

# Fund Manager Report of Shariah Compliant Schemes July 2018

## NAFA Islamic Capital Preservation Plan-IV



### HALAL MUNAFA - MEHFOOZ SARMAYA

#### Shariah Supervisory Board

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

- Largest Asset Management Company
- Managing investments of over Rs. 11,000 crores
- AM1 rated (Highest rating in Pakistan)
- Largest retail / branch network



### Historical Performance of Similar Funds

#### Annualized Return\*\*\*

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

### For Investment & Information

0800-20002 INVEST to 9995 info@nbpffunds.com

www.nbpffunds.com /nbpffunds

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## July 2018

Islamic Mutual Funds - Collective Investment Schemes (CISs)

Risk Profile	Fund Name	Fund Size (Rs. In Crore)	Stability Rating	Inception Date	July 2018	Rolling 12 Months	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	Since Inception	
													Annualized Returns
Lowest Risk NRFSF	<b>Islamic Income Funds</b>												
	NAFA Riba Free Savings Fund	432	A (f)	20-Aug-10	6.1%	5.4%	5.2%	5.9%	5.5%	7.4%	7.8%	7.6%	
	Benchmark				2.6%	2.5%	2.4%	3.1%	4.9%	6.7%	6.7%	5.9%	
	NAFA Islamic Income Fund	363	A- (f)	26-Oct-07	5.1%	5.2%	5.1%	5.4%	7.4%	9.2%	13.6%	6.5%	
Moderate Risk NIAAF	<b>Equity Related Islamic Funds</b>												
	NAFA Islamic Asset Allocation Fund	1,147		26-Oct-07	(0.04%)	(8.5%)	(8.7%)	20.3%	13.1%	33.8%	22.2%	13.9%	
	Benchmark				0.7%	(3.6%)	(3.6%)	11.9%	9.2%	12.1%	17.7%	9.9%	
	NAFA Islamic Stock Fund	617		09-Jan-15	0.4%	(11.7%)	(12.8%)	32.5%	12.9%	n/a	n/a	11.2%	
High Risk NISF	<b>Cumulative Returns</b>												
	Benchmark				1.8%	(8.6%)	(9.6%)	18.8%	15.5%	n/a	n/a	9.5%	

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

Risk Profile	Fund Name	Fund Size	Inception Date	July 2018	Rolling 12 Months	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	Since Inception	
												Annualized Returns
Low Risk	NIPF - Money Market Sub-fund	44	02-Jul-13	4.5%	3.7%	3.6%	3.8%	3.9%	6.2%	n/a	5.0%	
	NIPF - Debt Sub-fund	37	02-Jul-13	1.1%	2.9%	2.8%	3.9%	3.8%	5.6%	n/a	4.8%	
	<b>Cumulative Returns</b>											
High Risk	NIPF - Equity Sub-fund	115	02-Jul-13	1.8%	(8.2%)	(10.5%)	35.8%	16.9%	51.5%	n/a	24.0%	

**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)

## Performance of Key Investment Avenues

History provides useful insights on future probable outcomes, and serves as a guide for optimal asset allocation for investors. Recognizing this significance, we have examined the past performance of key domestic asset classes for a 17-year period from July 2001 to June 2018. We have included six asset categories for which long-term data is available: Treasury Bills, Bank Deposits, National Savings Schemes (NSS), Pakistan Investment Bonds (PIBs), Capital Protected Strategy (CPS), and Equities. CPS is a synthetic asset class under which portfolio is dynamically managed between the low risk and high risk components with the aim of capital preservation, while also capturing some upside of the stock market. The results of the CPS are based on back-testing and not actual as this strategy was not in practice during this entire period. The headline inflation (CPI) has averaged 8.0% per annum, and Pak Rupee has depreciated against the US Dollar by 3.8% per year, over the last 17 year.

