87%

\* 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. 13,915 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. 5 million), Back end: 0%
Management Fee:	1.00% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	3-Month deposit rates (AA & above rated banks)
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (very high investment management standards)

## Investment Objective

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

## Fund Manager Commentary

The Fund earned an annualized return of 7.54% during July 2013 versus the benchmark return of 6.51%, thus registering an out-performance of 1.03% p.a. Since the launch of the Fund in February 2012, the Fund has out-performed its benchmark by 2.58% p.a. by earning an annualized return of 9.45%. This out-performance is net of management fee and all other expenses.

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

The allocation of the Fund in AAA rated investments is around 80% at month-end. The weighted average time to maturity of the Fund is 45 days. We are monitoring the developments in capital market conditions and will proactively rebalance the Portfolio.

## Asset Allocation (% of Total Assets) 31-July-13 29-June-13

T-Bills	19.18%	11.61%
Placements with Banks	60.62%	61.19%
Placements with DFIs	2.50%	1.36%
Money Market Placements	-	0.88%
Cash Equivalents	17.41%	24.03%
Others including receivables	0.29%	0.93%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

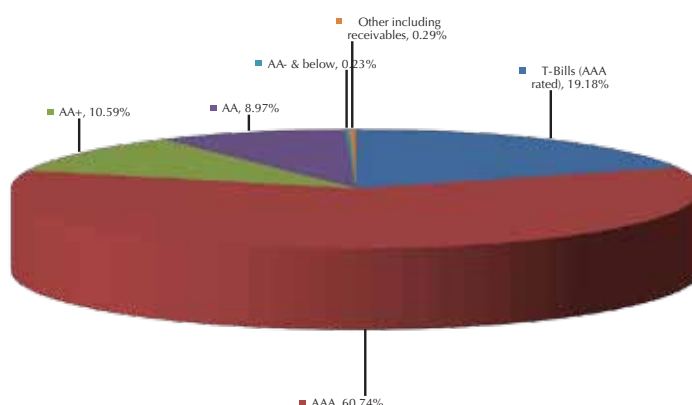
## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 50,105,036/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0361/0.39%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

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

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



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MONTHLY REPORT (MUFAP's Recommended Format)

Unit Price (31/07/2013): Rs. 10.0479

July 2013

## Performance

Performance %	July 2013 *	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch November 21, 2009**
NAFA Savings Plus Fund	7.23%	7.83%	8.53%	10.06%
Benchmark	6.66%	6.86%	7.14%	7.97%

\* 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.3,078 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. 5 million), Back end: 0%
Management Fee:	1.50% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Average 6-Month deposit rate (A & above rated banks)
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 1,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (very high investment management standards)

## Investment Objective

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

## Fund Manager Commentary

The Fund earned an annualized return of 7.23% during the month versus the benchmark return of 6.66%, thus depicting an out-performance of 0.57% p.a. The annualized return in the CY13 is 7.83% against the benchmark return of 6.86%, hence an out-performance of 0.97% p.a. This out-performance is net of management fee and all other expenses.

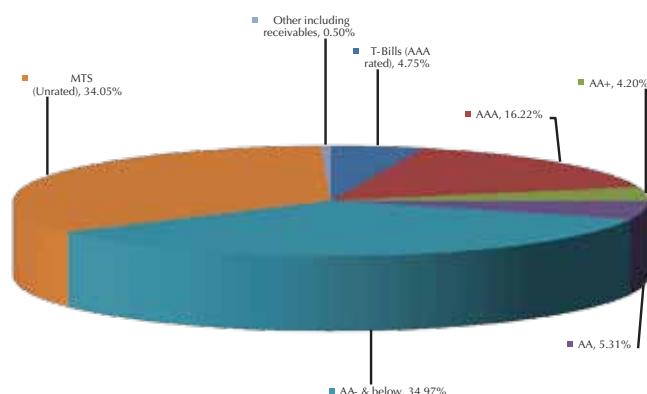
NSPF is one of the highest rated income funds in the market due to its restrictive investment guidelines. It cannot invest in any avenue which has more than six months maturity nor can it invest in debt securities and Equities. Moreover, it cannot invest in money market instruments below credit rating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

The portfolio of NSPF is fairly diversified invested in Treasury bills, placement with DFIs, TDRs, MTS and bank deposits etc. The allocation in T-Bills is around 4.75%, MTS around 34.05%, TDRs around 15.99% and investment with DFIs is around 4.00%, with asset class maturities at 36 days, 60 days, 56 days and 56 days respectively. The weighted average maturity of the entire Fund is around 34 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 associated expectations and will proactively alter the Fund's allocation accordingly.

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



## Asset Allocation (% of Total Assets) 31-July-13 29-June-13

Asset Allocation	31-July-13	29-June-13
T-Bills	4.75%	2.64%
Money Market Placements	-	3.91%
Placements with DFIs	4.00%	4.07%
Margin Trading System (MTS)	34.05%	16.32%
Placements with Banks	15.99%	-
Cash Equivalents	40.71%	23.93%
Other including receivables	0.50%	49.13%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.6,490,061/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0212/0.23%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013 .

## Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2013): Rs. 10.0846

July 2013

## Performance

Performance % *	July 2013 *	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch August 21, 2010**
NAFA Riba Free Savings Fund	6.47%	7.71%	8.41%	9.87%
Benchmark	6.69%	6.82%	7.16%	7.83%

\* 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. 3,188 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 2-3 business days
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0.5% (Nil on investment above Rs. 5 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:	MCB Financial Services Ltd (MCBFSL)
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 6.47% for the month of July 2013 versus the benchmark return of 6.69%. During the last one year the Fund has out-performed its benchmark by 1.25% by earning an annualized return of 8.41%. This outperformance is net of management fee and all other expenses.

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

The allocation of the Fund is fairly diversified with exposure of around 18.63% in GoP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 80.23% of the Fund size is invested in bank deposits.

The weighted average duration of the Fund is 21 days and the weighted average time to maturity is 0.23 years. The Fund is invested in floating rate securities. Therefore, the return on the Fund will improve with increase in the interest rates.

