

# Fund Manager Report

May 2017

Investment of Rs. 10 lacs

grew to Rs. 36 lacs in

**NAFA Islamic Asset Allocation Fund**

in only 6 Years\*



**AVAIL TAX CREDIT**

by investing before

30 June 2017

Shariah Supervisory Board

- Dr. Imran Ashraf Usmani
- Mufti Ehsan Waquar Ahmad
- Mufti Muhammad Naveed Alam

You can invest with Rs. 10,000 only

## Performance of NAFA Islamic Asset Allocation Fund (NIAAF)

	Total Return June 11-May 17	FY - 2016	FY - 2015	FY - 2014	FY - 2013	FY - 2012	FY - 2011
<b>NIAAF</b>	<b>262.2%</b>	<b>13.1%</b>	<b>33.8%</b>	<b>22.2%</b>	<b>36.3%</b>	<b>13.2%</b>	<b>28.4%</b>
Benchmark**	149.7%	9.2%	12.1%	17.7%	28.9%	11.1%	24.4%

\* Ending May 31, 2017

\*\* Benchmark is daily weighted return of KMI-30 index and 6 months average deposit rate of three A rated Islamic banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (effective from September 1, 2016). Previously average of

(i) average 3-month Islamic banks deposit rate (ii) 6-month KIBOR or its Shariah Compliant equivalent (iii) KMI 30 Index

Annualized return since inception of Fund on October 26, 2007 is 17.5% p.a. vs Benchmark return of 12.3% p.a. Last one year return is 30.6% vs benchmark return of 22.1%.

Fund-size: Rs.1,565 Crore as on May 31, 2017.

Category: Shariah Compliant Asset Allocation Fund.

Note: The Calculation of performance does not include cost of front end load. Taxes apply as per current income tax law. Tax credit is subject to terms & conditions as per section 62 of the Income Tax Ordinance, 2001.

## For Information & Investment

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

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Joint - Venture Partners

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# Performance Summary of NAFA's Key Funds



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

"May 2017"

		Fund Name	Fund Size (Rs. In Crore)	Stability Rating	Inception Date	May 2017	FYTD	Rolling 12 Months	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Inception	
		<b>Fixed Income Funds</b>	<b>Annualized Returns</b>												
Lowest Risk ↓ Moderate Risk ↓ Highest Risk	NCSLF	NAFA Government Securities Liquid Fund	545	AAA (f)	15-May-09	5.3%	7.9%	7.8%	5.7%	8.3%	8.1%	8.7%	10.9%	9.0%	
		Benchmark				5.2%	5.3%	5.3%	6.0%	8.7%	8.6%	8.9%	10.8%	8.9%	
	NMMF	NAFA Money Market Fund	1,806	AA (f)	23-Feb-12	4.9%	6.3%	6.4%	6.3%	8.9%	8.2%	9.2%	n/a	8.0%	
		Benchmark				5.2%	5.1%	5.0%	4.6%	6.8%	6.9%	6.8%	n/a	6.1%	
	NSPF	NAFA Savings Plus Fund	43	AA- (f)	21-Nov-09	4.9%	8.2%	8.1%	6.3%	8.7%	7.9%	8.8%	11.0%	8.9%	
		Benchmark				6.2%	5.8%	5.6%	4.7%	6.7%	7.1%	7.3%	8.4%	7.0%	
	NRFSF	NAFA Riba Free Savings Fund	179	A (f)	20-Aug-10	4.6%	5.8%	5.7%	5.5%	7.4%	7.8%	8.7%	10.8%	8.0%	
		Benchmark				2.4%	3.2%	3.3%	4.9%	6.7%	6.7%	7.3%	8.3%	6.5%	
	NFSIF	NAFA Financial Sector Income Fund	80	A+ (f)	28-Oct-11	5.5%	8.5%	8.2%	6.4%	10.9%	7.9%	9.3%	n/a	9.1%	
		Benchmark				6.2%	6.0%	6.0%	5.9%	8.3%	8.9%	9.0%	n/a	8.0%	
	NIOF	NAFA Income Opportunity Fund	1,317	A (f)	21-Apr-06	4.6%	6.3%	6.3%	7.5%	13.2%	16.6%	10.3%	(0.5%)	8.2%	
		Benchmark				6.2%	6.1%	6.1%	6.5%	9.0%	9.8%	9.9%	12.4%	10.4%	
	NIIF	NAFA Islamic Income Fund <i>(Formerly; NAFA Islamic Aggressive Income Fund)</i>	275	A- (f)	26-Oct-07	4.7%	5.2%	5.5%	7.4%	9.2%	13.6%	6.8%	19.0%	6.7%	
		Benchmark				2.4%	4.0%	4.1%	4.8%	6.6%	6.5%	7.0%	7.9%	6.3%	
			<b>Equity Related Funds</b>	<b>Cumulative Returns</b>											
	NAAF	NAFA Asset Allocation Fund	374		20-Aug-10	2.9%	36.0%	35.8%	7.6%	24.6%	13.7%	32.0%	14.4%	21.5%	
		Benchmark				2.3%	20.5%	22.8%	6.2%	9.6%	15.3%	17.1%	8.1%	13.1%	
	NMF	NAFA Multi Asset Fund	199		19-Jan-07	3.1%	35.5%	38.0%	8.7%	26.8%	25.4%	34.1%	15.5%	17.6%	
Benchmark					2.2%	20.3%	23.5%	7.1%	11.0%	19.6%	22.4%	8.0%	10.5%		
NIAAF	NAFA Islamic Asset Allocation Fund	1,565		26-Oct-07	2.4%	27.4%	30.6%	13.1%	33.8%	22.2%	36.3%	13.2%	17.5%		
	Benchmark				2.4%	19.9%	22.1%	9.2%	12.1%	17.7%	28.9%	11.1%	12.3%		
NSF	NAFA Stock Fund	1,972		19-Jan-07	4.2%	44.9%	48.3%	11.4%	36.9%	36.3%	55.0%	22.0%	19.7%		
	Benchmark				3.0%	29.2%	35.4%	7.1%	12.3%	29.6%	36.0%	2.9%	9.0%		
NISF	NAFA Islamic Stock Fund	1,004		09-Jan-15	2.8%	45.2%	46.7%	12.9%	n/a	n/a	n/a	n/a	28.6%		
	Benchmark				3.5%	32.2%	38.2%	15.5%	n/a	n/a	n/a	n/a	23.8%		

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

n/a = Not applicable.  
 Asset Manager Rating: AM1 by PACRA (Very High Quality)

**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 and pension funds are subject to market risks. Past Performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved.

## Federal Budget FY2017-18-Implications for Economy and Capital Markets

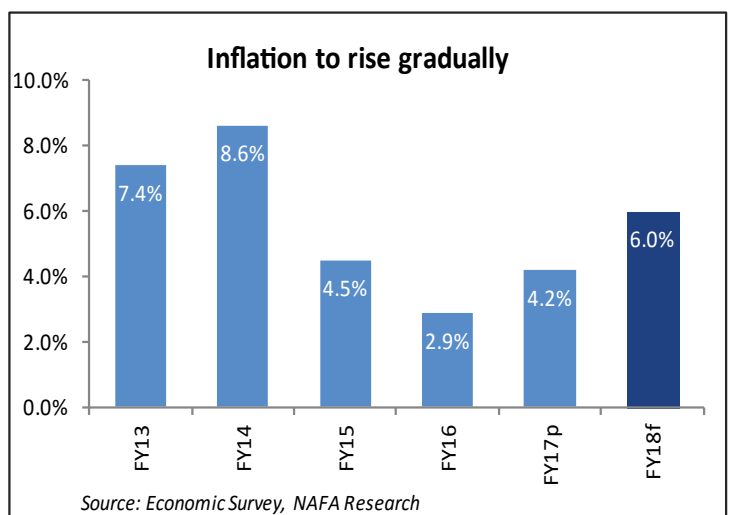
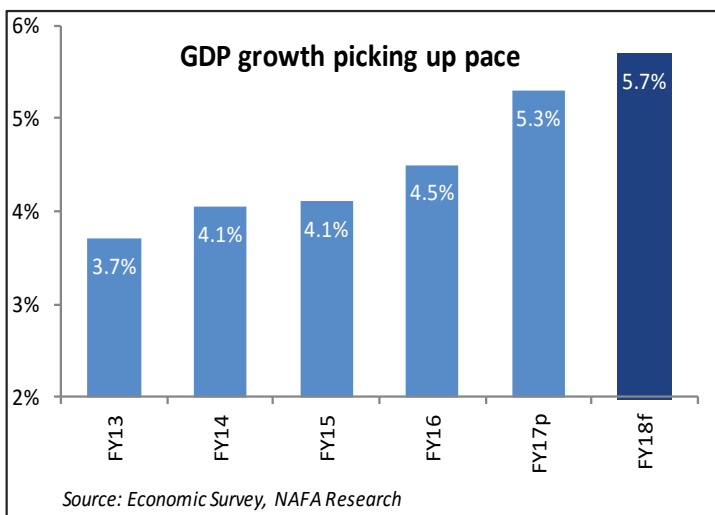
In the backdrop of rising noise in domestic politics and stalled economic reforms program, PML-N government announced its last budget of its tenure, with attention focused towards growth. Although the government has achieved broad macroeconomic stability in the last two years, FY18 being the election year, the federal budget envisages a delicate balance between populist measures and prudence on the fiscal side.

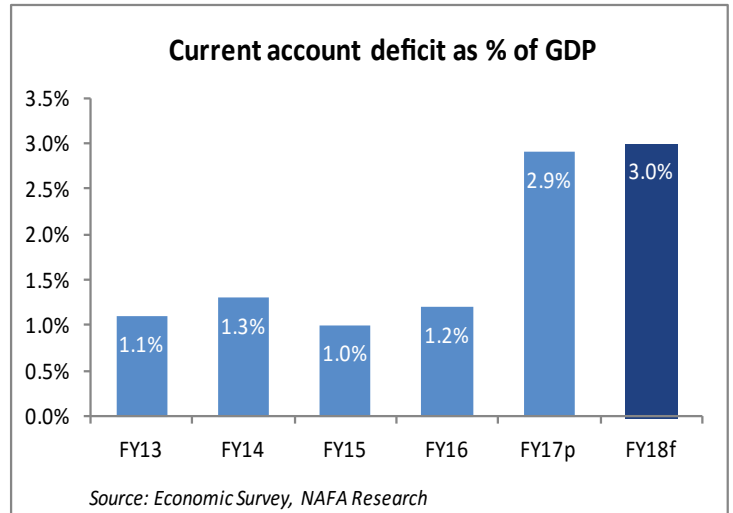
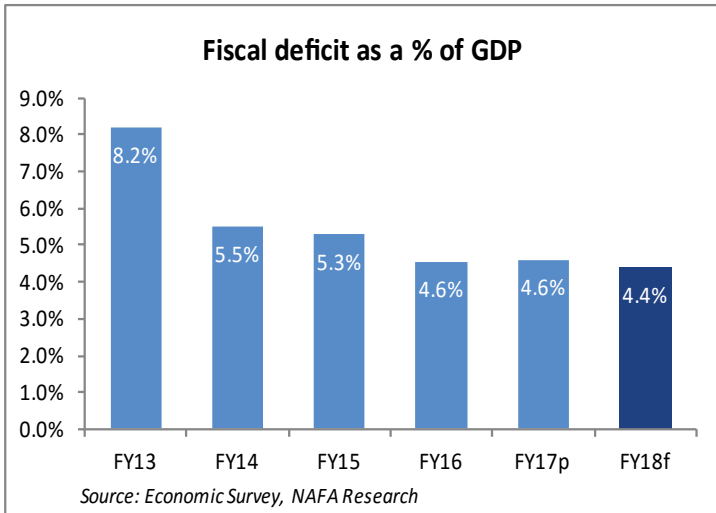
Pakistan's economy continues to grow strongly with GDP growth clocking in at 5.3% for FY2017 (the highest in the past decade) underpinned by the rebound in the agriculture sector, continued growth in the manufacturing sector, and healthy contribution by the service sector. Helped by the favorable external environment due to stable oil prices, Inflation remained under control as captured in average CPI of 4.2% and benign policy rates of 5.75%. Healthy FX reserves accumulation equivalent to 18 weeks of imports driven by inflows under the financial and capital accounts. For the first time, the size of the economy has surpassed USD300 billion, with per capita income rising to USD1,629 in FY17 compared to USD1,531 in the preceding year. However, beneath the surface, a number of warning signs are emerging. Revenue growth is slowing, exerting pressure on the fiscal account due to rigidity of the expenditure side; stagnant exports, rise in imports and tapering off remittances growth are leading to widening of the current account deficit.