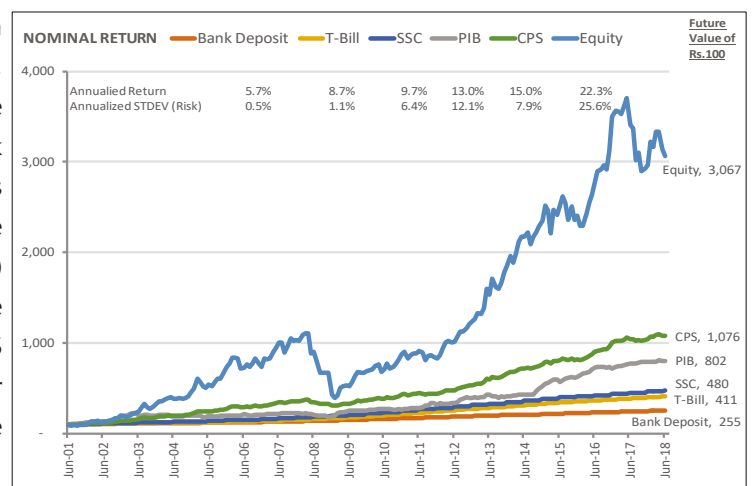
The historical analysis, as given in the Table below, depicts that equities offered the best nominal and real return among all the asset classes. An investment of PKR 100 in equities in July 2001 would be worth PKR 3,067 by the end of June 2018. During the same period, PKR 100 investment in bank deposits or T-bills would have increased to a paltry PKR 255 and PKR 411, respectively.

### Historical Performance of Asset Classes (July 2001 – June 2018)

Asset class	Bank Deposit	T-bill	Special Savings Certificates (SSC)	Pakistan Investment Bonds (PIB)	Capital Protected Strategy (CPS)	Equity
Nominal annualized return	5.7%	8.7%	9.7%	13.0%	15.0%	22.3%
Inflation	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Real return (adjusted for inflation)	-2.1%	0.6%	1.6%	4.7%	6.5%	13.3%
Annualized Standard Deviation (Risk)	0.5%	1.1%	6.4%	12.1%	7.9%	25.6%
Sharpe Ratio*	N/A**	N/A	0.16	0.36	0.80	0.53
Future Value of Rs. 100 at the end of 17 years - Nominal value	255	411	480	802	1,076	3,067
Future Value of Rs. 100 at the end of 17 years - Real value	69	112	130	218	292	833

\*Sharpe Ratio = Excess return per unit of risk = (Expected return – Risk free rate)/(Standard deviation), we have used 6M T-bill as a proxy for risk free rate  
 \*\*\*\*Due to negative excess return, standard Sharpe ratio is meaningless  
 Source: SBP Statistical Bulletin, PSX, NSS website, NBP Funds Research

The outcome of the above analysis supports the basic notion that there is a positive relationship between risk and return, meaning higher the risk, the higher the return. In line with the expectation, equities exhibited the highest volatility, and bank deposits and T-bills have the lowest risk. Our analysis shows that over a long investment horizon, equities delivered the highest return. However, Capital Protected Strategy (CPS) offered the best risk-adjusted return as measured by the Sharpe Ratio during the 17-year period. More specifically, CPS delivered an attractive nominal return of about 15.0% per annum with a relatively low risk level as measured by the standard deviation of 7.9%.



One lesson from this analysis is that investors with long-term goals like educating their children, owning a house or saving for retirement should have some of their assets invested in equities, preferably through equity mutual funds, while investors with low risk appetite, based on short investment horizon, should invest in bank deposit, and money market / income funds.

We can see that the stock market has been volatile, dropping significantly in 2008 and then in 2017-18. We saw very good performance of the stock market subsequent to the 2008 crash, and now we expect good stock market performance in the coming years as the new government takes steps to revive the economy, and restore investors confidence.

