

# Fund Manager Report of Shariah Compliant Schemes

January 2018



Offering

## NAFA Islamic Capital Preservation Plan-I (NICPP-I)

### Halal Munafa - Mehfooz Sarmaya

(Sharaee Usoolon Kay Ain Mutabiq)

- Managing over Rs. 10,000 Crores of investors' money
- AM1 Rated (Highest rating in Pakistan)
- Investment can be encashed at any time without penalty
- Largest Retail / Branch Network in Pakistan



#### Historical Performance of Funds

Fund	Inception Date	Initial Maturity Date	Annualized Return***	
			Fund Profit	Benchmark
NAFA Islamic Principal Protected Fund-I*	5-Mar-2014	4-Mar-2016	10.9%	6.9%
NAFA Islamic Principal Protected Fund-II*	27-Jun-2014	27-Jun-2016	11.1%	10.0%
NAFA Islamic Principal Preservation Fund**	9-Jan-2015	9-Jan-2017	11.2%	9.9%

#### Shariah Supervisory Board

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

Category: Shariah Compliant Fund of Fund.  
All funds mentioned are based on Constant Proportion Portfolio Insurance (CPPI) methodology.  
Benchmarks: Daily weighted return of KMI-30 index & Islamic Bank deposits based on Fund's actual allocation.  
Since Inception annualized returns of Nafa Islamic Principal Protected Fund-I is 13.4% vs benchmark return of 9.5% (till fund close on Nov 16, 2017) and return of Nafa Islamic Principal Protected Fund-II & Nafa Islamic Principal Preservation Fund are 13.8% and 8.1%, respectively vs benchmark return of 10.7% and 6.8%, respectively (till Dec 29, 2017).  
\*Shariah Compliant Capital Protected Fund CPPI  
\*\*Shariah Compliant - Fund of Funds CPPI Based  
\*\*\*Since inception till initial maturity

#### For Information & Investment

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



Your investments & "NAFA" grow together



Joint - Venture Partners

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: All investments in mutual funds are subject to market risks. The investors are advised in their own interest to carefully read the contents of the Offering Document in particular the Investment Policies mentioned in Clause 2 and Risk Factors mentioned in Clause 2.4 and Warnings in clause 9 before making any investment decision. Past performance is not necessarily indicative of the future results.

Performance Summary of NAFA's Shariah Compliant Funds	Pg. 01
CEO's Write-up	Pg. 02
Capital Market Review	Pg. 03
NAFA Riba Free Savings Fund	Pg. 04
NAFA Islamic Income Fund <i>(Formerly; NAFA Islamic Aggressive Income Fund)</i>	Pg. 05
NAFA Islamic Asset Allocation Fund	Pg. 06
NAFA Islamic Stock Fund	Pg. 07
NAFA Islamic Pension Fund	Pg. 08
NAFA Islamic Principal Protected Fund-II (NIPPF-II)	Pg. 09
NAFA Islamic Principal Preservation Fund (NIPPF)	Pg. 10
NAFA Islamic Active Allocation Plan-I (NIAAP-I)	Pg. 11
NAFA Islamic Active Allocation Plan-II (NIAAP-II)	Pg. 12
NAFA Islamic Active Allocation Plan-III (NIAAP-III)	Pg. 13
NAFA Islamic Active Allocation Plan-IV (NIAAP-IV)	Pg. 14
NAFA Islamic Active Allocation Plan-V (NIAAP-V)	Pg. 15
NAFA Islamic Active Allocation Plan-VI (NIAAP-VI)	Pg. 16
NAFA Islamic Active Allocation Plan-VII (NIAAP-VII)	Pg. 17
NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII)	Pg. 18
NAFA Active Allocation Riba Free Savings Fund	Pg. 19
NAFA Islamic Active Allocation Equity Fund	Pg. 20
NAFA Islamic Energy Fund	Pg. 21

# Table of Contents

## January 2018

NAFA Islamic Mutual Funds - Collective Investment Schemes (CISs)

Risk Profile	Fund Name	Fund Size (Rs. In Crore)	Stability Rating	Inception Date	January 2018	FYTD	Rolling 12 Months	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	Since Inception														
Lowest Risk NRFSF	<b>Islamic Income Funds</b>													<b>Annualized Returns</b>													
	NAFA Riba Free Savings Fund	367	A (f)	20-Aug-10	5.1%	5.0%	5.0%	5.9%	5.5%	7.4%	7.8%	8.7%	7.8%														
	Benchmark				2.5%	2.5%	2.5%	3.1%	4.9%	6.7%	6.7%	7.3%	6.1%														
	NAFA Islamic Income Fund <i>(Formerly; NAFA Islamic Aggressive Income Fund)</i>	451	A- (f)	26-Oct-07	4.9%	4.9%	5.1%	5.4%	7.4%	9.2%	13.6%	6.8%	6.6%														
Moderate Risk NIAAF	<b>Equity Related Islamic Funds</b>													<b>Cumulative Returns</b>													<b>Annualized Return</b>
	NAFA Islamic Asset Allocation Fund	1,321		26-Oct-07	5.3%	(4.8%)	(5.1%)	20.3%	13.1%	33.8%	22.2%	36.3%	15.1%														
	Benchmark				5.6%	(1.4%)	(4.7%)	11.9%	9.2%	12.1%	17.7%	28.9%	10.5%														
	NAFA Islamic Stock Fund	781		09-Jan-15	7.8%	(7.9%)	(8.4%)	32.5%	12.9%	n/a	n/a	n/a	15.0%														
High Risk NISF																											
	Benchmark				8.7%	(5.1%)	(11.0%)	18.8%	15.5%	n/a	n/a	n/a	12.2%														

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

Risk Profile	Fund Name	Fund Size	Inception Date	January 2018	FYTD	Rolling 12 Months	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	Since Inception	
Low Risk	<b>Annualized Returns</b>												
	NIPF - Money Market Sub-fund	30		02-Jul-13	3.7%	3.2%	3.3%	3.8%	3.9%	6.2%	n/a	n/a	5.1%
	NIPF - Debt Sub-fund	38		02-Jul-13	2.8%	2.5%	2.8%	3.9%	3.8%	5.6%	n/a	n/a	5.0%
High Risk	<b>Cumulative Returns</b>												<b>Annualized Return</b>
	NIPF - Equity Sub-fund	96		02-Jul-13	7.9%	(7.3%)	(6.0%)	35.8%	16.9%	51.5%	n/a	n/a	27.4%

**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)

## Best Investment Option to Suit Your Needs

Investment objectives are unique to every investor based on his or her needs such as meeting regular expenses, financing children education & marriage, buying a house, securing retirement, etc. Investing is a science as well as an art that requires expertise and time. Worldwide, mutual funds are popular mode of investment among individual as well as institutional investors. There are several categories of mutual funds that cater to varying investment needs, with added advantages of professional management, diversification, liquidity, ease of withdrawal, and tax benefits. Both conventional and Shariah compliant Mutual funds are available to investors in Pakistan.

