

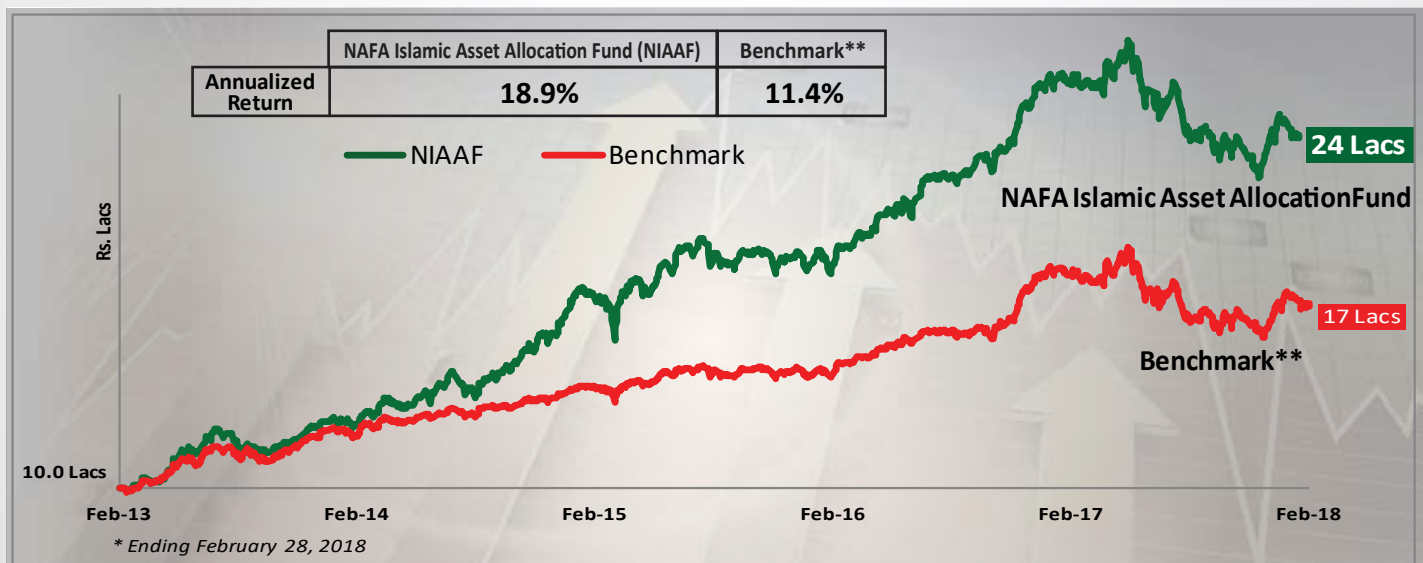
# Fund Manager Report of Shariah Compliant Schemes

February 2018



Investment of  
**Rs. 10 lacs** grew to  
**Rs. 24 lacs** in  
**NAFA Islamic Asset Allocation Fund**  
in only **5 Years\***

You can invest with Rs. 10,000 only.



\*\* Benchmark: 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.

## For Information & Investment

Call : 0800-20002 ♦ SMS: NAFA INVEST to 9995 ♦ info@nafafunds.com  
www.nafafunds.com ♦ f /nafafunds



AM1  
Rated by PACRA

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

Your investments & "NAFA" grow together



Fund-size: Rs.1,235 Crore as on February 28, 2018

Fund Category: Shariah Compliant Asset Allocation Fund.

Annualized return since inception of Fund on October 26, 2007 is 14.8% p.a. vs Benchmark return of 10.3% p.a. Last one year return was -7.5% vs benchmark return of -5.8%.

Note: Performance is based on dividend reinvestment gross of withholding Taxes, excluding cost of frontend load. Taxes apply as per current income tax law.

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 risk. 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 returns may include provision and reversal of provisions against some debt securities.

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# Performance Summary of NAFA's Shariah Compliant Funds



February 2018

NAFA Islamic Mutual Funds - Collective Investment Schemes (CISs)

		Fund Name	Fund Size (Rs. In Crore)	Stability Rating	Inception Date	February 2018	FYTD	Rolling 12 Months	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	Since Inception
		Islamic Income Funds	Annualized Returns											
Lowest Risk ↓	NRFSF	NAFA Riba Free Savings Fund	379	A (f)	20-Aug-10	5.1%	5.0%	5.1%	5.9%	5.5%	7.4%	7.8%	8.7%	7.7%
		Benchmark				2.5%	2.5%	2.5%	3.1%	4.9%	6.7%	6.7%	7.3%	6.1%
	NIIIF	NAFA Islamic Income Fund <i>(Formerly; NAFA Islamic Aggressive Income Fund)</i>	450	A- (f)	26-Oct-07	4.5%	4.9%	5.1%	5.4%	7.4%	9.2%	13.6%	6.8%	6.6%
		Benchmark				2.5%	2.5%	2.6%	3.9%	4.8%	6.6%	6.5%	7.0%	6.0%
		Equity Related Islamic Funds			Cumulative Returns									Annualized Return
Moderate Risk	NIAAF	NAFA Islamic Asset Allocation Fund	1,235		26-Oct-07	(1.8%)	(6.5%)	(7.5%)	20.3%	13.1%	33.8%	22.2%	36.3%	14.8%
		Benchmark				(1.2%)	(2.5%)	(5.8%)	11.9%	9.2%	12.1%	17.7%	28.9%	10.3%
High Risk	NISF	NAFA Islamic Stock Fund	745		09-Jan-15	(2.6%)	(10.3%)	(11.8%)	32.5%	12.9%	n/a	n/a	n/a	13.7%
		Benchmark				(2.0%)	(7.0%)	(12.5%)	18.8%	15.5%	n/a	n/a	n/a	11.2%

## NAFA ISLAMIC PENSION FUND (NIPF) - Voluntary Pension Scheme (VPS)

<div>Low Risk</div> <div>↓</div> <div>High Risk</div>	<div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> <div></div> 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**Notes:** 1) Performance is net of management fee and all expenses. The calculation of performance does not include cost of front-end load. For mutual funds the performance reported is based on dividend reinvestment (gross of with-holding tax where applicable).  
2) Tax credit also available as per section 62 & 63 of the Income Tax Ordinance, 2001.  
3) Taxes apply.

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

## Pakistan's Economy & Stock Market - Key Challenges and Opportunities

Constructive investment backdrop for local equities characterized by robust economic growth, attractive stock market valuations, multi-year low inflation and interest rates is overshadowed by the elevated domestic political uncertainty, deteriorating Pak-US relations, and rising risks to the Balance of Payment (BoP) position. Massive investment activity by public sector under CPEC, capacity expansions and higher utilization by the private sector, and robust domestic consumption helped push the economic growth to 5.3% during FY17, which is expected at 5.5% for FY18. The consequent surge in aggregate demand led to robust growth in imported industrial raw material, machinery & equipment, automobile, food, and fuel products. This along with muted exports & remittance growth has ballooned Current Account Deficit, which is expected at USD15.9bn (5.0% of GDP) for FY2018. Another risk facing the country is the inclusion in list of nations which are not doing enough to combat terror financing, entailing severe economic implications. While Pakistan has taken some steps to address these issues, but more visible actions may need to be taken given the harder stance of current US administration towards alleged militant outfits. The heightened domestic political uncertainty initially linked to Panama Leaks case, and now the outcome of the verdict of the case is keeping the investors at bay.

