



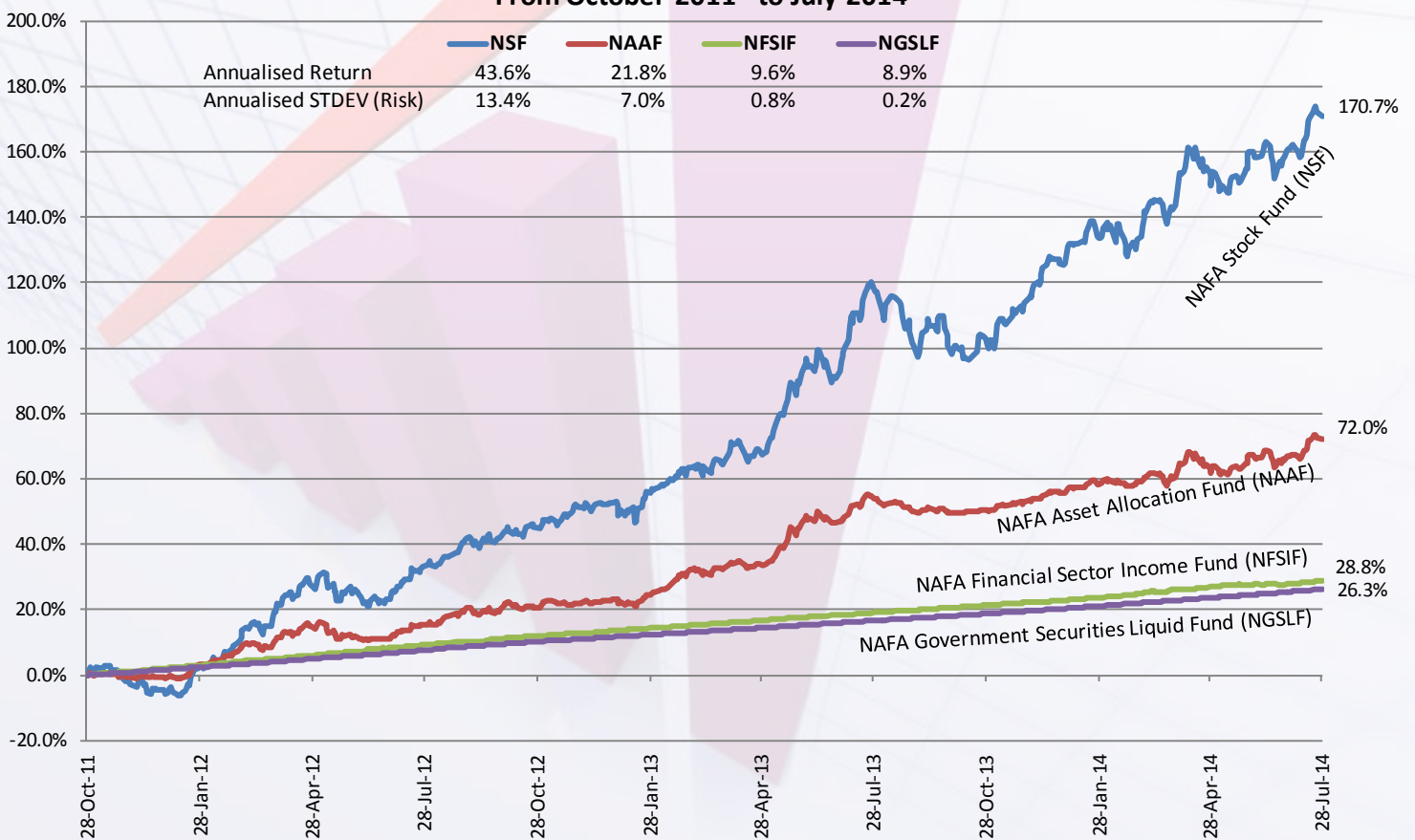
NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

Fund Manager Report

July 2014



Relative Performance of NAFA's Key Funds
From October 2011* to July 2014



*Since Inception of NFSIF on October 28, 2011

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

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NBP Fullerton Asset Management Limited

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Your investments & "NAFA" grow together



FULLERTON FUND
MANAGEMENT

Joint - Venture Partners



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“July 2014”

| | | Fund Name | Fund Size (Rs. In Crore) | Stability Rating | Inception Date | July- 2014 | Rolling 12 Months | FY- 2014 | FY - 2013 | FY - 2012 | FY - 2011 | FY - 2010 | Since Inception |
|---------------|------------------------------|---|-----------------------------|-------------------------|---------------------------|---------------|----------------------|-------------|--------------|--------------|--------------|--------------|-------------------------------|
| | | Fixed Income Funds | Annualized Returns | | | | | | | | | | |
| Lowest Risk | NGSLF | NAFA Government Securities Liquid Fund | 984 | AAA (f) | 16-May-09 | 8.8% | 8.3% | 8.1% | 8.7% | 10.9% | 11.5% | 10.5% | 10.0% |
| | | Benchmark | | | | 9.2% | 8.7% | 8.6% | 8.9% | 10.8% | 11.4% | 10.7% | 10.1% |
| | NMMF | NAFA Money Market Fund | 1,378 | AA (f) | 24-Feb-12 | 8.8% | 8.3% | 8.2% | 9.2% | n/a | n/a | n/a | 9.0% |
| | | Benchmark | | | | 7.4% | 7.0% | 6.9% | 6.8% | n/a | n/a | n/a | 6.9% |
| | NSPF | NAFA Savings Plus Fund | 133 | AA- (f) | 21-Nov-09 | 8.7% | 8.0% | 7.9% | 8.8% | 11.0% | 10.6% | n/a | 9.6% |
| | | Benchmark | | | | 7.4% | 7.1% | 7.1% | 7.3% | 8.4% | 8.4% | n/a | 7.8% |
| | NRFSF | NAFA Riba Free Savings Fund | 164 | AA- (f) | 21-Aug-10 | 6.9% | 7.9% | 7.8% | 8.7% | 10.8% | n/a | n/a | 9.4% |
| | | Benchmark | | | | 7.0% | 6.8% | 6.7% | 7.3% | 8.3% | n/a | n/a | 7.6% |
| | NFSIF | NAFA Financial Sector Income Fund | 210 | A+ (f) | 28-Oct-11 | 10.3% | 8.2% | 7.9% | 9.3% | n/a | n/a | n/a | 9.7% |
| | | Benchmark | | | | 9.3% | 9.0% | 8.9% | 9.0% | n/a | n/a | n/a | 9.4% |
| Moderate Risk | NIAIF | NAFA Islamic Aggressive Income Fund | 44 | BBB+ (f) | 29-Oct-07 | 7.9% | 14.2% | 13.6% | 6.8% | 19.1% | 9.0% | (4.9%) | 6.4% |
| | Benchmark | | | | 6.8% | 6.6% | 6.5% | 7.0% | 7.9% | 7.1% | 6.5% | 6.7% | |
| NIOF | NAFA Income Opportunity Fund | 462 | BBB+ (f) | 22-Apr-06 | 10.0% | 17.2% | 16.6% | 10.3% | (0.5%) | 5.5% | 5.8% | 8.0% | |
| | Benchmark | | | | 10.2% | 9.9% | 9.8% | 9.9% | 12.4% | 13.3% | 12.4% | 11.3% | |
| | | Equity Related Funds | | Star Ranking | Cumulative Returns | | | | | | | | Annualized Returns |
| Highest Risk | NAAF | NAFA Asset Allocation Fund | 214 | ***** (5-star) | 21-Aug-10 | 3.1% | 11.9% | 13.7% | 32.0% | 14.4% | n/a | n/a | 20.9% |
| | | Benchmark | | | | 1.5% | 11.1% | 14.2% | 17.1% | 8.1% | n/a | n/a | 13.5% |
| | NIMF | NAFA Multi Asset Fund | 108 | **** (4-star) | 22-Jan-07 | 3.2% | 20.7% | 25.4% | 34.1% | 15.5% | 25.3% | 12.4% | 15.5% |
| | | Benchmark | | | | 2.0% | 13.2% | 17.9% | 22.4% | 8.0% | 17.5% | 19.8% | 9.5% |
| | NIAAF | NAFA Islamic Asset Allocation Fund (Formerly; NIMF) | 62 | **** (4-star) | 29-Oct-07 | 2.7% | 16.9% | 22.2% | 36.3% | 13.3% | 28.4% | 17.5% | 14.6% |
| | | Benchmark | | | | 1.3% | 12.9% | 17.7% | 28.4% | 11.1% | 24.4% | 21.3% | 11.7% |
| | NSF | NAFA Stock Fund | 194 | **** (4-star) | 22-Jan-07 | 4.0% | 24.6% | 36.3% | 55.0% | 22.0% | 28.4% | 16.7% | 15.9% |
| | | Benchmark | | | | 3.3% | 16.1% | 26.0% | 36.0% | 2.9% | 21.2% | 26.2% | 6.2% |

n/a = Not applicable.
- Return is reported where full period performance is available.
* Stability rating/Star ranking has been assigned by PACRA

Notes: 1) The calculation of performance does not include cost of front-end load.
2) Tax credit also available as per section 62 of Income Tax Ordinance.
3) Taxes apply. Tax rate on Dividend for individuals is 10% , CGT rate is 12.5% for up to 1 year holding period , 10% for 1-2 years holding period and 0% for more than 2 years holding period.

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

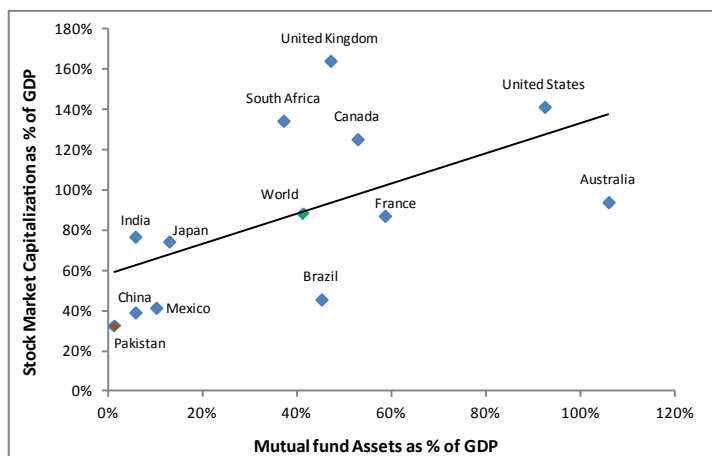
Disclaimer: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependent 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. The investors are advised in their own interest to carefully read the contents of the Offering Documents in particular the Investment Policies

Role of Mutual Fund Industry in Economic Development of Pakistan

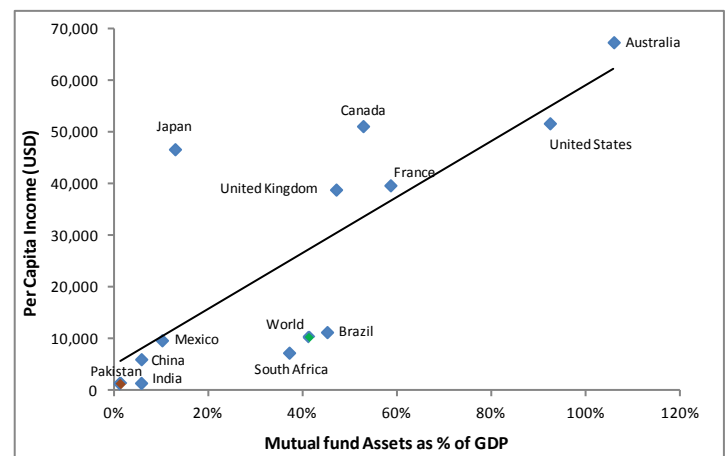
Mutual funds play a very important multifaceted role in an economy. As resource mobilizers, they promote and collect savings and channelize them into various investment avenues such as equity, debt, money market, real estate and private equity, which finance a country's economic growth. Thus they help in institutionalization and growth of capital markets. For individual investors, mutual funds provide numerous investment benefits such as professional investment management, diversification, liquidity, and transparency at a minimal cost. Therefore, globally mutual funds are preferred over alternative investment choices such as 'do it yourself' and other financial investment avenues such as banks / insurance companies.