An Investor's investment objective is determined by his or her return expectations and risk tolerance. There are a variety of mutual funds with varying risk-return profile. Table-1 summarizes different categories of mutual funds along with their key authorized investment avenues and risk profile. Money market funds being the safest category of mutual funds, are suitable for investors with a short investment horizon. Income Funds aim to provide investors regular income along with relative safety of capital, and are suitable for investors with one year or longer investment horizon. Capital preservation funds aims to provide investors some upside of the stock market while their initial investment amount remains preserved at maturity. Capital Preservation Funds are suitable for investors with two year or longer investment horizon. Balanced funds and asset allocation funds are medium risk category of funds that aim to generate regular income by investing in fixed income avenues, and capital growth by investing in the stock market. Stock funds carry high risk and are suitable for investors who are willing to take that extra risk to earn higher returns, and generally have a medium to long-term investment horizon.

**Table 1. Categories of Mutual Funds**

Fund Category	Risk Profile	Bank Deposits	T-Bills	PIBs*	TFCs**	Equity
Money Market Funds	Very Low	✓	✓			
Income Funds	Low	✓	✓	✓	✓	
Capital Preservation Funds	Low	✓				✓
Balanced Funds	Moderate	✓	✓	✓	✓	✓
Asset Allocation Funds	Moderate	✓	✓	✓	✓	✓
Equity Funds	High	✓	✓			✓

\* Pakistan Investment Bonds      \*\*Term Finance Certificates

**Table 2. Performance of Mutual Funds managed by NAFA as of December 2017**

NAFA's Funds	Inception*	Annualized Return	Annualized Std. Deviation (Risk)
Money Market Funds	May-09	8.7%	0.7%
Income Funds	Apr-06	7.5%	3.0%
Capital Preservation Funds	Mar-14	12.3%	7.9%
Balanced Funds	Jan-07	14.8%	11.7%
Asset Allocation Funds	Oct-07	12.9%	14.8%
Equity Funds	Jan-07	15.8%	24.4%

\* Average performance of each category since their respective inception

Performance of various categories of mutual funds managed by NAFA (see Table 2) holds the well-known convention that the higher the risk, the higher the return. Money market funds being the safest category have delivered annualized return of 8.7% with a minimal risk level. Stock funds have delivered the highest return of 15.8% per annum but with high volatility. Capital preservation funds generated a return of 12.3% per annum with a moderate risk level.

Investors can choose fund(s) that suit their investment needs according to their return expectation and risk appetite. It merits mention that better managed mutual funds have out-performed their respective benchmarks. For instance, our flagship NAFA Stock Fund (NSF) has delivered a total return of 461% versus 314% by the KSE 100 Index since its inception on January 19, 2007 till January 31, 2018. This out-performance of NSF is net of management fee, and all other expenses. So, if someone invested Rs.1 million in NSF 11 years ago, the value of his or her investment has increased to Rs.5.6 million by now.



## Stock Market Review

Positive momentum on the local bourse that started during the latter half of December gathered pace during the better part of the outgoing month as KMI-30 Index hit 76,000 level on Jan 24 2018, peak of the recent rally with staggering monthly gains of 11%. However, the rally lost steam with a mild pull back of 1,613 points (2%) over the last five trading sessions to close the month at 74,610 points. We attribute this sharp recovery to some positive developments on the domestic politics as the Election Commission of Pakistan announced the schedule of Senate election 2018. Similarly, a flop power show by Pakistan Awami Tehreek (PAT) led protest by some opposition parties followed by announcement of PAT chief to call off a protest aimed at bringing down the government proved a sigh of relief for the jittery market participants. During the month, net foreign portfolio inflow to the tune of USD 86 million, also stoked optimism among the local investors. The government decision to let an overvalued Pak Rupee devalue by around 5% during the last month and SBP's recent decision to lift policy rate by 25 bps were seen as steps in the right direction to restore export competitive and discourage non-essential imports. As we see it, this shift in the government policy on the exchange rate ahead of the national election along with increase in the policy rate is a manifestation of urgency on the part of the policymaker to address the mounting risks to the Balance of Payment position. The corporate results have failed to provide impetus to the market rally as majority of the announcements so far have trailed market expectations. Towards the end of month, the Banking sector soured investors' sentiment over concerns of pension liabilities case of some privatized banks being heard in Supreme Court.

During January 2018, Cement, Commercial Banks, Engineering, OMC, Pharmaceuticals, and Textile Composite sectors performed better than the market while, Oil & Gas Exploration, Refinery, and Power Generation & Distribution sectors lagged behind. Despite some correction towards the end of month, the Banking sector out-performed the market on the back of attractive valuations and beginning of interest rate hike cycle. Cement sector staged robust recovery after heavy battering during the last couple of months. Engineering sector exhibited strong performance on the back of enhanced margins on the back of antidumping protection and capacity additions. Upward adjustment in the drug prices improved sentiments of investors in the Pharmaceutical sector. Expectation of improving earnings outlook driven by some PKR depreciation and talks of some further incentives for exporters revived investors' interest in the Textile composite sector. Owing to lower than expected earnings announcement by a select stock and some correction in global oil prices, the Oil & Gas Exploration depicted lagged performance after a strong run over the last couple of month. Amid clouded earnings & dividend outlook the Power sector continued subdued performance. During the month of January, Foreigners remained the major net buyers while net selling was witnessed from Banks/DFI's and Companies.