Asset Allocation (% of Total Assets)	31-July-13	29-June-13
GOP Ijarah Sukuk - Govt. Backed	18.63%	18.66%
Islamic Money Market Placements	-	6.52%
Cash	80.23%	24.27%
Other including receivables	1.14%	50.55%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

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

Name of Sukuk	% of Total Assets
GOP Ijarah (Sukuk IX)	5.34%
GOP Ijarah (Sukuk V)	3.43%
GOP Ijarah (Sukuk VIII)	3.12%
GOP Ijarah (Sukuk XII)	1.56%
GOP Ijarah (Sukuk XIII)	1.46%
GOP Ijarah (Sukuk X)	1.25%
GOP Ijarah (Sukuk XIV)	0.78%
GOP Ijarah (Sukuk XI)	0.75%
GOP Ijarah (Sukuk VI)	0.69%
GOP Ijarah (Sukuk VII)	0.25%
<b>Total</b>	<b>18.63%</b>

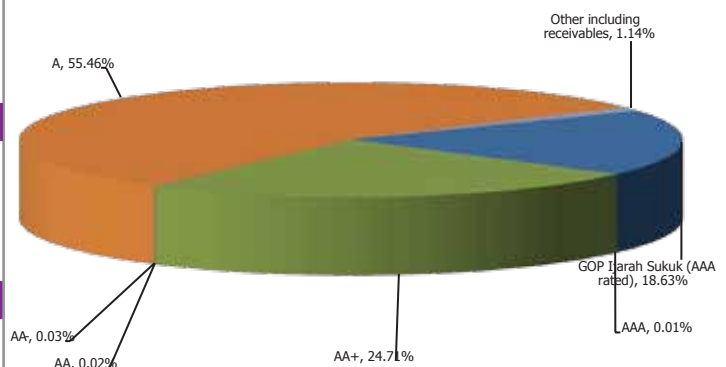
## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.4,294,348/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0136/0.15%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013 .

## Name of the Members of Investment Committee

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

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



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**Performance**

Performance %	July 2013 *	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch October 28, 2011 **
NAFA Financial Sector Income Fund	7.59%	8.40%	8.99%	10.49%
Benchmark	8.30%	8.57%	8.81%	9.65%

\* 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. 4,977 Million  
Type: Open-end – Income Fund  
Dealing Days: Daily – Monday to Saturday  
(Mon - Thr) 9:00 A.M to 5:00 P.M  
(Friday) 9:00 A.M to 5:30 P.M  
(Saturday) 9:00 A.M to 1:00 P.M  
Dealing Time: 2-3 business days  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end: 1% (Nil on investment above Rs. 5 million) Back end: 0%  
Management Fee: 1.5% per annum  
Risk Profile: Low  
Fund stability rating: A+(f) by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: A. F. Ferguson & Co.  
Chartered Accountants  
Benchmark: 70% 6-Month KIBOR & 30% average 3-Month deposit rates (A & above rated banks)  
Fund Manager: Salman Ahmed  
Minimum Subscription: Growth Unit: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA (very high investment management standards)

**Investment Objective**

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

**Fund Manager Commentary**

The Fund generated an annualized return of 7.59% for the month of July 2013 versus the benchmark return of 8.30%. Since its launch in October 2011, the Fund offered an annualized return of 10.49% against the benchmark return of 9.65%, hence an out-performance of 0.84% 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 debt securities, instruments or deposits. Minimum entity rating of issuers of debt securities (mainly banks) is AA minus. This minimizes credit risk and at the same time enhances liquidity of the Fund. Duration of the Fund 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 39.55% at the end of the month with average time to maturity of 3.69 years and Yield to Maturity of 10.30% p.a. Exposure in Term Deposit Receipts was around 9.97% and investment with DFIs was 5.98%. The 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.

The weighted average time-to-maturity of the Fund is 1.50 years. We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

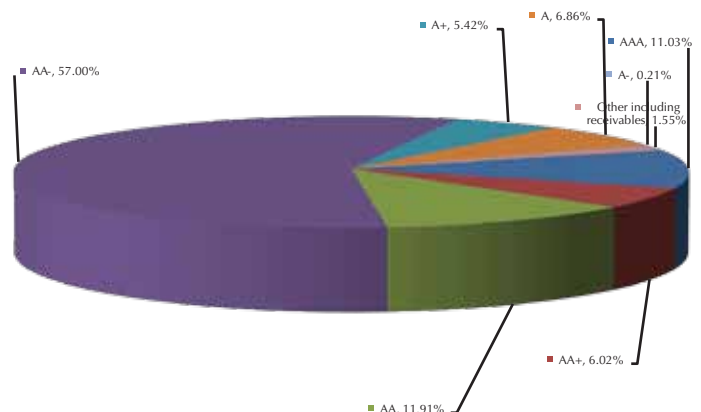
**Asset Allocation (% of Total Assets) 31-July-13 29-June-13**

Asset Allocation (% of Total Assets)	31-July-13	29-June-13
TFCs	39.55%	40.37%
Money Market Placements	-	6.41%
Placement with DFIs	5.98%	6.01%
Placement with Banks	9.97%	-
Cash Equivalents	42.95%	26.04%
Other including receivables	1.55%	21.17%
Total	100.00%	100.00%
Leverage	Nil	Nil

**Top 10 TFC (Including Short Term Sukuk) (as at July 31st, 2013)**

Name of TFC	% of Total Assets
United Bank Limited IV	8.81%
Bank Alfalah Limited IV - FT	7.42%
Faysal Bank Limited III	6.18%
NIB Bank Limited	5.42%
Askari Bank Limited III	3.09%
Pakistan Mobile Communication Limited	2.31%
Allied Bank Limited II	1.25%
Bank Alfalah Limited IV - FX	1.23%
Standard Chartered Bank (Pakistan) Limited IV	0.99%
Pak Libya Holding Company	0.99%
Total	37.69%

**Credit Quality of the Portfolio as of July 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. 9,989,476/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0207/0.22%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013 .

**Name of the Members of Investment Committee**

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2013): Rs.11.9186

July 2013

## Performance

Performance %	July 2013*	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug. 2012 - Jul. 2013*	Since Launch August 21, 2010**
NAFA Asset Allocation Fund *	4.75%	24.83%	32.99%	24.08%
Benchmark	4.29%	13.01%	19.04%	14.17%

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

## General Information

Launch Date:	August 21, 2010
Fund Size:	Rs.1,382 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 – 2% (Nil on investment above Rs. 5 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 4.75% while the benchmark increased by 4.29%. Thus your Fund out-performed the benchmark by 0.46%. Since inception on August 21, 2010 the Fund has posted a cumulative return of 88.91%, while the benchmark has increased by 47.81%. Thus, to-date the cumulative out-performance of your Fund stands at 41.10%. This out-performance is net of management fee and all other expenses.