As a country's economy develops, mutual funds become increasingly important financial intermediaries, similar to banks. Mutual fund industry grows in line with rising investor sophistication, deepening capital markets and growing Defined Contribution (DC) based retirement saving schemes. A cross-country statistical analysis depicts that mutual fund assets as a percentage of GDP tend to grow as a country's per capita income rises, capital markets get larger, and Defined-Contribution based pension plans become more prevalent. For instance, mutual fund assets to GDP ratio stand at 92% for USA, 59% for France and 47% for UK. Even in more developed emerging economies, the numbers are encouraging. This ratio stands at 45% for Brazil, 37% for South Africa and 10% for Mexico. The same ratio amounts to 6% for both India and China. For Pakistan, this ratio is just 1.5% of GDP.

Mutual Fund Penetration increases with Capital Market Growth



Mutual Fund Penetration increases with Per Capita Income



Over the past two decades, global asset management industry has shown unprecedented growth in assets, which increased from USD 4 trillion in 1993 to USD 30 trillion in December 2013, making mutual fund industry a key player in the international capital markets. The aforesaid growth has been broad-based covering all major regions of the world including America, Europe and Asia Pacific. Key factors for robust growth of global mutual fund industry include strong and suitable legal and regulatory environment, growing appetite for professionally managed and diversified investments products for an educated population, deep and liquid capital markets, breadth of distribution channels, decent global economic growth, changing demographics, and favorable changes in employee retirement schemes (DC plans).

Mutual fund industry in Pakistan is still in an infancy stage with assets under management amounting to just USD4 billion or 1.5% of GDP. Policy makers need to better understand the important role that mutual fund industry plays in economic development. Fresh thinking is needed to realize how mutual fund industry can serve Pakistan by raising its abysmally low savings rate, which currently stands at just 13% versus 30% for both India and Bangladesh.

Securities and Exchange Commission of Pakistan (SECP) needs to bring the industry regulations in line with international standards to help promote the mutual fund and pension fund industry. Mutual funds should be allowed to launch foreign currency funds, infrastructure funds, private equity funds, and real estate funds to further mobilize savings and investments in the country.



July 2014

Stock Market Review

During the month of July, the benchmark KSE-100 Index gained around 2.2%, convincingly surpassing the 30,000 mark to close at an all time high level of 30,314. Performance was mainly registered in the last week of the month following upgrade of Pakistan's foreign debt rating outlook by an international rating agency coupled with strong foreign flows. The equities kicked off the month on a dull note with thin trading volume, due to lack of any positive triggers and rising noise in the domestic politics. However, investors' interest was perked up following Moody's revision of Pakistan's debt outlook from Negative to Stable highlighting stabilization in the country's external liquidity position and strong commitment to reforms under IMF. During the month trading activity remained dull with average daily traded volume of 112 million shares versus 195 million during the previous month. Despite thin trading volume, foreign investor activity remained healthy with net FPI recorded at US \$ 69 million.

Oil & Gas, General Industrials, Automobile & Parts and Electricity sectors performed better than the market while Chemicals, Food Producers and Banking sectors lagged the market. Oil and Gas sector outperformed the market due to healthy foreign corporate buying in key E&P stocks. Expectations of healthy earnings on the back of improving profit margins and healthy sales volume drew investors towards the Automobile and Parts sector. Court's decision in favor of Hub Power Co. related to an old tax dispute with the authorities brought investor interest in the Power sub-sector. Levy of Gas Infrastructure Development Cess (GIDC) on Engro Fertilizers new plant and Fatima Fertilizers kept fertilizer sub-sector under pressure. After initial outperformance, some late selling was witnessed in cement sub-sector amid risk of possible price war among major producers following acquisition of Lafarge Cement by the Bestway Group.

Currently, as per our estimates the market is trading at a forward P/E of 8.7 times and offers around 5.7% dividend yield. Going forward, we believe market performance will largely dependent on any escalation/de-escalation in domestic political climate, foreign portfolio investment activity, inflation and interest rate outlook, development on the economic reforms agenda, and earnings and payouts announcements in the ongoing result season.

Fixed Income Review

Inflation as measured by the CPI clocked in at 7.9% YoY for the month of July compared with 8.2% for June 2014. However, led by the food component, average CPI for FY14 stood at 8.6% versus 7.4% for the same period last year. In line with the broader market expectations State Bank of Pakistan (SBP) maintained discount rate at 10% in its bi-monthly policy in July 14 highlighting improving fundamentals such as containment of government budgetary borrowings and exchange rate stability amid improved foreign inflows. However, SBP also emphasized on the importance of political stability, law and order conditions and energy shortages. Inflation is likely to ease off further in the near term. With comfortable FX reserve position and benign near time inflation outlook we feel that SBP may consider policy rate cut in its next monetary policy announcement in September 2014.

Regarding the fixed income market, in the two T-Bills auctions during the month, MoF accepted Rs 265 billion (realized amount) against the target of Rs 225 billion and maturity of Rs 190 billion. The cut-off annualized yields for the last T-Bill auction was noted at 9.96%, 9.98% and 9.99% for 3, 6 and 12 month tenors respectively. Last T-Bills auctions bid pattern skewed towards the 3-month as compared to 6 and 12 months. In PIB auction during the month, an amount of Rs. 63 billion was accepted against the target of Rs. 100 billion at a cut-off yield of 12.38%, 12.80%, 13.20% and 13.11% in 3 years, 5 years, 10 years and 20 years respectively. The bid pattern witnessed a major skew towards 3 year tenor followed by 5 and 10 year tenors respectively.

We have altered the portfolio of our fixed income based on our inflation and interest rate outlook. We are monitoring the capital market developments and will rebalance the portfolios accordingly.

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 (28/07/2014): Rs. 10.1216

July 2014

| Performance % | | | | | | | | |
|--|------------|-----------------------------------|----------|----------|----------|----------|----------|-----------------------------|
| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | FY 2012* | FY 2011* | FY 2010* | Since Launch May 16, 2009** |
| NAFA Government Securities Liquid Fund | 8.8% | 8.3% | 8.1% | 8.7% | 10.9% | 11.5% | 10.5% | 10.0% |
| Benchmark | 9.2% | 8.7% | 8.6% | 8.9% | 10.8% | 11.4% | 10.7% | 10.1% |

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

| General Information | |
|------------------------|--|
| Launch Date: | May 16, 2009 |
| Fund Size: | Rs. 9,837 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) |

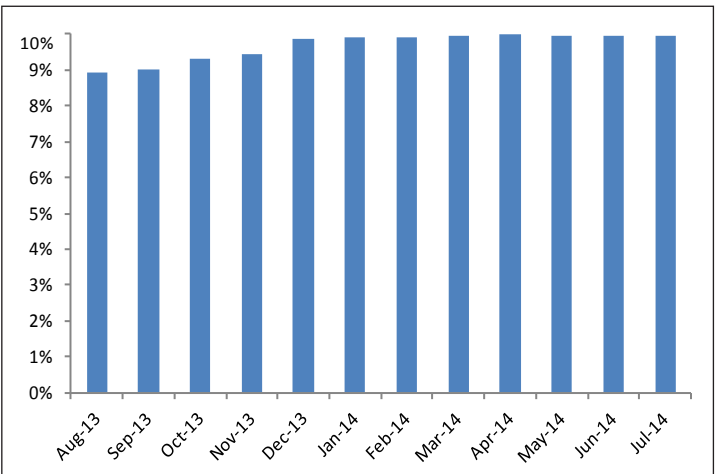
Investment Objective
To generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

Fund Manager Commentary
The Fund earned an annualized return of 8.8% during July 2014 versus the Benchmark return of 9.2%. The annualized return for CY14 is 8.6% against the Benchmark return of 9.2%. The return generated by the Fund is net of management fees and all other expenses.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. NGSLF is the largest Fund in Pakistan with this rating. The rating reflects exceptionally strong credit and liquidity profile of the Fund. Average daily allocation for the last 365 days in short-term T-Bills was around 78% of the Fund size. While at the end of the month, T-Bills comprised around 76% of the Total Assets and 77% of Net Assets. Weighted average time to maturity of the Fund is 40 days.

We are monitoring the capital market expectations and will rebalance the portfolio accordingly.

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



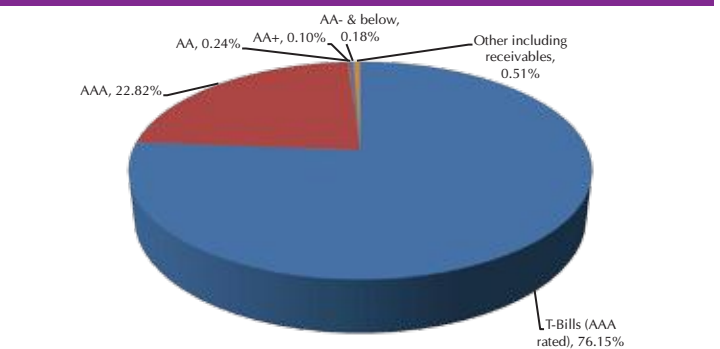
| Asset Allocation (% of Total Assets) | 28-July-14 | 30-June-14 |
|--------------------------------------|----------------|----------------|
| T-Bills | 76.15% | 51.00% |
| Cash Equivalents | 23.34% | 48.83% |
| Other including receivables | 0.51% | 0.17% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

WORKERS' WELFARE FUND (WWF)
The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 108,713,637/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.1119/1.21%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

Name of the Members of Investment Committee
Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, CFA

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

Credit Quality of the Portfolio as of July 28, 2014 (% 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 dependent 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. Please read the Offering Document to understand investment policies and the risk involved.



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs. 10.0808

July 2014

Performance %

| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | Since Launch February 24, 2012** |
|------------------------|------------|-----------------------------------|----------|----------|----------------------------------|
| NAFA Money Market Fund | 8.8% | 8.3% | 8.2% | 9.2% | 9.0% |
| Benchmark | 7.4% | 6.9% | 6.9% | 6.8% | 6.9% |

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

General Information

| | |
|------------------------|---|
| Launch Date: | February 24, 2012 |
| Fund Size: | Rs. 13,783 million |
| Type: | Open-end – Money Market Fund |
| Dealing Days: | Daily – Monday to Saturday |
| Dealing Time: | (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M |
| Settlement: | 2-3 business days |
| Pricing Mechanism | Forward Pricing |
| Load: | Front end: without Life Insurance: 0.5%, with Life Insurance: 5% (Nil on investment above Rs. 16 million), Back end: 0% |
| Management Fee: | 1.00% per annum |
| Risk Profile: | Very Low |
| Fund Stability Rating: | "AA (f)" by PACRA |
| Listing: | Lahore Stock Exchange |
| Custodian & Trustee: | Central Depository Company (CDC) |
| Auditors: | "A. F. Ferguson & Co Chartered Accountants |
| Benchmark: | 3-Month deposit rates (AA & above rated banks) |
| Fund Manager: | Salman Ahmed |
| Minimum Subscription: | Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- |
| Asset Manager Rating: | AM2 by PACRA (Very High Investment Management Standards) |

Investment Objective

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

Fund Manager Commentary

The Fund earned an annualized return of 8.8% during July 2014 versus the Benchmark return of 7.4%, 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 2.1% p.a. by earning an annualized return of 9.0%. This outperformance is net of management fee and all other expenses.