To address the risks to the Balance of Payment (BoP), the government has taken some measures which include raising duties on non-essential import items, improvement in package for exporters, and limited PKR devaluation against our trading partners. To boost exports, we expect further PKR devaluation of around 5%-10% against the US Dollar, and reduction in GIDC and electricity tariffs for export-oriented sectors. This rupee devaluation and some changes in tariffs on non-essential imports will help gradually bring down the import bill. The index heavy Banking, Oil & Gas, as well as the export-oriented Textile Composite and Technology & Communication sectors will see a boost in their profitability from this currency devaluation. To fill the remaining gap, we also anticipate Pakistan to return to IMF program in the summer of 2018. This will also bring the much needed fiscal consolidation through broadening of tax base, rationalizing of government expenditures and privatization/restructuring of loss making Public Sector Enterprises. A foreign assets tax amnesty scheme is also under active consideration of the government and according to news reports Federal Board of Revenue (FBR) has prepared a draft titled the 'Foreign Assets Declaration Scheme' (FADS) and handed over to the Prime Minister, proposing tax rates of 2 to 10 percent for bringing back offshore assets into Pakistan on the pattern of the Indonesian model. According to some estimates, Pakistanis have parked about USD 120 billion worth of assets abroad, and the scheme is expected to fetch USD 3-5 billion. We feel that if amnesty scheme goes through, a decent chunk of this repatriated money will find its way in the real estate and the stock market.

Political concerns are likely to be addressed to a large extent with holding of both Senate and National Assembly elections that would give the new government a fresh mandate to restart the waning economic reforms program. We expect long-term economic growth of around 5% driven by strong domestic consumption, rising business investment activity, and continued public sector development. Precarious law & order situation and chronic power shortages are no more being cited as the key areas of concern by businesses, and are now overtaken by more manageable issues like high taxation and red tape in bureaucracy.

While political noise may remain elevated till election time, investors will take into account medium-term double digit corporate earnings growth. From a valuation standpoint, PSX is trading at a Price-to-Earning (P/E) multiples of 10 times, which is at a deep discount to other Emerging Markets. We feel that there is a high probability of substantial inflows in the stock market from foreign investors post devaluation, and from local investors post the expected tax amnesty scheme. We believe that over the next 12 months, the stock market is well-poised to deliver healthy double digit returns.



February 2018

## Stock Market Review

After a robust start to CY18 with a handsome return of around 8.7% during January, the stock market took a breather with the benchmark KMI-30 Index declining by 2.0% during February. During the month, the market grappled with the deteriorating Pak-US relations that involves serious economic implications; and heightened domestic political uncertainty. In the domestic politics, a three-member bench of Supreme Court barred Ex-Prime Minister Nawaz Sharif from holding the position of Party Head after disqualification under Article 62 & 63 of the constitution. In the aftermath of this decision, the Election Commission of Pakistan (ECP) declared that the ruling PML (N) nominees can contest the upcoming Senate polls as independent candidates. Another development that unnerved investors was a motion put forward by the United States (US) and Britain to place Pakistan on the FATF terrorist-financing watch list in order to pressure Pakistan to cut its alleged links to Islamist militants. It stoked fears that if adopted, the resolution would place Pakistan on the grey-list of jurisdictions with deficient anti-money laundering regimes. Local equities also weathered rout in the global equities in the first half of the month triggered by concerns on the increasing odds of unwinding of unprecedented monetary accommodation in some influential economies. The market participants took a sigh of relief as the country survived the attempt to have been put on the FATF watch list, at least for now as the government took some quick measures such as banning couple of groups, amending the anti-terror laws, and committing to take further actions. Foreigners, Mutual Funds, and Banks/DFIs were net sellers whereas; Insurance, Companies, and Other Organizations were net buyers during the month.

During the month, Oil & Gas Exploration, Commercial Banks, Power Generation & Distribution, Technology & Communication, and Engineering sectors performed better than the market. On the other hand, Cement, Textile Composite, Pharmaceuticals, and Oil & Gas Marketing sectors lagged behind. Strong performance by a select company amid reserves addition resulted in the out-performance of the Exploration & Production sector. Banking sector out-performed the market on the back of attractive valuations along with the beginning of reversal of interest rate cycle. Power Generation & Distribution sector out-performed the market after lagged performance over the last couple of months. Engineering sector exhibited strong performance on account of strong earnings announcement driven by volumetric growth and healthy profit margins. Lower than expected earnings announcement and potential threat of price war amid massive upcoming capacity additions led to the lagged performance of the Cement sector. Unimpressive earnings announcement by the select companies led to subdued performance of the Textile Composite sector. Under-performance of Oil & Gas Marketing sector is attributable to clouded earnings outlook, and earnings announcements & payouts missing the market expectations.

While acknowledging the risks to the economy from chronic trade deficit, we believe that some additional policy measures such as further currency devaluation, lowering of cost of doing business for export-oriented sector, and tariff revisions on import items would help curtail non-essential imports and boost exports. The proposed offshore assets tax amnesty scheme is also expected to bring USD3-5 billion. That being said, we hold on to our sanguine view on equities given attractive valuations as captured in P/E multiples of 10; moderate inflation and still low interest rates; ample market liquidity; upbeat business sentiment; and large cash positions by the institutional investors. We also expect foreign portfolio inflow to start pouring into the equities in due course, which in our view is waiting for some further PKR devaluation.

## Money Market Review

After recording 4.4% YoY in January 2018, inflation as measured by the CPI for February 2018 clocked in at 3.8% helped by the soft food prices. We expect inflation to pick-up from these subdued levels amid some further PKR depreciation, partial pass-through of the recent increase in the global oil prices, and reversal of base effect. In our base case scenario, we expect 0.50% hike in the Policy rate by June 2018. In response to 0.25% increase in the Policy rate in the recent monetary announcement by the SBP, sovereign yields increased by 25-30bps. As witnessed in the primary market for the sovereign securities, investors' preference remained tilted towards short tenors, foreseeing upside risks to inflation and interest rates.

During the month of February, SBP held two T-Bill auctions with a combined target of Rs. 1,700 billion against the maturity of Rs. 1,627 billion. In the first T-Bill auction, an amount of Rs. 1,154 billion was accepted at a cut-off yield of 6.21% for 3 month tenor, while no bids were received in 6 month and 12 month tenors. In the second T-Bill auction during the month, an amount of Rs 1,086 billion was accepted where the cut-off yield was maintained at 6.21% for 3 month tenor; however bids for 6 month tenor were rejected while, no bid was received in 12 month tenor. In the PIB auction, bids worth Rs. 12 billion were received for 3 year and 5 year tenors. However, the auction was rejected.