The government has set an ambitious GDP growth target of 6.0% for FY18 that envisages 3.5% growth in agriculture sector, 6.4% growth in manufacturing sector, and 6.4% growth in services sector. Encouraged by rebound in agriculture growth in FY17, the government has again laid greater emphasis on agri sector with special incentives package along with hefty rise in development expenditure (total PSDP of PKR2.1trn, up 37% YoY) as projects under CPEC gather pace. The government budgeted to bring down FY18 fiscal deficit to 4.1% of GDP from 4.2% revised target in FY17 through 13% rise in total federal revenue with outsized emphasis on indirect taxes, and tight control over current expenditures (a mere 2% rise) especially subsidies. The budget assumes inflation at 6% for FY18. The government hopes to counter the mounting risks to the Balance of Payment (BoP) position from widening current deficit by healthy surplus on financial account driven by bilateral/multilateral disbursements and significant jump in Foreign Direct Investment (FDI) in infrastructure and energy sectors under the CPEC. We believe that the budget deficit and current account deficit will be significantly higher than projected by the government.

Against the government target of 6%, we expect GDP growth at 5.7% for FY18 underpinned by capacity expansions by the private sector as reflected by the healthy growth in private sector credit off-take, benefiting from benign inflation and interest rates. We also see healthy contribution to growth from the public sector investment activity under the CPEC related projects in infrastructure and energy sectors. Owing to expected decline in energy shortages and investment under CPEC and improving business confidence, investment to GDP ratio is expected to rise to 17% and would be the key catalyst for ascent in GDP growth.

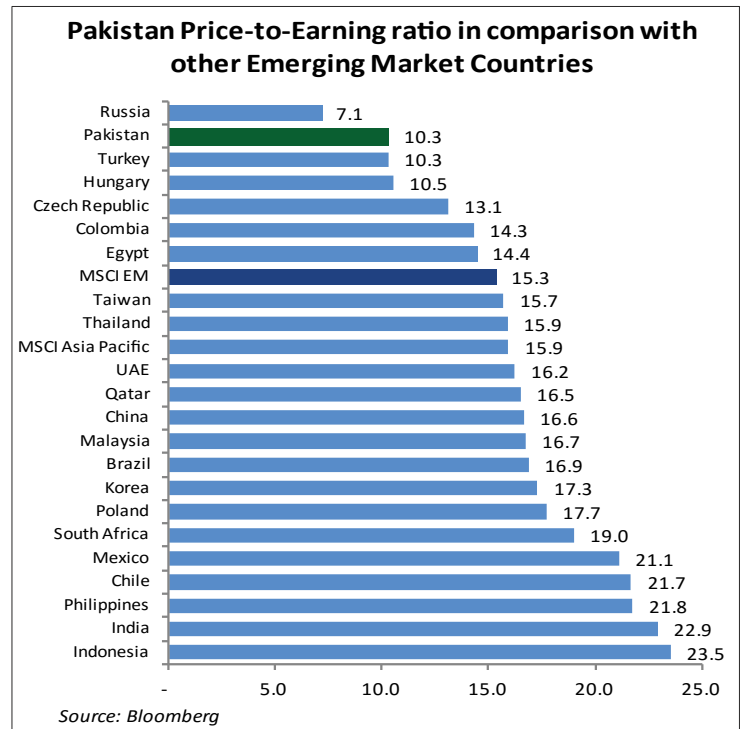
We feel the actual numbers of fiscal deficit for both FY17 & FY18 may well reach around 4.5% of the GDP against the government's unrealistic target of 4.2% and 4.1% respectively, due to slower than projected growth in tax collection and fiscal slippages especially on the subsidy front. In line with the government estimates, Inflation is expected to rise to 6% in the next fiscal year due to gradual rise in food and commodity prices (notably oil), higher money supply growth, and measured currency devaluation. External account position is projected to remain under pressure with current deficit at 3.0% of GDP as a result of rise in trade deficit, lower CSF inflows and limited growth in remittances.





In our base case scenario, we expect a gradual hike in policy rate by 75-100 basis points during FY18 as inflation picks up. Concomitantly, the sovereign yields curve will shift upward and steepen as the premium on the long-term bonds increase due to inflationary pressures emanating from widening current account deficits and mounting risks of currency devaluation. In this investment backdrop, we advise investors to invest in floating fixed income securities and keep the maturity of their fixed income portfolio short.

The budget had a few negative surprises for the stock market and listed companies such as (i) increase in Capital Gains Tax (CGT) for non-filer increased to 20% and removal of cascading CGT structure over longer term holding for both filer and non-filer; (ii) 2.5% increase in tax on dividends for companies to 15%, and Mutual Funds dividends to 12.5%; (iii) continuation of one-off super tax at 3% for non-banking companies and 4% for banks; and (iv) Non-Government companies excluding Banks to pay 10% extra tax if their payout is less than 40%. The market was also expecting abolishment of tax on Bonus shares which did not materialize.



Due to taxation heavy budget for the stock market, absence of net inflow from foreigner's side during MSCI Emerging Markets inclusion date, and headlines linked to Panama Leaks Case investigations the market remained under considerable pressure in the post budget week. While volatility is likely to remain elevated in the coming months due to political noise, we hold a positive outlook on the stock market for the long term investors on the back of improving economic growth, benign near-term inflation & interest rate outlook, abundant local liquidity, compelling stock market valuations relative to other EM countries and healthy corporate earnings growth. In view of the above, we expect the stock market to deliver healthy double-digit returns in FY18.



## Stock Market Review

During the better part of the month, ahead of the up-gradation of PSX into MSCI Emerging Market Index from the Frontier Market, the stock market gained momentum led by the six large cap stocks that were set to be part of main MSCI EM Index (combined weightage of around 30% in KSE 100 Index) as the broader market was expecting a net inflow of \$200-\$400 million from Emerging Market passive funds on rebalancing. Anticipating the net-inflows, investors built up positions in these stocks, raising these stocks prices sharply. In the process, the benchmark KSE Index touched an all-time high of 52,876 level at the market close on May 24, 2017. What surprised the market was massive gross foreign outflows. Consequently, the market took a nose dive, losing around 2,300 points (4%) during the last five trading sessions of the month. The negative sentiment was exacerbated by unfavorable budgetary measure pertaining to capital market. Overall, the benchmark KSE 100 Index increased by 2.6% during the month. As we see it, the recent indiscriminate selling has restored value in the broader market that holds promise to deliver a healthy double digit return over the next 12 months.

During the month, Engineering, Oil & Gas Exploration, Oil & Gas Marketing, Refinery, Textile sectors performed better than the market while, Automobile Assemblers, Cement, Fertilizer, Paper & Board, and Power Generation & Distribution sectors lagged behind. Improving earnings outlook on the back of capacity expansion to cater soaring demand resulted in the out-performance of Engineering sector. Oil & Gas Exploration sector performed better than the market amid recovery in global oil prices driven by extension of agreement for production cut by the OPEC & some Non-OPEC producer. Automobile Assembler sector took a breather after strong run during the year. Fertilizer sector continued the lagged performance amid subdued earnings outlook on account of depressed global fertilizer prices due to supply glut. Power Generation & Distribution sector's lagged performance is largely owing to foreign selling. Declining profit margins in the wake of rising coal prices and price undercutting amid new capacity addition led to the under-performance of the Cement sector. Foreign selling in the latter part of the month resulted in the lackluster performance of the Banking sector.

Going forward, we hold a positive view on the stock market based on the reasonable valuations as captured in forward P/E multiples of 10.7 times; a healthy 12%-15% corporate earnings growth for CY17 & CY18; benign near-term inflation and interest rates outlook; improving economic prospects; and abundant local liquidity. However, we may see period of volatility spikes amid rising noise in the domestic politics, external account pressures and global policy uncertainty.

## Money Market Review

After recording 4.8% YoY in April 2017, inflation as measured by the CPI stood at 5.0% for May 2017. State Bank of Pakistan (SBP) in its bi-monthly Monetary Policy Statement maintained the policy rate at 5.75%. However, due to rise in commodity prices, surge in imports and higher money supply; SBP anticipates increase in CPI inflation during FY18. The weighted average overnight repo rate remained close to the policy rate amid improved interbank liquidity conditions due to healthy growth in bank deposits and net retirement to commercial banks and calibrated open market operations by SBP. Foreign exchange reserves were recorded at USD 21.8 billion at the end of May 2017, showing a increase of around USD750 million. Pressure is mounting on the Balance of Payment (BoP) situation amid widening current account deficit on the back of soaring imports, stalled exports, and stagnant remittances growth.

During May 2017, SBP held two T-Bill auctions with a combined target of Rs. 750 billion against the maturity of Rs. 718 billion. In the first T-Bill auction, an amount of Rs. 372 billion was realized against the target of Rs. 350 billion and maturity of Rs. 336 billion at a cut-off yield of 5.99%, 6.01% and 6.03% for 3 month, 6 month and 12 month tenors, respectively. The bid pattern skewed towards 3 month tenor as compared to 6 month and 12 month tenors. In the second T-Bill auction, Ministry of Finance (MoF) realized Rs. 341 billion against the target of Rs. 400 billion and maturity of Rs. 382 billion. Cut-off yield for 3 month and 6 month tenors was maintained while the cut-off yield for 12 month tenor increased to 6.05%. The bid pattern remained skewed towards 3 month tenor. In the PIB auction, Ministry of Finance (MoF) received collective bids worth Rs. 85 billion wherein an amount of Rs. 41 billion was accepted for 03 year, 05 year and 10 year tenors against the target of Rs. 50 billion and maturity of Rs. 2 billion. The cut-off yield was noted at 6.41%, 6.90% and 7.94% respectively, while, no bid was received in 20 year tenor. The bid pattern tilted towards 3 years tenor.

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

## Our Contacts

Contact our Investment Consultant for free Investment advice

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

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## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch May 15, 2009*
NAFA Government Securities Liquid Fund	5.3%	7.9%	7.8%	5.7%	8.3%	8.1%	8.7%	10.9%	9.0%
Benchmark**	5.2%	5.3%	5.3%	6.0%	8.7%	8.6%	8.9%	10.8%	8.9%

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

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

## General Information

Launch Date:	May 15, 2009
Fund Size:	Rs. 5,450 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0%, Back end: 0%
Management Fee:	8% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.10% p.a. (including 0.36% government levies)
Risk Profile:	Exceptionally Low
Fund Stability Rating:	"AAA (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:**	70% 3-Month PKRV & 30% average 3-Month deposit rates of three AA rated banks as selected by MUFAP
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; previously 70% 3-Month T-Bills & 30% average 3-Month deposit rates (AA & above rated banks)

## Investment Objective

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

## Fund Manager Commentary

The Fund earned an annualized return of 5.3% during May 2017 versus the Benchmark return of 5.2%. The annualized return for FYTD is 7.9% against the Benchmark return of 5.3%. 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 during the last 365 days in short-term T-Bills was around 86% of net assets. While at the end of the month, T-Bills comprised around 75.0% of the Total Assets and around 76.2% of Net Assets. Weighted average time to maturity of the Fund is 27 days.

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

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

T-Bills (AAA rated)	75.0%
AAA	0.4%
AA+	23.4%
AA	0.1%
AA-	0.4%
A-	0.2%
Others including receivables	0.5%
<b>Total</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets) 31-May-17 29-Apr-17

T-Bills	75.0%	73.4%
Placement with Banks	9.0%	-
Bank Deposits	15.5%	26.3%
Others including receivables	0.5%	0.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 10,221,916/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0204/0.20%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

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# NAFA Money Market Fund (NMMF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 10.4031

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	Since Launch February 23, 2012*
NAFA Money Market Fund	4.9%	6.3%	6.4%	6.3%	8.9%	8.2%	9.2%	8.0%
Benchmark**	5.2%	5.1%	5.0%	4.6%	6.8%	6.9%	6.8%	6.1%

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

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

## General Information

Launch Date:	February 23, 2012
Fund Size:	Rs. 18,065 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): without life insurance 0.5%, with life insurance 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 0.5% (Nil on investment above Rs. 16 million) Back End Load: Nil
Management Fee:	8% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.06% p.a. (including 0.36% government levies)
Risk Profile:	Very Low
Fund Stability Rating:	"AA (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:**	70% 3-Month PKRV & 30% average 3-Month deposit rates of three AA rated banks as selected by MUFAP
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously 3-Month deposit rates (AA & above rated banks)  
\*\*\* effective from January 02, 2017

## Asset Allocation (% of Total Assets) 31-May-17 29-Apr-17

	31-May-17	29-Apr-17
Bank Deposits	86.8%	95.0%
Placements with Banks	9.5%	-
Placements with DFI	3.2%	4.4%
Others including receivables	0.5%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 21,020,141/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0121/0.12%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

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

## 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 4.9% during May 2017 versus the Benchmark return of 5.2%. Since its launch in February 2012, the Fund has outperformed its Benchmark by 1.9% p.a. by earning an annualized return of 8.0%. 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.