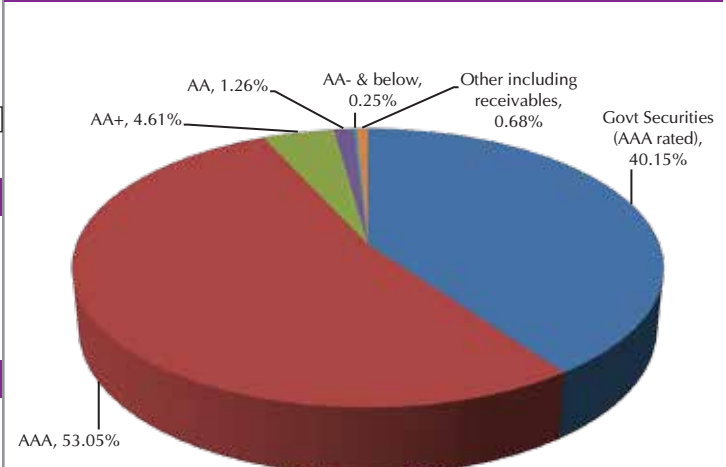
Being a money market scheme, the Fund has very restrictive investment guidelines. The authorized investments of the Fund include T-Bills, Bank Deposits and Money Market instruments. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The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

The allocation of the Fund in Treasury Bills is around 39% at month-end. The weighted average time to maturity of the Fund is 47 days. We are monitoring the capital market expectations and will rebalance the portfolio accordingly.

Asset Allocation (% of Total Assets) 28-July-14 30-June-14

| | | |
|------------------------------|----------------|----------------|
| T-Bills | 38.66% | 13.96% |
| PIBs | 1.49% | 1.61% |
| Commercial Paper | 0.35% | 0.37% |
| Cash Equivalents | 58.82% | 83.83% |
| Others including receivables | 0.68% | 0.23% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 68,900,848/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0504/0.55%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs. 10.0552

July 2014

| Performance % | |
|---|---------------------------------|
| Performance Period | Since Launch July 10, 2014 * |
| NAFA Government Securities Savings Fund | 11.2% |
| Benchmark | 9.3% |

* Annualized Simple Return
(Returns are net of management fee & all other expenses)

| General Information | Investment Objective |
|--|--|
| <p>Launch Date: July 10, 2014</p> <p>Fund Size: Rs. 871 Million</p> <p>Type: Open-end – Income Fund</p> <p>Dealing Days: Daily – Monday to Saturday</p> <p>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</p> <p>Settlement: 2-3 business days</p> <p>Pricing Mechanism: Forward Pricing</p> <p>Load: Front end: 1% (Nil on investment above Rs.16 million) Back end: 0%</p> <p>Management Fee: 1.0% per annum</p> <p>Risk Profile: Low</p> <p>Listing: Lahore Stock Exchange</p> <p>Custodian & Trustee: Central Depository Company (CDC)</p> <p>Auditors: KPMG Taseer Hadi & Co. Chartered Accountants</p> <p>Benchmark: 70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)</p> <p>Fund Manager: Asad Haider</p> <p>Minimum Growth Unit: Rs. 10,000/-</p> <p>Subscription: Income Unit: Rs. 100,000/-</p> <p>Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)</p> | <p>To provide competitive return from portfolio of low credit risk by investing primarily in Government Securities.</p> |
| | Fund Manager Commentary |
| | <p>This is the first Monthly Fund Manager Report of your Fund. The Fund has generated an annualized return of 11.2% against the benchmark return of 9.3% since its launch, thus registering an outperformance of 1.9% p.a. This outperformance is net of management fee and all other expenses.</p> <p>NAFA Government Securities Savings Fund (NGSSF) invests a minimum of 70% in Government Securities (primarily PIBs). The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which enhances liquidity profile of the Fund.</p> <p>As the asset allocation of the Fund shows, exposure in Government Securities was 70.0% at the end of the month with average time to maturity of 3.2 years and Yield to Maturity of 11.75% p.a. The weighted average time-to-maturity of the Fund is 2.3 years.</p> <p>We are monitoring the developments in the capital markets and will rebalance the allocation of the portfolio accordingly.</p> |

| Asset Allocation (% of Total Assets) | 28-July-14 |
|--------------------------------------|------------|
| PIBs | 50.05% |
| T-bills | 19.96% |
| Cash Equivalents | 29.53% |
| Other including receivables | 0.46% |
| Total | 100.00% |
| Leverage | Nil |

WORKERS' WELFARE FUND (WWF)

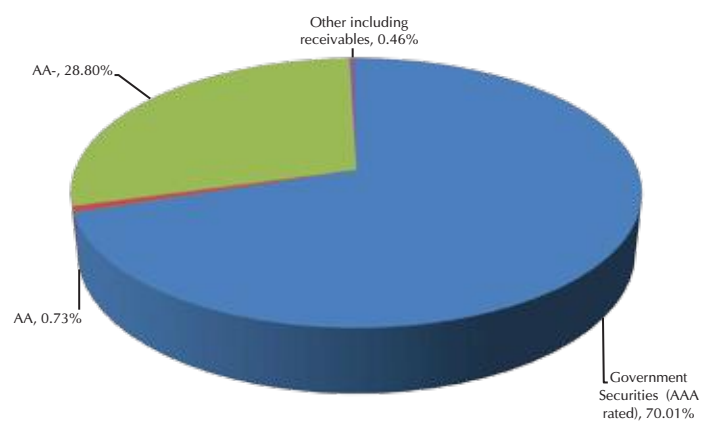
The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 67,354/- If the same were not made the NAV per unit/ since inception annualized return of scheme would be higher by Rs.0.0008/0.16%.

Name of the Members of Investment Committee

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

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

Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)



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MONTHLY REPORT (MUFAP's Recommended Format)

Unit Price (28/07/2014): Rs. 10.1156

July 2014

Performance %

| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | FY 2012* | FY 2011* | Since Launch November 21, 2009** |
|------------------------|------------|-----------------------------------|----------|----------|----------|----------|----------------------------------|
| NAFA Savings Plus Fund | 8.7% | 8.0% | 7.9% | 8.8% | 11.0% | 10.6% | 9.6% |
| Benchmark | 7.4% | 7.1% | 7.1% | 7.3% | 8.4% | 8.4% | 7.8% |

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

General Information

| | |
|------------------------|---|
| Launch Date: | November 21, 2009 |
| Fund Size: | Rs. 1,327million |
| 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: without Life Insurance: 0.5%, with Life Insurance: 5% (Nil on investment above Rs. 16 million), Back end: 0% |
| Management Fee: | 1.50% per annum |
| Risk Profile: | Very Low |
| Fund Stability Rating: | "AA- (f)" by PACRA |
| Listing: | Lahore Stock Exchange |
| Custodian & Trustee: | Central Depository Company (CDC) |
| Auditors: | A. F. Ferguson & Co. Chartered Accountants |
| Benchmark: | Average 6-Month deposit rate (A & above rated banks) |
| Fund Manager: | Muhammad Ali Bhabha, CFA, FRM |
| Minimum Subscription: | Growth Unit: Rs. 1,000/- Income Unit: Rs. 100,000/- |
| Asset Manager Rating: | AM2 by PACRA (Very High Investment Management Standards) |

Investment Objective

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

Fund Manager Commentary

The Fund earned an annualized return of 8.7% during the month versus the Benchmark return of 7.5%. The annualized return in the CYTD is 8.2% against the Benchmark return of 7.4%, hence an outperformance of 0.8% 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-'.

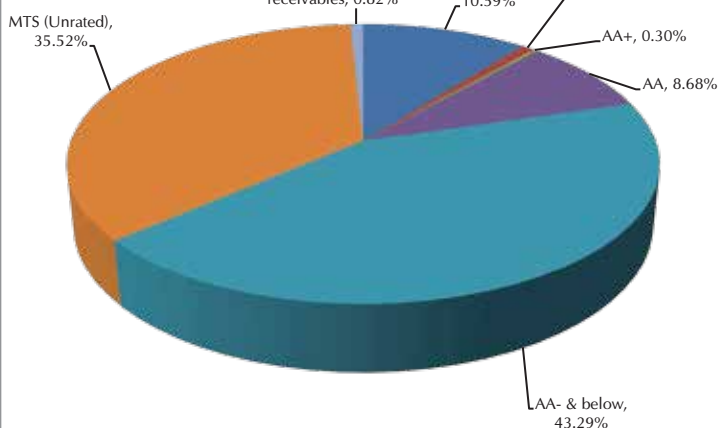
The portfolio of NSPF is invested in Treasury bills, MTS, Commercial Paper and bank deposits etc. The allocation in MTS is around 35.5%. The weighted average time to maturity of the entire Fund is around 46 days.

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

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

Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)

| Asset Allocation (% of Total Assets) | 28-July-14 | 30-June-14 |
|--------------------------------------|----------------|----------------|
| T-Bills | 10.59% | 4.93% |
| Margin Trading System (MTS) | 35.52% | 6.94% |
| Commercial Paper | 3.57% | 1.59% |
| Placements with Banks | 22.19% | 14.94% |
| Cash Equivalents | 27.31% | 70.73% |
| Other including receivables | 0.82% | 0.87% |
| 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.10,868,906/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0828/0.89%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

Name of the Members of Investment Committee

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

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs. 10.1577

July 2014

| Performance % | | | | | | |
|-----------------------------|------------|-----------------------------------|----------|----------|----------|---------------------------------|
| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | FY 2012* | Since Launch August 21, 2010 ** |
| NAFA Riba Free Savings Fund | 6.9% | 7.9% | 7.8% | 8.7% | 10.8% | 9.4% |
| Benchmark | 7.0% | 6.8% | 6.7% | 7.3% | 8.3% | 7.6% |

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

| General Information | |
|------------------------|---|
| Launch Date: | August 21, 2010 |
| Fund Size: | Rs. 1,635 million |
| Type: | Open-end – Shariah Compliant Income Fund |
| Dealing Days: | Daily – Monday to Saturday |
| Dealing Time: | (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M |
| Settlement: | 2-3 business days |
| Pricing Mechanism: | Forward Pricing |
| Load: | Front end: without Life Insurance: 0.5%, with Life Insurance: 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 6.9% for the month of July 2014 versus the Benchmark return of 7.0%. During the last one year the Fund has outperformed its Benchmark by 1.1% by earning an annualized return of 7.9%. This outperformance is net of management fee and all other expenses.

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

The allocation of the Fund is around 8.4% in GOP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 90% of the portfolio is invested in bank deposits which further enhances the liquidity profile of the Fund.