We have calibrated the portfolio of our money market and income funds based on our interest rate outlook and remain alert to any developments that may influence our investment strategy.

## Our Contacts

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

Call 0800-20002 || SMS NAFA INVEST to 9995 || [www.nafafunds.com](http://www.nafafunds.com) || [info@nafafunds.com](mailto:info@nafafunds.com)

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

# NAFA Riba Free Savings Fund (NRF SF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 10.5278

February 2018

## Performance %

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	Last 3 years*	Last 5 years*	Since Launch August 20, 2010*
NAFA Riba Free Savings Fund	5.1%	5.0%	5.1%	5.9%	5.5%	7.4%	7.8%	8.7%	5.7%	6.5%	7.7%
Benchmark*	2.5%	2.5%	2.5%	3.1%	4.9%	6.7%	6.7%	7.3%	3.9%	5.1%	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:	August 20, 2010
Fund Size:	Rs. 3,795 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End 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:	1.12% p.a.(including 0.26% 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)	28-Feb-18	31-Jan-18
GOP Ijara Sukuks	2.6%	2.7%
Commercial Paper (Islamic)	3.8%	3.9%
Bank Deposits	92.5%	92.7%
Others including receivables	1.1%	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. 3,695,967/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0103/0.10%. For details investors are advised to read note 11.4 of the financial statements of the Scheme for the period ended December 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 5.1% for the month of February 2018 versus the Benchmark return of 2.5% thus registering an outperformance of 2.6% p.a. This reported return 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 2.6% of net assets. Around 93% of net assets of the portfolio are invested in bank deposits which enhance the liquidity profile of the Fund. The weighted average time to maturity of the fund is 12 days.

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

## Credit Quality of the Portfolio as of February 28, 2018 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	2.6%
AAA	56.6%
AA+	0.2%
AA-	3.8%
A+	3.5%
A-	32.2%
Others including receivables	1.1%
<b>Total</b>	<b>100.0%</b>

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# NAFA Islamic Income Fund (NIIF)

(Formerly; NAFA Islamic Aggressive Income Fund)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 9.8137

February 2018

## Performance %

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	Last 3 years*	Last 5 years*	Last 10 years*	Since Launch October 26, 2007*
NAFA Islamic Income Fund (Formerly; NAFA Islamic Aggressive Income Fund)	4.5%	4.9%	5.1%	5.4%	7.4%	9.2%	13.6%	6.8%	6.4%	8.5%	6.5%	6.6%
Benchmark**	2.5%	2.5%	2.6%	3.9%	4.8%	6.6%	6.5%	7.0%	4.1%	5.1%	6.0%	6.0%

\* 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 26, 2007
Fund Size:	Rs. 4,499 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Friday (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Dealing Time:	2-3 business days
Settlement:	Forward Pricing
Pricing Mechanism:	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
Load:***	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Management Fee:	1.08% p.a. (including 0.26% 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:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	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

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Sukuks	5.8%	3.5%
GOP Ijarah Sukuks - Govt. Backed	8.7%	8.8%
Certificate of Musharakah (COM)	4.4%	4.4%
Bank Deposits	77.0%	79.3%
Commercial Papers	3.2%	3.2%
Others including receivables	0.9%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Top Sukuk Holdings (as at February 28, 2018)

Name of Sukuk	% of Total Assets
Dubai Islamic Bank - Sukuk 14-JUL-17 14-JUL-27	2.9%
Pak Elektron Limited - Sukuk 19-FEB-18 19-MAY-19	2.3%
K-Electric AZM Sukuk Limited - 5 Years 19-MAR-14 19-MAR-19	0.6%
<b>Total</b>	<b>5.8%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 5,419,268/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0118/0.13%. For details investors are advised to read note 10 of the financial statements of the Scheme for the period ended December 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 reasonable rate of return in a Shariah compliant manner by investing in Shariah compliant debt securities, money market instruments and bank deposits.

## Fund Manager Commentary

During the month under review, the Fund posted an annualized return of 4.5% as compared to the Benchmark return of 2.5% thus registering an outperformance of 2.0% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks stood at around 5.8% of the net assets. Around 78% 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 6.2% p.a. and weighted average time to maturity is 3.3 years. The weighted average time to maturity of the Fund is 183 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.

## 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 February 28, 2018 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	8.7%
AAA	0.3%
AA+	4.5%
AA	33.1%
AA-	5.6%
A+	3.9%
A-	43.0%
Others including receivables	0.9%
<b>Total</b>	<b>100.0%</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 (28/02/2018): Rs. 15.8862

February 2018

## Performance %

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch October 26, 2007*
NAFA Islamic Asset Allocation Fund	(1.8%)	(6.5%)	(7.5%)	20.3%	13.1%	33.8%	22.2%	36.3%	10.8%	18.9%	15.2%	14.8%
Benchmark**	(1.2%)	(2.5%)	(5.8%)	11.9%	9.2%	12.1%	17.7%	28.9%	7.3%	11.4%	10.3%	10.3%

\* 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. 12,349 million  
Fund Size: (Excluding investment by fund of funds) Rs. 12,334 million  
Type: Open-end-Shariah Compliant -Asset Allocation Fund  
Dealing Days: Daily – Monday to Friday (Mon-Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 P.M  
Dealing Time: 2-3 business days  
Settlement: Forward Pricing  
Pricing Mechanism: Front End Load (Individual): 3%, (Nil on investment above Rs. 101 million)  
Load:\*\* Front End Load (Other): 3% (Nil on investment above Rs. 50 million)  
Back End Load: NIL  
Management Fee: 2% per annum  
Total Expense Ratio (%) 3.07% p.a (including 0.37% 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

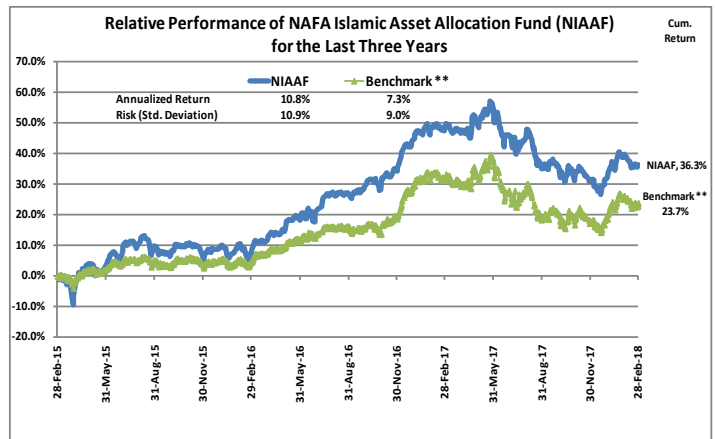
## Investment Objective

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

## Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Asset Allocation Fund decreased by 1.8%, whereas the Benchmark decreased by 1.2%, thus an underperformance of 0.6% was recorded. Since inception your Fund has posted 14.8% p.a return, versus 10.3% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 4.5% p.a. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 62% in equities, which decreased to around 52% towards the end of the month. NIAAF underperformed the Benchmark in February as the Fund was overweight in select Oil & Gas Exploration Companies, Oil & Gas Marketing Companies, Cement, Automobile Assembler, and Textile Composite sectors stocks which underperformed the market. During the month, the allocation was decreased primarily in Oil & Gas Exploration Companies, Textile Composite, Oil & Gas Marketing Companies, Cement, and Fertilizer sectors.