In July, the stock market generated strong performance and KSE 100 Index appreciated by 10.98%. NAAF started off the month with an allocation of around 1% in equities. However, considering the increasing market momentum on the back of improvement in liquidity conditions following the resolution of circular debt, agreement on IMF loan, and expectation of an exciting earnings season, we increased the equity exposure and towards the end of the month the Fund was around 34% invested. The Fund benefitted from increase in allocation to equities and being over-weight in selected Construction and Materials sector stocks, which performed better than the market. During July, the allocation was increased in all the sectors.

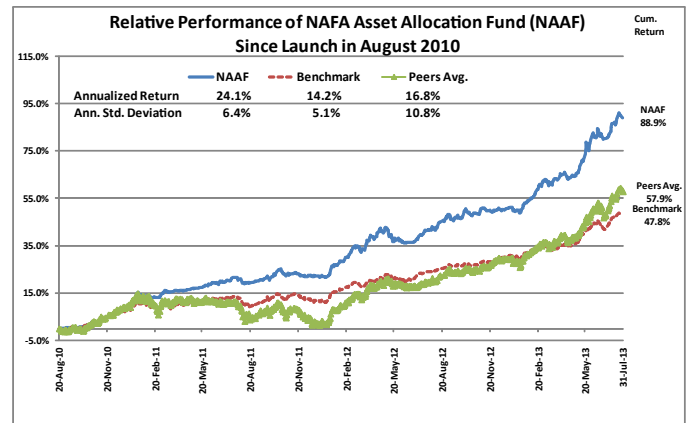
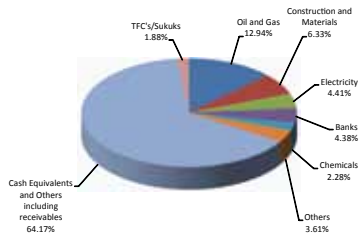
Asset Allocation (% of Total Assets)	31-July-13	28-June-13
Equities / Stocks	33.95%	0.55%
TFCs/Sukuks	1.88%	2.27%
Cash Equivalents	51.54%	91.29%
Others including receivables	12.63%	5.89%
Total	100.00%	100.00%
Leverage	Nil	Nil

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

	PER	PBV	DY
NAAF	7.6	2.5	7.8%
KSE-30	8.4	2.3	6.7%

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

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



## Top Holdings (as on 31st July, 2013)

Name	Asset Class	% of Total Assets
Pakistan Petroleum Ltd	Equity	4.40%
Hub Power Company Ltd	Equity	3.95%
Pakistan State Oil Co. Ltd.	Equity	3.75%
Bank AL-Habib Ltd	Equity	3.74%
Pakistan Oilfields Ltd	Equity	2.70%
Cherat Cement Co Ltd	Equity	2.44%
Engro Corporation Ltd	Equity	2.28%
Kohat Cement Ltd	Equity	2.20%
Oil & Gas Dev.Co Ltd	Equity	2.09%
Pakistan Telecommunication Ltd	Equity	1.97%
<b>Total</b>		<b>29.52%</b>

## Name of the Members of Investment Committee

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

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 7,557,925/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0652/ 0.73%. For details investors are advised to read Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2013): Rs 12.2807

July 2013

## Performance

Performance %	July 2013*	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug. 2012 - Jul. 2013*	Since Launch January 22, 2007**
NAFA Multi Asset Fund*	7.26%	28.33%	36.64%	14.75%
Benchmark	6.28%	18.05%	25.84%	8.89%

\* Cumulative Returns  
\*\* Annualized Return

[Net of management fee & all other expenses]

## General Information

Launch Date: January 22, 2007  
Fund Size: Rs 866 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. 5 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 7.26% while the benchmark increased by 6.28%. Thus your Fund out-performed the benchmark by 0.98%. Since inception on January 22, 2007 your Fund has posted a cumulative return of 145.69%, while the benchmark has increased by 74.44%. Thus, to-date the cumulative out-performance of your Fund stands at 71.25%. This out-performance is net of management fee and all other expenses.

In July, the stock market generated strong performance and KSE 100 Index appreciated by 10.98%. NMF started off the month with an allocation of around 31% in equities, but considering the increasing market momentum on the back of improvement in liquidity conditions following resolution of circular debt, agreement on IMF loan, and expectation of an exciting earnings season, the exposure in equities was increased to around 57% towards the end of the month. The Fund benefitted from increased allocation to equities and being over-weight in selected Construction and Materials sector stocks, which performed better than the market. During July, the allocation was increased in all the sectors barring General Industrials.

## Asset Allocation (% of Total Assets)

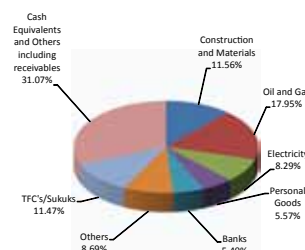
	31-July-13	28-June-13
Equities / Stocks	57.46%	31.49%
TFCs / Sukuks	11.47%	14.28%
Cash Equivalents	22.66%	52.95%
Others including receivables	8.41%	1.28%
Total	100.00%	100.00%
Leverage	Nil	Nil

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

	PER	PBV	DY
NMF	7.2	2.3	8.0%
KSE-30	8.4	2.3	6.7%

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

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



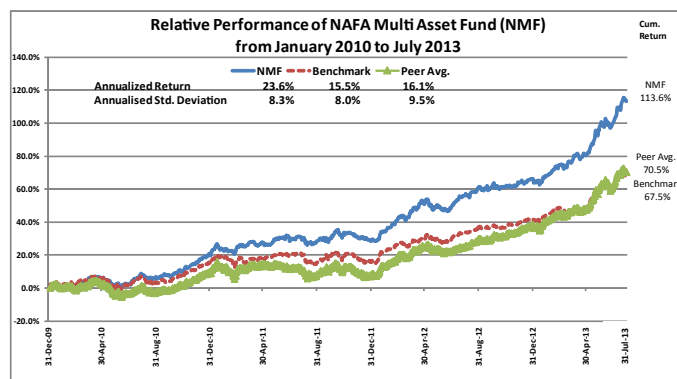
## Name of the Members of Investment Committee