The weighted average duration of the Fund is 5 days and the weighted average time to maturity is 31 days. We will rebalance the portfolio based on economic and capital market outlook.

| Asset Allocation (% of Total Assets) | 28-July-14 | 30-June-14 |
|--------------------------------------|----------------|----------------|
| GOP Ijarah Sukuk - Govt. Backed | 8.39% | 11.88% |
| Cash Equivalents | 89.97% | 87.28% |
| Other including receivables | 1.64% | 0.84% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

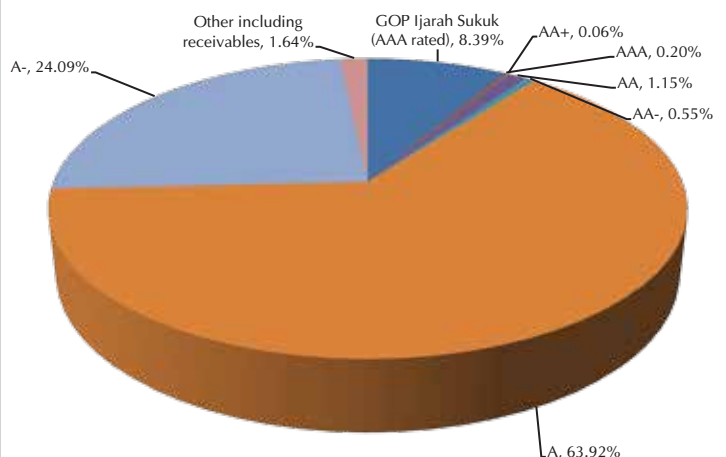
| Top Holdings (as at July 28, 2014) | |
|------------------------------------|-------------------|
| Name of Sukuk | % of Total Assets |
| GOP Ijarah (Sukuk XIII) | 2.91% |
| GOP Ijarah (Sukuk X) | 2.45% |
| GOP Ijarah (Sukuk XIV) | 1.55% |
| GOP Ijarah (Sukuk XI) | 1.48% |
| Total | 8.39% |

WORKERS' WELFARE FUND (WWF)
The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.8,990,927/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0558/0.60%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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

Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)



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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs. 10.2207

July 2014

| Performance % | | | | | |
|-----------------------------------|------------|-----------------------------------|----------|----------|----------------------------------|
| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | Since Launch October 28, 2011 ** |
| NAFA Financial Sector Income Fund | 10.3% | 8.2% | 7.9% | 9.3% | 9.7% |
| Benchmark | 9.3% | 9.0% | 8.9% | 9.0% | 9.4% |

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

| General Information | |
|------------------------|--|
| Launch Date: | October 28, 2011 |
| Fund Size: | Rs. 2,104 Million |
| Type: | Open-end – Income Fund |
| Dealing Days: | Daily – Monday to Saturday |
| Dealing Time: | (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M |
| Settlement: | 2-3 business days |
| Pricing Mechanism: | Forward Pricing |
| Load: | Front end: 1% (Nil on investment above Rs. 16 million) Back end: 0% |
| Management Fee: | 1.5% 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 10.3% for the month of July 2014 versus the Benchmark return of 9.3%, thus registering an outperformance of 1.0% p.a. Since its launch in October 2011, the Fund offered an annualized return of 9.7% against the Benchmark return of 9.4%, hence an outperformance of 0.3% 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.

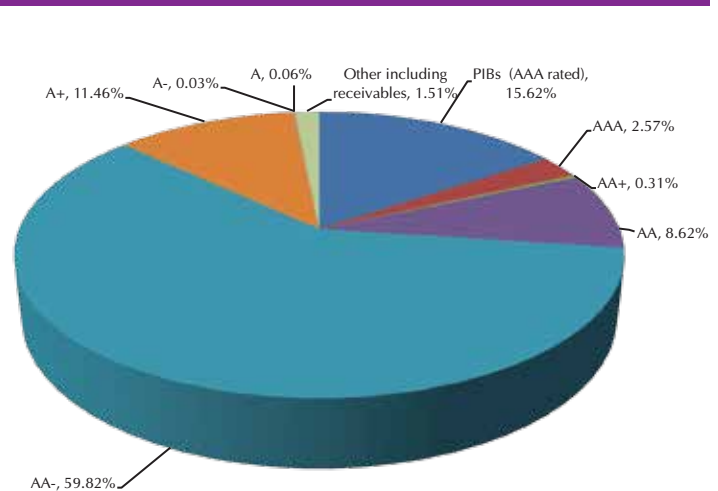
| Asset Allocation (% of Total Assets) | 28-July-14 | 30-June-14 |
|--------------------------------------|------------|------------|
| TFCs | 54.27% | 36.61% |
| Commercial Paper | 2.26% | 1.51% |
| PIBs | 15.62% | 15.24% |
| Placements with Banks | - | 1.58% |
| Cash Equivalents | 26.34% | 42.74% |
| Other including receivables | 1.51% | 2.32% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Exposure in TFCs was 54.27% at the end of the month with average time to maturity of 3.4 years and Yield to Maturity of 11.41% 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 2.3 years.

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

| Top 10 TFC (as at July 28, 2014) | |
|---|-------------------|
| Name of TFC | % of Total Assets |
| Bank Alfalah Limited IV - FT | 17.11% |
| Faysal Bank Limited III | 14.25% |
| Askari Bank Limited III | 6.99% |
| Pakistan Mobile Communication Limited (17 Sep 13) | 3.37% |
| Allied Bank Limited II | 2.97% |
| Bank Alfalah Limited IV - FX | 2.88% |
| Standard Chartered Bank (Pakistan) Limited IV | 2.34% |
| Askari Bank Limited IV | 2.15% |
| Pak Libya Holding Company | 1.55% |
| Allied Bank Limited I | 0.26% |
| Total | 53.87% |

Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 15,628,433/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0759/0.81%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs.12.3743

July 2014

Performance %

| Performance Period | July 2014 | Trailing 12 Months Aug. 2013-Jul. 2014 | FY 2014 | FY 2013 | FY 2012 | Since Launch August 21, 2010* |
|----------------------------|-----------|--|---------|---------|---------|-------------------------------|
| NAFA Asset Allocation Fund | 3.1% | 11.9% | 13.7% | 32.0% | 14.4% | 20.9% |
| Benchmark | 1.5% | 11.1% | 14.2% | 17.1% | 8.1% | 13.5% |

* Annualized Return
All Other returns are Cumulative [Net of management fee & all other expenses]

General Information

| | |
|-----------------------|---|
| Launch Date: | August 21, 2010 |
| Fund Size: | Rs. 2,140 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 – without Life Insurance: 3%, with Life Insurance: 5% (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 3.1% while the Benchmark increased by 1.5%. Thus your Fund outperformed the Benchmark by 1.6%. Since inception on August 21, 2010 the Fund has posted 111.3% return, versus 64.9% by the Benchmark. Thus, to date the cumulative outperformance of your Fund stands at 46.4%. This outperformance is net of management fee and all other expenses.

NAAF started off the month with an allocation of around 64% in equities which was increased to around 65% towards the end of the month. The increase was primarily due to transfer of shares of Pakistan Petroleum Limited acquired in the Secondary Public Offering (SPO). NAAF outperformed the Benchmark in July as it benefitted from being overweight in equities and key Construction & Materials, Banks, and Automobile & Parts sectors stocks which outperformed the market. During the month, allocation was increased in Banks, Chemicals, General Industrials, and Oil and Gas sectors whereas it was either reduced or maintained in all the other sectors.

Asset Allocation (% of Total Assets) 28-July-14 30-June-14

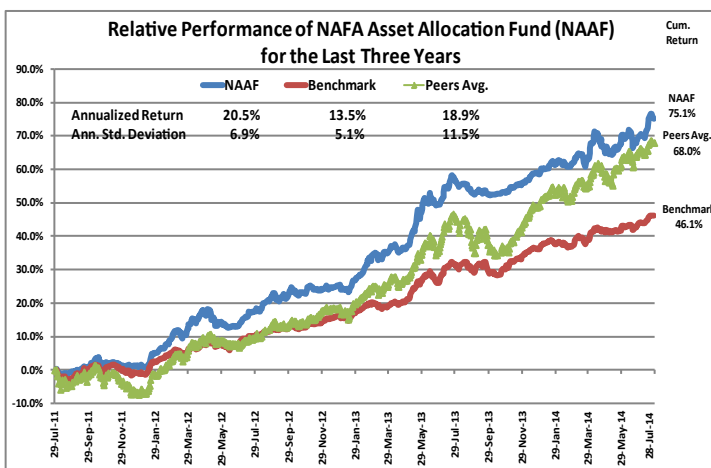
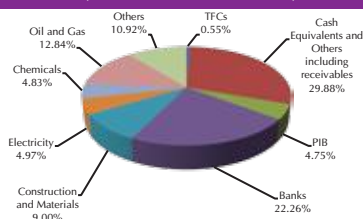
| | 28-July-14 | 30-June-14 |
|------------------------------|----------------|----------------|
| Equities / Stocks | 64.82% | 64.09% |
| TFCs | 0.55% | 0.62% |
| Cash Equivalents | 26.19% | 28.76% |
| PIB | 4.75% | 5.37% |
| Others including receivables | 3.69% | 1.16% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Characteristics of Equity Portfolio**

| | PER | PBV | DY |
|--------|-----|-----|------|
| NAAF | 8.5 | 2.5 | 5.9% |
| KSE-30 | 8.9 | 2.3 | 5.9% |

** Based on NAFA's estimates

Asset Allocation (% of Total Assets)(as on 28 July, 2014)



Top Ten Holdings (as on 28 July, 2014)

| Name | Asset Class | % of Total Assets |
|-------------------------------|-------------|-------------------|
| United Bank Ltd | Equity | 6.83% |
| National Bank Of Pakistan Ltd | Equity | 4.88% |
| Pakistan Petroleum Ltd | Equity | 4.02% |
| Engro Corporation Limited | Equity | 3.66% |
| Pakistan Oilfields Ltd | Equity | 3.65% |
| Bank AL-Habib Limited | Equity | 3.23% |
| Bank Al-Falah Ltd | Equity | 3.06% |
| Lucky Cement Ltd | Equity | 2.83% |
| Pakistan State Oil Co. Ltd. | Equity | 2.77% |
| Pioneer Cement Limited | Equity | 2.49% |
| Total | | 34.42% |

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 11,210,219/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs0.0648/0.59%. For details investors are advised to read Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs.12.8042

July 2014

Performance %

| Performance Period | July 2014 | Trailing 12 Months Aug. 2013- Jul. 2014 | FY 2014 | FY 2013 | FY 2012 | FY 2011 | FY 2010 | Since Launch January 22, 2007* |
|-----------------------|-----------|---|---------|---------|---------|---------|---------|--------------------------------|
| NAFA Multi Asset Fund | 3.2% | 20.7% | 25.4% | 34.1% | 15.5% | 25.3% | 12.4% | 15.5% |
| Benchmark | 2.0% | 13.2% | 17.9% | 22.4% | 8.0% | 17.5% | 19.8% | 9.5% |

* Annualized Return
All Other returns are Cumulative [Net of management fee & all other expenses]

General Information

| | |
|-----------------------|---|
| Launch Date: | January 22, 2007 |
| Fund Size: | Rs 1,075 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 3.2% while the Benchmark increased by 2.0%. Thus your Fund outperformed the Benchmark by 1.2%. Since inception on January 22, 2007 your Fund has posted 196.6% return, versus 97.4% by the Benchmark. Thus, to-date the cumulative out performance of your Fund stands at 99.2%. This outperformance is net of management fee and all other expenses.

NMF started off the month with an allocation of around 61% in equities which was increased to around 65% towards the end of the month. NMF outperformed the Benchmark in July as it benefitted from being overweight in equities and key Banks and Automobile & Parts sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Chemicals sector whereas it was either reduced or maintained in all the other sectors.