Asset Allocation (% of Total Assets)	28-Feb-18	31-Jan-18
Equities / Stocks	51.5%	62.1%
Cash	48.2%	37.4%
Others including receivables	0.3%	0.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs 15 million.

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

	PER	PBV	DY
NIAAF	10.7	2.2	4.6%
KMI-30	10.4	2.0	4.7%

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

## Top Five Sectors (% of Total Assets) (as on February 28, 2018)

Oil & Gas Exploration Companies	14.9%
Cement	6.5%
Fertilizer	6.1%
Textile Composite	4.3%
Power Generation & Distribution	4.0%
Others	15.7%

## 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

## Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against worker's welfare Fund's liability to the tune of Rs. 60,862,273/- if the same were not made the NAV Per unit/return of the Scheme would be higher by Rs. 0.0783/0.46%. For details investors are advised to read the note 9.1 of the Financial Statements of the Scheme for the period ended December 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 February 28, 2018)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan Oilfields Ltd	Equity	3.9%	Nishat Mills Ltd	Equity	2.8%
Oil & Gas Dev Co Ltd	Equity	3.8%	Engro Fertilizer Ltd	Equity	2.4%
Pak Petroleum Ltd	Equity	3.7%	Hub Power Company Ltd	Equity	2.4%
Mari Petroleum Company Ltd	Equity	3.5%	Millat Tractors Ltd	Equity	1.8%
Engro Corporation Ltd	Equity	3.4%	Indus Motor Company Ltd	Equity	1.6%

## 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>



MONTHLY REPORT (MUFAF's Recommended Format)  
Unit Price (28/02/2018): Rs. 11.7267

February 2018

## Performance

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	FY 2016	Last 3 Years	Since Launch* January 09, 2015
NAFA Islamic Stock Fund	(2.6%)	(10.3%)	(11.8%)	32.5%	12.9%	13.1%	13.7%
Benchmark	(2.0%)	(7.0%)	(12.5%)	18.8%	15.5%	10.9%	11.2%

\* 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. 7,453 million
Fund Size: (Excluding investment by fund of funds)	Rs. 7,444 million
Type:	Open-end-Shariah Compliant-Equity Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	3.20% p.a.(including 0.37% 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)

\*\* effective from January 02, 2017

Asset Allocation (% of Total Assets)	28-Feb-18	31-Jan-18
Equities / Stocks	85.4%	87.1%
Cash Equivalents	14.0%	12.8%
Others including receivables	0.6%	0.1%
Total	100.0%	100.0%
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs 9 million.

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

	PER	PBV	DY
NISF	10.5	2.0	4.3%
KMI-30	10.4	2.0	4.7%

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

## Top Five Sectors (% of Total Assets) (as on February 28, 2018)

Oil & Gas Exploration Companies	21.4%
Fertilizer	11.0%
Cement	10.1%
Textile Composite	6.7%
Power Generation & Distribution	6.7%
Others	29.5%

## Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against Sindh worker's welfare Fund's liability to the tune of Rs. 44,440,040/- if the same were not made the NAV Per unit/last one year return of the Scheme would be higher by Rs. 0.0699/0.53% age. For details investors are advised to read the Note 10.1 of the Financial Statements of the Scheme for the period ended December 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 Document to understand the investment policies and the risks involved.

## Investment Objective

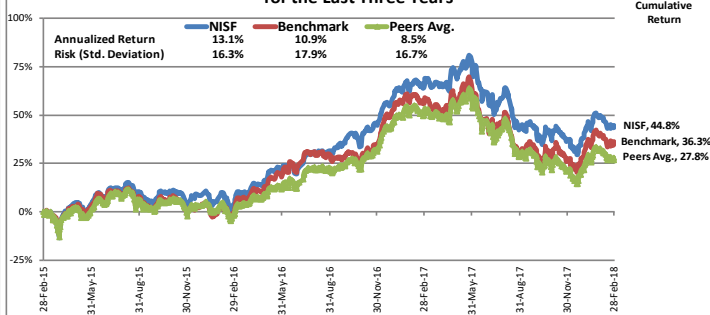
The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities.

## Fund Manager's Commentary

During the month under review, NAFA Islamic Stock Fund's (NISF) unit price (NAV) decreased by 2.6%, whereas the Benchmark decreased by 2.0%, thus an underperformance of 0.6% was recorded. Since inception on January 9, 2015 your Fund has posted 13.7% p.a return, versus 11.2% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 2.5% p.a. This outperformance is net of management fee and all other expenses.

NISF started off the month with an allocation of around 87% in equities, which decreased to around 85% towards the end of the month. NISF underperformed the Benchmark in February as the Fund was underweight in select Oil & Gas Exploration Companies, Power Generation & Distribution Companies, Automobile Assembler, and Engineering sectors stocks which outperformed the market and overweight in select Cement, Automobile Assembler, Textile Composite, Pharmaceuticals, and Oil & Gas Marketing Companies sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Engineering, Oil & Gas Exploration Companies, and Power Generation & Distribution Companies sectors, whereas it was reduced primarily in Cable & Electric Goods and Cement sectors.

## Relative Performance of NAFA Islamic Stock Fund (NISF) for the Last Three Years



## Top Ten Holdings (as on February 28, 2018)

Name	% of Total Assets	Name	% of Total Assets
Engro Corporation Ltd	6.3%	Hub Power Company Ltd	4.5%
Pak Petroleum Ltd	6.2%	Engro Fertilizer Ltd	4.2%
Oil & Gas Dev Co Ltd	6.1%	Mari Petroleum Company Ltd	3.6%
Pakistan Oilfields Ltd	5.5%	International Steel Ltd	2.7%
Nishat Mills Ltd	4.6%	Pakistan State Oil 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 %

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* April 21, 2016
NAFA Islamic Energy Fund	(1.0%)	(3.6%)	(6.3%)	32.2%	19.6%
Benchmark	(2.0%)	(7.0%)	(12.5%)	18.8%	12.3%
<p>* Annualized Return All Other returns are Cumulative</p> <p>The performance reported is net of management fee &amp; all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.</p>					

## General Information

Launch Date:	April 21, 2016
Fund Size:	Rs. 1,989 million
Type:	Open Ended Shariah Compliant Equity Scheme
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	3.34% p.a (including 0.37% 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)

\*\*effective from January 02, 2017

Asset Allocation (% of Total Assets)	28-Feb-18	31-Jan-18
Equities / Stocks	84.5%	87.9%
Cash Equivalents	14.2%	11.0%
Others including receivables	1.3%	1.1%
Total	100.0%	100.0%
Leverage	Nil	Nil

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

	PER	PBV	DY
NIEF	10.6	2.3	4.5%
KMI-30	10.4	2.0	4.7%

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

## Sectors (% of Total Assets) (as on 28 February, 2018)

Oil & Gas Exploration Companies	42.0%
Oil & Gas Marketing Companies	26.2%
Power Generation & Distribution	13.8%
Refinery	2.5%

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 worker's welfare Fund's liability to the tune of Rs. 14,050,896/- if the same were not made the NAV Per unit/return of the Scheme would be higher by Rs 0.0892/0.66%. For details investors are advised to read the note 12.1 of the Financial Statements of the Scheme for the period ended December 31, 2017.