## Stock Market Review

After two consecutive months of negative return, the KMI-30 index commenced FY2019 on a positive note, surging by 1.8% on a MoM basis. Though the investors were tempest-tossed at the start of the month, as the market slipped by 7.0% during the first 6 trading sessions of the month as in a historic judgment by the Accountability Court, the Ex-PM, Nawaz Sharif, was adjudicated guilty for his inability to provide money trail and was sentenced for ten years in jail, which dented investors' confidence. Monetary Policy Committee which preponed the meeting, ahead of general elections, surprisingly raised interest rates by 100 bps, exceeding market expectations, which also weighed on the index. As the historic general elections drew near, positivity burst forth as various polls and surveys depicted Pakistan Tehreek-e-Insaf (PTI) ahead of other parties. Chances of a hung parliament, which meant policy paralysis, melted off as PTI bagged enough seats at the center to form a coalition government with some political maneuvering (forming alliance with independents and small political factions) which was celebrated by the market. As a consequence, the KMI-30 index after bottoming out earlier in month to 65,975 points surged by 9.6% to close the month at 72,341 level (up by 1.8% MoM). During the month, Individuals, Insurance and Companies remained largest net buyers with net equity inflows of USD 65.4 million, USD 31.9 million and USD 17.7 million, respectively. While majority of the selling was from Foreign Investors, Mutual Funds and Banks/DFIs with net selling of USD 63.7 million, USD 42.3 million, USD 9.2 million, respectively.

During the month, Commercial Banks, Cements, Engineering, Fertilizer, Technology & Communication, and Transport sectors out performed the market while, Automobile Assemblers, Automobile Part & Accessories, Oil & Gas Exploration, Oil & Gas Marketing, and Textile and Pharmaceutical sectors lagged behind. Despite likely earnings attrition in CY18, outperformance of the Banking sector stemmed from the surprise 100 bps interest rate hike by the MPC and further tightening expected going ahead. Cement sector, which has seen severe battering in the previous months, fared better during the period, as rise in cement prices was taken favorably by the market, though likely demand slowdown will make price arrangement difficult to adhere to. Receding input prices in the international market coupled with series of price hikes in the wake of PKR depreciation, and attractive valuations led to outperformance in the Engineering sector. In the risk-off scenario, Fertilizer sector out-performed the market amid visibility of earnings outlook and reasonable valuations. Depreciating Pak rupee and policy incentives for exports brightened the outlook of Technology & Communication sector due to sizable export earnings. Auto Assemblers and Parts & Accessories sectors underperformed the market as further PKR devaluation in July spooked investors, raising doubts over the margin sustainability and earnings outlook. Similar concerns over rising input costs owing to weakened PKR against USD led to underperformance of pharmaceutical sector. Easing international crude oil prices amid record high production from USA, KSA, and Russia weighed on the oil prices which together with sector switching led to E&P sector performance lagging behind the market.

Looking ahead, though political uncertainty has subsided; focus will shift to rudderless economy which is in need of hard reforms to achieve macro-economic stability. Twin deficits and mainly the current account deficit remains a thorny conundrum. We reckon that the new economic managers of the country will be hard pressed to continue the tough policy measures, that include further monetary and fiscal tightening, loose exchange rate policy and tariff rationalization to control aggregate demand. Further to this, a new IMF program to support the debilitating reserves also remains ineludible; which would require phasing out of subsidies, implementation of privatization program and new taxation measures. From valuations perspective, the market is fairly valued as reflected by forward Price-to-Earnings (P/E) multiple of 8.9, offering a dividend yield of around 5%.

## Money Market Review

The State Bank of Pakistan (SBP) in its bi-monthly Monetary Policy Statement increased the policy rate by 100 basis points to 7.50%, in order to curb aggregate demand and ensure near-term stability. After recording 5.2% YoY in June 2018, inflation as measured by the CPI for July 2018 rose to 5.8%. This is due to higher fiscal deficit, food inflation, higher international oil prices and lagged impact of rupee depreciation.