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

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 10,859,523/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1540/1.71%. For details investors are advised to read Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

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## Top Ten Holdings (as on 31st July, 2013)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Hub Power Company Ltd	Equity	6.70%	Maple Leaf Cement I	Sukuk	3.59%
Pakistan State Oil Co Ltd.	Equity	6.60%	Bank AL-Habib Ltd	Equity	3.39%
Pakistan Petroleum Ltd	Equity	4.92%	Oil & Gas Dev.Co Ltd	Equity	3.38%
Cherat Cement Co Ltd	Equity	4.47%	Pakistan Oilfields Ltd	Equity	3.04%
Thal Ltd	Equity	3.76%	Kohat Cement Ltd	Equity	2.97%

## 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	30,082,960	-	15,041,480	1.74%	1.70%	49.78%
Eden Housing (Sukuk II)	SUKUK	15,937,500	5,555,988	10,381,512	1.20%	1.17%	80.06%
Maple Leaf Cement (Sukuk I)	SUKUK	79,408,065	47,644,839	31,763,226	3.67%	3.59%	38.72%
Pak Elektron Limited (Sukuk)	SUKUK	17,142,857	13,190,503	3,952,354	0.46%	0.45%	371.23%
New Allied Electronics (Sukuk I)	SUKUK	10,000,000	10,000,000	-	-	-	-
Total		152,571,382	76,391,330	61,138,572	7.07%	6.91%	

\*\*\*\* 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.



## Performance

Performance %	July 2013*	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug. 2012 - Jul. 2013*	Since Launch October 29, 2007**
NAFA Islamic Multi Asset Fund	7.37%	28.72%	40.81%	14.14%
Benchmark	5.69%	20.32%	31.64%	NA***

\* Cumulative Return

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

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

## General Information

Launch Date:	October 29, 2007
Fund Size:	Rs. 506 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. 5 million) Back end - 0%
Management Fee:	2% per annum
Risk Profile:	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	50% KMI - 30 Index & 50% average 3-month profit rate of Islamic banks.
Fund Manager:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (very high investment management standard ds)

## 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 7.37%, whereas the benchmark increased by 5.69%, thus your Fund out-performed the benchmark by 1.68%.

In July, the stock market generated strong performance and KMI 30 Index appreciated by 11.06%. NIMF started off the month with an allocation of around 32% in equities, but considering the increasing market momentum on the back of improvement in liquidity conditions following resolution of circular debt, agreement on IMF loan, and expectation of an exciting earnings season, the exposure in equities was increased to around 56% towards the end of the month. The Fund benefitted from increased allocation to equities and being over-weight in selected Construction and Materials sector stocks, which performed better than the market. During July, the allocation was increased in all the sectors barring General Industrials and Chemicals sectors where the allocation was reduced.

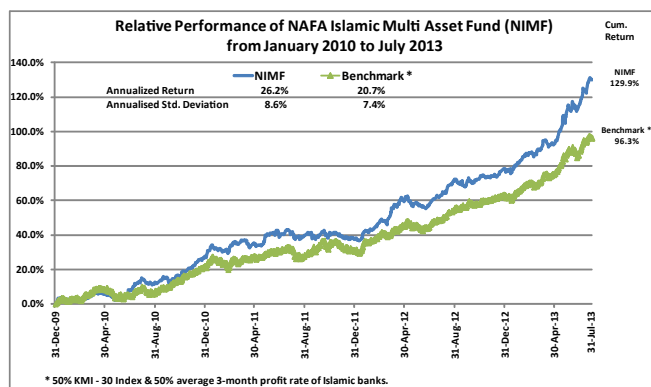
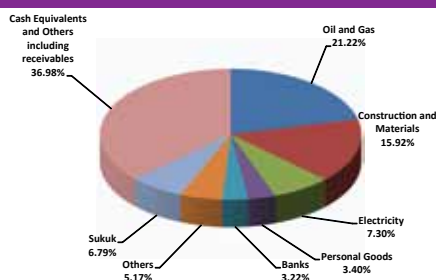
Asset Allocation (% of Total Assets)	31-July-13	28-June-13
Equities / Stocks	56.23%	31.61%
Sukuks	6.79%	8.04%
Cash Equivalents	29.94%	58.52%
Others including receivables	7.04%	1.83%
Total	100.00%	100.00%
Leverage	Nil	Nil

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

	PER	PBV	DY
NIMF	7.2	2.4	8.4%
KMI-30	8.4	2.6	7.3%

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

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



## Top Ten Holdings (as on 31st July, 2013)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan State Oil Co. Ltd.	Equity	9.55%	Cherat Cement Co Ltd	Equity	4.72%
Hub Power Company Ltd	Equity	7.30%	Maple Leaf Cement I	Sukuk	3.48%
Pakistan Petroleum Ltd	Equity	5.35%	Nishat Mills Ltd.	Equity	3.40%
Kohat Cement Limited	Equity	4.89%	Meezan Bank Ltd	Equity	3.22%
Pakistan Oilfields Ltd	Equity	4.77%	D. G. Khan Cement Co Ltd	Equity	2.93%

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
Kohat Cement Limited (Sukuk)****	SUKUK	7,578,781	-	5,684,086	1.12%	1.10%	7.67%
Eden Housing (Sukuk II)	SUKUK	7,968,750	2,777,994	5,190,756	1.03%	1.01%	80.06%
Maple Leaf Cement (Sukuk I)	SUKUK	44,893,750	26,936,250	17,957,500	3.55%	3.48%	38.72%
Pak Elektron Limited (Sukuk)	SUKUK	21,428,571	16,488,128	4,940,443	0.98%	0.96%	371.23%
Total		81,869,852	46,202,372	33,772,785	6.68%	6.55%	

\*\*\*\* 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.