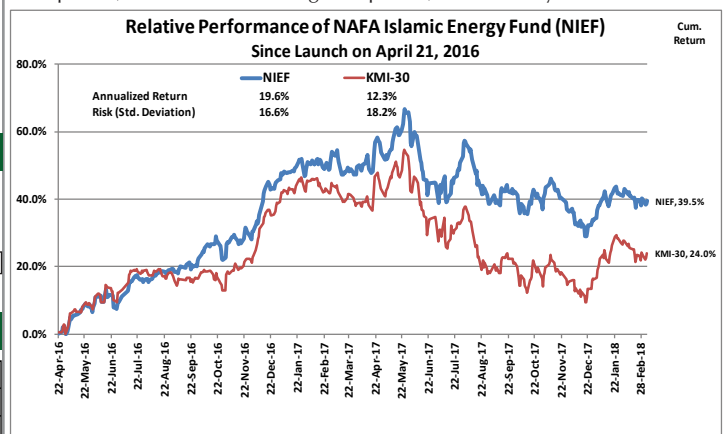
## Investment Objective

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 88% in equities, which decreased to around 85% towards the end of the month. NIEF outperformed the Benchmark in February as the Fund was overweight in select Energy sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Power Generation & Distribution Companies Sector, whereas it was reduced primarily in Oil & Gas Exploration Companies, Oil & Gas Marketing Companies, and Refinery Sectors.



## Top Ten Holdings (as on 28 February, 2018)

Name	% of Total Assets	Name	% of Total Assets
Pakistan Petroleum Ltd	11.4%	Sui Northern Gas Ltd	5.4%
Pakistan Oilfields Ltd	11.0%	Shell Pakistan Ltd	5.1%
Oil & Gas Dev Co Ltd	10.9%	Attock Petroleum Ltd	4.8%
Mari Petroleum Company Ltd	8.7%	Pakistan State Oil Co Ltd	4.1%
Hub Power Company Ltd	6.8%	Hascal Petroleum Ltd	3.2%

## 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.) February 28, 2018	Feb 2018	FYTD 2018	Rolling 12 Months	FY 2017	FY 2016	FY 2015	Last 3 Years	Since Launch July 02, 2013
NIPF-Equity Sub-fund	951.4	300.1423	(1.9%)	(9.1%)*	(8.4%)*	35.8%*	16.9%*	51.5%*	15.5%	26.4%
NIPF-Debt Sub-fund	368.4	126.3289	1.6%	2.4%	2.8%	3.9%	3.8%	5.6%	3.8%	4.9%
NIPF-Money Market Sub-fund	325.2	127.0027	3.8%	3.3%	3.3%	3.8%	3.9%	6.2%	4.0%	5.0%

\* 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:	Rs. 1,645 million
Type:	Open-end – Shariah Compliant Voluntary Pension Scheme
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Pricing Mechanism	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end Load:	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a. Equity 2.07% p.a. (including 0.24% government levies)
Total Expense Ratio (%)	Debt 2.03% p.a. (including 0.30% government levies) Money Market 2.08% p.a. (including 0.32% 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 February:

NIPF Equity Sub-fund unit price decreased by 1.9% as compared to 2.0% decrease in KMI-30 Index. The Sub-fund was around 89% invested in equities with major weights in Oil & Gas Exploration Companies, Fertilizer and Cement sectors. Equity Sub-fund maintains exposure of atleast 90% in listed equities on average. Last 90 days average allocation in equity was 92.0% of net asset.

NIPF Debt Sub-fund generated annualized return of 1.6%. 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 0.6 year.

NIPF Money Market Sub-fund generated annualized return of 3.8%. 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 1 day.

## Credit Quality of the Portfolio (as on 28 February, 2018)

	Debt	Money Market
Government Securities (AAA rated)	29.0%	-
AAA	20.9%	24.9%
AA+	24.6%	35.5%
AA	3.7%	3.0%
AA-	2.4%	17.8%
A+	18.5%	17.9%
Others	0.9%	0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Top Five Sectors (% of Total Assets) (as on 28 February, 2018)

Oil & Gas Exploration Companies	22.1%
Fertilizer	13.2%
Cement	9.5%
Textile Composite	6.7%
Automobile Assembler	5.6%
Others	32.1%

## Asset Allocation (% of Total Assets)

Equity Sub-fund	28-Feb-18	31-Jan-18
Equity	89.2%	91.2%
Cash Equivalents	10.4%	8.2%
Others including receivables	0.4%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Debt Sub-fund	28-Feb-18	31-Jan-18
Cash Equivalents	67.9%	66.9%
GOP Ijara Sukuk	29.0%	29.7%
Commercial Papers	2.2%	2.3%
Others	0.9%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Money Market Sub-fund	28-Feb-18	31-Jan-18
Cash Equivalents	99.1%	98.9%
Others	0.9%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Name of the Members of Investment Committee

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

## Top Ten Holdings of Equity Sub-fund (as on 28 February, 2018)

Name	(% of Total Assets)	Name	(% of Total Assets)
Engro Corporation Ltd	6.3%	Nishat Mills Ltd	4.7%
Pakistan Petroleum Ltd	6.3%	Hub Power Company Ltd	4.2%
Oil & Gas Dev Co Ltd	6.2%	Mari Petroleum Company Ltd	3.8%
Pakistan Oilfields Ltd	5.8%	Lucky Cement Ltd	3.5%
Engro Fertilizer Ltd	5.2%	D. G. Khan Cement Co Ltd	2.6%

## 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	6,827,479	2.1540	0.66%
Debt Sub-fund	630,893	0.2164	0.18%
Money Market Sub-fund	449,365	0.1755	0.14%

For details investors are advised to read the Note 12.1 of the Financial Statements of the Scheme for the period ended December 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.