Asset Allocation (% of Total Assets) 28-July-14 30-June-14

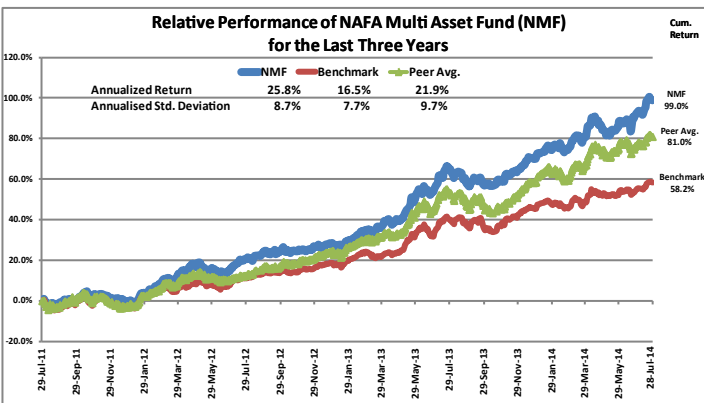
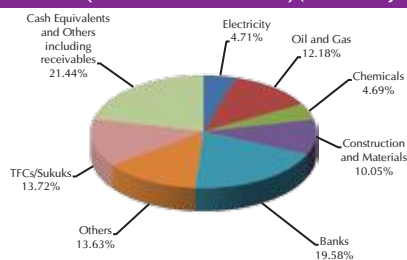
| | 28-July-14 | 30-June-14 |
|------------------------------|----------------|----------------|
| Equities / Stocks | 64.84% | 61.15% |
| TFCs / Sukuks | 13.72% | 13.31% |
| Cash Equivalents | 18.81% | 23.86% |
| Others including receivables | 2.63% | 1.68% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Characteristics of Equity Portfolio**

| | PER | PBV | DY |
|--------|-----|-----|------|
| NMF | 8.2 | 2.4 | 5.7% |
| KSE-30 | 8.9 | 2.3 | 5.9% |

** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 28 July, 2014)



Top Ten Holdings (as on 28 July, 2014)

| Name | Asset Class | % of Total Assets | Name | Asset Class | % of Total Assets |
|--------------------------|-------------|-------------------|------------------------|-------------|-------------------|
| K Electric Ltd | Sukuk | 7.42% | Pakistan Oilfields Ltd | Equity | 3.51% |
| United Bank Ltd | Equity | 6.31% | Engro Corporation Ltd | Equity | 3.43% |
| Maple Leaf Cement Ltd | Sukuk | 4.63% | Thal Ltd | Equity | 3.29% |
| National Bank Of Pak Ltd | Equity | 4.33% | Pioneer Cement Ltd | Equity | 3.10% |
| Pakistan Petroleum Ltd | Equity | 3.79% | Bank AL-Habib Ltd | Equity | 2.95% |

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 | 27,547,410 | 27,547,410 | - | - | - | - |
| Eden Housing (Sukuk II) | SUKUK | 9,843,750 | 9,843,750 | - | - | - | - |
| Maple Leaf Cement (Sukuk I)*** | SUKUK | 68,353,065 | - | 50,959,466 | 4.74% | 4.63% | 15.52% |
| Pak Elektron Limited (Sukuk) | SUKUK | 17,142,857 | 17,142,857 | - | - | - | - |
| New Allied Electronics (Sukuk I) | SUKUK | 10,000,000 | 10,000,000 | - | - | - | - |
| Total | | 132,887,082 | 64,534,017 | 50,959,466 | 4.74% | 4.63% | |

***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
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 14,782,066/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1760/1.66%.For details investors are advised to read Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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| Performance % | | | | | | | | |
|--|-----------|--------------------------------------|---------|---------|---------|---------|---------|--------------------------------|
| Performance Period | July 2014 | Trailing 12 Months Aug.2013-Jul.2014 | FY 2014 | FY 2013 | FY 2012 | FY 2011 | FY 2010 | Since Launch October 29, 2007* |
| NAFA Islamic Asset Allocation Fund (Formerly: NAFA Islamic Multi Asset Fund) | 2.7% | 16.9% | 22.2% | 36.3% | 13.3% | 28.4% | 17.5% | 14.6% |
| Benchmark** | 1.3% | 12.9% | 17.7% | 28.4% | 11.1% | 24.4% | 21.3% | 11.7% |

* Annualized Return
All Other returns are Cumulative [Net of management fee & all other expenses]

Note:** KSE-30 is used as equity component for the Benchmark before June 30, 2008, the launch date of KMI-30 Index. The fund category was changed to Islamic Asset Allocation from Islamic Balanced with effect from April 22, 2014. Consequently, allowed equity range is now 0% to 90% which previously was 30% to 70%. Previous benchmark was 50% KSE-30 Index & 50% 3-month KIBOR.

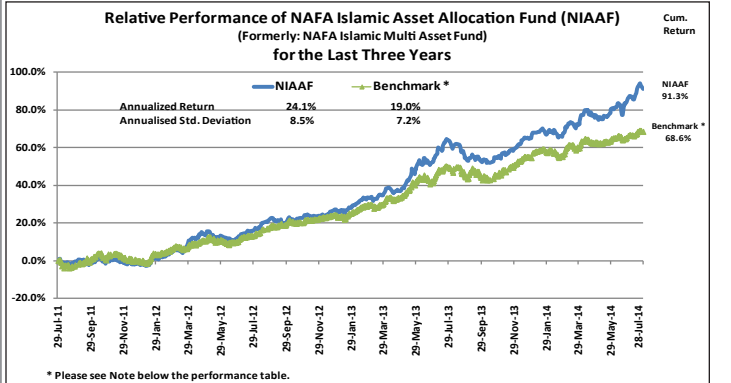
| General Information | |
|-----------------------|---|
| Launch Date: | October 29, 2007 |
| Fund Size: | Rs. 617 million |
| Type: | Shariah Compliant - Open-end - Asset Allocation Fund |
| Dealing Days: | Daily - Monday to Friday |
| Dealing Time: | (Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M |
| Settlement: | 2-3 business days |
| Pricing Mechanism: | Forward Pricing |
| Load: | Front end: without Life Insurance: 3%, with Life Insurance: 5% (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: | Average of (i) average 3-month Islamic banks deposit rate (ii) 6-month KIBOR or its Shariah Compliant equivalent (iii) KMI 30 Index |
| Fund Manager: | Asim Wahab Khan, CFA |
| Minimum Subscription: | Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- |
| Asset Manager Rating: | AM2 by PACRA (Very High Investment Management Standards) |

Investment Objective
To provide investors with a combination of capital growth and income by investing in Shariah compliant investments. NIAAF (Formerly 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 Asset Allocation Fund (NIAAF) (Formerly: NAFA Islamic Multi Asset Fund) increased by 2.7%, whereas the Benchmark increased by 1.3%, thus your Fund outperformed the Benchmark by 1.4%. Since inception your Fund has posted 150.7% return, versus 110.6% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 40.1%. This outperformance is net of management fee and all other expenses.

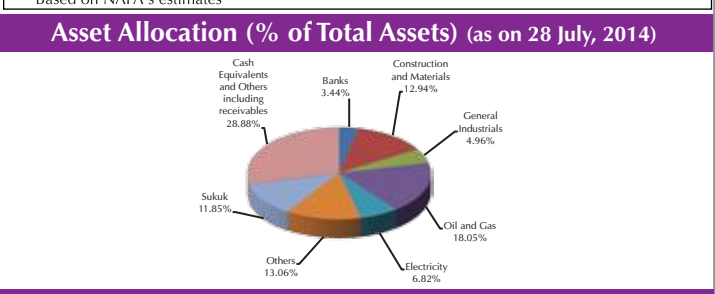
NIAAF started off the month with an allocation of around 61% in equities, which was decreased to around 59% towards the end of the month. NIAAF outperformed the Benchmark in July as it benefitted from being overweight in equities and key Construction & Materials and Automobile & Parts sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Chemicals and Oil and Gas sectors whereas it was either reduced or maintained in all the other sectors.

| Asset Allocation (% of Total Assets) | 28-July-14 | 30-June-14 |
|--------------------------------------|----------------|----------------|
| Equities / Stocks | 59.27% | 61.38% |
| Sukuks | 11.85% | 13.17% |
| Cash Equivalents | 23.58% | 22.54% |
| Others including receivables | 5.30% | 2.91% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |



| Characteristics of Equity Portfolio*** | | | |
|--|-----|-----|------|
| | PER | PBV | DY |
| NIAAF | 8.4 | 2.6 | 6.4% |
| KMI-30 | 9.0 | 2.3 | 6.4% |

*** Based on NAFA's estimates



Top Ten Holdings (as on 28 July, 2014)

| Name | Asset Class | % of Total Assets | Name | Asset Class | % of Total Assets |
|---------------------------|-------------|-------------------|-----------------------|-------------|-------------------|
| K Electric Ltd | Sukuk | 7.28% | Lucky Cement Ltd | Equity | 3.74% |
| Pak Petroleum Ltd | Equity | 6.34% | Kot Addu Power | Equity | 3.53% |
| Pakistan Oilfields Ltd | Equity | 5.08% | Pioneer Cement Ltd | Equity | 3.35% |
| Maple Leaf Cement | Sukuk | 4.57% | Maple Leaf Cement Ltd | Equity | 3.31% |
| Pakistan State Oil Co Ltd | Equity | 4.09% | Thal Ltd | Equity | 3.18% |

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

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 |
|---------------------------------|--------------------|---------------------------------------|-------------------|--------------------------------------|-----------------|-------------------|-----------------------------|
| Eden Housing (Sukuk II) | SUKUK | 4,921,875 | 4,921,875 | - | - | - | - |
| Maple Leaf Cement (Sukuk I)**** | SUKUK | 38,643,750 | - | 28,810,191 | 4.67% | 4.57% | 15.52% |
| Pak Elektron Limited (Sukuk) | SUKUK | 21,428,571 | 21,428,571 | - | - | - | - |
| Total | | 64,994,196 | 26,350,446 | 28,810,191 | 4.67% | 4.57% | |

WORKERS' WELFARE FUND (WWF)
The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 6,987,466/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1514/1.33%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2014.

****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.

Notes: 1) The calculation of performance does not include cost of front end load.
2) Taxes apply. Further, tax credit also available as per section 62 of Income Tax Ordinance.
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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs.10.4991

July 2014

Performance %

| Performance Period | July 2014 | Trailing 12 Months Aug. 2013-Jul. 2014 | FY 2014 | FY 2013 | FY 2012 | FY 2011 | FY 2010 | Since Launch January 22, 2007* |
|--------------------|-----------|--|---------|---------|---------|---------|---------|--------------------------------|
| NAFA Stock Fund | 4.0% | 24.6% | 36.3% | 55.0% | 22.0% | 28.4% | 16.7% | 15.9% |
| Benchmark | 3.3% | 16.1% | 26.0% | 36.0% | 2.9% | 21.2% | 26.2% | 6.2% |

* Annualized Return
All Other returns are Cumulative [Net of management fee & all other expenses]

General Information

Launch Date: January 22, 2007
Fund Size: Rs. 1,939 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 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, NAFA Stock Fund's (NSF) unit price (NAV) increased by 4.0%, whereas the Benchmark increased by 3.3%, thus an outperformance of 0.7% was recorded. Since inception on January 22, 2007 your Fund has posted 203.2% return, versus 57.4% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 145.8%. This outperformance is net of management fee and all other expenses.

NSF started off the month with an allocation of around 83% in equities, which was increased to around 88% towards the end of the month. The increase was primarily due to transfer of shares of Pakistan Petroleum Limited acquired in the Secondary Public Offering (SPO). NSF outperformed the Benchmark in July as the Fund was overweight in key Banks and Automobile & Parts sectors stocks which outperformed the market. During the month, allocation was increased in Banks, Chemicals, General Industrials, and Oil and Gas sectors whereas it was either reduced or maintained in all the other sectors.