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

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

AA+	99.4%
A-	0.1%
Others including receivables	0.5%
<b>Total</b>	<b>100.0%</b>



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 10.8400

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	Since Launch July 10, 2014*
NAFA Government Securities Savings Fund	4.3%	5.8%	5.8%	6.5%	8.9%
Benchmark**	6.0%	5.8%	5.8%	6.2%	7.1%

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

## General Information

Launch Date:	July 10, 2014
Fund Size:	Rs. 116 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): without life insurance 1%, with life insurance 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.77% p.a.(including 0.43% government levies)
Risk Profile:	Low
Fund stability rating	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:**	6-Month PKRV
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously 70% average 6-Month PKRV & 30% average 3-Month deposit rates (A+ & above rated banks)

\*\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-May-17	29-Apr-17
Tbills	73.3%	72.7%
Bank Deposits	25.5%	26.2%
Others including receivables	1.2%	1.1%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 398,619/- If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0373/0.36%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

## Investment Objective

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

## Fund Manager Commentary

During the month under review, the Fund has generated an annualized return of 4.3% against the benchmark return of 6.0%. Since its launch in July 2014, the Fund offered an annualized return of 8.9% against the Benchmark return of 7.1%, hence an outperformance of 1.8% p.a. This outperformance is net of management fee and all other expenses.

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

As the asset allocation of the Fund shows, exposure in Government Securities was around 73% of the Total Assets and 76% of Net Assets at the end of the month with average Yield to Maturity of 5.95% p.a. Last one year allocation in Government Securities was around 79.9% of net assets. The weighted average time-to-maturity of the Fund is 22 days.

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

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

Government Securities (AAA rated)	73.3%
AAA	0.6%
AA+	1.4%
AA-	13.6%
A+	9.8%
A-	0.1%
Others including receivables	1.2%
Total	100.0%

# NAFA Savings Plus Fund (NSPF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 10.8838

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch November 21, 2009*
NAFA Savings Plus Fund	4.9%	8.2%	8.1%	6.3%	8.7%	7.9%	8.8%	11.0%	8.9%
Benchmark**	6.2%	5.8%	5.6%	4.7%	6.7%	7.1%	7.3%	8.4%	7.0%

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

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

## General Information

Launch Date:	November 21, 2009
Fund Size:	Rs. 425 million
Type:	Open-end – Income fund
Dealing Days:	Daily – Monday to Saturday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): without life insurance 0.5%, with life insurance 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 0.5% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	1.50% of Net Income (Min 0.5% p.a., Max 1.50% p.a.)
Total Expense Ratio:	1.86% p.a. (including 0.39% government levies)
Risk Profile:	Very Low
Fund Stability Rating:	"AA- (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:**	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 1,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously Average 6-Month deposit rate (A & above rated banks)

\*\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-May-17	29-Apr-17
T-Bills	5.6%	5.7%
Margin Trading System (MTS)	33.6%	0.9%
Placements with Banks	19.1%	19.4%
Bank Deposits	40.6%	73.3%
Others including receivables	1.0%	0.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 917,231/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0235/0.23%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

## 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 4.9% during the month versus the Benchmark return of 6.2% thus registering an underperformance of 1.3% p.a. Since its launch in November 2009, the Fund offered an annualized return of 8.9% against the Benchmark return of 7.0%, hence an outperformance of 1.9% p.a. This outperformance is net of management fee and all other expenses.

The Fund is allowed to invest in Government Securities up to a maximum maturity of 3 years and also in debt securities with rating of A and above with a maximum remaining maturity of 1 year. The Fund invests 25% of its net assets in less than 90 days T-Bills or saving accounts with banks, which further enhances liquidity profile of the Fund.

The portfolio of NSPF is invested in Treasury bills, MTS, and bank deposits etc. The allocation in MTS is around 35% of net assets. The weighted average time to maturity of the entire Fund is around 29 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 will rebalance the allocation of the portfolio proactively based on the capital market outlook.

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

Govt. Securities (AAA rated)	5.6%
AAA	3.9%
AA+	17.5%
AA	0.3%
AA-	28.0%
A+	9.7%
A	0.2%
A-	0.2%
MTS (Unrated)	33.6%
Others including receivables	1.0%
<b>Total</b>	<b>100.0%</b>

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# NAFA Riba Free Savings Fund (NRFSSF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 10.7118

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Riba Free Savings Fund	4.6%	5.8%	5.7%	5.5%	7.4%	7.8%	8.7%	10.8%	8.0%
Benchmark*	2.4%	3.2%	3.3%	4.9%	6.7%	6.7%	7.3%	8.3%	6.5%

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

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

## General Information

Launch Date:	August 20, 2010
Fund Size:	Rs. 1,787 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Saturday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): without life Takaful 0.5%, with life Takaful 3% (Nil on investment above Rs. 26 million) Front End Load (Other): 0.5% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.25% p.a.)
Total Expense Ratio:	1.28% p.a.(including 0.34% government levies)
Risk Profile:	Very Low
Fund Stability Rating:	"A(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:**	6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP
Fund Manager:	Muhammad Ali Bhabha CFA,FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously Average 6-month deposit rate of A- and above rated Islamic Banks

\*\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-May-17	29-Apr-17
GOP Ijara Sukuks	5.6%	5.3%
Bank Deposits	93.2%	93.7%
Others including receivables	1.2%	1.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2,224,839/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0133/0.13%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

## 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 4.6% during the month of May 2017 versus the Benchmark return of 2.4% thus registering an outperformance of 2.2% p.a. During FYTD, the Fund has outperformed its Benchmark by 2.6% by earning an annualized return of 5.8%. This outperformance is net of management fee and all other expenses.

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

The allocation of the Fund in GOP Ijarah Sukuks is around 5.7% of net assets, which are floating rate instruments with 6-months coupon re-setting. Around 94% of net assets of the portfolio is invested in bank deposits which enhances the liquidity profile of the Fund. The weighted average time to maturity of the fund is 32 days.

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

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	5.6%
AAA	23.1%
AA+	17.2%
AA	0.1%
AA-	0.2%
A+	3.8%
A-	48.8%
Others including receivables	1.2%
<b>Total</b>	<b>100.0%</b>

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 11.2881

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	Since Launch October 28, 2011*
NAFA Financial Sector Income Fund	5.5%	8.5%	8.2%	6.4%	10.9%	7.9%	9.3%	9.1%
Benchmark**	6.2%	6.0%	6.0%	5.9%	8.3%	8.9%	9.0%	8.0%

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

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

## General Information

Launch Date:	October 28, 2011
Fund Size:	Rs. 797 Million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday (Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Ramazan Dealing Time:	2-3 business days
Settlement:	Forward Pricing
Pricing Mechanism:	Front End Load (Individual): 1% (Nil on investment above Rs. 26 million) Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL
Load:***	
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.5% p.a.)
Total Expense Ratio:	1.55% p.a.(including 0.41% government levies)
Risk Profile:	Low
Fund stability rating	'A+(f)' by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:**	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:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously 70% 6-Month KIBOR & 30% average 3-Month deposit rates (A & above rated banks)  
\*\*\*effective from January 02, 2017

## Investment Objective

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

## Fund Manager Commentary

The Fund generated an annualized return of 5.5% for the month of May 2017 versus the Benchmark return of 6.2%. Since its launch in October 2011, the Fund offered an annualized return of 9.1% against the Benchmark return of 8.0%, hence an outperformance of 1.1% p.a. This outperformance is net of management fee and all other expenses.

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

Exposure in TFCs was 48.2% of net assets at the end of the month with average time to maturity of 2.8 years. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. The weighted average time-to-maturity of the Fund is 1.4 years.

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

## Asset Allocation (% of Total Assets)

	31-May-17	29-Apr-17
TFCs	46.5%	48.1%
Commercial Paper	3.5%	-
Bank Placements	14.6%	15.1%
Bank Deposits	33.2%	35.1%
Others including receivables	2.2%	1.7%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Top TFC (as at May 31, 2017) (% of Total Assets)

Name of TFC	% of Total Assets
JS Bank Limited 14-DEC-16 14-DEC-23	14.3%
Bank Alfalah Limited IV - FT 02-DEC-09 02-DEC-17	13.9%
Faysal Bank Limited III 27-DEC-10 27-DEC-17	8.5%
Askari Bank Limited IV 23-Dec-11 23-Dec-21	5.4%
Jahangir Siddiqui and Company Ltd. 24-Jun-16 24-Jun-21	2.5%
Standard Chartered Bank (Pakistan) Limited IV - Revised 29-JUN-12 29-JUN-22	1.9%
Total	46.5%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1,891,672/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0268/0.26%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

AAA	2.9%
AA+	14.0%
AA	9.1%
AA-	39.2%
A+	32.4%
A	0.1%
A-	0.1%
Others including receivables	2.2%
Total	100.0%

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# NAFA Islamic Income Fund (NIIF)

(Formerly; NAFA Islamic Aggressive Income Fund)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 9.9393

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch October 26, 2007*
NAFA Islamic Income Fund (Formerly; NAFA Islamic Aggressive Income Fund)	4.7%	5.2%	5.5%	7.4%	9.2%	13.6%	6.8%	19.0%	6.7%
Benchmark**	2.4%	4.0%	4.1%	4.8%	6.6%	6.5%	7.0%	7.9%	6.3%

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

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

## General Information

Launch Date: October 26, 2007  
Fund Size: Rs. 2,747 million  
Type: Open-end – Shariah Compliant Income Fund  
Dealing Days: Daily – Monday to Friday  
Ramazan Dealing Time: (Mon - Thr) 8:30 A.M to 2:30 P.M  
(Friday) 8:30 A.M to 12:30 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load:\*\*\*  
Front End Load (Individual): without life Takaful 1%, with life Takaful 3%  
(Nil on investment above Rs. 26 million)  
Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL  
10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)  
Management Fee: 1.15% p.a. (including 0.30% government levies)  
Total Expense Ratio: Low to Medium  
Risk Profile: "A-(f)" by PACRA  
Fund Stability Rating: Pakistan Stock Exchange  
Listing: Central Depository Company (CDC)  
Custodian & Trustee: Deloitte Yousuf Adil  
Auditors: Chartered Accountants  
Benchmark:\*\* 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP  
Fund Manager: Muhammad Ali Bhabha, CFA, FRM  
Minimum Subscription: Rs. 10,000/-  
Asset Manager Rating: Income Unit: Rs. 100,000/- AM1 by PACRA (Very High Quality)

\*\* effective from March 14, 2017; Previously 1-year average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP  
\*\*\* effective from January 02, 2017

## Investment Objective

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

## Fund Manager Commentary

During the month under review, the Fund posted an annualized return of 4.7% as compared to the Benchmark return of 2.4% thus registering an outperformance of 2.3% p.a. During FYTD, the Fund has posted 5.2% annualized return versus 4.0% by the Benchmark, hence an outperformance of 1.2% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks stood at around 1% of the net assets. Around 96% of net assets of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues.

The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio is around 5.2% p.a. and weighted average time to maturity is 1.6 years. The weighted average time to maturity of the Fund is 27 days.

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

SECP has approved the change in category of NAFA Islamic Aggressive Income Fund from Shariah Compliant Aggressive Income Fund to Shariah Compliant Income Fund w.e.f. March 14, 2017. Consequently name of NAFA Islamic Aggressive Income Fund has been changed to NAFA Islamic Income Fund from March 14, 2017.