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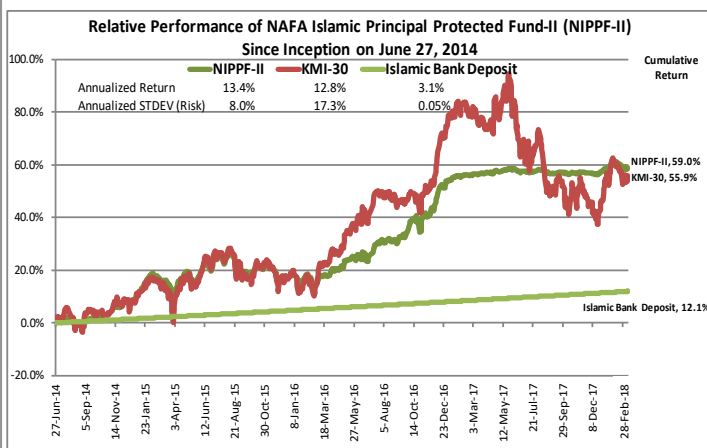


MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 102.5168

February 2018

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	FY 2016	FY 2015	Last 3 Years*	Since Launch June 27, 2014*
NAFA Islamic Principal Protected Fund-II (NIPPF-II)	(1.0%)	0.9%	1.9%	25.8%	3.3%	21.0%	11.0%	13.4%
Benchmark	(0.5%)	1.7%	2.1%	16.1%	8.9%	12.2%	10.4%	10.6%
* 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	Investment Objective
<b>Launch Date:</b> June 27, 2014 <b>Fund Size:</b> Rs. 128 million <b>Type:</b> Open-end Shariah Compliant -Capital Protected Fund <b>Dealing Days:</b> Daily – Monday to Friday <b>Dealing Time:</b> (Mon-Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 P.M <b>Settlement:</b> 2-3 business days <b>Pricing Mechanism:</b> Forward Pricing <b>Load:</b> Back end: 0% <b>Management Fee:</b> Equity component 2% per annum Others: 12% of Net Income (Min 0.5% p.a., Max 1.0% p.a.) <b>Total Expense Ratio (%)</b> 2.08% p.a (including 0.23% government levies) <b>Risk Profile:</b> Low <b>Listing:</b> Pakistan Stock Exchange <b>Custodian &amp; Trustee:</b> Central Depository Company (CDC) <b>Auditors:</b> A. F. Ferguson & Co. Chartered Accountants <b>Benchmark:</b> Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation. <b>Fund Manager:</b> Sajjad Anwar, CFA <b>Asset Manager Rating:</b> AM1 by PACRA (Very High Quality)	<b>Investment Objective</b> 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.
<b>Fund Manager's Commentary</b> Since inception, NIPPF-II has generated a return of 13.4% p.a versus benchmark return of 10.6% p.a. The current equity exposure stands at around 31%. During the month, minimum multiplier was 0.6 while maximum multiplier was 0.7. Key holdings of the Fund belong to Oil & Gas Exploration Companies, Fertilizer and Cement.	



Asset Allocation (% of Total Assets)	28-Feb-18	31-Jan-18
Equities / Stocks	30.7%	27.6%
Cash Equivalents	66.2%	69.7%
Others including receivables	3.1%	2.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Characteristics of Equity Portfolio**			
	PER	PBV	DY
NIPPF-II	10.7	2.0	4.8%
KMI-30	10.4	2.0	4.7%

\*\* Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 28 February, 2018)	
Oil & Gas Exploration Companies	6.1%
Fertilizer	4.5%
Cement	4.4%
Textile Composite	3.6%
Power Generation & Distribution	3.4%
Others	8.7%

**Sindh Workers' Welfare Fund (SWWF)**  
 The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 3,615,505/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 2.9062/2.89%. For details investors are advised to read the Note 10.1 of the Financial Statements of the Scheme for the period ended December 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 28 February, 2018)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Nishat Mills Ltd	Equity	3.3%	Pak Petroleum Ltd	Equity	1.5%
Engro Corporation Ltd	Equity	2.5%	Mari Petroleum Company Ltd	Equity	1.5%
Hub Power Company Ltd	Equity	2.3%	Pakistan State Oil Co Ltd	Equity	1.5%
Engro Fertilizer Ltd	Equity	2.0%	Lucky Cement Ltd	Equity	1.4%
Oil & Gas Dev Co Ltd	Equity	1.9%	Meezan Bank Ltd	Equity	1.1%

## 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	Feb 2018	FYTD 2018	Rolling 12 Months	FY 2017	FY 2016	Last 3 Years*	Since Launch January 09, 2015*
NAFA Islamic Principal Preservation Fund (NIPPF)	(0.3%)	1.3%	2.5%	15.1%	4.0%	7.5%	8.0%
Benchmark**	(0.3%)	1.3%	1.5%	12.1%	3.6%	6.7%	6.8%

\* 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. 78 million  
Type: Open End Shariah Compliant Fund of Funds  
Dealing Days: Daily – Monday to Friday (Mon-Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 P.M  
Dealing Time: 2-3 business days  
Settlement: Forward Pricing  
Pricing Mechanism: 1% in year 1, 0.5% in year 2 and no load beyond 2 years  
Back end Load:  
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 (%) 1.54% p.a (including 0.26% 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.

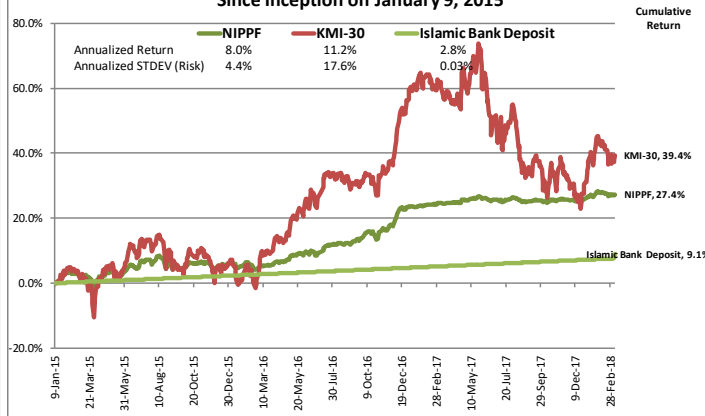
## Investment Objective

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 8.0% p.a versus benchmark return of 6.8% p.a. The current exposure in equity/asset allocation funds stands at 25.3%. During the month, maximum multiplier stood at 1.0 whereas minimum multiplier was 0.9.