## 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 5,475,625/- If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs 0.1388/1.52%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2013): Rs.9.8288

July 2013

## Performance

Performance %	July 2013*	CYTD Jan 13 - Jul 13 *	Trailing 12 Months Aug. 2012 - Jul. 2013*	Since Launch January 22, 2007**
NAFA Stock Fund	13.75%	41.90%	62.25%	14.58%
Benchmark	12.06%	31.86%	44.07%	4.77%

\* Cumulative Returns

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

## General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 1,298 million
Type:	Open-end – Equity Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism Load:	Forward Pricing Front end – 3% (Nil on investment above Rs. 5 million) Back end - 0%
Management Fee:	2% per annum
Risk Profile:	Moderate-to-High
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants
Benchmark:	KSE-30 Index
Fund Manager:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (very high investment management standards)

## Investment Objective

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

## Fund Manager's Commentary

During the month under review, the benchmark increased by 12.06% whereas NAFA Stock Fund's (NSF) unit price (NAV) increased by 13.75%, thus an out-performance of 1.69% was recorded. Since inception on January 22, 2007 the Fund has posted a cumulative return of 143.31% while, the benchmark has increased by 35.62%, thus to date cumulative out-performance is 107.69%. This out-performance is net of management fee and all other expenses.

In July, the stock market generated strong performance and KSE 100 Index appreciated by 10.98%. NSF started off the month with an allocation of around 70% in equities, but considering the increasing market momentum on the back of improvement in liquidity conditions following resolution of circular debt, agreement on IMF loan, and expectation of an exciting earnings season, the exposure in equities was increased to around 90% towards the end of the month. During the month, the Fund benefitted from being over-weight in Constructions and Materials sector, which outperformed the market. During July, the allocation was increased in Banks, Chemicals, Construction and Materials, Electricity, Fixed Line Telecommunication and Oil and Gas sectors.

## Asset Allocation (% of Total Assets) 31-July-13 28-June-13

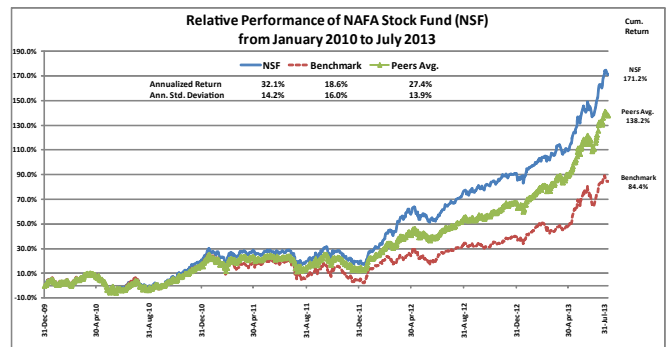
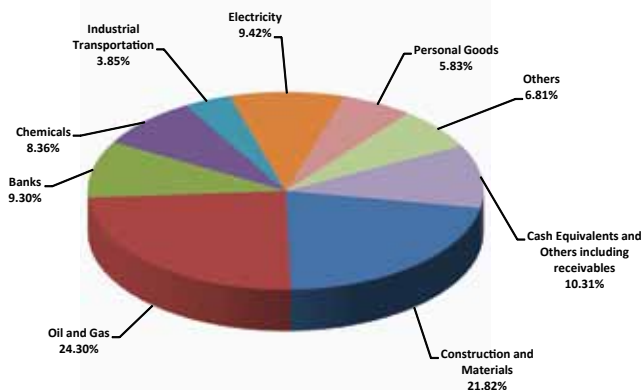
	31-July-13	28-June-13
Equities / Stock	89.69%	69.80%
Cash Equivalents	4.59%	29.76%
Others including receivables	5.72%	0.44%
Total	100.00%	100.00%
Leverage	Nil	Nil

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

	PER	PBV	DY
NSF	7.0	2.2	7.5%
KSE-30	8.4	2.3	6.7%

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

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



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

Name	% of Total Assets	Name	% of Total Assets
Pakistan State Oil Co Ltd	8.62%	Kohat Cement Ltd	5.02%
Cherat Cement Co Ltd	7.27%	Oil & Gas Dev.Co Ltd	4.88%
Hub Power Company Ltd	7.14%	Sitara Chemical Ind Ltd	4.70%
Pakistan Petroleum Ltd	6.29%	Pakistan Oilfields Ltd	4.52%
Meezan Bank Ltd	5.09%	Bank AL-Habib Ltd	4.17%

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 24,617,725 /-, If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1863 / 3.08%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2013): Rs. 9.1848

July 2013

## Performance

Performance %	July 2013 *	CYTD Jan 13 - Jul 13	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch March 29, 2008 **
NAFA Income Fund	7.27%	8.49%	6.89%	1.90%
Benchmark	9.08%	9.43%	9.67%	11.90%

\* 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. 492 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. 5 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 7.27% during July 2013 versus the benchmark return of 9.08%. The annualized return in the CY-13 is 8.49% against the benchmark return of 9.43%.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stand at 47.12%. The weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is around Rs. 91 against the par value of Rs.100. All TFCs in the Fund are floating rate linked to KIBOR.

The weighted average Yield-to-Maturity of the Fund is around 15.06% p.a. while its weighted average time to maturity is 1.53 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs. 221 million), which is potential upside for the Fund. Thus, the Fund is expected to perform well over the medium to long term horizon. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

## Asset Allocation (% of Total Assets) 31-July-13 28-June-13

	31-July-13	28-June-13
TFCs / Sukuks	47.12%	47.41%
PIBs	0.10%	0.10%
Islamic Money Market Placements	-	8.08%
GOP Ijara Sukuks - Govt. Backed	0.71%	0.71%
Placement with DFIs	5.02%	5.05%
Cash Equivalents	45.15%	36.25%
Other including receivables	1.90%	2.40%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## Top 10 TFC (as at July 31st, 2013)

Name of TFC / Sukuk	% of Total Assets
Pakistan Mobile Communication Limited	8.44%
Engro Fertilizers Limited 30-NOV-07	6.33%
Standard Chartered Bank (Pakistan) Limited IV	5.99%
Faysal Bank Limited	5.27%
Saudi Pak Leasing	4.53%
Eden Housing (Sukuk II)	4.17%
United Bank Limited IV	3.02%
Engro Fertilizer Limited (PPTFC)	2.73%
Bank Alfalah Limited (Floater)	2.13%
Allied Bank Limited II	1.93%
<b>Total</b>	<b>44.54%</b>

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.2,389,871/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0446/0.52%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