Looking ahead, we expect that the market will take direction from developments on the domestic politics, foreign portfolio investment activity, and policy measures to address imminent risks to the Balance of payment position. While we may see sporadic volatility spikes in the market amid shifting developments on these fronts, the market is well poised to deliver handsome returns during CY18 given attractive valuations, abundant liquidity, and some thaw in domestic politics with the announcement of schedule of the upcoming national election.

## Money Market Review

Foreseeing upside risks to inflation and to preempt overheating of the economy, the State Bank of Pakistan (SBP) in its recent bi-monthly Monetary Policy review increased the policy rate and discount rate by 25bps to 6.00% and 6.50%, respectively. SBP stated that the favourable impact of a decent growth in export receipts was overshadowed by the continuation of strong growth in imports leading to widening of current account deficit. Resultantly, SBP's liquid foreign exchange reserves witnessed a decline of USD 2.6 billion since end June 2017 to reach USD 13.5 billion as of 19th January 2018. However, SBP expressed optimism that the recent exchange rate adjustment coupled with the tweaked export package, adjustments in regulatory duties on imports, and expected increase in workers' remittances would help ease pressure on the external front. However, increase in international oil prices poses a major risk to the medium term sustainability of Balance of Payments position.

Inflation as measured by CPI for January 2018 clocked in at 4.4% on YoY basis. After remaining range bound, sovereign yields responded to the recent increase in the policy rates. Expecting upside risks to inflation and interest rates, investors' preference remained towards short tenors. In the last T-Bill auction of the month, an amount of Rs. 1,154 billion was accepted at a cut-off yield of 6.21% for 3 month tenor; and once again no bids were received in 6 month and 12 month tenors. In the PIB auction during the month, against the target of Rs. 50 billion, bids worth Rs. 33 billion were received for 3 year and 10 year tenors. However, the auction was rejected.

We have calibrated the portfolio of our money market and income funds based on our capital market expectations 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)

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 10.4864

January 2018

## Performance %

Performance Period	Jan 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%	5.0%	5.9%	5.5%	7.4%	7.8%	8.7%	5.7%	6.6%	7.8%
Benchmark*	2.5%	2.5%	2.5%	3.1%	4.9%	6.7%	6.7%	7.3%	4.0%	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. 3,672 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)	31-Jan-18	30-Dec-17
GOP Ijara Sukuks	2.7%	3.0%
Commercial Paper (Islamic)	3.9%	4.3%
Bank Deposits	92.7%	92.1%
Others including receivables	0.7%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 3,400,115/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0097/0.10%. For details investors are advised to read note 8 of the financial statements of the Scheme for the period ended September 30, 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 January 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 2.7% 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 15 days.

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

## Credit Quality of the Portfolio as of January 31, 2018 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	2.7%
AAA	55.6%
AA+	0.2%
AA	0.3%
AA-	4.0%
A+	3.2%
A-	33.3%
Others including receivables	0.7%
<b>Total</b>	<b>100.0%</b>

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

# NAFA Islamic Income Fund (NIIF)

(Formerly; NAFA Islamic Aggressive Income Fund)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 9.7802

January 2018

## Performance %

Performance Period	Jan 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)	4.9%	4.9%	5.1%	5.4%	7.4%	9.2%	13.6%	6.8%	6.4%	8.6%	6.6%	6.6%
Benchmark**	2.5%	2.5%	2.7%	3.9%	4.8%	6.6%	6.5%	7.0%	4.2%	5.2%	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. 4,514 million
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 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
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.08% p.a. (including 0.26% government levies)
Risk Profile:	Low to Medium
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 March 14, 2017; Previously 1-year average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP

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

## Investment Objective

To 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 4.9% as compared to the Benchmark return of 2.5% thus registering an outperformance of 2.4% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks stood at around 3.5% of the net assets. Around 80% of net assets of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues.

The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio is around 5.7% p.a. and weighted average time to maturity is 3.7 years. The weighted average time to maturity of the Fund is 174 days.

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

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

## Asset Allocation (% of Total Assets) 31-Jan-18 29-Dec-17

	31-Jan-18	29-Dec-17
Sukus	3.5%	3.5%
GOP Ijara Sukus - Govt. Backed	8.8%	8.8%
Certificate of Musharakah (COM)	4.4%	4.4%
Bank Deposits	79.3%	79.0%
Commercial Papers	3.2%	3.2%
Others including receivables	0.8%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Top Sukuk Holdings (as at January 31, 2018)

Name of Sukuk	% of Total Assets
Dubai Islamic Bank - Sukuk 14-JUL-17 14-JUL-27	2.9%
K-Electric AZM Sukuk Limited - 5 Years 19-MAR-14 19-MAR-19	0.6%
<b>Total</b>	<b>3.5%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 5,103,575/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0111/0.12%. For details investors are advised to read note 7 of the financial statements of the Scheme for the period ended September 30, 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.

## 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 January 31, 2018 (% of Total Assets)

Credit Quality	% of Total Assets
GOP Ijarah Sukuk (AAA rated)	8.8%
AAA	23.9%
AA+	4.5%
AA	0.6%
AA-	3.4%
A+	15.3%
A-	42.7%
Others including receivables	0.8%
<b>Total</b>	<b>100.0%</b>

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



## Performance %

Performance Period	Jan 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	5.3%	(4.8%)	(5.1%)	20.3%	13.1%	33.8%	22.2%	36.3%	11.1%	20.1%	15.7%	15.1%
Benchmark**	5.6%	(1.4%)	(4.7%)	11.9%	9.2%	12.1%	17.7%	28.9%	7.8%	12.4%	11.0%	10.5%

\* Annualized Return

All Other returns are Cumulative

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

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. 13,214 million
Fund Size: (Excluding investment by fund of funds)	Rs. 13,161 million
Type:	Open-end-Shariah Compliant -Asset Allocation 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 (%)	3.05% p.a (including 0.36% 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. Taha Khan Javed, CFA
Fund Manager:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Minimum Subscription:	AM1 by PACRA (Very High Quality)
Asset Manager Rating:	

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

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Equities / Stocks	62.1%	57.6%
Cash	37.4%	41.4%
Others including receivables	0.5%	1.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs 53 million.