Asset Allocation (% of Total Assets) 28-July-14 30-June-14

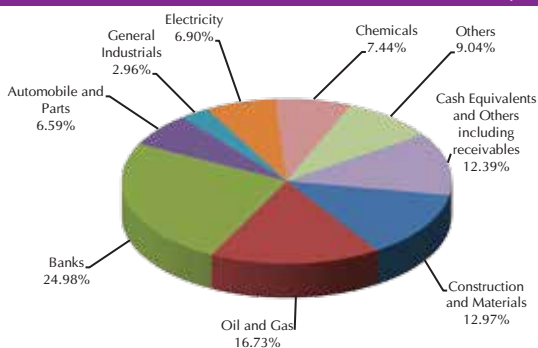
| | 28-July-14 | 30-June-14 |
|------------------------------|----------------|----------------|
| Equities / Stock | 87.61% | 83.17% |
| Cash Equivalents | 7.89% | 14.60% |
| Others including receivables | 4.50% | 2.23% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Characteristics of Equity Portfolio**

| | PER | PBV | DY |
|--------|-----|-----|------|
| NSF | 7.9 | 2.2 | 5.5% |
| KSE-30 | 8.9 | 2.3 | 5.9% |

** Based on NAFA's estimates

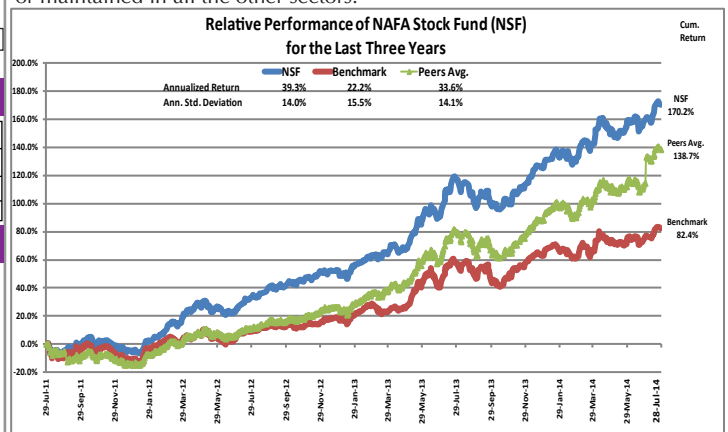
Asset Allocation (% of Total Assets) (as on 28 July, 2014)



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 30,597,390 /-, If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1657 /1.97%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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



Top Ten Equity Holdings (as on 28 July, 2014)

| Name | % of Total Assets | Name | % of Total Assets |
|-------------------------------|-------------------|---------------------------|-------------------|
| United Bank Ltd | 6.92% | Pakistan State Oil Co Ltd | 3.73% |
| Pak Petroleum Ltd | 6.48% | Bank AL-Habib Ltd | 3.62% |
| National Bank Of Pakistan Ltd | 5.18% | Lucky Cement Ltd | 3.11% |
| Engro Corporation Ltd | 5.05% | Hub Power Company Ltd | 3.11% |
| Pakistan Oilfields Ltd | 4.40% | Pioneer Cement Ltd | 3.10% |

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 (28/07/2014): Rs. 9.4307

July 2014

Performance %

| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | FY 2012* | FY 2011* | FY 2010* | Since Launch March 29, 2008 ** |
|--------------------|------------|-----------------------------------|----------|----------|----------|----------|----------|--------------------------------|
| NAFA Income Fund | 12.8% | 2.7% | 2.3% | 6.9% | (6.9%) | (4.2%) | 8.7% | 2.0% |
| Benchmark | 10.2% | 9.9% | 9.8% | 9.9% | 12.4% | 13.2% | 12.1% | 11.6% |

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

General Information

| | |
|-----------------------|--|
| Launch Date: | March 29, 2008 |
| Fund Size: | Rs. 506 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: | 1.0% 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: | Growth Unit: 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 12.8% during July 2014 versus the Benchmark return of 10.2%. Superior performance of the Fund during the month is due to profit payment of a non-performing telecommunication sector TFC. During the last one year the Fund has earned an annualized return of 2.7% as compared to Benchmark annualized return of 9.9%.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stands at 33.7%. The weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is around Rs. 101.08 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 11.3% p.a. while its weighted average time to maturity is 1.6 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs. 312 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) 28-July-14 30-June-14

| | 28-July-14 | 30-June-14 |
|------------------------------|----------------|----------------|
| TFCs / Sukuks | 33.74% | 34.33% |
| Commercial Paper | 7.55% | 7.56% |
| PIBs | 30.00% | 27.39% |
| Cash Equivalents | 27.28% | 28.15% |
| Others including receivables | 1.43% | 2.57% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

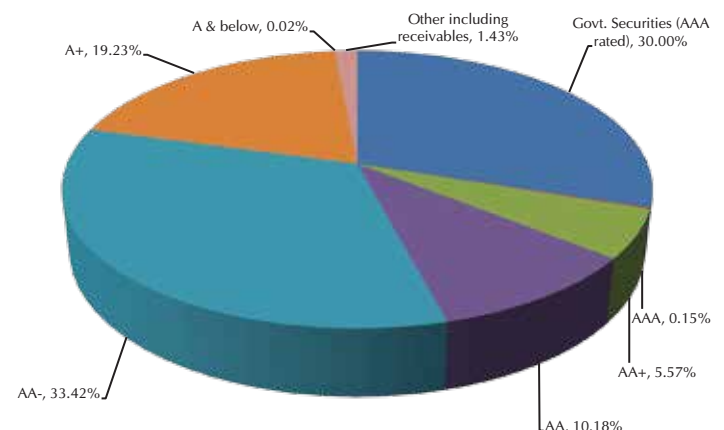
Details of Non-Compliant Investments

| 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 |
|-----------------------------------|--------------------|---------------------------------------|--------------------|--------------------------------------|-----------------|-------------------|-----------------------------|
| World Call Telecom Limited | TFC | 29,982,002 | 29,982,002 | - | n/a | n/a | n/a |
| Saudi Pak Leasing | TFC | 41,321,115 | 41,321,115 | - | n/a | n/a | n/a |
| Eden Housing (Sukuk II) | SUKUK | 19,687,500 | 19,687,500 | - | n/a | n/a | n/a |
| 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 |
| Total | | 312,100,788 | 312,100,788 | - | 0.00% | 0.00% | |

TFC / Sukuk (as at July 28, 2014)

| Name of TFC / Sukuk | % of Total Assets |
|--|-------------------|
| K Electric Azm Sukuk | 9.77% |
| Engro Fertilizers Limited 30-NOV-07 | 6.24% |
| Faysal Bank Limited | 5.05% |
| Jahangir Siddiqui and Company Ltd. 08-APR-14 | 4.90% |
| Engro Fertilizer Limited (PPTFC) | 2.76% |
| Bank Alfalah Limited (Floater) | 2.04% |
| Allied Bank Limited II | 1.91% |
| Jahangir Siddiqui and Company Ltd. 30-OCT-12 | 0.61% |
| Engro Fertilizers Limited 17-DEC-09 | 0.46% |
| Total | 33.74% |

Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.2,659,833/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0496/0.54%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

Name of the Members of Investment Committee

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

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

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs. 9.3847

July 2014

Performance %

| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | FY 2012* | FY 2011* | FY 2010* | Since Launch October 29, 2007 ** |
|-------------------------------------|------------|-----------------------------------|----------|----------|----------|----------|----------|----------------------------------|
| NAFA Islamic Aggressive Income Fund | 7.9% | 14.2% | 13.6% | 6.8% | 19.1% | 9.0% | (4.9%) | 6.4% |
| Benchmark | 6.8% | 6.6% | 6.5% | 7.0% | 7.9% | 7.1% | 6.5% | 6.7% |

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

General Information

Launch Date: October 29, 2007
Fund Size: Rs. 435 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: 1.0% 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 7.9% as compared to the Benchmark return of 6.8%. During CY14, the Fund has posted 17.6% annualized return versus 6.7% by the Benchmark, hence an outperformance of 10.9% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks with current Weightage at around 12% is diversified among Cement, Electricity, and Fertilizer sub sectors. Around 84.3% allocation in bank deposits provides diversification and liquidity to the portfolio. Going forward we will rebalance the allocation of the portfolio based on the capital market outlook.

The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio is around 12.7% p.a. and weighted average time to maturity is 2.0 years. The weighted average time to maturity of the Fund is 0.24 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) 28-July-14 30-June-14

| | 28-July-14 | 30-June-14 |
|-----------------------------|----------------|----------------|
| Sukuks | 12.16% | 12.30% |
| Cash Equivalents | 84.32% | 84.83% |
| Other including receivables | 3.52% | 2.87% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Top Sukuk Holdings (as at July 28, 2014)

| Name of Sukuk | % of Total Assets |
|----------------------------------|-------------------|
| Engro Fertilizer Limited (Sukuk) | 5.22% |
| Maple Leaf Cement (Sukuk I) | 3.47% |
| K Electric Azm Sukuk | 3.47% |
| Total | 12.16% |

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.2,066,734/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0445/0.55%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

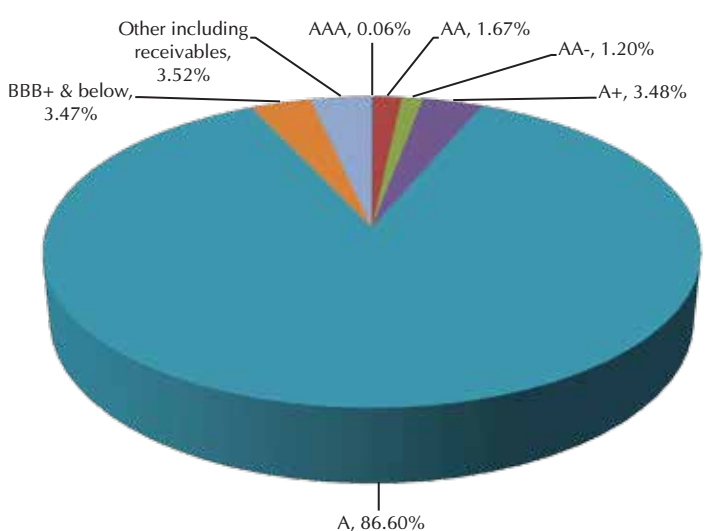
Name of the Members of Investment Committee

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

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

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Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)





MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs. 10.5475

July 2014

| Performance % | | | | | | | | |
|------------------------------|------------|-----------------------------------|----------|----------|----------|----------|----------|--------------------------------|
| Performance Period | July 2014* | Trailing 12 Months Aug 13-Jul 14* | FY 2014* | FY 2013* | FY 2012* | FY 2011* | FY 2010* | Since Launch April 22, 2006 ** |
| NAFA Income Opportunity Fund | 10.0% | 17.2% | 16.6% | 10.3% | (0.5%) | 5.5% | 5.8% | 8.0% |
| Benchmark | 10.2% | 9.9% | 9.8% | 9.9% | 12.4% | 13.3% | 12.4% | 11.3% |

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

| General Information | |
|------------------------|--|
| Launch Date: | April 22, 2006 |
| Fund Size: | Rs. 4,620 million |
| Type: | Open-end – Income Fund |
| Dealing Days: | Daily – Monday to Saturday |
| Dealing Time: | (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M |
| Settlement: | 2-3 business days |
| Pricing Mechanism: | Forward Pricing |
| Load: | Front end: 1% (Nil on investment above Rs. 16 million), Back end: 0% |
| Management Fee: | 1.5% 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 10.0% in July 2014 as compared to the Benchmark return of 10.2%. During the last one year the Fund has outperformed its Benchmark by 7.3% by earning an annualized return of 17.2%.

Weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is Rs. 94.49 against the par value of Rs. 100. The weighted average Yield to Maturity of the Fund is around 11.90% p.a. and that of the TFC portfolio is 15.27% 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 Chemical, Electricity Banking, Construction & Material, Travel & Leisure and Financial Services sub-sectors. TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

| Asset Allocation (% of Total Assets) | 28-July-14 | 30-June-14 |
|--------------------------------------|------------|------------|
| TFCs / Sukuks | 23.54% | 24.63% |
| Commercial Paper | 0.92% | 0.95% |
| PIBs | 34.19% | 30.85% |
| Equity | 0.71% | 0.84% |
| Cash Equivalents | 29.39% | 29.73% |
| Others including receivables | 11.25% | 13.00% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Details of Non-Compliant Investments

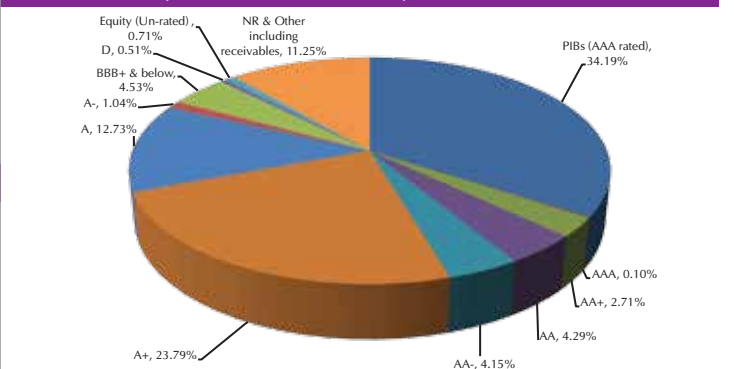
| Particulars | Type of Investment | Value of Investments before Provision | Provision held | Value of Investments after Provision | % of Net Assets | % of Gross Assets | Yield to Maturity per annum |
|--|--------------------|---------------------------------------|----------------------|--------------------------------------|-----------------|-------------------|-----------------------------|
| BRR Guardian Modaraba*** | SUKUK | 35,000,000 | - | 26,162,500 | 0.57% | 0.51% | 55.67% |
| Escort Investment Bank Limited*** | TFC | 2,497,980 | - | 1,841,901 | 0.04% | 0.04% | 18.00% |
| Saudi Pak Leasing | TFC | 41,321,115 | 41,321,115 | - | n/a | n/a | n/a |
| World Call Telecom Limited | TFC | 96,370,722 | 96,370,722 | - | n/a | n/a | n/a |
| Eden Housing (Sukuk II) | SUKUK | 9,056,250 | 9,056,250 | - | n/a | n/a | n/a |
| 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 |
| 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 | 105,082,741 | 36,320,409 | 0.79% | 0.71% | n/a |
| Total | | 1,125,503,162 | 1,051,684,773 | 64,324,810 | 1.39% | 1.25% | |

***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 28, 2014)

| Name of TFCs / Sukuks | % of Total Assets |
|--|-------------------|
| Engro Fertilizer Limited (PPTFC) | 4.86% |
| Maple Leaf Cement (Sukuk I) | 4.50% |
| K Electric Azm Sukuk | 4.29% |
| Engro Fertilizer Limited | 2.51% |
| Bank Alfalah Limited V | 1.96% |
| Jahangir Siddiqui and Company Ltd. 08-APR-14 | 1.47% |
| Allied Bank Limited II | 1.28% |
| Jahangir Siddiqui and Company Ltd. 30-OCT-12 | 1.12% |
| Avari Hotels Limited | 0.97% |
| BRR Guardian Modaraba | 0.51% |
| Total | 23.47% |

Credit Quality of the Portfolio as of July 28, 2014 (% of Total Assets)



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.25,724,275/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0587/0.66%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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

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MONTHLY REPORT (MUFAP's Recommended Format)

July 2014

| | Fund Size (Rs. in mn) | NAV Per Unit (Rs.) July 28, 2014 | Performance %** | |
|---------------------------|--------------------------|-------------------------------------|-----------------|-------------------------------|
| | | | July 2014 | Since Launch July 02, 2013 |
| NPF-Equity Sub-fund | 116.9 | 146.8281 | 4.6%* | 41.8% |
| NPF-Debt Sub-fund | 97.7 | 110.0562 | 7.6% | 8.2% |
| NPF-Money Market Sub-fund | 120.8 | 109.5236 | 8.2% | 7.7% |

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

| General Information | |
|--------------------------|---|
| Launch Date: | July 2, 2013 |
| Fund size: | Rs. 335.4 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 Annual Net Assets of each Sub-fund: |
| | Equity 1.50% |
| | Debt 1.25% |
| | Money Market 1.00% |
| 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.

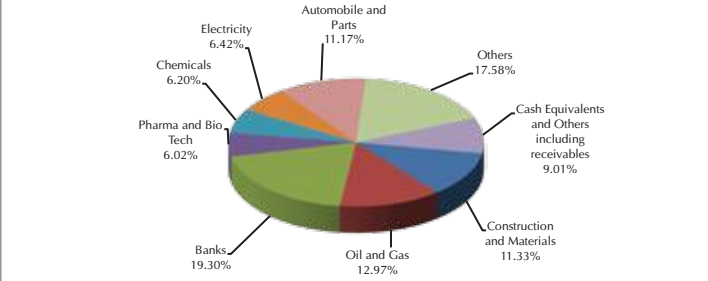
Fund Manager's Commentary

During the month of July:
NPF Equity Sub-fund unit price increased by 4.6%, as against KSE-100 return which increased by 2.2%. The Sub-fund was around 91% invested in equities with major weights in Banks, Oil & Gas and Construction & Materials sectors.
NPF Debt Sub-fund generated annualized return of 7.6%. The Sub Fund was invested primarily in PIBs.
NPF Money Market Sub-fund generated annualized return of 8.2%. It was around 78% invested in Government securities. In line with its investment strategy, the Sub Fund will maintain high exposure in money market securities.

Credit Quality of the Portfolio as on 28 July, 2014

| | Debt | Money Market |
|-----------------------|----------------|----------------|
| Government Securities | 78.50% | 77.59% |
| AAA | 9.81% | 19.78% |
| AA+ | 7.39% | 0.48% |
| AA | 0.10% | 1.38% |
| AA- | 1.57% | 0.41% |
| A+ | 1.56% | - |
| Others | 1.07% | 0.36% |
| Total | 100.00% | 100.00% |

Equity Sub Fund Asset Allocation (% of Total Assets) (as on 28 June, 2014)



Asset Allocation (% of Total Assets)

| Sub-fund | 28-July-14 | 30-June-14 |
|------------------------------|-------------------|-------------------|
| Equity Sub-fund | 28-July-14 | 30-June-14 |
| Equity | 90.99% | 84.36% |
| Cash Equivalents | 3.78% | 15.14% |
| Others | 5.23% | 0.50% |
| Total | 100.00% | 100.00% |
| Debt Sub-fund | 28-July-14 | 30-June-14 |
| Cash Equivalents | 9.78% | 22.71% |
| TFC/Sukuk | 10.66% | 13.18% |
| T-Bills | 9.70% | 12.62% |
| PIBs | 68.80% | 48.08% |
| Others | 1.06% | 3.41% |
| Total | 100.00% | 100.00% |
| Money Market Sub-fund | 28-July-14 | 30-June-14 |
| Cash Equivalents | 22.06% | 7.28% |
| T-Bills | 77.59% | 92.40% |
| Others | 0.35% | 0.32% |
| Total | 100.00% | 100.00% |

Top Ten Holdings of Equity Sub-fund (as on 28 July, 2014)

| Name | (% of Total Assets) | Name | (% of Total Assets) |
|------------------------|---------------------|------------------------------|---------------------|
| United Bank Ltd | 7.27% | Pak Suzuki Motor Co. Ltd. | 3.72% |
| Pakistan Petroleum Ltd | 5.64% | Sazgar Engineering Works Ltd | 3.22% |
| Thal Ltd | 3.93% | Bank AL-Habib Ltd | 3.15% |
| Lucky Cement Ltd | 3.91% | Pakistan Oilfields Ltd | 3.14% |
| Engro Corporation Ltd | 3.76% | Kot Addu Power Co Ltd | 2.96% |

**As on 28 July, 2014
Top TFC/Sukuk Holdings of Debt Sub-fund**

| Name | (% of Total Assets) |
|---|---------------------|
| Jahangir Siddiqui and Company Ltd | 5.05% |
| Standard Chartered Bank (Pakistan) Ltd IV | 2.38% |
| Faysal Bank Limited III | 1.57% |
| Engro Fertilizer Ltd (PPTFC) | 1.56% |
| United Bank Ltd III | 0.08% |
| Allied Bank Ltd I | 0.02% |
| Total | 10.66% |

WORKERS' WELFARE FUND (WWF)

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

| | Total amount Provided uptil July 28, 2014 | Amount Per Unit Rs | Last One Year return would otherwise have been higher by: |
|------------------------------------|---|--------------------|---|
| Equity Sub-Fund ¹ | 495,174 | 0.6218 | 0.56% |
| Debt Sub-Fund ² | 100,555 | 0.1132 | 0.11% |
| Money Market Sub-Fund ² | 107,668 | 0.0976 | 0.10% |

¹ Cumulative, ² Annualized
For details investors are advised to read the Note 8 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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

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| | Fund Size (Rs. in mn) | NAV Per Unit (Rs.) July 28, 2014 | Performance %** | |
|----------------------------|--------------------------|-------------------------------------|-----------------|-------------------------------|
| | | | July 2014 | Since Launch July 02, 2013 |
| NIPF-Equity Sub-fund | 53.7 | 141.7193 | 3.2%* | 37.5% |
| NIPF-Debt Sub-fund | 54.9 | 109.5036 | 3.9% | 7.9% |
| NIPF-Money Market Sub-fund | 43.0 | 108.8862 | 4.6% | 7.3% |

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

| General Information | |
|--------------------------|---|
| Launch Date: | July 2, 2013 |
| Fund Size: | Rs. 151.6 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 Management Fee: | 0% |
| | On average Annual Net Assets of each Sub-fund. |
| | Equity 1.50% |
| | Debt 1.25% |
| | Money Market 1.00% |
| 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
During the month of July:
NIPF Equity Sub-fund unit price increased by 3.2% compared with KMI-30 Index, which increased by 2.7%. The Sub-fund was around 81% invested in equities (92% on net asset basis) with major weights in Oil & Gas, Construction & Materials and Automobile and Parts sectors.

NIPF Debt Sub-fund generated annualized return of 3.9%. The Sub Fund was invested primarily in GoP Ijara Sukuks and Islamic bank deposits.

NIPF Money Market Sub-fund generated annualized return of 4.16%. The Sub Fund was invested primarily in short-term GoP Ijara Sukuks and Islamic bank deposits.