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Sukuks	1.0%	0.9%
GOP Ijara Sukuks - Govt. Backed	3.6%	3.4%
Bank Deposits	94.4%	94.6%
Others including receivables	1.0%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
New Allied Electronics (Sukuk I)	SUKUK	110,000,000	110,000,000	-	-	-
New Allied Electronics (Sukuk II)	SUKUK	4,905,437	4,905,437	-	-	-
<b>Total</b>		<b>114,905,437</b>	<b>114,905,437</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	3.6%
AAA	6.4%
AA+	16.2%
AA	1.1%
AA-	19.4%
A+	1.6%
A-	50.7%
Others including receivables	1.0%
<b>Total</b>	<b>100.0%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 3,436,849/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0124/0.13%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

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



# NAFA Income Opportunity Fund (NIOF)



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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 11.3168

May 2017

Performance %									
Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch April 21, 2006 *
NAFA Income Opportunity Fund	4.6%	6.3%	6.3%	7.5%	13.2%	16.6%	10.3%	(0.5%)	8.2%
Benchmark	6.2%	6.1%	6.1%	6.5%	9.0%	9.8%	9.9%	12.4%	10.4%

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

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

General Information	
Launch Date:	April 21, 2006
Fund Size:	Rs. 13,172 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:**	Front End Load (Individual): 1% (Nil on investment above Rs. 26 million) Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	1.00% per annum (Effective from May 2, 2017)
Total Expense Ratio:	2.10% p.a. (including 0.41% government levies)
Risk Profile:	Low
Fund Stability Rating:	"A(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from January 02, 2017

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

**Fund Manager Commentary**  
The Fund posted an annualized return of 4.6% in May 2017 as compared to the Benchmark return of 6.2%. During FYTD the Fund has outperformed its Benchmark by 0.2% by earning an annualized return of 6.3%. This outperformance is net of management fee and all other expenses.

The weighted average Yield to Maturity of the Fund is around 7.6% p.a. and that of the TFC portfolio is 7.0% p.a. The weighted average time to maturity of the Fund is around 0.28 year. The Fund's sector allocation is fairly diversified with exposure to Banking and Financial Services sectors. TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

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

Asset Allocation (% of Total Assets)	31-May-17	29-Apr-17
TFCs / Sukuks	4.2%	4.2%
MTS	1.0%	0.3%
T-Bills	1.2%	1.1%
RFS	21.0%	3.3%
PIBs	1.8%	1.8%
Placements with Banks	23.4%	15.0%
Placements with DFIs	9.6%	9.4%
Commercial Paper	1.3%	0.7%
Equity	0.3%	0.3%
Bank Deposits	34.6%	57.2%
Others including receivables	1.6%	6.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments Before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
AgriTech Limited I - Revised II 29-NOV-07 29-NOV-19	TFC	149,860,200	149,860,200	-	-	-
AgriTech Limited V 01-JUL-11 01-JAN-18	TFC	32,320,000	32,320,000	-	-	-
Azgard Nine Limited III (PP) - Revised 04-DEC-07 04-DEC-17	TFC	108,376,850	108,376,850	-	-	-
Azgard Nine Limited V (PP) TFC Markazi 31-MAR-12 31-MAR-19	TFC	82,180,000	82,180,000	-	-	-
BRR Guardian Modaraha - Sukuk Revised II 07-JUL-08 07-APR-19	SUKUK	14,841,712	14,841,712	-	-	-
Dewan Cement Limited (Pre-IPO) 17-JAN-08 17-JAN-18	TFC	150,000,000	150,000,000	-	-	-
Eden House Limited - Sukuk Revised 29-MAR-08 29-SEP-17	SUKUK	9,056,250	9,056,250	-	-	-
New Allied Electronics Limited (PP) 15-NOV-07 15-NOV-17	TFC	31,706,536	31,706,536	-	-	-
New Allied Electronics Limited II - Sukuk 03-DEC-07 03-DEC-17	SUKUK	44,148,934	44,148,934	-	-	-
PACE Pakistan Limited - Revised 15-FEB-08 15-FEB-19	TFC	149,820,000	149,820,000	-	-	-
Saudi Pak Leasing Company Limited - Revised III 13-MAR-08 13-MAR-19	TFC	41,321,115	41,321,115	-	-	-
Worldcall Telecom Limited - Revised 07-OCT-08 07-OCT-21	TFC	88,455,825	88,455,825	-	-	-
Azgard Nine Limited (Non-Voting Ordinary Shares)	Equity	12,854	12,854	-	-	-
AgriTech Limited Shares	Equity	141,403,150	99,103,408	42,299,742	0.3%	0.3%
<b>Total</b>		<b>1,043,503,426</b>	<b>1,001,203,684</b>	<b>42,299,742</b>	<b>0.3%</b>	<b>0.3%</b>

## Top TFC/Sukuk Holdings (as at May 31, 2017)

Name of TFCs / Sukuks	% of Total Assets
JS Bank Limited 14-DEC-16 14-DEC-23	2.1%
BANK ALFALAH LTD - V - REVISED 20-FEB-13 20-FEB-21	1.1%
Jahangir Siddiqui and Company Ltd. 24-Jun-16 24-Jun-21	0.7%
Jahangir Siddiqui and Company Ltd. 08-APR-14 08-APR-19	0.3%
<b>Total</b>	<b>4.2%</b>

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

PIBs (AAA rated)	1.8%
T-Bills (AAA rated)	1.2%
AAA	0.5%
AA+	29.1%
AA	0.7%
AA-	14.7%
A+	12.6%
A	3.5%
A-	12.0%
RFS (Un-rated)	21.0%
MTS (Un-rated)	1.0%
Equity (Un-rated)	0.3%
Others including receivables	1.6%
<b>Total</b>	<b>100.0%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 18,848,147/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0162/0.15%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

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## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch March 28, 2008*
NAFA Income Fund	5.0%	6.5%	6.5%	6.9%	13.7%	2.3%	6.9%	(6.9%)	4.1%
Benchmark	6.2%	6.1%	6.1%	6.5%	9.0%	9.8%	9.9%	12.4%	10.2%

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

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

## General Information

Launch Date:	March 28, 2008
Fund Size:	Rs. 1,093 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:30 P.M (Friday) 8:30 A.M to 12:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:**	Front End Load (Individual): 1% (Nil on investment above Rs. 26 million) Front End Load (Other): 1% (Nil on investment above Rs. 16 million) Back End Load: NIL
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.74% p.a.(including 0.50% government levies)
Risk Profile:	Low
Fund Stability Rating	"A (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	MCB Financial Services Limited
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from January 02, 2017

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

	31-May-17	28-Apr-17
TFCs / Sukuks	10.3%	12.7%
T-Bills	2.7%	3.3%
MTS	13.3%	3.7%
Placement with Banks	7.9%	9.8%
Bank Deposits	64.7%	69.1%
Others including receivables	1.1%	1.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Top TFC (as at May 31, 2017)

Name of TFC / Sukuk	% of Total Assets
Jahangir Siddiqui and Company Ltd. 24-Jun-16 24-Jun-21	3.7%
Askari Commercial Bank Limited 30-SEP-14 30-SEP-24	3.4%
Jahangir Siddiqui and Company Ltd. 08-APR-14 08-APR-19	1.4%
Faysal Bank Limited III 27-DEC-10 27-DEC-17	1.1%
Bank Alfalah Limited IV - FT 02-DEC-09 02-DEC-17	0.7%
<b>Total</b>	<b>10.3%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2,254,198/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0213/0.22%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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

## 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 5.0% during May 2017 versus the Benchmark return of 6.2%. The annualized return during FYTD is 6.5% against the Benchmark return of 6.1%, hence an outperformance of 0.4% p.a. This outperformance is net of management fee and all other expenses.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stands at 10.3% of net assets. All TFCs in the Fund are floating rate instruments linked to KIBOR.

The weighted average Yield-to-Maturity of the Fund is around 6.5% p.a. while its weighted average time to maturity is 0.4 year. This yield does not include potential recovery in fully provided TFCs (Face Value of around Rs. 309 million), which is potential upside for the Fund. Thus, the Fund is expected to perform well over the medium to long term horizon. However, since TFCs prices may go up or down, therefore, only investors with medium term investment horizon are advised to invest in this Fund.

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

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

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

Govt. Securities (AAA rated)	2.7%
AAA	0.1%
AA+	15.4%
AA-	59.5%
A+	7.9%
MTS (Unrated)	13.3%
Others including receivables	1.1%
<b>Total</b>	<b>100.0%</b>

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# NAFA Asset Allocation Fund (NAAF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 20.1753

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Asset Allocation Fund	2.9%	36.0%	35.8%	7.6%	24.6%	13.7%	32.0%	14.4%	21.5%
Benchmark**	2.3%	20.5%	22.8%	6.2%	9.6%	15.3%	17.1%	8.1%	13.1%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	August 20, 2010
Fund Size:	Rs. 3,740 million
Type:	Open-end – Asset Allocation Fund
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): 3% (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% per annum
Total Expense Ratio (%)	4.06% p.a (including 1.52% government levies)
Selling & Marketing Expenses	0.4% per annum
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:**	Daily weighted return of KSE-30 Total Return Index & 6-month KIBOR based on Fund's actual allocation.
Fund Manager:	Taha Khan Javed, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously 1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Index Total Return.

\*\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Equities / Stocks	60.9%	63.8%
Cash	36.7%	33.1%
Bank Placements	1.4%	1.5%
Others including receivables	1.0%	1.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NAAF	10.4	4.4	3.3%
KSE-30	11.1	2.8	4.7%

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

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Cement	9.0%
Oil & Gas Exploration Companies	8.4%
Commercial Banks	7.3%
Textile Composite	6.7%
Automobile Assembler	5.1%
Others	24.4%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA  
Muhammad Ali Bhabha, CFA, FRM

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 23,082,830/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1245/0.84%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

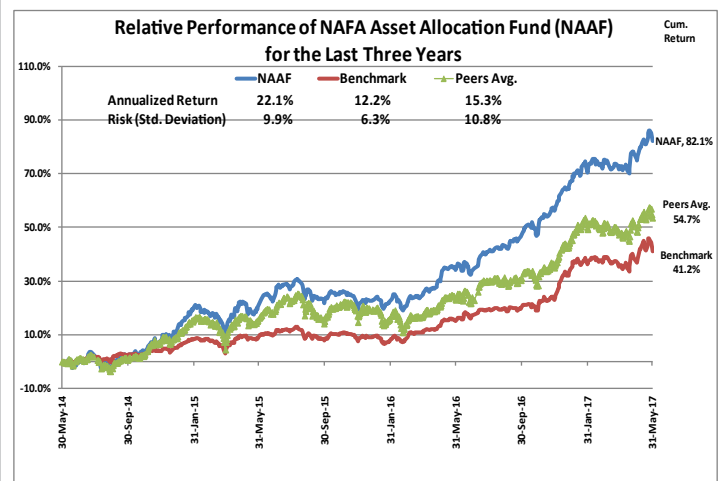
## Investment Objective

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 2.9% while the Benchmark increased by 2.3%. Thus your Fund outperformed the Benchmark by 0.6%. Since inception on August 20, 2010 the Fund has posted 21.5% p.a return, versus 13.1% p.a by the Benchmark. Thus, to date the outperformance of your Fund stands at 8.4% p.a. 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 decreased to around 61% towards the end of the month. NAAF outperformed the Benchmark in May as the Fund was underweight in select Commercial Banks, Cements, and Pharmaceutical sectors stocks which underperformed the market and overweight in select Engineering, Automobile Parts & Accessories, Glass & Ceramics, and Textile Composite sectors stocks which outperformed the market. During the month, the allocation was increased in Engineering, Paper & Board, and Automobile Parts & Accessories, whereas it was reduced primarily in Cements, Automobile Assemblers, Commercial Banks, Fertilizers, and Oil & Gas Marketing sectors.



## Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets
Mari Petroleum Company Ltd	Equity	2.8%
D G Khan Cement Co Ltd	Equity	2.7%
Engro Corporation Ltd	Equity	2.6%
Nishat Mills Ltd	Equity	2.4%
Millat Tractors Ltd	Equity	2.4%
Lucky Cement Ltd	Equity	2.3%
Pakistan Oilfields Ltd	Equity	2.0%
Indus Motor Company Ltd	Equity	2.0%
Pak Petroleum Ltd	Equity	1.9%
Habib Bank Ltd	Equity	1.8%
<b>Total</b>		<b>22.9%</b>

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# NAFA Islamic Asset Allocation Fund (NIAAF)



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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 19.8654

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch October 26, 2007*
NAFA Islamic Asset Allocation Fund	2.4%	27.4%	30.6%	13.1%	33.8%	22.2%	36.3%	13.2%	17.5%
Benchmark**	2.4%	19.9%	22.1%	9.2%	12.1%	17.7%	28.9%	11.1%	12.3%

\* Annualized Return

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

All Other returns are Cumulative

Note:\*\* Effective from September 01, 2016; Previously average of (i) average 3-month Islamic banks deposit rate (ii) 6-month KIBOR or its Shariah Compliant equivalent (iii) KMI 30 Index  
\*\* KSE-30 is used as equity component for the Benchmark before June 30, 2008, the launch date of KMI-30 Index. The fund category was changed to Islamic Asset Allocation from Islamic Balanced with effect from April 22, 2014. Consequently, allowed equity range is now 0% to 90% which previously was 30% to 70%. Previous benchmark was 50% KMI-30 Index & 50% Islamic Bank Deposit.