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

	PER	PBV	DY
NIAAF	11.0	2.3	4.4%
KMI-30	10.7	2.0	4.6%

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

## Top Five Sectors (% of Total Assets) (as on January 31, 2018)

Oil & Gas Exploration Companies	16.9%
Cement	8.7%
Fertilizer	7.7%
Textile Composite	5.6%
Oil & Gas Marketing Companies	5.3%
Others	17.9%

## 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. 0.0745/0.44%. For details investors are advised to read the note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

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

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

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

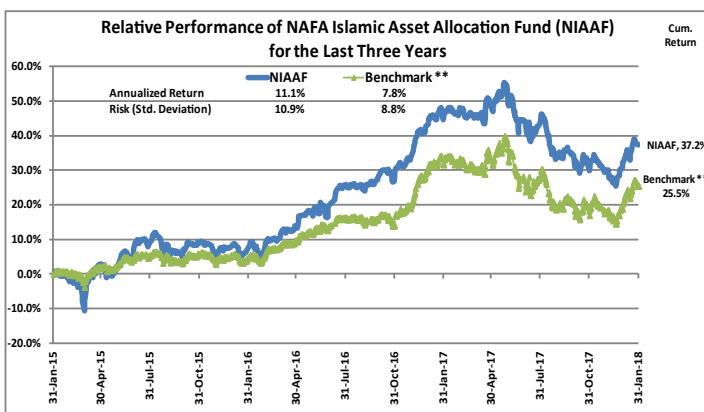
## Investment Objective

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

## Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Asset Allocation Fund increased by 5.3%, whereas the Benchmark increased by 5.6%, thus an underperformance of 0.3% was recorded. Since inception your Fund has posted 15.1% p.a return, versus 10.5% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 4.6% p.a. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 58% in equities, which increased to around 62% towards the end of the month. NIAAF underperformed the Benchmark in January as the Fund was underweight in select Cement, Oil & Gas Marketing Companies, Pharmaceuticals, and Paper & Board sectors stocks which outperformed the market and overweight in select Oil & Gas Exploration Companies and Engineering sectors stocks which underperformed the market. During the month, the allocation was slightly increased in Cement, Oil & Gas Marketing Companies, Textile Composite, and Fertilizer sectors, whereas it was reduced primarily in Automobile Assembler sector.



## Top Ten Holdings (as on January 31, 2018)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Oil & Gas Dev Co Ltd	Equity	4.8%	Mari Petroleum Company Ltd	Equity	3.5%
Pak Petroleum Ltd	Equity	4.5%	Engro Fertilizer Ltd	Equity	3.0%
Engro Corporation Ltd	Equity	4.5%	Hub Power Company Ltd	Equity	2.6%
Pakistan Oilfields Ltd	Equity	4.0%	Lucky Cement Ltd	Equity	2.4%
Nishat Mills Ltd	Equity	3.7%	Pakistan State Oil Co. Ltd	Equity	2.0%

## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets
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>



## Performance

Performance Period	Jan 2018	FYTD 2018	Rolling 12 months	FY 2017	FY 2016	Last 3 Years	Since Launch* January 09, 2015
NAFA Islamic Stock Fund	7.8%	(7.9%)	(8.4%)	32.5%	12.9%	13.3%	15.0%
Benchmark	8.7%	(5.1%)	(11.0%)	18.8%	15.5%	11.4%	12.2%

\* 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. 7,815 million
Fund Size: (Excluding investment by fund of funds)	Rs. 7,791 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)	31-Jan-18	29-Dec-17
Equities / Stocks	87.1%	88.0%
Cash Equivalents	12.8%	10.4%
Others including receivables	0.1%	1.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Note: Amount invested by fund of funds is Rs 23 million.

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

	PER	PBV	DY
NISF	11.0	2.1	4.2%
KMI-30	10.7	2.0	4.6%

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

## Top Five Sectors (% of Total Assets) (as on January 31, 2018)

Oil & Gas Exploration Companies	21.0%
Cement	13.0%
Fertilizer	11.1%
Textile Composite	7.0%
Oil & Gas Marketing Companies	6.2%
Others	28.8%

## 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. 0.0685/0.52% age. For details investors are advised to read the Note 8 of the Financial Statements of the Scheme for the period ended September 30, 2017.

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

## Investment Objective

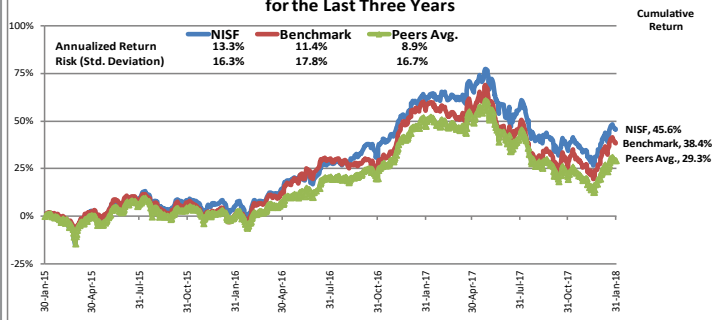
The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities.

## Fund Manager's Commentary

During the month under review, NAFA Islamic Stock Fund's (NISF) unit price (NAV) increased by 7.8%, whereas the Benchmark increased by 8.7%, thus an underperformance of 0.9% was recorded. Since inception on January 9, 2015 your Fund has posted 15.0% p.a return, versus 12.2% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 2.8% p.a. This outperformance is net of management fee and all other expenses.

NISF started off the month with an allocation of around 88% in equities, which decreased to around 87% towards the end of the month. NISF underperformed the Benchmark in January as the Fund was underweight in equities which rose during the month. The Fund was also underweight in select Cement, Oil & Gas Marketing Companies, Pharmaceuticals, and Cable & Electric Good sectors stocks which outperformed the market and overweight in select Miscellaneous, Chemicals, Textile Composite, and Paper & Board sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Pharmaceuticals, Cement, Refinery, and Power Generation & Distribution Companies sectors, whereas it was reduced primarily in Oil & Gas Exploration Companies, Fertilizer, and Automobile Assembler sectors.