During the outgoing month, SBP held two T-Bill auctions with a combined target of Rs. 3,000 billion against the maturity of Rs. 3,374 billion. In the first T-Bill auction, an amount of Rs. 352 billion was accepted at a cut-off yield of 6.76% for 03 months tenor; while no bids were received in 06 months and 12 months tenor. In the second T-Bill auction, an amount of Rs. 3,181 billion was accepted at a cut-off yield of 7.75% for 03 months and 7.85% for 06 months tenor. However, no bids were received for 12 months tenor. Besides, in the PIB auction, bids worth Rs. 7.15 billion were received for 03 years and 05 years tenor while no bids were received for 10 years and 20 years tenor. The target was Rs. 50 billion against the maturity of Rs. 510 billion; however, the auction was rejected. We have calibrated the portfolio of our money market and income funds based on our interest rate outlook and remain alert to any developments that may influence our investment strategy.

## Our Contacts

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

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

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 months	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	Last 3 years*	Last 5 years*	Since Launch August 20, 2010*
NAFA Riba Free Savings Fund	6.1%	5.5%	5.4%	5.2%	5.9%	5.5%	7.4%	7.8%	5.5%	6.3%	7.6%
Benchmark**	2.6%	2.4%	2.5%	2.4%	3.1%	4.9%	6.7%	6.7%	3.4%	4.7%	5.9%

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

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

## General Information

Launch Date:	August 20, 2010
Fund Size:	Rs. 4,321 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:	1.27% p.a. (including 0.31% 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-July-18	30-June-18
GOP Ijarah Sukuks	2.3%	2.2%
Commercial Paper (Islamic)	8.0%	-
Bank Deposits	88.6%	97.3%
Others including receivables	1.1%	0.5%
<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. 5,528,786/ If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0131/ 0.13% For details investors are advised to read note 5 of the financial statements of the Scheme for the period ended March 31, 2018.

## Name of the Members of Investment Committee

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

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

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

## Investment Objective

To provide preservation of capital and earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shariah Compliant banks and money market / debt securities.

## Fund Manager Commentary

The Fund generated an annualized return of 6.1% for the month of July 2018 versus the Benchmark return of 2.6%, thus registering an outperformance of 3.5% 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 2.3% of net assets. Around 90% 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 16 days.

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

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

GOP Ijarah Sukuk (AAA rated)	2.3%
AAA	38.4%
AA+	0.2%
AA	0.2%
AA-	8.1%
A+	0.1%
A-	49.6%
Others including receivables	1.1%
<b>Total</b>	<b>100.0%</b>

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 months	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	Last 3 years*	Last 5 years*	Last 10 years*	Since Launch October 26, 2007*
NAFA Islamic Income Fund	5.1%	5.2%	5.2%	5.1%	5.4%	7.4%	9.2%	13.6%	5.9%	8.2%	6.4%	6.5%
Benchmark**	2.6%	2.4%	2.5%	2.4%	3.9%	4.8%	6.6%	6.5%	3.6%	4.8%	5.9%	5.8%

\* 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. 3,627 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:	1.24% p.a. (including 0.28% government levies)
Risk Profile:	Low to Medium
Fund Stability Rating:	"A-(i)" 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 5.1% as compared to the Benchmark return of 2.6%, thus registering an outperformance of 2.5% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks stood at around 11.9% of the net assets. Around 68.2% of net assets of the portfolio were allocated in bank deposits. The higher allocation in bank deposits was 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 7.9% p.a. and weighted average time to maturity is 2.8 years. The weighted average time to maturity of the Fund is 0.7 year.

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

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

	31-July-18	29-June-18
Sukuks	11.7%	6.9%
GOP Ijarah Sukuks - Govt. Backed	10.6%	10.4%
Bank Deposits	67.0%	81.4%
Commercial Papers (Islamic)	9.8%	-
Others including receivables	0.9%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

Name of Sukuk	% of Total Assets
Dubai Islamic Bank - Sukuk 14-JUL-17 14-JUL-27	3.7%
Pak Elektron Limited - Sukuk 19-FEB-18 19-MAY-19	2.8%
SHAKARGANJ FOODS 10-JUL-18 10-JUL-24	2.7%
ENGRO Fertilizer Limited 09-JUL-14 09-JUL-19	1.8%
K-Electric AZM Sukuk Limited - 5 Years 19-MAR-14 19-MAR-19	0.7%
<b>Total</b>	<b>11.7%</b>

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 7,229,490/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.019/0.21%. For details investors are advised to read note 5 of the financial statements of the Scheme for the period ended March 31, 2018.