## Name of the Members of Investment Committee

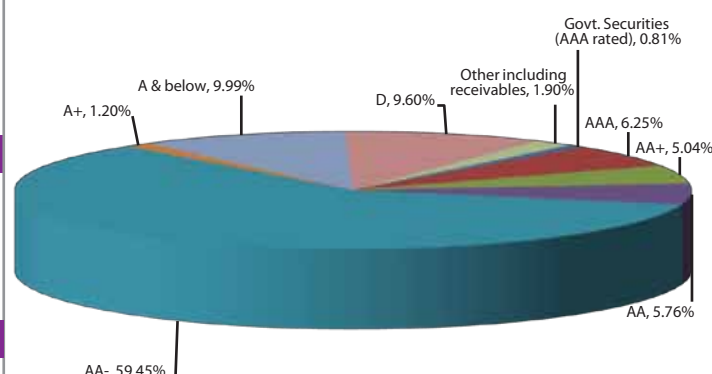
Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
World Call Telecom Limited	TFC	29,982,002	25,484,702	4,497,300	0.91%	0.90%	45.65%
Saudi Pak Leasing**	TFC	45,124,440	-	22,562,220	4.58%	4.53%	49.76%
Eden Housing (Sukuk II)	SUKUK	31,875,000	11,111,976	20,763,024	4.22%	4.17%	80.06%
Agri-tech Limited II	TFC	149,875,800	149,875,800	-	n/a	n/a	n/a
Agri-tech Limited V	TFC	22,180,000	22,180,000	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	n/a	n/a	n/a
<b>Total</b>		<b>328,091,613</b>	<b>257,706,849</b>	<b>47,822,544</b>	<b>9.71%</b>	<b>9.60%</b>	

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

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



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**Performance**

Performance %	July 2013 *	CYTD Jan 13 - Jul 13	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch October 29, 2007 **
NAFA Islamic Aggressive Income Fund	2.82%	9.02%	7.05%	5.13%
Benchmark	6.49%	6.61%	6.90%	6.76%

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

**General Information**

Launch Date: October 29, 2007  
Fund Size: Rs. 164 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. 5 million), Back end: 0%  
Management Fee: 2.0% per annum  
Risk Profile: Low to Medium  
Fund Stability Rating: "BBB+ (f)" by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: MCB Financial Services Limited  
Auditors: KPMG Taseer Hadi & Co. Chartered Accountants  
Benchmark: Average 3-month deposit rate of Islamic Banks  
Fund Manager: Muhammad Imran, CFA, ACCA  
Minimum Subscription: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA (very high investment management standards)

**Investment Objective**

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

**Fund Manager Commentary**

The Fund posted an annualized return of 2.82% as compared to the benchmark return of 6.49%. Subdued performance of the Fund during the month is due to provisioning in an Electronic sector sukuk. During the CY13 to date the Fund has posted 9.02% annualized return versus 6.61% by the benchmark.

The allocation in corporate Sukuks with current Weightage at 28.43% of the Gross Assets is diversified among Cement, Fertilizer and Consumer Electronics sub-sectors. Around 28.82% of the portfolio is allocated to AAA rated Government of Pakistan Ijarah Sukuks which coupled with 35.80% allocation in bank deposits provides diversification and liquidity to the portfolio. Going forward, the Fund intends to maintain the present allocation.

The weighted average Yield-to-Maturity (YTM) of the sukuk portfolio is around 25.18% p.a. and weighted average time to maturity is 1.51 years. The weighted average time to maturity of the Fund is 0.88 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.

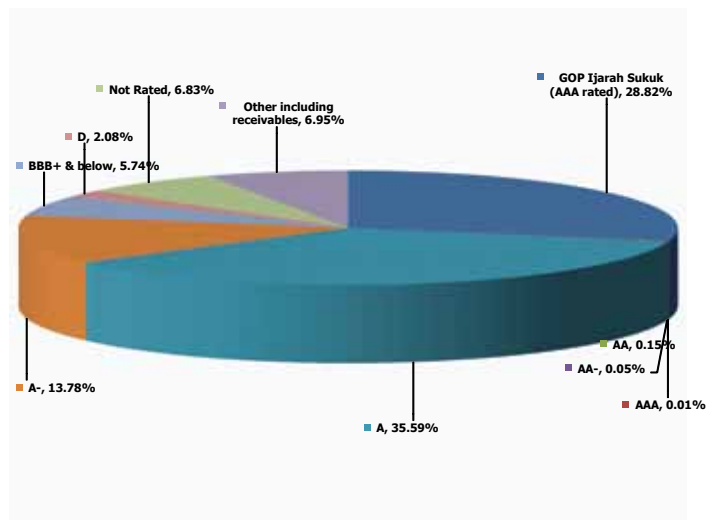
**Asset Allocation (% of Total Assets) 31-July-13 28-June-13**

	31-July-13	28-June-13
Sukuks	28.43%	28.34%
GOP Ijarah Sukuks - Govt. Backed	28.82%	28.46%
Islamic Money Market Placements	-	14.26%
Cash Equivalents	35.80%	22.30%
Other including receivables	6.95%	6.64%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

**Top 10 Sukuk (as at July 31st, 2013)**

Name of Sukuk	% of Total Assets
Engro Fertilizer Limited (Sukuk)	13.78%
GOP Ijarah (Sukuk IX)	9.05%
GOP Ijarah (Sukuk X)	8.44%
Kohat Cement Limited (Sukuk)	6.83%
GOP Ijarah (Sukuk V)	5.90%
Maple Leaf Cement (Sukuk I)	5.74%
GOP Ijarah (Sukuk XI)	2.41%
Pak Elektron Limited (Sukuk)	2.08%
GOP Ijarah (Sukuk XIII)	1.80%
GOP Ijarah (Sukuk VII)	1.22%
<b>Total</b>	<b>57.25%</b>

**Credit Quality of the Portfolio as of July 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.1,392,316/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0750/0.91%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2013): Rs. 10.0573

July 2013

**Performance**

Performance %	July 2013 *	CYTD Jan 13 - Jul 13	Trailing 12 Months Aug 12 -Jul 13 *	Since Launch April 22, 2006 **
NAFA Income Opportunity Fund	4.13%	12.46%	9.83%	6.74%
Benchmark	9.08%	9.43%	9.67%	11.48%

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

**General Information**

Launch Date: April 22, 2006  
Fund Size: Rs. 1,748 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 4.13% during July 2013 as compared to the benchmark return of 9.08%. Subdued performance of the Fund during the month is due to provisioning in an Electronic sector sukuk and mark to market loss related to selected TFCs. During the last one year the Fund has out-performed its benchmark by 0.16% by earning an annualized return of 9.83%.

Weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is Rs. 82.28 against the par value of Rs. 100. The weighted average Yield to Maturity of the Fund is around 17.10% p.a. and that of the TFC portfolio is 26.36% p.a. The weighted average time to maturity of the Fund is about 1.54 years. The Fund's sector allocation is fairly diversified with exposure to Telecom, Fertilizer, Cement, Financial Services, Banking, and Leisure (Hotel) sub-sectors. The 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-July-13 29-June-13**

Asset Allocation (% of Total Assets)	31-July-13	29-June-13
TFCs / Sukuks	36.74%	39.37%
Money Market Placements	-	5.77%
Placement with DFIs	2.19%	2.12%
Equity	1.99%	1.99%
Cash Equivalents	33.57%	26.75%
Other including receivables	25.51%	24.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

**Details of Non-Compliant Investments**

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
BRR Guardian Modaraba***	SUKUK	44,375,000	-	33,281,250	1.90%	1.46%	40.24%
Escort Investment Bank Limited***	TFC	7,493,940	-	5,525,702	0.32%	0.24%	18.00%
Kohat Cement Limited (Sukuk)***	SUKUK	37,893,905	-	28,420,429	1.63%	1.24%	7.67%
Saudi Pak Leasing***	TFC	45,124,440	-	22,562,220	1.29%	0.99%	49.76%
World Call Telecom Limited	TFC	96,370,722	81,915,114	14,455,608	0.83%	0.63%	45.65%
Eden Housing (Sukuk II)	SUKUK	14,662,500	5,111,509	9,550,991	0.55%	0.42%	80.06%
Maple Leaf Cement (Sukuk I)	SUKUK	359,150,000	215,490,000	143,660,000	8.22%	6.29%	38.72%
Pak Elektron Limited (Sukuk)	SUKUK	51,428,571	39,571,508	11,857,063	0.68%	0.52%	369.56%
Agritech Limited I	TFC	149,860,200	149,860,200	-	n/a	n/a	n/a
Agritech Limited V	TFC	32,320,000	32,320,000	-	n/a	n/a	n/a
Azzard Nine Limited III	TFC	108,376,850	108,376,850	-	n/a	n/a	n/a
Azzard Nine Limited V	TFC	82,180,000	82,180,000	-	n/a	n/a	n/a
Dewan Cement Limited	TFC	150,000,000	150,000,000	-	n/a	n/a	n/a
Ghanibwal Cement Limited (PPTFC)	TFC	24,355,500	24,355,500	-	n/a	n/a	n/a
New Allied Electronics (PPTFC)	TFC	31,706,536	31,706,536	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	44,148,934	44,148,934	-	n/a	n/a	n/a
PACE Pakistan Limited	TFC	149,820,000	149,820,000	-	n/a	n/a	n/a
Azzard Nine Limited (Non-Voting Ordinary Shares)	Equity	12,854	12,854	-	n/a	n/a	n/a
Agritech Limited Shares	Equity	141,403,150	95,952,137	45,451,013	2.60%	1.99%	n/a
<b>Total</b>		<b>1,570,683,102</b>	<b>1,210,821,142</b>	<b>314,764,276</b>	<b>18.01%</b>	<b>13.78%</b>	

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

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

Name of TFCs / Sukuks	% of Total Assets
Pakistan Mobile Communication (Listed II)	6.70%
Engro Fertilizer Limited (PPTFC)	6.52%
Maple Leaf Cement (Sukuk I)	6.29%
Bank Alfalah Limited V	4.46%
Avari Hotels Limited	2.89%
Allied Bank Limited II	2.82%
BRR Guardian Modaraba	1.46%
Kohat Cement Limited (Sukuk)	1.24%
Engro Fertilizer Limited	1.12%
Saudi Pak Leasing	0.99%
<b>Total</b>	<b>34.49%</b>

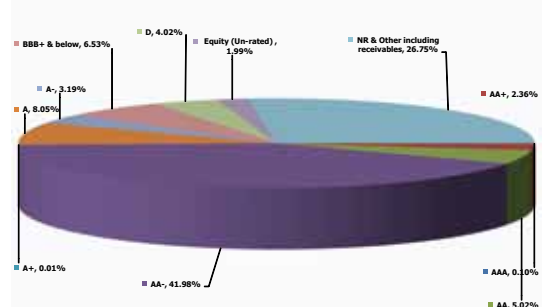
**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.15,469,518/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0890/0.97%. For details investors are advised to read note 6 of the Financial Statement of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

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

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



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## Performance

	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) July 31, 2013	Performance % Since Launch July 02, 2013
NPF-Equity Sub Fund*	34	111.9877	10.90%
NPF-Debt Sub Fund**	31	101.6677	6.09%
NPF-Money Market Sub Fund**	31	101.7269	6.52%

\* Cumulative Returns

[Net of management fee & all other expenses]

\*\* Annualized Return

## General Information

Launch Date:	July 2, 2013
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:	0%
Management Fee:	On average Net Assets of each Sub-Fund. Equity 1.50% Debt 1.25% Money Market 1%
Risk Profile:	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1,000/-
Asset Manager Rating:	AM2 by PACRA (very high investment management standards)
Leverage:	Nil

## Investment Objective

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

## Fund Manager Commentary

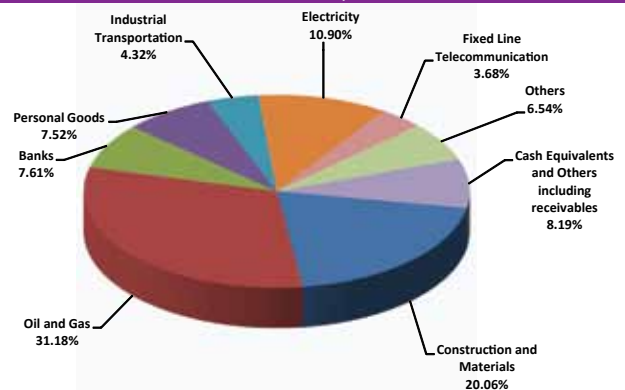
NAFA launched its open end Voluntary Pension Scheme, NAFA Pension Fund (NPF), this July with the objective of providing a secure source of savings and regular income after retirement to the Participants.

Since its launch, NPF Equity Sub Fund generated exceptional performance, providing a return of 10.90% compared with KSE 100 Index return of 7.71%. The Sub Fund was 91.81% invested in equities with major weights in Oil and Gas, Construction and Materials, Electricity, and Banking sectors.