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



## Top Ten Holdings (as on January 31, 2018)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	6.3%	Engro Fertilizer Ltd	Equity	4.3%
Pak Petroleum Ltd	Equity	6.3%	D G Khan Cement Co Ltd	Equity	4.0%
Oil & Gas Dev Co Ltd	Equity	6.3%	Hub Power Company Ltd	Equity	3.8%
Nishat Mills Ltd	Equity	4.9%	Mari Petroleum Company Ltd	Equity	3.7%
Pakistan Oilfields Ltd	Equity	4.8%	Lucky Cement Ltd	Equity	3.0%

## 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.) January 31, 2018	Jan 2018	FYTD 2018	Rolling 12 Months	FY 2017	FY 2016	FY 2015	Last 3 Years	Since Launch July 02, 2013
NIPF-Equity Sub-fund	956.8	306.1112	7.9%*	(7.3%)*	(6.0%)*	35.8%*	16.9%*	51.5%*	15.7%	27.4%
NIPF-Debt Sub-fund	383.5	126.1778	2.8%	2.5%	2.8%	3.9%	3.8%	5.6%	3.9%	5.0%
NIPF-Money Market Sub-fund	297.5	126.6376	3.7%	3.2%	3.3%	3.8%	3.9%	6.2%	4.1%	5.1%

\* 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. 1,638 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 2.08% p.a. (including 0.24% government levies)
Total Expense Ratio (%)	Debt 2.04% p.a. (including 0.30% government levies) Money Market 2.08% p.a. (including 0.31% 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 January:

NIPF Equity Sub-fund unit price increased by 7.9% as compared to 8.7% increase in KMI-30 Index. The Sub-fund was around 91% invested in equities with major weights in Oil & Gas Exploration Companies, Fertilizer and Cement sectors. Equity Sub-fund maintains exposure of at least 90% in listed equities on average. Last 90 days average allocation in equity was 91.0% of net asset.

NIPF Debt Sub-fund generated annualized return of 2.8%. 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 3.7%. The Sub-fund was invested primarily in Islamic bank deposits. Money Market Sub-fund average maturity cannot exceed 1 year. Weighted Average Maturity of Sub-fund is 1 day.

## Credit Quality of the Portfolio (as on 31 January, 2018)

	Debt	Money Market
Government Securities (AAA rated)	29.7%	-
AAA	21.3%	27.1%
AA+	25.5%	32.3%
AA	0.6%	0.5%
AA-	2.4%	19.4%
A+	19.4%	19.6%
Others	1.1%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

## Top Five Sectors (% of Total Assets) (as on 31 January, 2018)

Oil & Gas Exploration Companies	21.1%
Fertilizer	13.3%
Cement	12.9%
Textile Composite	7.1%
Automobile Assembler	5.7%
Others	31.1%

## Asset Allocation (% of Total Assets)

Equity Sub-fund	31-Jan-18	29-Dec-17
Equity	91.2%	91.3%
Cash Equivalents	8.2%	7.2%
Others including receivables	0.6%	1.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Debt Sub-fund	31-Jan-18	29-Dec-17
Cash Equivalents	66.9%	53.1%
GOP Ijara Sukuk	29.7%	43.4%
Commercial Papers	2.3%	2.3%
Others	1.1%	1.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Money Market Sub-fund	31-Jan-18	29-Dec-17
Cash Equivalents	98.9%	93.8%
GOP Ijara Sukuk	-	5.2%
Others	1.1%	1.0%
<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 31 January, 2018)

Name	(% of Total Assets)	Name	(% of Total Assets)
Pak Petroleum Ltd	6.4%	Pakistan Oilfields Ltd	4.3%
Engro Corporation Ltd	6.3%	Lucky Cement Ltd	4.1%
Oil & Gas Dev.Co	6.3%	Mari Petroleum Company Ltd	4.0%
Engro Fertilizer Ltd	5.3%	D G Khan Cement Co Ltd	3.9%
Nishat Mills Ltd	5.1%	Hub Power Company Ltd	3.8%

## 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	2.1844	0.67%
Debt Sub-fund	621,865	0.2046	0.17%
Money Market Sub-fund	431,201	0.1836	0.15%

For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

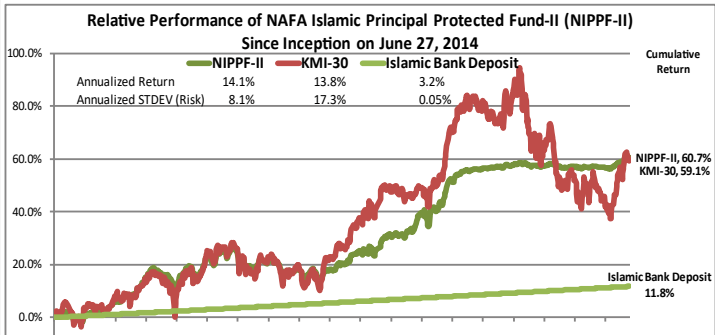
Notes: 1) The calculation of performance does not include cost of front-end load.  
2) Taxes apply. Further, tax credit also available as per section 63 of the Income Tax Ordinance, 2001.

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 103.5638

January 2018

Performance Period	Jan 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)	2.1%	2.0%	3.5%	25.8%	3.3%	21.0%	11.1%	14.1%
Benchmark	1.8%	2.2%	2.8%	16.1%	8.9%	12.2%	10.5%	11.0%

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

General Information		Investment Objective
Launch Date:	June 27, 2014	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.
Fund Size:	Rs. 129 million	
Type:	Open-end Shariah Compliant -Capital Protected Fund	<b>Fund Manager's Commentary</b>
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	Since inception, NIPPF-II has generated a return of 14.1% p.a versus benchmark return of 11.0% p.a. The current equity exposure stands at around 28%. During the month, minimum multiplier was 0.2 while maximum multiplier was 0.6. Key holdings of the Fund belong to Cement, Oil & Gas Exploration Companies, and Fertilizer.
Settlement:	2-3 business days	
Pricing Mechanism:	Forward Pricing	
Load:	Back end: 0%	
Management Fee:	Equity component 2% per annum Others: 12% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)	
Total Expense Ratio (%)	2.03% p.a (including 0.26% government levies)	
Risk Profile:	Low	
Listing:	Pakistan Stock Exchange	
Custodian & Trustee:	Central Depository Company (CDC)	
Auditors:	A. F. Ferguson & Co. Chartered Accountants	
Benchmark:	Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.	
Fund Manager:	Sajjad Anwar, CFA	
Asset Manager Rating:	AM1 by PACRA (Very High Quality)	

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Equities / Stocks	27.6%	9.3%
Cash Equivalents	69.7%	86.9%
Others including receivables	2.7%	3.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Characteristics of Equity Portfolio**			
	PER	PBV	DY
NIPPF-II	11.1	2.0	5.0%
KMI-30	10.7	2.0	4.6%