## General Information

Launch Date:	October 26, 2007
Fund Size:	Rs. 15,650 million
Type:	Open-end-Shariah Compliant -Asset Allocation Fund
Dealing Days:	Daily - Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): 3%, (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% per annum
Total Expense Ratio (%)	3.73% p.a (including 1.29% government levies)
Selling & Marketing Expenses	0.4% per annum
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation.
Fund Manager:	Taha Khan Javed, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Equities / Stocks	61.3%	62.9%
Cash	38.1%	35.9%
Others	0.6%	1.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAF	11.0	4.6	3.5%
KMI-30	12.6	2.9	3.7%

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

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Cement	12.0%
Oil & Gas Exploration Companies	10.9%
Fertilizer	6.8%
Oil & Gas Marketing Companies	6.6%
Automobile Assembler	4.7%
Others	20.3%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA  
Muhammad Ali Bhabha, CFA, FRM

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 82,810,646/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1051/0.69%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

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

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

## Investment Objective

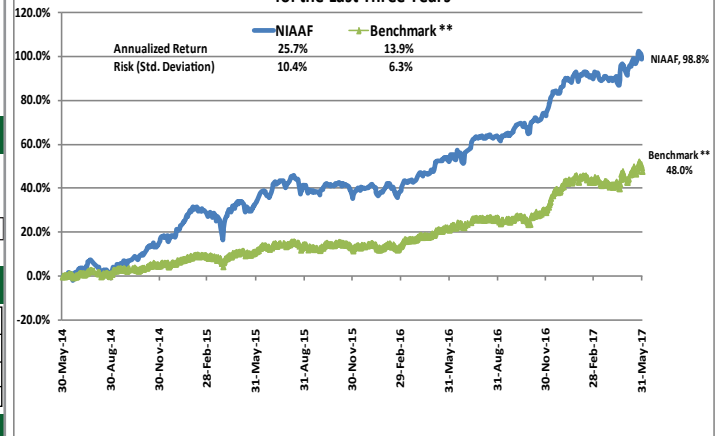
To generate capital appreciation by investing in Shariah Compliant equity and equity related securities and income by investing in Shariah Compliant bank deposits, debt & money market securities.

## Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Asset Allocation Fund increased by 2.4% inline with the Benchmark. Since inception your Fund has posted 17.5% p.a return, versus 12.3% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 5.2% p.a. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 63% in equities, which decreased to around 61% towards the end of the month. NIAAF provided exactly the same return as the Benchmark in May. During the month, the allocation was primarily increased in Oil & Gas Exploration Companies, Engineering and Automobile Parts & Accessories sectors, whereas weights were reduced primarily in Cements, Automobile Assemblers and Pharmaceutical sectors.

## Relative Performance of NAFA Islamic Asset Allocation Fund (NIAAF) for the Last Three Years



## Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	4.0%	D G Khan Cement Co Ltd	Equity	2.9%
Mari Petroleum Company Ltd	Equity	3.4%	Millat Tractors Ltd	Equity	2.6%
Pakistan State Oil Co. Ltd	Equity	3.1%	Hub Power Company Ltd	Equity	2.5%
Oil & Gas Dev.Co	Equity	3.0%	Pakistan Oilfields Ltd	Equity	2.4%
Lucky Cement Ltd	Equity	3.0%	Nishat Mills Ltd	Equity	2.4%

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
Eden Housing (Sukuk II)	SUKUK	4,921,875	4,921,875	-	-	-
<b>Total</b>		<b>4,921,875</b>	<b>4,921,875</b>	<b>-</b>	<b>-</b>	<b>-</b>

# NAFA Multi Asset Fund (NMF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 21.1944

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch January 19, 2007*
NAFA Multi Asset Fund	3.1%	35.5%	38.0%	8.7%	26.8%	25.4%	34.1%	15.5%	17.6%
Benchmark**	2.2%	20.3%	23.5%	7.1%	11.0%	19.6%	22.4%	8.0%	10.5%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	January 19, 2007
Fund Size:	Rs 1,987 million
Type:	Open-end – Balanced Fund
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): 3%, (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% per annum
Total Expense Ratio (%)	3.70% p.a.(including 1.31% government levies)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi Chartered Accountants
Benchmark:**	Daily weighted return of KSE-30 Total Return Index & 6-month KIBOR based on Fund's actual allocation.
Fund Manager:	Taha Khan Javed, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously 50% KSE-30 Total Return Index & 50% 3-month KIBOR. From January 01, 2014, KSE-30 Total Return Index

\*\*\* effective from January 02, 2017

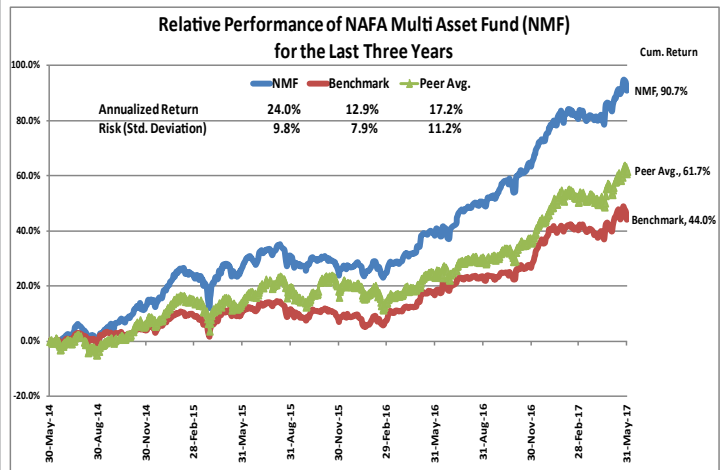
## Investment Objective

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 3.1% while the Benchmark increased by 2.2%. Thus your Fund outperformed the Benchmark by 0.9%. Since inception on January 19, 2007 your Fund has posted 17.6% p.a return, versus 10.5% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 7.1% p.a. This outperformance is net of management fee and all other expenses.

NMF started off the month with an allocation of around 60% in equities, which was maintained during the month. NMF outperformed the Benchmark in May as the Fund was underweight in select Commercial Banks, Fertilizer, Power Generation & Distribution Companies, and Pharmaceuticals sectors stocks which underperformed the market and overweight in select Engineering, Paper & Board, and Textile Composite stocks which outperformed the market. During the month, the allocation was primarily increased in Paper & Board, Engineering and Oil & Gas Exploration Companies sectors, whereas it was reduced primarily in Cement, Automobile Assembler and Textile Composite sectors.



Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Equities / Stocks	60.2%	60.1%
TFCs / Sukuks	2.0%	2.1%
Cash	37.0%	36.7%
Others including receivables	0.8%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NMF	10.8	4.5	3.6%
KSE-30	11.1	2.8	4.7%

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

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Oil & Gas Exploration Companies	8.5%
Textile Composite	7.7%
Commercial Banks	7.6%
Cement	6.7%
Fertilizer	5.0%
Others	24.7%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA  
Muhammad Ali Bhabha, CFA, FRM

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 14,234,879/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1519/0.99%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

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

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## Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Mari Petroleum Company Ltd	Equity	3.1%	Lucky Cement Ltd	Equity	2.2%
Kohinoor Textile Mills Ltd	Equity	3.0%	Indus Motor Company Ltd	Equity	2.1%
Nishat Mills Ltd	Equity	2.8%	Pakistan Oilfields Ltd	Equity	2.1%
Engro Corporation Ltd	Equity	2.6%	Jahangir Siddiqui and Co Ltd	TFC	2.0%
Millat Tractors Ltd	Equity	2.4%	Tariq Glass Ltd	Equity	2.0%

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
Saudi Pak Leasing	TFC	27,547,410	27,547,410	-	-	-
Eden Housing (Sukuk II)	SUKUK	9,843,750	9,843,750	-	-	-
New Allied Electronics (Sukuk I)	SUKUK	10,000,000	10,000,000	-	-	-
<b>Total</b>		<b>47,391,160</b>	<b>47,391,160</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Performance

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	Since Launch* January 09, 2015
NAFA Islamic Stock Fund	2.8%	45.2%	46.7%	12.9%	28.6%
Benchmark	3.5%	32.2%	38.2%	15.5%	23.8%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	January 9, 2015
Fund Size:	Rs. 10,039 million
Type:	Open-end-Shariah Compliant-Equity Fund
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism Load:**	Forward Pricing Front End Load (Individual):3% (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% per annum
Total Expense Ratio (%)	4.38% p.a.(including 1.76% government levies)
Selling & Marketing Expenses	0.4% per annum
Risk Profile	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

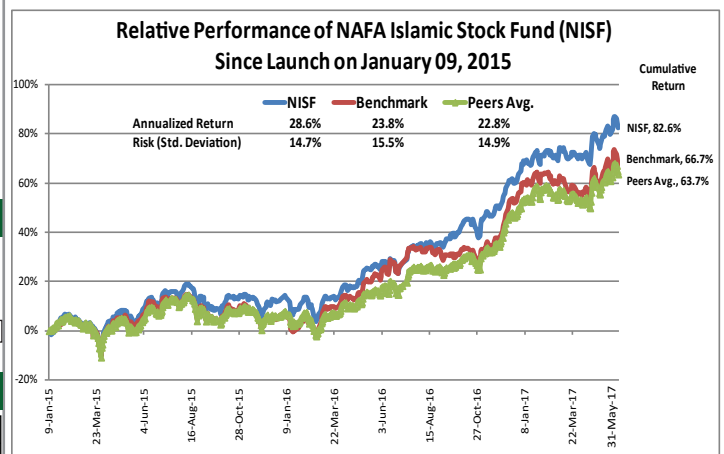
## Investment Objective

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

## Fund Manager's Commentary

During the month under review, NAFA Islamic Stock Fund's (NISF) unit price (NAV) increased by 2.8%, whereas the Benchmark increased by 3.5%, thus an underperformance of 0.7% was recorded. Since inception on January 9, 2015 your Fund has posted 28.6% p.a return, versus 23.8% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 4.8% p.a. This outperformance is net of management fee and all other expenses.

NISF started off the month with an allocation of around 85% in equities, which increased to around 91% towards the end of the month. NISF underperformed the Benchmark in May as the Fund was underweight in select Oil & Gas Exploration Companies, and Oil & Gas Marketing Companies sectors stocks which outperformed the market and overweight in select Cements and Pharmaceutical sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Oil & Gas Exploration Companies, Engineering, Chemical, Power Generation and Distribution and Paper & Board Sectors, whereas it was reduced primarily in Automobile Assemblers, Oil & Gas Marketing Companies, and Cable & Electrical Goods sectors.



\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Equities / Stocks	91.4%	85.4%
Cash Equivalents	7.2%	13.9%
Others including receivables	1.4%	0.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NISF	10.3	4.2	3.1%
KMI-30	12.6	2.9	3.7%

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

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Cement	18.8%
Oil & Gas Exploration Companies	16.3%
Oil & Gas Marketing Companies	9.4%
Fertilizer	8.1%
Automobile Assembler	7.4%
Others	31.4%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 68,964,810/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1141/1.01%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

## Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	5.4%	D G Khan Cement Co Ltd	Equity	4.2%
Lucky Cement Ltd	Equity	5.0%	Pak Petroleum Ltd	Equity	4.0%
Hub Power Company Ltd	Equity	4.7%	Pakistan Oilfields Ltd	Equity	3.8%
Oil & Gas Dev.Co	Equity	4.4%	Sui Northern Gas Ltd	Equity	3.2%
Mari Petroleum Company Ltd	Equity	4.2%	Nishat Mills Ltd	Equity	3.1%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA

## Performance %

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch January 19, 2007*
NAFA Stock Fund	4.2%	44.9%	48.3%	11.4%	36.9%	36.3%	55.0%	22.0%	19.7%
Benchmark**	3.0%	29.2%	35.4%	7.1%	12.3%	29.6%	36.0%	2.9%	9.0%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	January 19, 2007
Fund Size:	Rs. 19,724 million
Type:	Open-end – Equity Fund
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): 3% (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% per annum
Total Expense Ratio (%)	3.97% p.a.(including 1.48% government levies)
Selling & Marketing Expenses	0.4% per annum
Risk Profile:	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co, Chartered Accountants
Benchmark:	KSE-30 Total Return Index
Fund Manager:	Taha Khan Javed, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

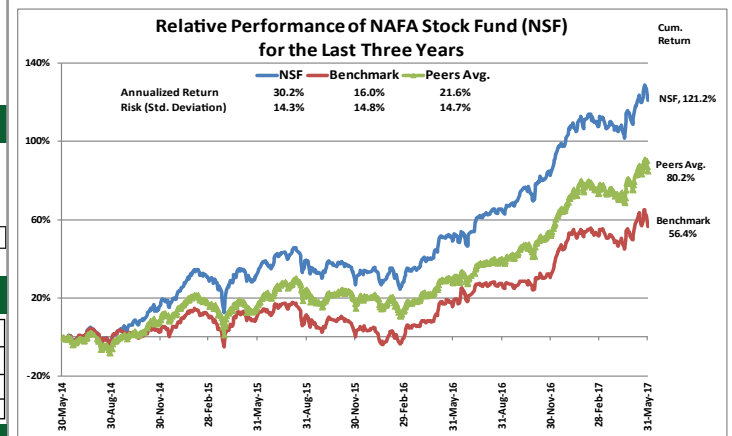
## Investment Objective

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 4.2%, whereas the Benchmark increased by 3.0%, thus an outperformance of 1.2% was recorded. Since inception on January 19, 2007 your Fund has posted 19.7% p.a return, versus 9.0% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 10.7% p.a. This outperformance is net of management fee and all other expenses.