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

Credit Quality	% of Total Assets
GOP Ijarah Sukuk (AAA rated)	10.6%
AAA	17.2%
AA+	0.1%
AA	0.7%
AA-	14.6%
A+	3.8%
A	2.7%
A-	49.4%
Others including receivables	0.9%
<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.

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2018): Rs. 10.0486

July 2018

## Performance %\*

Performance Period	July 2018	Since Launch February 28, 2018
NAFA Islamic Money Market Fund	5.7%	4.8%
Benchmark	2.6%	2.6%

\*Simple Annualized Return

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

## General Information

Launch Date:	February 28, 2018
Fund Size:	Rs. 1,539 million
Fund Size (excluding investment by Fund of Funds)	Rs. 32 million
Type:	Open-end – Shariah Compliant Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front End Load:0.5%
Back End Load:	NIL
Management Fee:	1.00% p.a.
Total Expense Ratio:	1.74% p.a (including 0.34% government levies)
Risk Profile:	Very Low
Fund Stability Rating:	"AA (f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	Three months average deposit rates of three (3) AA rated Islamic Banks or 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)

## Investment Objective

To provide competitive return with maximum possible capital preservation by investing in low risk and liquid Shariah Compliant authorized instruments.

## Fund Manager Commentary

The Fund generated an annualized return of 5.7% for the month of July 2018 versus the Benchmark return of 2.6% thus registering an outperformance of 3.1% 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. Minimum eligible rating is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days that provides easy liquidity along with a high quality credit profile.

Around 99% of net assets of the Fund are invested in bank deposits which enhances the liquidity profile of the Fund. The weighted average time to maturity of the Fund is 01 day.

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

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

AAA	98.3%
AA	0.2%
A-	0.1%
Others including receivables	1.4%
<b>Total</b>	<b>100.0%</b>

## Asset Allocation (% of Total Assets) 31-July-18 30-June-18

Bank Deposits	98.6%	98.7%
Others including receivables	1.4%	1.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs. 1,507 million

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 654,400/-. If the same were not made the NAV per unit/since inception return of scheme would be higher by Rs. 0.0043/0.10%. For details investors are advised to read note 9.1 of the financial statements of the Scheme for the period ended March 31, 2018.

## Name of the Members of Investment Committee

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

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

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## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	Last 3 Years*	Last 5 Years*	Last 10 Years*	Since Launch October 26, 2007*
NAFA Islamic Asset Allocation Fund	(0.04%)	1.0%	(8.5%)	(8.7%)	20.3%	13.1%	33.8%	22.2%	6.4%	13.6%	16.2%	13.9%
Benchmark**	0.7%	4.0%	(3.6%)	(3.6%)	11.9%	9.2%	12.1%	17.7%	5.5%	8.2%	12.2%	9.9%

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

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. 11,473 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 (%)	3.14% p.a (including 0.37% government levies)
Selling & Marketing Expenses	0.4% per annum
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation.
Fund Manager:	Taha Khan Javed, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

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

Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Equities / Stocks	36.7%	44.4%
Cash	62.9%	55.1%
Others including receivables	0.4%	0.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is nil.