\*\* Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 31 January, 2018)	
Cement	5.3%
Oil & Gas Exploration Companies	5.2%
Fertilizer	4.5%
Textile Composite	3.7%
Power Generation & Distribution	3.0%
Others	5.9%

**Sindh Workers' Welfare Fund (SWWF)**

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 3,642,139/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 2.9146/2.91%. For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

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

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### Top Ten Holdings (as on 31 January, 2018)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Nishat Mills Ltd	Equity	3.5%	Pakistan State Oil Co. Ltd	Equity	1.6%
Engro Corporation Ltd	Equity	2.5%	Oil & Gas Dev.Co	Equity	1.5%
Hub Power Company Ltd	Equity	2.3%	D G Khan Cement Co Ltd	Equity	1.5%
Engro Fertilizer Ltd	Equity	2.0%	Lucky Cement Ltd	Equity	1.4%
Mari Petroleum Company Ltd	Equity	1.6%	Pak Petroleum 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	Jan 2018	FYTD 2018	Rolling 12 Months	FY 2017	FY 2016	Last 3 Years*	Since Launch January 09, 2015*
NAFA Islamic Principal Preservation Fund (NIPPF)	1.4%	1.7%	3.4%	15.1%	4.0%	7.4%	8.3%
Benchmark**	1.5%	1.6%	2.1%	12.1%	3.6%	6.8%	7.1%

\* 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 9, 2015  
Fund Size: Rs. 269 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 (%) 1.52% 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.

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Islamic Asset Allocation Fund	18.2%	10.9%
Islamic Stock Fund	8.0%	3.0%
Cash	73.0%	84.3%
Others including receivables	0.8%	1.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAF	11.0	2.3	4.4%
NISF	11.0	2.1	4.2%
KMI-30	10.7	2.0	4.6%

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

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Islamic Asset Allocation Fund	18.2%
NAFA Islamic Stock Fund	8.0%
<b>Total</b>	<b>26.2%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 4,038,094/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 1.5625/1.55%. For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

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

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

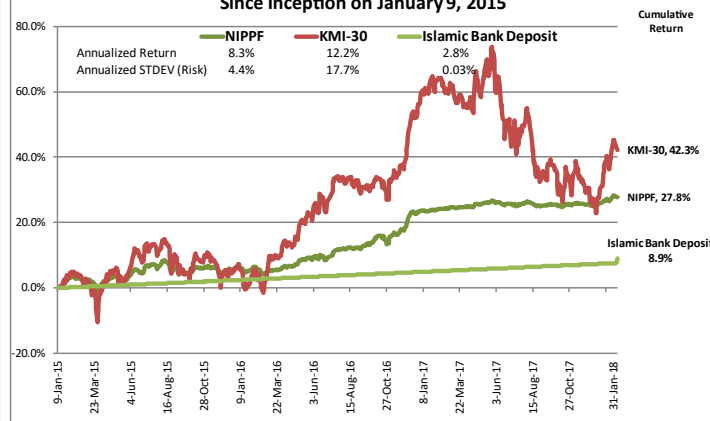
## Investment Objective

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 8.3% p.a versus benchmark return of 7.1% p.a. The current exposure in equity/asset allocation funds stands at 26.2%. During the month, maximum multiplier stood a 1.0 whereas minimum multiplier was 0.5.

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



## Name of the Members of Investment Committee

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

## Performance

Performance Period	Jan 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* January 15, 2016
NAFA Islamic Active Allocation Plan-I	3.0%	(8.9%)	(9.9%)	24.3%	11.7%
Benchmark**	3.7%	(6.1%)	(10.6%)	16.3%	12.3%

\* 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:	January 15, 2016
Fund Size:	Rs. 493 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-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 11.7% p.a versus benchmark return of 12.3% p.a. The current exposure in Equity Fund and Income Fund stands at 66.2% & 30.1%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets)

	31-Jan-18	29-Dec-17
Shariah Compliant Funds	96.3%	90.5%
Cash Equivalents	3.6%	9.3%
Others including receivables	0.1%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAEF	11.0	2.2	4.4%
KMI-30	10.7	2.0	46%

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

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Islamic Active Allocation Equity Fund	66.2%
NAFA Active Allocation Riba Free Savings Fund	30.1%
<b>Total</b>	<b>96.3%</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 1.1862/0.89%. For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

## Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 112.2242

January 2018

## Performance

Performance Period	Jan 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* March 04, 2016
NAFA Islamic Active Allocation Plan-II	3.3%	(8.7%)	(9.8%)	23.6%	10.6%
Benchmark**	3.8%	(6.0%)	(10.5%)	15.9%	10.1%

\* 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:	March 04, 2016
Fund Size:	Rs. 553 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 (%)	0.51% 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-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 10.6% p.a versus benchmark return of 10.1% p.a. The current exposure in Equity Fund and Income Fund stands at 43.3% & 49.4%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Shariah Compliant Funds	92.7%	90.7%
Cash Equivalents	7.2%	9.2%
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	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

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

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Active Allocation Riba Free Savings Fund	49.4%
NAFA Islamic Active Allocation Equity Fund	43.3%
<b>Total</b>	<b>92.7%</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 3,957,147/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.8024/0.65%. For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 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



## Performance

Performance Period	Jan 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* June 28, 2016
NAFA Islamic Active Allocation Plan-III	4.5%	(6.4%)	(7.5%)	20.0%	7.6%
Benchmark**	5.5%	(3.3%)	(7.9%)	13.4%	6.4%

\* Annualized Returns  
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:	June 28, 2016
Fund Size:	Rs. 751 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 7.6% p.a versus benchmark return of 6.4% p.a. The current exposure in Equity Fund and Income Fund stands at 64.6% & 31.6%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Shariah Compliant Funds	96.2%	95.2%
Cash Equivalents	3.7%	4.7%
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	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

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

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Islamic Active Allocation Equity Fund	64.6%
NAFA Active Allocation Riba Free Savings Fund	31.6%
<b>Total</b>	<b>96.2%</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.