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



Asset Allocation (% of Total Assets)	28-Feb-18	31-Jan-18
Islamic Asset Allocation Fund	15.7%	18.2%
Islamic Stock Fund	9.6%	8.0%
Cash	71.5%	73.0%
Others including receivables	3.2%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAF	10.7	2.2	4.6%
NISF	10.5	2.0	4.3%
KMI-30	10.4	2.0	4.7%

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

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Asset Allocation Fund	15.7%
NAFA Islamic Stock Fund	9.6%
<b>Total</b>	<b>25.3%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 4,016,445/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 5.3279/5.27%. For details investors are advised to read the Note 9.1 of the Financial Statements of the Scheme for the period ended December 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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## 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

# NAFA Islamic Active Allocation Plan-I (NIAAP-I)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 118.6340

February 2018

## Performance

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* January 15, 2016
NAFA Islamic Active Allocation Plan-I	(1.7%)	(10.5%)	(11.9%)	24.3%	10.3%
Benchmark**	(1.3%)	(7.3%)	(11.6%)	16.3%	11.1%

\* 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:	January 15, 2016
Fund Size:	Rs. 440 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	0.47% p.a (including 0.12% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month 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)	28-Feb-18	31-Jan-18
Shariah Compliant Funds	97.7%	96.3%
Cash Equivalents	2.2%	3.6%
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	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

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

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Active Allocation Equity Fund	57.3%
NAFA Active Allocation Riba Free Savings Fund	40.4%
<b>Total</b>	<b>97.7%</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 4,843,029/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 1.3072/0.97%. For details investors are advised to read the Note 9.1 of the Financial Statements of the Scheme for the period ended December 31, 2017.

## 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 10.3% p.a versus benchmark return of 11.1% p.a. The current exposure in Equity Fund and Income Fund stands at 57.3% & 40.4%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and 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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 111.1151

February 2018

## Performance

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* March 04, 2016
NAFA Islamic Active Allocation Plan-II	(1.0%)	(9.6%)	(11.2%)	23.6%	9.6%
Benchmark**	(0.7%)	(6.6%)	(11.0%)	15.9%	9.3%

\* Annualized Return

All other returns are cumulative

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

## General Information

Launch Date:	March 04, 2016
Fund Size:	Rs. 474 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	0.50% p.a (including 0.11% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month 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.

## 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 9.6% p.a versus benchmark return of 9.3% p.a. The current exposure in Equity Fund and Income Fund stands at 43.6% & 50.0%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and dynamic equity allocation mechanism of the Fund.

Asset Allocation (% of Total Assets)	28-Feb-18	31-Jan-18
Shariah Compliant Funds	93.6%	92.7%
Cash Equivalents	6.3%	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	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

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

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Active Allocation Equity Fund	43.6%
NAFA Active Allocation Riba Free Savings Fund	50.0%
<b>Total</b>	<b>93.6%</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 3,957,147/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.9268/0.74%. For details investors are advised to read the Note 9.1 of the Financial Statements of the Scheme for the period ended December 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 (28/02/2018): Rs. 107.7452

February 2018

## Performance

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* June 28, 2016
NAFA Islamic Active Allocation Plan-III	(1.6%)	(7.9%)	(9.5%)	20.0%	6.2%
Benchmark**	(1.3%)	(4.5%)	(8.9%)	13.4%	5.3%
<p>* Annualized Returns All other returns are cumulative</p> <p>The performance reported is net of management fee &amp; all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.</p>					

## General Information

Launch Date:	June 28, 2016
Fund Size:	Rs. 724 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	0.48% p.a (including 0.12% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month 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.

## 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 return of 6.2% p.a versus benchmark return of 5.3% p.a. The current exposure in Equity Fund and Income Fund stands at 55.9% & 35.6%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Shariah Compliant Funds	91.5%	96.2%
Cash Equivalents	8.4%	3.7%
Others including receivables	0.1%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAEF	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

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

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Active Allocation Equity Fund	55.9%
NAFA Active Allocation Riba Free Savings Fund	35.6%
<b>Total</b>	<b>91.5%</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 3,817,847/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.5684/0.48%. For details investors are advised to read the Note 9.1 of the Financial Statements of the Scheme for the period ended December 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 (28/02/2018): Rs. 99.5275

February 2018

## Performance\*

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	Since Launch* September 30, 2016
NAFA Islamic Active Allocation Plan-IV	(1.6%)	(7.7%)	(9.4%)	2.5%
Benchmark	(1.3%)	(4.4%)	(8.9%)	4.1%

\* 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:	September 30, 2016
Fund Size:	Rs. 575 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%):	0.49% p.a (including 0.12% government levies)
Risk Profile:	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 Index & 6-month 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 return of 2.5% p.a versus the benchmark return of 4.1% p.a. The current exposure in Equity Fund and Income Fund stands at 55.8% & 36.3%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Shariah Compliant Funds	92.1%	91.9%
Cash Equivalents	7.8%	8.0%
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**	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 28 February 2018)

NAFA Islamic Active Allocation Equity Fund	55.8%
NAFA Active Allocation Riba Free Savings Fund	36.3%
<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 1,740,100/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.301/0.27%. For details investors are advised to read the Note 9.1 of the Financial Statements of the Scheme for the period ended December 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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# NAFA Islamic Active Allocation Plan-V (NIAAP-V)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 91.2910

February 2018

## Performance\*

Performance Period	Feb 2018	FYTD 2018	Rolling 12 Months	Since Launch* January 12, 2017
NAFA Islamic Active Allocation Plan-V	(2.0%)	(7.5%)	(9.0%)	(7.8%)
Benchmark	(1.5%)	(3.5%)	(7.6%)	(7.4%)

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

## General Information

Launch Date:	January 12, 2017
Fund Size:	Rs. 1,132 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	0.46% p.a (including 0.12% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 Index & 6-month 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 unit price of NIAAP-V has decreased by 7.8% p.a versus the benchmark decline of 7.4% p.a. The current exposure in Equity Fund and Income Fund stands at 56.3% & 34.9%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Shariah Compliant Funds	91.2%	91.7%
Cash Equivalents	8.7%	8.2%
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**	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Active Allocation Equity Fund	56.3%
NAFA Active Allocation Riba Free Savings Fund	34.9%
<b>Total</b>	<b>91.2%</b>

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

## Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 88.6534

February 2018

## Performance\*

Performance Period	Feb 2018	FYTD 2018	Rolling 6 Months	Since Launch May 26, 2017
NAFA Islamic Active Allocation Plan-VI	(2.0%)	(6.1%)	1.0%	(11.3%)
Benchmark	(1.4%)	(2.4%)	5.0%	(9.7%)

\* Cumulative Returns

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

## General Information

Launch Date:	May 26, 2017
Fund Size:	Rs. 489 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	0.59% p.a (including 0.12% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & 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 first 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 11.3% versus the benchmark decline of 9.7%. The current exposure in Equity Fund and Income Fund stands at 56.9% & 38.7%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Shariah Compliant Funds	95.6%	93.2%
Cash Equivalents	4.2%	6.7%
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**	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Active Allocation Equity Fund	56.9%
NAFA Active Allocation Riba Free Savings Fund	38.7%
<b>Total</b>	<b>95.6%</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.

## 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 (28/02/2018): Rs. 95.1856

February 2018

## Performance\*

Performance Period	Feb 2018	FYTD 2018	Rolling 6 Months	Since Launch June 29, 2017
NAFA Islamic Active Allocation Plan-VII	(2.0%)	(4.8%)	1.2%	(4.8%)
Benchmark	(1.5%)	(1.6%)	4.8%	(2.2%)

\* Cumulative Returns

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

## General Information

Launch Date:	June 29, 2017
Fund Size:	Rs. 211 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	0.60% p.a (including 0.12% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & 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-VII (NIAAP-VII) in June, 2017 which is the second 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 new subscription. NIAAP-VII has an initial maturity of two years.