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

	PER	PBV	DY
NIAAF	9.4	2.0	4.8%
KMI-30	9.5	1.9	4.9%

\*\*\*\* Based on NBP Funds estimates

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

Oil & Gas Exploration Companies	11.7%
Fertilizer	6.8%
Cement	3.8%
Oil & Gas Marketing Companies	3.1%
Power Generation & Distribution	2.6%
Others	8.7%

## Name of the Members of Investment Committee

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

## Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against worker's welfare Fund's liability to the tune of Rs. 60,862,298/- if the same were not made the NAV Per unit/return of the Scheme would be higher by Rs. 0.0823/0.49%. For details investors are advised to read the note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

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

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

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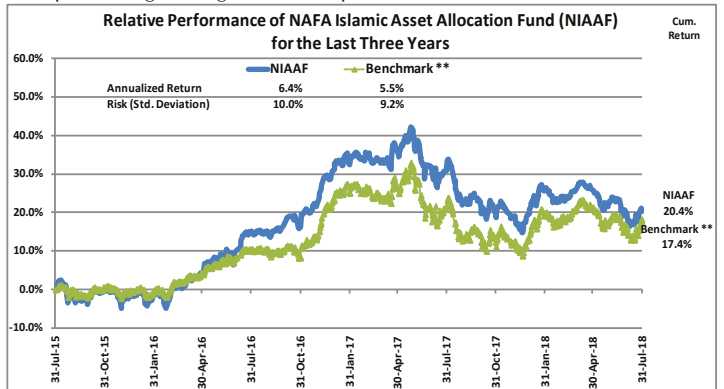
## Investment Objective

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 (NIAAF) decreased by 0.04%, whereas the Benchmark increased by 0.74%, thus an underperformance of 0.78% was recorded. Since inception your Fund has posted 13.9% p.a return, versus 9.9% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 4.0% p.a. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 44% in equities, which decreased to around 37% towards the end of the month. NIAAF underperformed the Benchmark in July as the Fund was underweight in select Fertilizer and Cement sectors stocks which outperformed the market and overweight in select Glass & Ceramics, Oil & Gas Exploration Companies, and Textile Composite sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Commercial Bank and Fertilizer sectors, whereas it was reduced primarily in Power Generation & Distribution Companies, Oil & Gas Exploration Companies, Cement, Oil & Gas Marketing Companies, Engineering, Textile Composite, and Automobile Assembler sectors.



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

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	3.7%	Mari Petroleum Company Ltd	Equity	2.8%
Engro Fertilizer Ltd	Equity	3.1%	Hub Power Company Ltd	Equity	2.1%
Pakistan Oilfields Ltd	Equity	3.0%	Meezan Bank Ltd	Equity	1.9%
Pak Petroleum Ltd	Equity	3.0%	Nishat Mills Ltd	Equity	1.3%
Oil & Gas Dev Co Ltd	Equity	2.9%	Pakistan State Oil Ltd	Equity	1.0%

## 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	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	FY 2016	Last 3 Years*	Since Launch* January 09, 2015
NAFA Islamic Stock Fund	0.4%	2.5%	(11.7%)	(12.8%)	32.5%	12.9%	8.1%	11.2%
Benchmark	1.8%	5.4%	(8.6%)	(9.6%)	18.8%	15.5%	7.3%	9.5%

\* Annualized Return  
 All Other returns are Cumulative

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

## General Information

Launch Date:	January 9, 2015
Fund Size:	Rs. 6,170 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 (%):	3.31% 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:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Subscription:	
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

\*\* effective from January 02, 2017

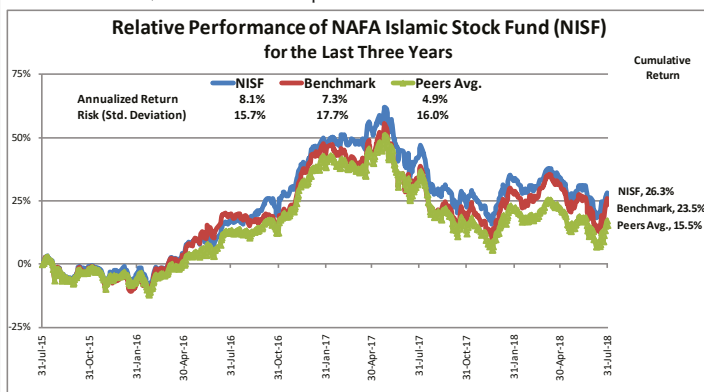
## Investment Objective

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 0.4%, whereas the Benchmark increased by 1.8%, thus an underperformance of 1.4% was recorded. Since inception on January 9, 2015 your Fund has posted 11.2% p.a return, versus 9.5% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 1.7% p.a. This outperformance is net of management fee and all other expenses.