## 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 0.557/0.47%. For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

## Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 101.1581

January 2018

## Performance\*

Performance Period	Jan 2018	FYTD 2018	Rolling 12 months	Since Launch* September 30, 2016
NAFA Islamic Active Allocation Plan-IV	4.6%	(6.2%)	(7.4%)	3.9%
Benchmark	5.6%	(3.2%)	(7.9%)	5.3%

\* 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:	September 30, 2016
Fund Size:	Rs. 589 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 3.9% p.a versus the benchmark return of 5.3% p.a. The current exposure in Equity Fund and Income Fund stands at 64.8% & 27.1%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Jan-18 29-Dec-17

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Shariah Compliant Funds	91.9%	90.6%
Cash Equivalents	8.0%	9.2%
Others including receivables	0.1%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 January, 2018)

Top Holdings (%age of total assets)	(as on 31 January, 2018)
NAFA Islamic Active Allocation Equity Fund	64.8%
NAFA Active Allocation Riba Free Savings Fund	27.1%
<b>Total</b>	<b>91.9%</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 0.2988/0.27%. For details investors are advised to read the Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2017.

## Name of the Members of Investment Committee

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



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 93.1737

January 2018

## Performance\*

Performance Period	Jan 2018	FYTD 2018	Rolling 12 Months	Since Launch* January 12, 2017
NAFA Islamic Active Allocation Plan-V	5.2%	(5.6%)	(6.7%)	(6.5%)
Benchmark	6.6%	(2.1%)	(6.3%)	(6.6%)

\* 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. 1,223 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 6.5% p.a versus the benchmark decline of 6.6% p.a. The current exposure in Equity Fund and Income Fund stands at 78.1% & 13.6%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Jan-18 29-Dec-17

Shariah Compliant Funds	91.7%	91.7%
Cash Equivalents	8.2%	8.1%
Others including receivables	0.1%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Islamic Active Allocation Equity Fund	78.1%
NAFA Active Allocation Riba Free Savings Fund	13.6%
<b>Total</b>	<b>91.7%</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.

## Name of the Members of Investment Committee

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



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 90.4422

January 2018

## Performance\*

Performance Period	Jan 2018	FYTD 2018	Rolling 6 Months	Since Launch May 26, 2017
NAFA Islamic Active Allocation Plan-VI	5.1%	(4.2%)	(4.1%)	(9.6%)
Benchmark	6.4%	(1.0%)	(1.8%)	(8.3%)

\* Cumulative Returns

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

## General Information

Launch Date:	May 26, 2017
Fund Size:	Rs. 529 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 9.6% versus the benchmark decline of 8.3%. The current exposure in Equity Fund and Income Fund stands at 77.8% & 15.4%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Jan-18 29-Dec-17

Shariah Compliant Funds	93.2%	92.4%
Cash Equivalents	6.7%	7.4%
Others including receivables	0.1%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Islamic Active Allocation Equity Fund	77.8%
NAFA Active Allocation Riba Free Savings Fund	15.4%
<b>Total</b>	<b>93.2%</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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 97.1130

January 2018

## Performance\*

Performance Period	Jan 2018	FYTD 2018	Rolling 6 Months	Since Launch June 29, 2017
NAFA Islamic Active Allocation Plan-VII	5.2%	(2.9%)	(2.5%)	(2.9%)
Benchmark	6.5%	(0.1%)	(0.4%)	(0.7%)

\* Cumulative Returns

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

## General Information

Launch Date:	June 29, 2017
Fund Size:	Rs. 216 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 (%)	0.61% 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-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 2.9% versus the benchmark decline of 0.7%. The current exposure in Equity Fund and Income Fund stands at 76.6% & 15.2%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Jan-18 29-Dec-17

Shariah Compliant Funds	91.8%	91.4%
Cash Equivalents	8.1%	8.4%
Others including receivables	0.1%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Islamic Active Allocation Equity Fund	76.6%
NAFA Active Allocation Riba Free Savings Fund	15.2%
<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.

## Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2018): Rs. 103.5701

January 2018

## Performance\*

Performance Period	Jan 2018	Since Launch November 03, 2017
NAFA Islamic Active Allocation Plan-VIII	3.7%	3.6%
Benchmark	4.5%	4.3%

\* Cumulative Returns

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

## General Information

Launch Date:	November 3, 2017
Fund Size:	Rs. 700 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 (%)	0.37% p.a (including 0.17% 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 3.6% versus the benchmark increased by 4.3%. The current exposure in Equity Fund and Income Fund stands at 57.0% & 39.7%, 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 political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-Jan-18 29-Dec-17

Shariah Compliant Funds	96.7%	91.0%
Cash Equivalents	3.2%	8.8%
Others including receivables	0.1%	0.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

\*\*Based on NAFA's estimates

## Top Holdings (%age of total assets) (as on 31 January, 2018)

NAFA Islamic Active Allocation Equity Fund	57.0%
NAFA Active Allocation Riba Free Savings Fund	39.7%
<b>Total</b>	<b>96.7%</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 498,025/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.0737/0.07%.

## 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	Jan 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* January 18, 2016
NAFA Active Allocation Riba Free Savings Fund	4.0%	3.9%	4.0%	3.8%	4.0%
Benchmark**	2.5%	2.5%	2.5%	3.1%	3.3%

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

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

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 1,393 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 4.0% 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 89% 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 67 days.

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

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Bank Deposits	88.6%	91.1%
GOP Ijarah Sukuks - Govt. Backed	7.1%	4.3%
Commercial Papers	2.8%	1.7%
Others including receivables	1.5%	2.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs. 1,393 million

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1,652,559/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0122/0.12%. For details investors are advised to read note 6.1 of the financial statements of the Scheme for the period ended September 30, 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 31 January, 2018 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	7.1%
AAA	19.2%
AA-	26.3%
A+	35.4%
A-	10.5%
Others including receivables	1.5%
<b>Total</b>	<b>100.0%</b>

## Performance

Performance Period	Jan 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* January 18, 2016
NAFA Islamic Active Allocation Equity Fund	7.4%	(8.9%)	(10.4%)	30.1%	18.2%
Benchmark	8.7%	(5.1%)	(11.0%)	18.8%	19.1%

\* 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 18, 2016
Fund Size:	Rs. 3,393 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 (%)	3.29% p.a. (including 0.38% government levies)
Selling & Marketing Expenses	0.4% per annum
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Taha Khan Javed, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

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

NIAAEF started off the month with an allocation of around 78% in equities, which increased to around 89% towards the end of the month. NIAAEF underperformed the Benchmark in January as the Fund was underweight in equities which rose during the month. The Fund was also underweight in select Cement, Oil & Gas Marketing Companies, Pharmaceuticals, and Cable & Electric Good sectors stocks which outperformed the market and overweight in select Miscellaneous, Engineering, and Technology & Communication sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Textile Composite, Oil & Gas Marketing Companies, Power Generation & Distribution Companies, and Fertilizer sectors, whereas it was reduced primarily in Automobile Assembler, Oil & Gas Exploration Companies, and Miscellaneous sectors.