NSF started off the month with an allocation of around 91% in equities, which decreased to around 90% towards the end of the month. NSF outperformed the Benchmark in May as the Fund was underweight in select Commercial Banks, Fertilizer, Power Generation & Distribution Companies, and Pharmaceutical sectors stocks which underperformed the market and overweight in select Oil and Gas Exploration Companies, Textile Composite, Automobile Parts & Accessories, Engineering, and Paper & Board sector stocks which outperformed the market. During the month, the allocation was increased primarily in Oil & Gas Exploration Companies, Engineering, Paper & Board and Power Generation & Distribution companies, whereas it was reduced primarily in Cement, Fertilizers and Automobile Assembler sectors.



\*\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Equities / Stock	90.1%	91.3%
Cash	8.8%	4.5%
Others including receivables	1.1%	4.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NSF	10.3	4.0	3.5%
KSE-30	11.1	2.8	4.7%

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

## Top Five Sectors (% of Total Assets) (as on 31 May 2017)

Oil & Gas Exploration Companies	14.5%
Cement	14.5%
Commercial Banks	14.2%
Textile Composite	7.5%
Oil & Gas Marketing Companies	6.8%
Others	32.6%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 140,320,447/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1361/1.05%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

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## Top Ten Equity Holdings (as on 31 May, 2017)

Name	% of Total Assets	Name	% of Total Assets
Mari Petroleum Co Ltd	4.3%	Pak Petroleum Ltd	3.5%
Habib Bank Ltd	3.9%	Pakistan Oilfields Ltd	3.4%
United Bank Ltd	3.8%	Oil & Gas Dev Co Ltd	3.3%
Lucky Cement Ltd	3.8%	Millat Tractors Ltd	2.9%
Engro Corporation Ltd	3.8%	D G Khan Cement Co Ltd	2.6%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA

## Performance %

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) May 31, 2017	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	Since Launch July 02, 2013
NPF-Equity Sub-fund	1,173.1	358.3507	4.0%*	48.5%*	51.7%*	14.8%*	49.6%*	38.2%
NPF-Debt Sub-fund	391.5	140.9230	4.2%	4.4%	4.5%	5.5%	17.3%	8.8%
NPF-Money Market Sub-fund	407.6	127.9130	4.2%	4.4%	4.3%	4.9%	7.8%	6.2%

\* Cumulative Returns

All Other returns are annualized

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

## General Information

Launch Date:	July 2, 2013
Fund size: NPF	Rs. 1,972 million
Type:	Open-end – Voluntary Pension Scheme
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Pricing Mechanism	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end Load	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a. Equity 3.32% p.a. (including 1.53% government levies)
Total Expense Ratio (%)	Debt 2.19% p.a. (including 0.48% government levies) Money Market 2.19% p.a. (including 0.45% government levies)
Risk Profile	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)
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 May:

NPF Equity Sub-fund unit price increased by 4.0% compared with 2.6% increase in KSE-100 Index. The Sub-fund was around 95% invested in equities with major weights in Oil & Gas Exploration Companies, Cement, and Commercial Banks, sectors. Equity Sub-fund maintains exposure of at least 90% in listed equities on average. Last 90 days average allocation in equity was 96.0% of net asset.

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

NPF Money Market Sub-fund generated annualized return of 4.2%. In line with its investment strategy, the Sub Fund will maintain high exposure in money market securities. Money Market Sub-fund average maturity cannot exceed 90 days. Weighted Average Maturity of Sub-fund is 33 days.

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Oil & Gas Exploration Companies	14.6%
Cement	12.4%
Commercial Banks	12.3%
Automobile Assembler	8.5%
Textile Composite	7.2%
Others	39.9%

## Top Ten Holdings of Equity Sub-fund (as on 31 May, 2017)

Name	(% of Total Assets)	Name	(% of Total Assets)
Lucky Cement Ltd	4.3%	Pakistan Oilfields Ltd	3.3%
Mari Petroleum Company Ltd	4.3%	United Bank Ltd	3.3%
Habib Bank Ltd	4.1%	Oil & Gas Dev Co Ltd	3.0%
Pak Petroleum Ltd	4.0%	Pakistan State Oil Co Ltd	2.8%
Engro Corporation Ltd	3.7%	MCB Bank Ltd	2.8%

As on 31 May, 2017

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

Name	(% of Total Assets)
Askari Commercial Bank Limited 30-SEP-14 30-SEP-24	4.5%
Jahangir Siddiqui and Co Ltd TFC 08-APR-14 08-APR-2019	3.7%
JS Bank Limited 14-DEC-16 14-DEC-23	2.2%
Jahangir Siddiqui and Company Ltd. 24-Jun-16 24-Jun-21	0.8%
Standard Chartered Bank (Pakistan) Limited IV	0.6%
Faysal Bank Limited III	0.2%
<b>Total</b>	<b>12.0%</b>

## Sindh Workers' Welfare Fund (SWWF)

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

	Total amount Provided Rs	Amount Per Unit Rs	Last One Year return would otherwise have been higher by:
Equity Sub-fund	9,942,172	3.0371	1.29%
Debt Sub-fund	816,715	0.2940	0.22%
Money Market Sub-fund	675,946	0.2122	0.17%

For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

## Credit Quality of the Portfolio (as on 31 May, 2017)

	Debt	Money Market
Government Securities (AAA rated)	64.5%	55.4%
AAA	0.7%	0.2%
AA+	29.7%	22.2%
AA		0.4%
AA-	4.7%	20.3%
A+	2.2%	0.7%
Others	2.2%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets)

	31-May-17	28-Apr-17
<b>Equity Sub-fund</b>		
Equity	94.9%	92.9%
Cash Equivalents	4.2%	6.0%
Others	0.9%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Debt Sub-fund</b>		
Cash Equivalents	21.3%	33.6%
TFC/Sukuk	12.0%	10.8%
PIBs	3.4%	3.1%
T-Bills	61.1%	51.3%
Others	2.2%	1.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Money Market Sub-fund</b>		
Cash Equivalents	26.0%	40.9%
Bank Placement	17.8%	15.0%
T-Bills	55.4%	43.5%
Others	0.8%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM,  
Taha Khan Javed, CFA  
Hassan Raza, CFA

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



## Performance %

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) May 31, 2017	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	Since Launch July 02, 2013
NIPF-Equity Sub-fund	1,004.0	359.2065	4.0%*	47.8%*	51.1%*	16.9%*	51.5%*	38.4%
NIPF-Debt Sub-fund	314.4	123.5894	2.7%	3.6%	3.4%	3.8%	5.6%	5.3%
NIPF-Money Market Sub-fund	208.8	123.8513	2.7%	3.8%	3.7%	3.9%	6.2%	5.4%

\* Cumulative Returns  
All Other returns are annualized

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

## General Information

Launch Date:	July 2, 2013
Fund size: NIPF	Rs. 1,526 million
Type:	Open-end – Shariah Compliant Voluntary Pension Scheme
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Pricing Mechanism	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end Load:	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a. Equity 3.33% p.a. (including 1.52% government levies)
Total Expense Ratio (%)	Debt 2.16% p.a. (including 0.41% government levies) Money Market 2.24% p.a. (including 0.42% government levies)
Risk Profile	Investor dependent
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Initial: Rs. 10,000/- Subsequent: Rs. 1000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)
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 May:

NIPF Equity Sub-fund unit price increased by 4.0% as compared to 3.5% increase in KMI-30 Index. The Sub-fund was around 95% invested in equities with major weights in Oil & Gas Exploration Companies, Cement, and Automobile Assembler sectors. Equity Sub-fund maintains exposure of atleast 90% in listed equities on average. Last 90 days average allocation in equity was 95.4% of net asset.

NIPF Debt Sub-fund generated annualized return of 2.7%. The Sub-fund was invested primarily in GoP Ijara Sukuks and Islamic bank deposits. Debt Sub-fund maintains a minimum combined exposure of 50% in Islamic Government Securities (25% minimum) and A+ rated Islamic banks / AA rated Islamic windows. Weighted Average Maturity of Sub-fund is 0.5 year.

NIPF Money Market Sub-fund generated annualized return of 2.7%. The Sub-fund was invested primarily in Islamic bank deposits. Money Market Sub-fund average maturity cannot exceed 1 year. Weighted Average Maturity of Sub-fund is 41 days.

## Credit Quality of the Portfolio (as on 31 May 2017)

	Debt	Money Market
Government Securities (AAA rated)	36.4%	7.2%
AAA	20.1%	17.7%
AA+	19.6%	18.3%
AA	2.7%	5.0%
AA-	0.2%	30.9%
A+	19.2%	19.4%
Others	1.8%	1.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Asset Allocation (% of Total Assets)

Equity Sub-fund	31-May-17	28-Apr-17
Equity	95.1%	94.2%
Cash Equivalents	4.3%	4.9%
Others including receivables	0.6%	0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Debt Sub-fund	31-May-17	28-Apr-17
Cash Equivalents	61.8%	60.1%
GOP Ijara Sukuk	36.4%	38.1%
Others	1.8%	1.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Money Market Sub-fund	31-May-17	28-Apr-17
Cash Equivalents	91.3%	90.5%
GOP Ijara Sukuk	7.2%	7.6%
Others	1.5%	1.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA,  
Muhammad Ali Bhabha, CFA,  
Hassan Raza, CFA

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Oil & Gas Exploration Companies	17.0%
Cement	16.5%
Automobile Assembler	10.5%
Fertilizer	8.8%
Textile Composite	5.8%
Others	36.5%

## Top Ten Holdings of Equity Sub-fund (as on 31 May, 2017)

Name	(% of Total Assets)	Name	(% of Total Assets)
Engro Corporation Ltd	5.3%	Oil & Gas Dev.Co Ltd	4.2%
Lucky Cement Ltd	5.3%	D G Khan Cement Co Ltd	3.8%
Mari Petroleum Company Ltd	4.3%	Hub Power Company Ltd	3.7%
Pakistan Oilfields Ltd	4.3%	Pakistan State Oil Co. Ltd	3.2%
Pak Petroleum Ltd	4.2%	Nishat Mills Ltd	2.9%

## Sindh Workers' Welfare Fund (SWWF)

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

	Total amount Provided Rs	Amount Per Unit Rs	Last One Year return would otherwise have been higher by:
Equity Sub-fund	8,226,570	2.9434	1.24%
Debt Sub-fund	436,250	0.1715	0.14%
Money Market Sub-fund	279,876	0.1660	0.14%

For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

## Performance %

Performance period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	Since Launch March 05, 2014*
NAFA Islamic Principal Protected Fund-I (NIPPF-I)	1.1%	22.3%	23.8%	4.2%	21.3%	15.3%
Benchmark	0.6%	13.7%	16.6%	7.7%	11.0%	11.1%

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

## General Information

Launch Date:	March 5, 2014
Fund Size:	Rs. 108 million
Type:	Open-end Shariah Compliant Capital Protected Fund
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Back end: 0%
Management Fee:	Equity component 2% per annum Others: 12% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio (%)	3.60% p.a. (including 1.10% government levies)
Risk Profile:	Low
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

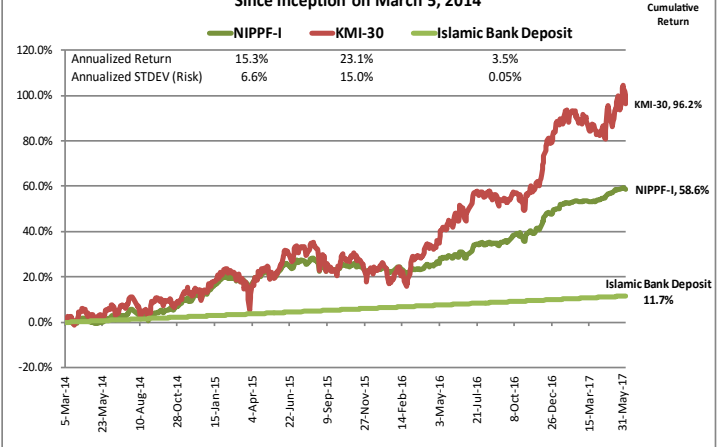
## Investment Objective

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

## Fund Manager's Commentary

Since inception, NIPPF-I has generated a return of 15.3% p.a versus benchmark return of 11.1% p.a. The current equity exposure stands at around 8%. During the month, multiplier remained at 0.2. Key holdings of the Fund belong to Oil & Gas Exploration Companies, Pharmaceuticals, and Cement Sectors Companies. In line with directive no 18 of 2016, effective from 01st January 2017, the equity exposure of the Fund is capped at 10%. Consequently, going forward, your Fund may not be able to offer attractive returns due to very low exposure in the stock market.