NISF started off the month with an allocation of around 84% in equities, which decreased to around 77% towards the end of the month. NISF underperformed the Benchmark in July as the Fund was underweight in select Cement, Cable & Electric Good, and Fertilizer sectors stocks which outperformed the market and overweight in select Miscellaneous, Oil & Gas Marketing Companies, Automobile Parts & Accessories, and Glass & Ceramics sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Cement, Chemical, and Commercial Banks sectors, whereas it was reduced primarily in Glass & Ceramics, Power Generation & Distribution Companies, Oil & Gas Marketing Companies, Pharmaceutical, and Textile Composite sectors.



Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Equities / Stocks	77.1%	83.9%
Cash Equivalents	22.5%	15.5%
Others including receivables	0.4%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NISF	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\*\* Based on NBP Funds estimates

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

Oil & Gas Exploration Companies	24.1%
Fertilizer	13.1%
Cement	8.2%
Power Generation & Distribution	4.7%
Oil & Gas Marketing Companies	4.1%
Others	22.9%

## 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. 0.0824/0.64% age. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2018.

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

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

Name	% of Total Assets	Name	% of Total Assets
Pak Petroleum Ltd	8.0%	Mari Petroleum Company Ltd	4.2%
Oil & Gas Dev Co Ltd	7.0%	Hub Power Company Ltd	3.9%
Engro Corporation Ltd	6.7%	Meezan Bank Ltd	3.4%
Engro Fertilizer Ltd	6.2%	International Steel Ltd	2.5%
Pakistan Oilfields Ltd	4.9%	Nishat Mills Ltd	2.3%

## Name of the Members of Investment Committee

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

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	Since Launch* April 21, 2016
NAFA Islamic Energy Fund	(1.6%)	2.8%	(9.8%)	(3.2%)	32.2%	15.1%
Benchmark	1.8%	5.4%	(8.6%)	(9.6%)	18.8%	9.4%

\* 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. 1,569 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 (%)	3.27% 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)

\*\*effective from January 02, 2017

Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Equities / Stocks	79.9%	85.1%
Cash Equivalents	19.2%	14.0%
Others including receivables	0.9%	0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIEF	9.2	2.4	4.1%
KMI-30	9.5	1.9	4.9%

\*\*\* Based on NBP Funds estimates

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

Oil & Gas Exploration Companies	42.5%
Oil & Gas Marketing Companies	28.9%
Power Generation & Distribution	8.5%

## Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against sindh worker's welfare Fund's liability to the tune of Rs. 14,050,569/- if the same were not made the NAV Per unit/return of the Scheme would be higher by Rs 0.1116/0.81%. For details investors are advised to read the note 6 of the Financial Statements of the Scheme for the period ended March 31, 2018.

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

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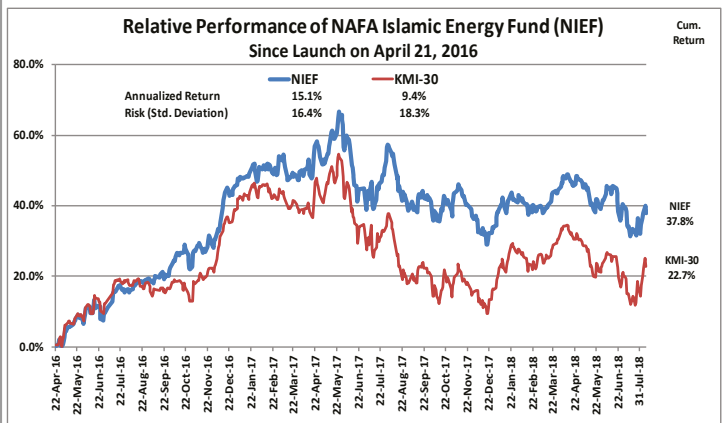
## Investment Objective

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

## Fund Manager's Commentary

NBP Funds 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 85% in equities, which decreased to around 80% towards the end of the month. NIEF underperformed the Benchmark in July 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, whereas it was reduced primarily in Oil & Gas Marketing Companies and Oil & Gas Exploration Companies sectors.