## Top Ten Holdings (as on 31 January, 2018)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pak Petroleum Ltd	Equity	6.6%	Engro Fertilizer Ltd	Equity	4.6%
Oil & Gas Dev Co Ltd	Equity	6.4%	Hub Power Company Ltd	Equity	3.9%
Engro Corporation Ltd	Equity	6.3%	D G Khan Cement Co Ltd	Equity	3.8%
Nishat Mills Ltd	Equity	5.1%	Mari Petroleum Company Ltd	Equity	3.5%
Pakistan Oilfields Ltd	Equity	4.9%	Lucky Cement Ltd	Equity	3.1%

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Equities / Stocks	88.5%	78.1%
Cash Equivalents	11.0%	15.2%
Others including receivables	0.5%	6.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Leverage

Nil

Nil

Note: Amount invested by fund of funds is Rs 3,393 million.

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF	11.0	2.2	4.4%
KMI-30	10.7	2.0	4.6%

\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 31 January, 2018)

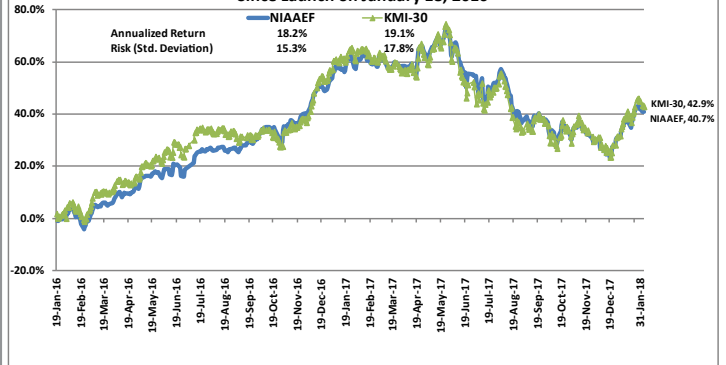
Oil & Gas Exploration Companies	21.4%
Cement	14.0%
Fertilizer	12.0%
Oil & Gas Marketing Companies	7.6%
Textile Composite	6.7%
Others	26.8%

## 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 0.103/0.77%. For details investors are advised to read the Note 8 of the Financial Statements of the Scheme for the period ended September 30, 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.

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



## Name of the Members of Investment Committee

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

## Performance %

Performance Period	Jan 2018	FYTD 2018	Rolling 12 months	FY 2017	Since Launch* April 21, 2016
NAFA Islamic Energy Fund	5.1%	(2.6%)	(4.2%)	32.2%	21.2%
Benchmark	8.7%	(5.1%)	(11.0%)	18.8%	14.1%

\* 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:	April 21, 2016
Fund Size:	Rs. 2,001 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 (%)	3.33% p.a (including 0.38% government levies)
Selling & Marketing Expenses	0.4% per annum
Risk Profile	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Taha Khan Javed, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

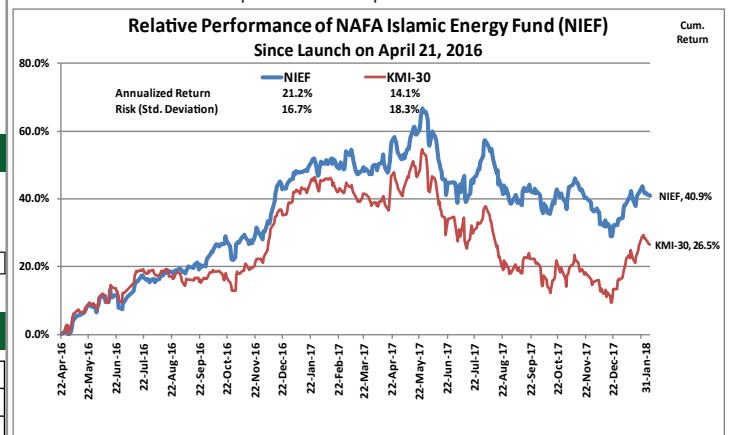
## Investment Objective

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

## Fund Manager's Commentary

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

NIEF started off the month with an allocation of around 86% in equities, which increased to around 88% towards the end of the month. NIEF underperformed the Benchmark in January as the Fund was overweight in select Energy sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Power Generation & Distribution Companies Sector, Oil & Gas Marketing Companies, and Refinery sectors, whereas it was reduced in Oil & Gas Exploration Companies sector.



\*\*effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-Jan-18	29-Dec-17
Equities / Stocks	87.9%	85.5%
Cash Equivalents	11.0%	13.2%
Others including receivables	1.1%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIEF	10.6	3.6	4.4%
KMI-30	10.7	2.0	4.6%

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

## Sectors (% of Total Assets) (as on 31 January, 2018)

Oil & Gas Exploration Companies	43.1%
Oil & Gas Marketing Companies	28.5%
Power Generation & Distribution	13.5%
Refinery	2.8%

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 0.0895/0.67%. For details investors are advised to read the note 9 of the Financial Statements of the Scheme for the period ended September 30, 2017.

## Top Ten Holdings (as on 31 January, 2018)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan Petroleum Ltd	Equity	12.7%	Hub Power Company Ltd	Equity	6.1%
Oil & Gas Dev.Co	Equity	11.9%	Shell Pakistan Ltd	Equity	5.5%
Mari Gas Company Ltd	Equity	9.4%	Pakistan State Oil Co Ltd	Equity	5.3%
Pakistan Oilfields Ltd	Equity	9.1%	Attock Petroleum Ltd	Equity	5.0%
Sui Northern Gas Ltd	Equity	7.0%	K Electric Ltd	Equity	3.0%

## Name of the Members of Investment Committee

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



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

**For Information & Investment:**

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

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