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



## Asset Allocation (% of Total Assets)

	31-May-17	28-Apr-17
Equities / Stocks	7.7%	8.2%
Cash	88.6%	88.5%
Others including receivables	3.7%	3.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIPPF-I	9.4	2.8	2.9%
KMI-30	12.6	2.9	3.7%

\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Oil & Gas Exploration Companies	1.9%
Pharmaceuticals	1.3%
Cement	1.2%
Fertilizer	0.9%
Textile Composite	0.8%
Others	1.6%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 2,806,622/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 2.7185/3.21%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

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## Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Glaxo Healthcare Pak Ltd	Equity	1.2%	Engro Corporation Ltd	Equity	0.6%
Nishat Mills Ltd	Equity	0.7%	Pak Elektron Ltd	Equity	0.6%
Pakistan Oilfields Ltd	Equity	0.6%	Pakistan State Oil Co. Ltd	Equity	0.5%
Mari Petroleum Company Ltd	Equity	0.6%	D G Khan Cement Co Ltd	Equity	0.4%
Pak Petroleum Ltd	Equity	0.6%	Fauji Cement Company Ltd	Equity	0.4%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA  
Muhammad Ali Bhabha, CFA, FRM



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 102.0812

May 2017

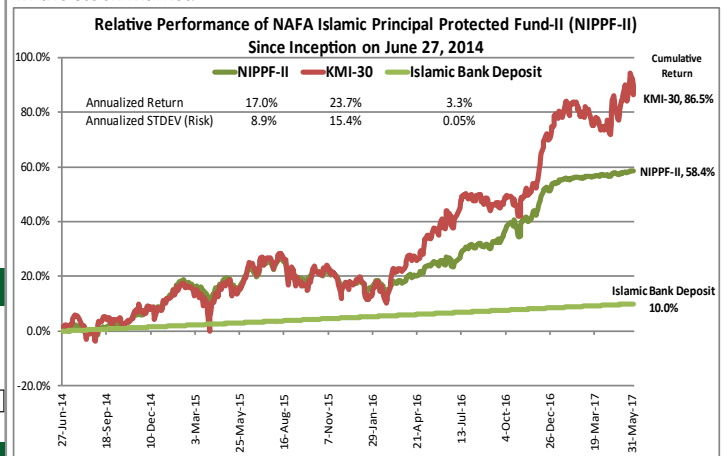
Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	FY 2015	Since Launch June 27, 2014*
NAFA Islamic Principal Protected Fund-II (NIPPF-II)	0.5%	26.5%	28.0%	3.3%	21.0%	17.0%
Benchmark	0.6%	16.9%	20.8%	8.9%	12.2%	13.1%

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

General Information	Investment Objective
<p>Launch Date: June 27, 2014</p> <p>Fund Size: Rs. 143 million</p> <p>Type: Open-end Shariah Compliant -Capital Protected Fund</p> <p>Dealing Days: Daily – Monday to Friday</p> <p>Ramazan Dealing Time: (Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M</p> <p>Settlement: 2-3 business days</p> <p>Pricing Mechanism: Forward Pricing</p> <p>Load: Back end: 0%</p> <p>Management Fee: Equity component 2% per annum Others: 12% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)</p> <p>Total Expense Ratio (%): 3.31% p.a (including 0.93% government levies)</p> <p>Risk Profile: Low</p> <p>Listing: Pakistan Stock Exchange</p> <p>Custodian &amp; Trustee: Central Depository Company (CDC)</p> <p>Auditors: A. F. Ferguson &amp; Co. Chartered Accountants</p> <p>Benchmark: Daily weighted return of KMI-30 index &amp; Islamic Bank Deposits based on Fund's actual allocation.</p> <p>Fund Manager: Sajjad Anwar, CFA</p> <p>Asset Manager Rating: AM1 by PACRA (Very High Quality)</p>	<p>The objective of NAFA Islamic Principal Protected Fund-II is to earn a potentially high return through dynamic asset allocation between Shariah compliant Equities and Money Market investment avenues, while providing principal protection.</p>

### Fund Manager's Commentary

Since inception, NIPPF-II has generated a return of 17.0% p.a versus benchmark return of 13.1% p.a. The current equity exposure stands at around 8%. During the month, multiplier remained at 0.2. Key holdings of the Fund belong to Cement, Oil & Gas Exploration Companies, and Engineering Sector. In line with directive no 18 of 2016, effective from 01st January 2017, the equity exposure of the Fund is capped at 10%. Consequently, going forward, your Fund may not be able to offer attractive returns due to very low exposure in the stock market.



Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Equities / Stocks	8.1%	8.6%
Cash Equivalents	88.6%	88.5%
Others including receivables	3.3%	2.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

### Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIPPF-II	10.0	4.2	3.8%
KMI-30	12.6	2.9	3.7%

\*\* Based on NAFA's estimates

### Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Cement	3.1%
Oil & Gas Exploration Companies	1.2%
Engineering	1.1%
Textile Composite	1.0%
Power Generation & Distribution	0.8%
Others	0.9%

### Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 3,591,319/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 2.5660/3.22%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

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### Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pioneer Cement Ltd	Equity	1.4%	D G Khan Cement Co Ltd	Equity	0.8%
Mari Petroleum Company Ltd	Equity	1.2%	Engro Corporation Ltd	Equity	0.7%
Mughal Iron & Steel Industries Ltd	Equity	1.1%	Nishat Mills Ltd	Equity	0.7%
Fauji Cement Company Ltd	Equity	0.9%	Kohinoor Textile Mills Ltd	Equity	0.3%
Kot Addu Power Co Ltd	Equity	0.8%	Hascol Petroleum Ltd	Equity	0.2%

### Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA

## Performance %

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	FY 2016	Since Launch January 09, 2015*
NAFA Islamic Principal Preservation Fund (NIPPF)	0.6%	15.7%	16.3%	4.0%	10.3%
Benchmark**	0.3%	12.9%	14.9%	3.6%	8.7%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	January 9, 2015
Fund Size:	Rs. 413 million
Type:	Open End Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Back end Load:	1% in year 1, 0.5% in year 2 and no load beyond 2 years
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 12% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio (%)	1.80% p.a (including 0.69% government levies)
Listing:	Pakistan Stock Exchange
Risk Profile:	Low
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Combination of benchmarks of underlying schemes on the basis of actual investment i.e. NISF: KMI-30 Index NIAAF: Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP Cash: 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Islamic Asset Allocation Fund	10.6%	10.5%
Islamic Stock Fund	2.6%	2.7%
Cash	85.6%	86.0%
Others including receivables	1.2%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAF	11.0	4.6	3.5%
NISF	10.3	4.2	3.1%
KMI-30	12.6	2.9	3.7%

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

## Top Holdings (%age of total assets) (as on 31 May, 2017)

NAFA Islamic Asset Allocation Fund	10.6%
NAFA Islamic Stock Fund	2.6%
<b>Total</b>	<b>13.2%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs3,997,653/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.9938/1.12%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

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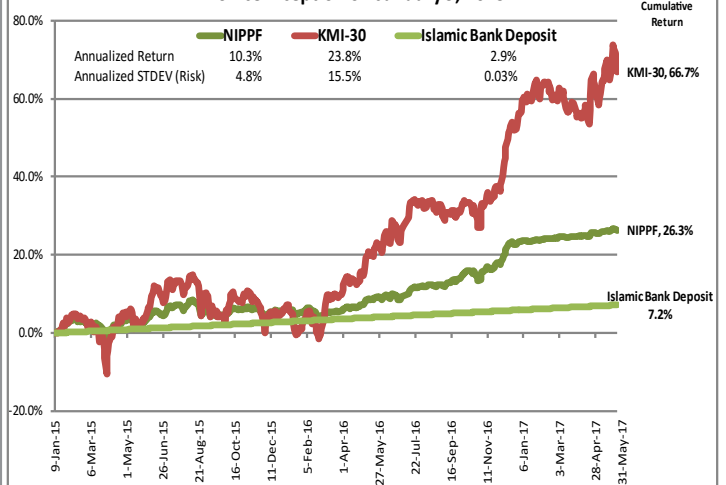
## Investment Objective

The objective of NAFA Islamic Principal Preservation Fund is to earn a potentially high return through dynamic asset allocation between Shariah compliant equity related, and Shariah compliant income/ money market Collective Investment Schemes, while providing principal preservation.

## Fund Manager's Commentary

Since inception, NIPPF has generated a return of 10.3% p.a versus benchmark return of 8.7% p.a. The current exposure in equity/asset allocation funds stands at 13.2%. During the month, multiplier remained at 0.5. In line with directive no 18 of 2016, effective from 01st January 2017, the equity exposure of the Fund is capped at 10%. Consequently, going forward, your Fund may not be able to offer attractive returns due to very low exposure in the stock market.

## Relative Performance of NAFA Islamic Principal Preservation Fund (NIPPF) Since Inception on January 9, 2015



## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA  
Muhammad Ali Bhabha, CFA, FRM

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 146.7825

May 2017

## Performance

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	Since Launch* January 15, 2016
NAFA Islamic Active Allocation Plan-I	1.9%	32.6%	35.1%	32.2%
Benchmark**	2.9%	26.8%	32.0%	32.3%

\* Annualized Return

All Other returns are Cumulative

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

## General Information

Launch Date:	January 15, 2016
Fund Size:	Rs. 1,004 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	1.19% p.a (including 0.88% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

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

Since inception, NIAAP-I has generated a return of 32.2% p.a versus benchmark return of 32.3% p.a. The current exposure in Equity Fund and Income Fund stands at 80.7% & 10.0% respectively. The Plan can invest up to 95% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

\*\* effective from September 01, 2016; Previously daily weighted return of KMI-30 index & 6 month deposit rate of A- and above rated Islamic banks and windows based on actual investment.

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

	31-May-17	28-Apr-17
Shariah Compliant Funds	90.7%	92.7%
Cash Equivalents	9.2%	7.2%
Others including receivables	0.1%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAEF	10.4	4.5	3.2%
KMI-30	12.6	2.9	3.7%

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

## Top Holdings (%age of total assets) (as on 31 May, 2017)

NAFA Islamic Active Allocation Equity Fund	80.7%
NAFA Active Allocation Riba Free Savings Fund	10.0%
<b>Total</b>	<b>90.7%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 6,683,745/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.9775/0.90%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 141.7605

May 2017

## Performance

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	Since Launch* March 04, 2016
NAFA Islamic Active Allocation Plan-II	2.0%	32.2%	34.7%	32.7%
Benchmark**	3.0%	26.6%	30.9%	30.9%

\* Annualized Return  
All other returns are cumulative

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

## General Information

Launch Date:	March 04, 2016
Fund Size:	Rs. 796 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	1.16% p.a (including 0.82% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

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

Since inception, NIAAP-II has generated a return of 32.7% p.a versus benchmark return of 30.9% p.a. The current exposure in Equity Fund and Income Fund stands at 83.6% & 6.9% respectively. The Plan can invest up to 95% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

\*\* effective from September 01, 2016; Previously daily weighted return of KMI-30 index & 6 month deposit rate of A- and above rated Islamic banks and windows based on actual investment.