Credit Quality of the Portfolio (as on 28 July, 2014)

| | Debt | Money Market |
|-----------------------|----------------|----------------|
| Government Securities | 58.91% | 67.69% |
| AAA | 10.50% | 20.45% |
| AA+ | 20.61% | 10.36% |
| AA | 8.15% | - |
| A+ | - | - |
| Others | 1.83% | 1.50% |
| Total | 100.00% | 100.00% |

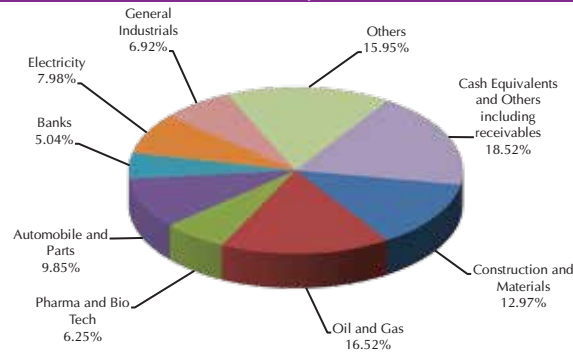
Asset Allocation (% of Total Assets)

| | 28-July-14 | 30-June-14 |
|------------------------------|-------------------|-------------------|
| Equity Sub-fund | 28-July-14 | 30-June-14 |
| Equity | 81.48% | 82.08% |
| Cash Equivalents | 14.49% | 13.70% |
| Others including receivables | 4.03% | 4.22% |
| Total | 100.00% | 100.00% |
| Debt Sub-fund | 28-July-14 | 30-June-14 |
| Cash Equivalents | 39.26% | 39.26% |
| GOP Ijara Sukuk-Govt Sukuk | 58.91% | 58.91% |
| Others | 1.83% | 1.83% |
| Total | 100.00% | 100.00% |
| Money Market Sub-fund | 28-July-14 | 30-June-14 |
| Cash Equivalents | 30.81% | 29.09% |
| GOP Ijara Sukuk-Govt | 67.69% | 69.96% |
| Others | 1.50% | 0.95% |
| 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 July 28, 2014 | Amount Per Unit Rs | Last One Year return would otherwise have been higher by: |
|------------------------------------|--|--------------------|---|
| Equity Sub-Fund ¹ | 305,635 | 0.8073 | 0.72% |
| Debt Sub-Fund ² | 69,586 | 0.1389 | 0.14% |
| Money Market Sub-Fund ² | 58,383 | 0.1479 | 0.15% |

Equity Sub Fund Asset Allocation (% of Total Assets) (as on 28 July, 2014)



Top Ten Holdings of Equity Sub-fund (as on 28 July, 2014)

| Name | (% of Total Assets) | Name | (% of Total Assets) |
|------------------------------|---------------------|--------------------------|---------------------|
| Pakistan Petroleum Ltd | 7.18% | Kot Addu Power | 3.97% |
| Thal Ltd | 4.70% | Meezan Bank Ltd | 3.74% |
| Sazgar Engineering Works Ltd | 4.47% | Pak Suzuki Motor Co. Ltd | 3.48% |
| Pakistan Oilfields Ltd | 4.27% | Akzo Nobel Pakistan Ltd | 3.45% |
| Lucky Cement Ltd | 4.17% | Hub Power Company Ltd | 3.23% |

As on 28 July, 2014

| 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) | 51.61% | GOP Ijarah (Sukuk IX) | 46.53% |
| GOP Ijarah (Sukuk IX) | 7.30% | GOP Ijarah (Sukuk XI) | 21.16% |
| Total | 58.91% | Total | 67.69% |

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

¹ Cumulative, ² Annualized
For details investors are advised to read the Note 8 of the Financial Statements of the Scheme for the period ended March 31, 2014.
Notes: 1) The calculation of performance does not include cost of front end load.
2) Taxes apply. Further, tax credit also available as per section 62 of Income Tax Ordinance.

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| Performance %* | | |
|---|-----------|--------------------------------|
| Performance Period | July 2014 | Since Launch March 05, 2014 |
| NAFA Islamic Principal Protected Fund-I (NIPPF-I) | 2.3% | 5.0% |
| Benchmark | 1.5% | 5.1% |

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

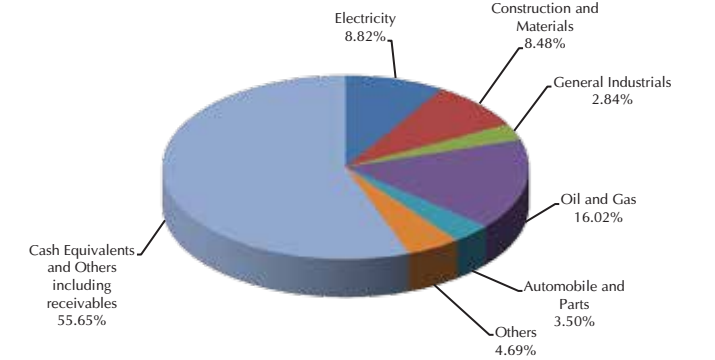
| General Information | Investment Objective |
|--|--|
| <p>Launch Date: March 5, 2014 Fund Size: Rs. 1,673 million Type: Shariah Compliant - Open-end – Capital Protected Fund Dealing Days: Daily – Monday to Friday Dealing Time: (Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M Settlement: 2-3 business days Pricing Mechanism: Forward Pricing Load: Back end: 0% Management Fee: 2% per annum Risk Profile: Low Listing: Lahore Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Co. Chartered Accountants Benchmark: Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation. Fund Manager: Sajjad Anwar, CFA Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)</p> | <p>The objective of NAFA Islamic Principal Protection Fund-I is to earn a potentially high return through dynamic asset allocation between shariah compliant Equities and Money Market investment avenues, while providing principal protection.</p> |

| Asset Allocation (% of Total Assets) | 28-July-14 | 30-June-14 |
|--------------------------------------|----------------|----------------|
| Equities / Stocks | 44.35% | 41.66% |
| Cash Equivalents | 50.16% | 57.36% |
| Others including receivables | 5.49% | 0.98% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

| Characteristics of Equity Portfolio**** | | | |
|---|-----|-----|------|
| | PER | PBV | DY |
| NIPPF-I | 8.3 | 2.6 | 6.5% |
| KMI-30 | 9.0 | 2.3 | 6.4% |

**** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 28 July, 2014)



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 1,636,920/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.1018/0.10%. For details investors are advised to read Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

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

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Fund Manager's Commentary

NAFA launched its first open-end Islamic capital protected fund namely NAFA Islamic Principal Protected Fund (NIPPF-1) this March. The aim of the Fund is to provide growth to the investment of unit holders over the long-term in approved Shariah compliant equities and money market instruments while protecting initial investment value at Initial Maturity date, which is two years from launch date. The Fund is presently closed for new subscription.

Since inception, NIPPF- I has generated a return of 5% versus 5.1% return of the Benchmark. The Fund has gradually built its position in equities and its current stock exposure stands at around 44%. Key holdings of the Fund belong to Oil and Gas, Electricity and Construction Materials sectors. The Fund can invest up to 50% in equities. We are confident that the Fund will generate good returns considering the positive outlook of the market and built in dynamic equity allocation mechanism of the Fund.

Top Ten Holdings (as on 28 July, 2014)

| Name | Asset Class | % of Total Assets | Name | Asset Class | % of Total Assets |
|----------------------------|-------------|-------------------|-------------------------------|-------------|-------------------|
| Pakistan Petroleum Ltd | Equity | 4.86% | Lucky Cement Ltd | Equity | 2.87% |
| Pakistan Oilfields Ltd | Equity | 4.66% | Oil & Gas Dev Co Ltd | Equity | 2.61% |
| Kot Addu Power | Equity | 4.28% | Maple Leaf Cement Factory Ltd | Equity | 2.06% |
| Pakistan State Oil Co. Ltd | Equity | 3.89% | Thal Ltd | Equity | 1.97% |
| Hub Power Company Ltd | Equity | 3.81% | Pioneer Cement Ltd | Equity | 1.71% |

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



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/07/2014): Rs.101.6398

July 2014

Performance %*

| Performance Period | July 2014 | Since Launch June 27, 2014 |
|---|-----------|-------------------------------|
| NAFA Islamic Principal Protected Fund-II (NIPPF-II) | 1.5% | 1.6% |
| Benchmark | 1.3% | 1.7% |

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

General Information

Launch Date: June 27, 2014
Fund Size: Rs. 1,324 million
Type: Shariah Compliant - Open-end – Capital Protected Fund
Dealing Days: Daily – Monday to Friday
Dealing Time: (Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 05:30 P.M
Settlement: 2-3 business days
Pricing Mechanism: Forward Pricing
Load: Front end: 3% Back end: 0%
Management Fee: 2% per annum
Risk Profile: Low
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: A. F. Ferguson & Co. Chartered Accountants
Benchmark: Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.
Fund Manager: Sajjad Anwar, CFA
Asset Manager Rating: AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

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

Fund Manager's Commentary

NAFA launched its second Islamic capital protected fund namely NAFA Islamic Principal Protected Fund (NIPPF-II) on 27th June, 2014. The aim of the Fund is to provide growth to the investment of unit holders over the long-term in approved Shariah compliant equities and money market instruments while protecting initial investment value at the Initial Maturity date, which is two years from its launch date.

Since inception, NIPPF- II has generated a return of 1.6% versus 1.7% return of the Benchmark. The Fund has gradually built its position in equities and its current stock exposure stands at around 43%. Key holdings of the Fund belong to Oil and Gas, Construction and Materials, and Electricity sectors. The Fund can invest up to 100% in equities. We are confident that the Fund will generate good returns considering the positive outlook of the market and built in dynamic equity allocation mechanism of the Fund.

Asset Allocation (% of Total Assets) 28-July-14 30-June-14

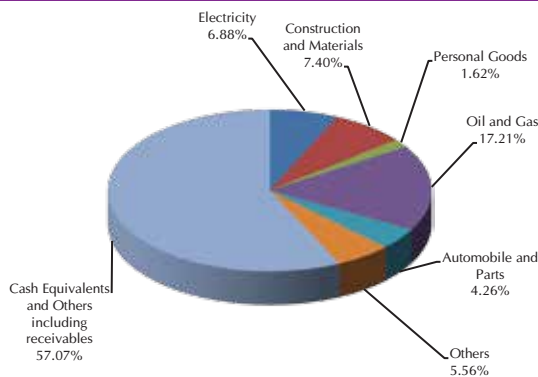
| | | |
|------------------------------|----------------|----------------|
| Equities / Stocks | 42.93% | 16.13% |
| Cash Equivalents | 51.83% | 83.32% |
| Others including receivables | 5.24% | 0.55% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Characteristics of Equity Portfolio****

| | PER | PBV | DY |
|----------|-----|-----|------|
| NIPPF-II | 7.9 | 2.6 | 6.5% |
| KMI-30 | 9.0 | 2.3 | 6.4% |

**** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 28 July, 2014)



Top Ten Holdings (as on 28 July, 2014)

| Name | Asset Class | % of Total Assets | Name | Asset Class | % of Total Assets |
|---------------------------|-------------|-------------------|-------------------------------|-------------|-------------------|
| Pak Petroleum Ltd | Equity | 5.84% | Hub Power Company Ltd | Equity | 3.19% |
| Pakistan Oilfields Ltd | Equity | 4.37% | Pak Suzuki Motor Co Ltd | Equity | 2.57% |
| Pakistan State Oil Co Ltd | Equity | 3.56% | Lucky Cement Ltd | Equity | 2.44% |
| Oil & Gas Dev Co Ltd | Equity | 3.44% | Maple Leaf Cement Factory Ltd | Equity | 1.92% |
| Kot Addu Power Co Ltd | Equity | 3.29% | Nishat Mills Ltd | Equity | 1.62% |

Name of the Members of Investment Commit

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Muhammad Imran, CFA, ACCA

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 432,895/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.0332/0.03%.

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

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 dependent 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." Please read the Offering Documents to understand the investment policies and the risk involved. Capital protection only applies to unit holders who hold their investments until initial maturity of two years.