NPF Debt Sub Fund generated annualized return of 6.09%. The Sub Fund was invested primarily in T-bills and Bank deposits. The investments will gradually be shifted to high quality TFCs/Sukuks offering attractive yields.

NPF Money Market Sub Fund generated annualized return of 6.52%. It was around 80% 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 July, 2013)



## Top Holdings of Debt-Sub Fund (as on 31st July, 2013)

Name	(% of Total Assets)
Pakistan Mobile Communication Limited	2.42%

## Top Ten Holdings of Equity-Sub Fund (as on 31st July, 2013)

Name	% of Total Assets	Name	% of Total Assets
Pakistan State Oil Co. Ltd	8.80%	Cherat Cement Co Ltd	6.36%
Pakistan Petroleum Ltd	8.63%	Oil & Gas Dev.Co Ltd	6.09%
Hub Power Company Ltd	8.19%	Pakistan National Shipping Corp	4.32%
Pakistan Oilfields Ltd	6.83%	D. G. Khan Cement Co Ltd	4.14%
Kohat Cement Limited	6.46%	Nishat Mills Ltd.	3.88%

## Name of the Members of Investment Committee

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

## Credit Quality of the Portfolio as on 31st July, 2013

	Debt	Money Market
Government Securities	41.57%	80.41%
AAA	-	-
AA+	54.38%	17.91%
AA	0.50%	0.66%
AA-	2.43%	-
A	-	-
Others	1.12%	1.02%
Total	100.00%	100.00%

## Asset Allocation (% of Total Assets)

Equity-Sub Fund	31-Jul-13
Equity	91.81%
Cash Equivalents	5.04%
Others including receivables	3.15%
Total	100.00%

Debt-Sub Fund	31-Jul-13
Cash	54.88%
TFCs	2.43%
T-Bills	41.57%
Others	1.12%
Total	100.00%

Money Market-Sub Fund	31-Jul-13
Cash	18.57%
T-Bills	80.41%
Others	1.02%
Total	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 Rs	Amount Per Unit Rs	Since Inception return would otherwise have been higher by:
Equity Sub-Fund <sup>1</sup>	74,106	0.2439	0.24%
Debt Sub-Fund <sup>2</sup>	10,225	0.0339	0.42%
Money Market Sub-Fund <sup>2</sup>	10,572	0.0352	0.44%

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

**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.



## Performance

	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) July 31, 2013	Performance % Since Launch July 02, 2013
NPF-Equity Sub Fund*	34	112.1468	11.34%
NPF-Debt Sub Fund**	30	101.4750	6.54%
NPF-Money Market Sub Fund**	30	101.5737	7.87%

\* Cumulative Returns

[Net of management fee & all other expenses]

\*\* Annualized Return

## General Information

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

## Investment Objective

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

## Fund Manager Commentary

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

Since its launch, NIPF Equity Sub Fund generated exceptional performance, providing a return of 11.34% compared with KMI-30 Index return of 7.63%. The Sub Fund was around 92% invested in equities with major weights in Oil and Gas, Construction and Materials, Electricity, and Banking sectors.

NIPF Debt Sub Fund generated annualized return of 6.54%. The Sub Fund was invested primarily in GoP Ijara Sukuks and Islamic bank deposits.

NIPF Money Market Sub Fund generated annualized return of 7.87%. The Sub Fund was invested primarily in short-term GoP Ijara Sukuks and Islamic bank deposits.

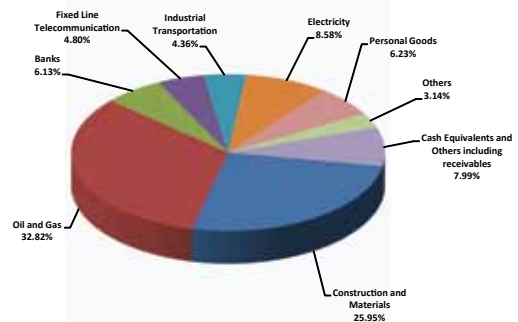
## Credit Quality of the Portfolio as on 31st July, 2013

	Debt	Money Market
Government Securities	90.18%	94.58%
AAA	0.20%	0.18%
AA+	6.14%	2.04%
AA	-	-
AA-	-	-
A	0.26%	0.26%
Others	3.22%	2.94%
Total	100.00%	100.00%

## Asset Allocation (% of Total Assets)

Equity-Sub Fund	31-Jul-13
Equity	92.01%
Cash Equivalents	5.48%
Others including receivables	2.51%
Total	100.00%
Debt-Sub Fund	31-Jul-13
Cash	6.60%
Sukuks	90.18%
Others	3.22%
Total	100.00%
Money Market-Sub Fund	31-Jul-13
Cash	2.48%
Sukuks	94.58%
Others	3.22%
Total	100.00%

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



## Top Holdings of Debt-Sub Fund Top Holdings of Money Market-Sub Fund (as on 31st July, 2013)

Name	(% of Total Assets)	Name	(% of Total Assets)
GOP Ijarah (Sukuk XI)	90.18%	GOP Ijarah (Sukuk V)	81.52%
		GOP Ijarah (Sukuk XI)	13.06%

## Top Ten Holdings of Equity-Sub Fund (as on 31st July, 2013)

Name	% of Total Assets	Name	% of Total Assets
Pakistan State Oil Co. Ltd.	9.65%	Kohat Cement Ltd	7.06%
Pakistan Petroleum Ltd	9.23%	Oil & Gas Dev.Co Ltd	6.59%
Hub Power Company Ltd	8.58%	Nishat Mills Ltd.	6.23%
Cherat Cement Co Ltd	7.46%	Meezan Bank Ltd	6.13%
Pakistan Oilfields Ltd	7.36%	D. G. Khan Cement Co Ltd	4.86%

## Name of the Members of Investment Committee

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

## WORKERS' WELFARE FUND (WWF)

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

	Total Amount Rs	Amount Per Unit Rs	Since Inception return would otherwise have been higher by:
Equity Sub-Fund <sup>1</sup>	74,389	0.2478	0.25%
Debt Sub-Fund <sup>2</sup>	9,030	0.0301	0.38%
Money Market Sub-Fund <sup>2</sup>	9,623	0.0321	0.40%

<sup>1</sup> Cumulative,

<sup>2</sup> Annualized

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