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Shariah Compliant Funds	90.5%	92.8%
Cash Equivalents	9.3%	7.1%
Others including receivables	0.2%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAEF	10.4	4.5	3.2%
KMI-30	12.6	2.9	3.7%

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

## Top Holdings (%age of total assets) (as on 31 May, 2017)

NAFA Islamic Active Allocation Equity Fund	83.6%
NAFA Active Allocation Riba Free Savings Fund	6.9%
<b>Total</b>	<b>90.5%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 4,936,514/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.8788/0.83%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 128.2551

May 2017

## Performance\*

Performance Period	May 2017	FYTD 2017	Rolling 6 Months Dec 16 - May 17	Since Launch June 28, 2016
NAFA Islamic Active Allocation Plan-III	2.0%	28.3%	16.5%	28.4%
Benchmark**	3.0%	23.8%	18.7%	24.6%

\* Cumulative Returns

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

## General Information

Launch Date:	June 28, 2016
Fund Size:	Rs. 1,194 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.89% p.a (including 0.55% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from September 01, 2016; Previously daily weighted return of KMI-30 index & 6 month deposit rate of A- and above rated Islamic banks and windows based on actual investment.

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

	31-May-17	28-Apr-17
Shariah Compliant Funds	92.6%	91.4%
Cash Equivalents	7.2%	8.5%
Others including receivables	0.2%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAEF	10.4	4.5	3.2%
KMI-30	12.6	2.9	3.7%

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

## Top Holdings (%age of total assets)

(as on 31 May, 2017)

NAFA Islamic Active Allocation Equity Fund	82.4%
NAFA Active Allocation Riba Free Savings Fund	10.2%
<b>Total</b>	<b>92.6%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 5,392,880/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.5792/0.58%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

## Investment Objective

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

## Fund Manager's Commentary

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

Since inception, NIAAP-III has generated a cumulative return of 28.4% versus benchmark return of 24.6%. The current exposure in Equity Fund and Income Fund stands at 82.4% & 10.2% respectively. The Plan can invest up to 95% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 119.9573

May 2017

## Performance\*

Performance Period	May 2017	Rolling 6 Months Dec 16 - May 17	Since Launch September 30, 2016
NAFA Islamic Active Allocation Plan-IV	2.0%	16.2%	20.0%
Benchmark	3.0%	18.2%	20.9%

\* Cumulative Returns

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

## General Information

Launch Date:	September 30, 2016
Fund Size:	Rs. 834 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%):	0.72% p.a (including 0.43% government levies)
Risk Profile:	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

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

Since inception, NIAAP-IV has generated a cumulative return of 20.0% versus benchmark return of 20.9%. The current exposure in Equity Fund and Income Fund stands at 83.8% & 8.3% respectively. The Plan can invest up to 95% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

	31-May-17	28-Apr-17
Shariah Compliant Funds	92.1%	93.4%
Cash Equivalents	7.8%	6.5%
Others including receivables	0.1%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	10.4	4.5	3.2%
KMI-30	12.6	2.9	3.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 May, 2017)

NAFA Islamic Active Allocation Equity Fund	83.8%
NAFA Active Allocation Riba Free Savings Fund	8.3%
<b>Total</b>	<b>92.1%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 2,831,997/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.4074/0.41%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA

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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 104.7782

May 2017

## Performance\*

Performance Period	May 2017	Since Launch January 12, 2017
NAFA Islamic Active Allocation Plan-V	1.7%	4.8%
Benchmark	2.6%	2.8%

\* Cumulative Returns

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

## General Information

Launch Date:	January 12, 2017
Fund Size:	Rs. 1,930 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.32% p.a (including 0.16% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

NAFA launched its NAFA Islamic Active Allocation Plan-V (NIAAP-V) in January, 2017 which is the fifth plan under NAFA Islamic Active Allocation Fund-I. The Active Allocation Plan is dynamically managed between dedicated equity related and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The plan is presently closed for subscription. NIAAP-V has an initial maturity of two years.

Since inception, NIAAP-V has generated a cumulative return of 4.8% versus the Benchmark increase of 2.8%. The current exposure in Equity Fund and Income Fund stands at 74.8% & 18.7% respectively. The Plan can invest up to 95% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

	31-May-17	28-Apr-17
Shariah Compliant Funds	93.5%	94.3%
Cash Equivalents	6.4%	5.6%
Others including receivables	0.1%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	10.4	4.5	3.2%
KMI-30	12.6	2.9	3.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 May, 2017)

NAFA Islamic Active Allocation Equity Fund	74.8%
NAFA Active Allocation Riba Free Savings Fund	18.7%
<b>Total</b>	<b>93.5%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 1,797,073/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.0975/0.10%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 98.7980

May 2017

## Performance\*

Performance Period	Since Launch May 26, 2017
NAFA Islamic Active Allocation Plan-VI	(1.2%)
Benchmark	(2%)

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

## General Information

Launch Date:	May 26, 2017
Fund Size:	Rs. 954 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.16% p.a (including 0.02% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

NAFA launched its NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) in May, 2017 which is the sixth plan under NAFA Islamic Active Allocation Fund-II. The Active Allocation Plan will be dynamically managed between dedicated equity related and Income schemes managed by NAFA based on the Fund Manager's outlook of the authorized asset-classes. The plan is presently closed for subscription. NIAAP-VI has an initial maturity of two years.

Since inception, unit price of NIAAP-VI has decreased by 1.2% versus the Benchmark decrease of 2%. The current exposure in Equity Fund and Income Fund stands at 44.7% & 19.1% respectively. The Plan can invest up to 95% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets)

31-May-17

Shariah Compliant Funds	63.8%
Cash Equivalents	36.1%
Others including receivables	0.1%
<b>Total</b>	<b>100.0%</b>
Leverage	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	10.4	4.5	3.2%
KMI-30	12.6	2.9	3.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets)

(as on 31 May, 2017)

NAFA Islamic Active Allocation Equity Fund	44.7%
NAFA Active Allocation Riba Free Savings Fund	19.1%
<b>Total</b>	<b>63.8%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 0/-.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Taha Khan Javed, CFA  
Hassan Raza, CFA

## Performance %

Performance Period	May 2017	FYTD 2017	Trailing 12 months June 16 - May 17	Since Launch* January 18, 2016
NAFA Active Allocation Riba Free Savings Fund	3.8%	3.7%	3.8%	4.0%
Benchmark**	2.4%	3.2%	3.3%	3.7%

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

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

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 944 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Friday
Ramazán Dealing Time:	(Mon - Thr) 8:30 A.M to 2:20 P.M (Friday) 8:30 A.M to 12:30 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end: 0% Back end: 0%
Management Fee:	1.25% per annum
Total Expense Ratio:	2.02% p.a. (including 0.34% government levies)
Risk Profile:	Low
Fund stability rating	"A-(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription	Rs. 10,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager Commentary

During the month under review, the Fund has generated an annualized return of 3.8% against the benchmark return of 2.4%. The performance is net of management fee and all other expenses.

The Fund aims to consistently generate better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks, while also providing easy liquidity along with a high quality credit profile. The Fund is allowed to invest in shariah compliant Government Securities of maturity up to 3 years as well as Shariah compliant money market and debt securities of up to 2 years maturity rated AA- or better.

The 98.8% of net assets of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues. The weighted average time-to-maturity of the Fund is 1 day.

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

\*\* effective from September 01, 2016; Previously Average of 6-Month deposit rates (A- & above rated Islamic banks)

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

Bank Deposits	98.1%	98.4%
Others including receivables	1.9%	1.6%
Total	100.0%	100.0%
Leverage	Nil	Nil

## Credit Quality of the Portfolio as of May 31, 2017 (% of Total Assets)

AAA	31.4%
AA+	0.2%
AA-	0.1%
A+	29.3%
A-	37.1%
Others including receivables	1.9%
Total	100.0%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 633,067/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0069/0.07%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Hassan Raza, CFA

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



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017) Rs: 16.0781

May 2017

## Performance

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	Since Launch* January 18, 2016
NAFA Islamic Active Allocation Equity Fund	2.4%	41.3%	45.3%	46.1%
Benchmark	3.5%	32.2%	38.2%	45.8%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 5,189 million
Type:	Open Ended Shariah Compliant Equity Scheme
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon-Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end-0% Back end-0%
Management Fee:	2% p.a
Risk Profile	High
Total Expense Ratio (%)	4.03% p.a. (including 1.51% government levies)
Selling & Marketing Expenses	0.4% per annum
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Taha Khan Javed, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

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

NIAAEF started off the month with an allocation of around 89% in equities, which increased to around 90% towards the end of the month. NIAAEF underperformed the Benchmark in May as the Fund was underweight in select Oil & Gas Exploration Companies, and Oil & Gas Marketing Companies stocks which outperformed the market and overweight in select Cement, and Automobile Assemblers sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Oil & Gas Exploration Companies, Engineering, Technology & Communication and Chemical Sectors, whereas it was reduced primarily in Automobile Assemblers, Fertilizers, and Textile Composite sectors.

## Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	5.9%	Oil & Gas Dev Co Ltd	Equity	3.4%
Mari Petroleum Company Ltd	Equity	5.1%	D G Khan Cement Co Ltd	Equity	3.2%
Lucky Cement Ltd	Equity	4.6%	Nishat Mills Ltd	Equity	3.2%
Pak Petroleum Ltd	Equity	3.9%	Pakistan Oilfields Ltd	Equity	3.2%
Pakistan State Oil Co. Ltd	Equity	3.5%	Hub Power Company Ltd	Equity	2.9%

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

	31-May-17	28-Apr-17
Equities / Stocks	90.0%	88.5%
Cash Equivalents	8.5%	10.6%
Others including receivables	1.5%	0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF	10.4	4.5	3.2%
KMI-30	12.6	2.9	3.7%

\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 31 May, 2017)

Sector	% of Total Assets
Cement	18.0%
Oil & Gas Exploration Companies	15.5%
Fertilizer	9.3%
Oil & Gas Marketing Companies	8.4%
Automobile Assembler	8.0%
Others	30.8%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 36,252,138/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs0.1123/1.01%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2017.

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

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

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2017): Rs. 15.6981

May 2017

## Performance %

Performance Period	May 2017	FYTD 2017	Rolling 12 Months June 16 - May 17	Since Launch* April 21, 2016
NAFA Islamic Energy Fund	5.8%	48.8%	52.9%	55.3%
Benchmark	3.5%	32.2%	38.2%	42.6%

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

## General Information

Launch Date:	April 21, 2016
Fund Size:	Rs. 3,163 million
Type:	Open Ended Shariah Compliant Equity Scheme
Dealing Days:	Daily – Monday to Friday
Ramazan Dealing Time:	(Mon - Thr) 8:30 A.M to 2:00 P.M (Friday) 8:30 A.M to 12:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:**	Front End Load (Individual): 3% (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% p.a
Total Expense Ratio (%)	4.05% p.a (including 1.46% government levies)
Selling & Marketing Expenses	0.4% per annum
Risk Profile	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Taha Khan Javed, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

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

NIEF started off the month with an allocation of around 89% in equities, which increased to around 94% towards the end of the month. NIEF outperformed the Benchmark in May as the Fund was overweight in select Energy sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Oil & Gas Marketing Companies Sector, whereas it was reduced primarily in Oil & Gas Exploration Companies, and Refineries, while some weight was shed in Power Generation & Distribution Companies sectors.

## Top Ten Holdings (as on 31 May, 2017)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Mari Petroleum Co Ltd	Equity	11.7%	Oil & Gas Dev Co Ltd	Equity	7.2%
Sui Northern Gas Ltd	Equity	10.5%	Pakistan State Oil Co Ltd	Equity	6.9%
Pak Petroleum Ltd	Equity	8.9%	Hub Power Company Ltd	Equity	6.1%
Pakistan Oilfields Ltd	Equity	8.1%	Attock Refinery Ltd	Equity	4.8%
Shell Pakistan Ltd	Equity	7.8%	Attock Petroleum Ltd	Equity	4.0%

\*\*effective from January 02, 2017

## Asset Allocation (% of Total Assets) 31-May-17 28-Apr-17

Asset Allocation (% of Total Assets)	31-May-17	28-Apr-17
Equities / Stocks	93.5%	89.2%
Cash Equivalents	5.1%	9.6%
Others including receivables	1.4%	1.2%
Total	100.0%	100.0%
Leverage	Nil	Nil

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

	PER	PBV	DY
NIEF	9.2	4.6	3.3%
KMI-30	12.6	2.9	3.7%

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

## Sectors (% of Total Assets) (as on 31 May, 2017)

Oil & Gas Marketing Companies	37.2%
Oil & Gas Exploration Companies	35.9%
Power Generation & Distribution	13.2%
Refinery	7.2%

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs 22,816,070/-, If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1133/1.10%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2017.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA

**NBP Fullerton Asset Management Limited**  
7<sup>th</sup> Floor Clifton Diamond Building, Block No. 4, Scheme No. 5,  
Clifton Karachi.

**For Information & Investment:**

**Call: 0800-20002 || SMS: NAFA INVEST to 8080 || [www.nafafunds.com](http://www.nafafunds.com) ||  /nafafunds**

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