Since inception, unit price of NIAAP-VII has decreased by 4.8% versus the benchmark decline of 2.2%. The current exposure in Equity Fund and Income Fund stands at 55.2% & 36.8%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Shariah Compliant Funds	92.0%	91.8%
Cash Equivalents	7.8%	8.1%
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**	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Active Allocation Equity Fund	55.2%
NAFA Active Allocation Riba Free Savings Fund	36.8%
<b>Total</b>	<b>92.0%</b>

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

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

## Name of the Members of Investment Committee

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



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): Rs. 102.1874

February 2018

## Performance\*

Performance Period	Feb 2018	Since Launch November 03, 2017
NAFA Islamic Active Allocation Plan-VIII	(1.3%)	2.2%
Benchmark	(1.1%)	3.2%

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

## General Information

Launch Date:	November 3, 2017
Fund Size:	Rs. 671 million
Type:	Open Ended Shariah Compliant Fund of Funds
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	0.34% p.a (including 0.13% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & 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-VIII (NIAAP-VIII) in November, 2017 which is the third 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 new subscription. NIAAP-VIII has an initial maturity of two years.

Since inception, unit price of NIAAP-VIII has increased by 2.2% versus the benchmark increase of 3.2%. The current exposure in Equity Fund and Income Fund stands at 56.2% & 35.6%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Shariah Compliant Funds	91.8%	96.7%
Cash Equivalents	8.1%	3.2%
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**	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 28 February, 2018)

NAFA Islamic Active Allocation Equity Fund	56.2%
NAFA Active Allocation Riba Free Savings Fund	35.6%
<b>Total</b>	<b>91.8%</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 309,948/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs. 0.0472/0.05%.

## 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.

# NAFA Active Allocation Riba Free Savings Fund (NAARFSF)



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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018): 10.2719

February 2018

## Performance %

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* January 18, 2016
NAFA Active Allocation Riba Free Savings Fund	3.3%	3.8%	4.0%	3.8%	4.0%
Benchmark**	2.5%	2.5%	2.5%	3.1%	3.2%
*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 withholding tax where applicable.		

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 1,828 million
Fund Size (excluding investment by Fund of Funds)	Nil
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end: 0% Back end: 0%
Management Fee:	1.25% per annum
Total Expense Ratio:	1.90% p.a. (including 0.33% government levies)
Risk Profile:	Low
Fund stability rating	"A-(f)" by PACRA
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	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)

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

## 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, the Fund has generated an annualized return of 3.3% against the benchmark return of 2.5%. 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.

Around 91% 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 49 days.

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

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Bank Deposits	90.9%	88.6%
GOP Ijara Sukuks - Govt. Backed	5.4%	7.1%
Commercial Papers	2.2%	2.8%
Others including receivables	1.5%	1.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs. 1,828 million

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1,735,952/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0098/0.10%. For details investors are advised to read note 10 of the financial statements of the Scheme for the period ended December 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.

## Credit Quality of the Portfolio as of February 28, 2018 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	5.4%
AAA	45.1%
AA-	24.7%
A+	22.9%
A-	0.4%
Others including receivables	1.5%
<b>Total</b>	<b>100.0%</b>

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2018) Rs. 11.7335

February 2018

## Performance

Performance Period	Feb 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* January 18, 2016
NAFA Islamic Active Allocation Equity Fund	(2.5%)	(11.2%)	(13.2%)	30.1%	16.1%
Benchmark	(2.0%)	(7.0%)	(12.5%)	18.8%	17.2%
<i>* Annualized Return</i> <i>All Other returns are Cumulative</i>					
<i>The performance reported is net of management fee &amp; all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.</i>					

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 2,646 million
Fund Size: (Excluding investment by fund of funds)	Nil
Type:	Open Ended Shariah Compliant Equity Scheme
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 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 (%)	3.30% p.a. (including 0.37% 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)

## Asset Allocation (% of Total Assets) 28-Feb-18 31-Jan-18

Equities / Stocks	84.5%	88.5%
Cash Equivalents	12.8%	11.0%
Others including receivables	2.7%	0.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs 2,646 million.

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF	10.6	2.0	4.4%
KMI-30	10.4	2.0	4.7%

\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 28 February, 2018)

Oil & Gas Exploration Companies	21.7%
Fertilizer	11.9%
Cement	10.4%
Textile Composite	6.5%
Engineering	6.2%
Others	27.8%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 29,057,183/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1289/0.95%. For details investors are advised to read the Note 11 of the Financial Statements of the Scheme for the period ended December 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

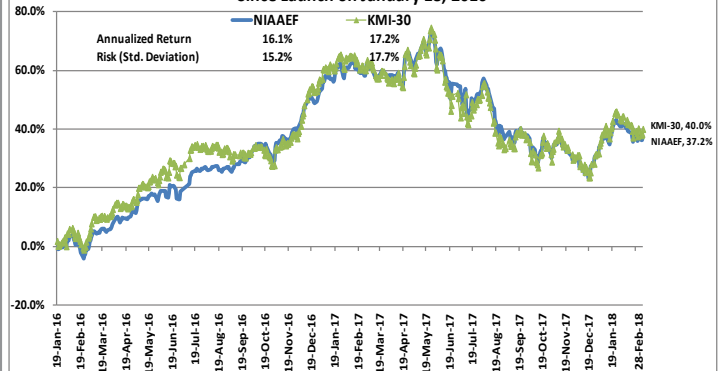
The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shari'ah Compliant listed equities.

## 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 88% in equities, which decreased to around 84% towards the end of the month. NIAAEF underperformed the Benchmark in February as the Fund was underweight in select Oil & Gas Marketing Companies, Automobile Assembler, and Power Generation & Distribution Companies sectors stocks which outperformed the market and overweight in select Cement, Textile Composite, and Automobile Assembler, sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Automobile Assembler, Chemical, Engineering, and Commercial Banks sectors, whereas it was reduced primarily in Cement, Refinery, Oil & Gas Marketing Companies, and Technology & Communication sectors.

Relative Performance of NAFA Islamic Active Allocation Equity Fund (NIAAEF) Since Launch on January 18, 2016



## Top Ten Holdings (as on 28 February, 2018)

Name	% of Total Assets	Name	% of Total Assets
Pakistan Petroleum Ltd	6.4%	Engro Fertilize Ltd	4.3%
Engro Corporation Ltd	6.4%	Hub Power Company Ltd	4.2%
Oil & Gas Dev Co Ltd	6.1%	Mari Gas Company Ltd	4.0%
Pakistan Oilfields Ltd	5.1%	Attock Cement Pakistan Ltd	3.4%
Nishat Mills Ltd	4.6%	International Steel Ltd	2.6%

## 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,  
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