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

Name	% of Total Assets	Name	% of Total Assets
Oil & Gas Dev Co Ltd	11.8%	Hascol Petroleum Ltd	5.4%
Pak Petroleum Ltd	11.8%	Hub Power Company Ltd	5.2%
Mari Petroleum Company Ltd	10.7%	Attock Petroleum Ltd	4.4%
Pakistan Oilfields Ltd	8.3%	Pakistan State Oil Co Ltd	4.0%
Sui Northern Gas Ltd	6.2%	Sui Southern Gas Co. Ltd	3.4%

## 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.) July 31, 2018	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	FY 2016	FY 2015	Last 3 Years	Last 5 Years	Since Launch July 02, 2013
NIPF-Equity Sub-fund	1,152.0	300.5112	1.8%*	5.9%*	(8.2%)*	(10.5%)*	35.8%*	16.9%*	51.5%*	11.5%	21.8%	24.0%
NIPF-Debt Sub-fund	372.5	127.9245	1.1%	2.8%	2.9%	2.8%	3.9%	3.8%	5.6%	3.4%	4.7%	4.8%
NIPF-Money Market Sub-fund	443.7	129.1838	4.5%	4.0%	3.7%	3.6%	3.8%	3.9%	6.2%	3.8%	4.9%	5.0%

\* Cumulative Returns

All Other returns are annualized

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

## General Information

Launch Date:	July 2, 2013
Fund size:	Rs. 1,968 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 2.47% p.a. (including 0.69% government levies)
Total Expense Ratio (%)	Debt 2.02% p.a. (including 0.27% government levies) Money Market 2.06% p.a. (including 0.34% 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 July:

NIPF Equity Sub-fund unit price increased by 1.8% inline with the 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 atleast 90% in listed equities on average. Last 90 days average allocation in equity was 91% of net asset.

NIPF Debt Sub-fund generated annualized return of 1.1%. 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 0.4 year.

NIPF Money Market Sub-fund generated annualized return of 4.5%. 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.

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

Oil & Gas Exploration Companies	25.7%
Fertilizer	15.0%
Cement	8.4%
Oil & Gas Marketing Companies	6.9%
Power Generation & Distribution	5.6%
Others	29.1%

## Top Ten Holdings of Equity Sub-fund (as on 31 July, 2018)

Name	(% of Total Assets)	Name	(% of Total Assets)
Pak Petroleum Ltd	8.2%	Hub Power Company Ltd	4.8%
Engro Corporation Ltd	7.6%	Mari Petroleum Company Ltd	4.4%
Oil & Gas Dev Co Ltd	7.4%	Nishat Mills Ltd	4.4%
Engro Fertilizer Ltd	7.2%	Meezan Bank Ltd	3.8%
Pakistan Oilfields Ltd	5.8%	Pakistan State Oil Co. Ltd	3.0%

## Top Sukuk Holdings of Debt Sub-fund (As on 31 July, 2018)

Name	(% of Total Assets)
Engro Fertilizer Ltd	2.3%
Total	2.3%

## 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	7,242,603	1.8893	0.58%
Debt Sub-fund	726,868	0.2496	0.20%
Money Market Sub-fund	575,016	0.1674	0.13%

For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

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

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

	Debt	Money Market
Government Securities (AAA rated)	29.9%	-
AAA	18.6%	24.9%
AA+	6.0%	18.2%
AA	5.6%	4.4%
AA-	24.3%	35.4%
A+	14.9%	16.4%
Others	0.7%	0.7%
Total	100.0%	100.0%

## Asset Allocation (% of Total Assets)

Equity Sub-fund	31-July-18	29-June-18
Equity	90.7%	88.4%
Cash Equivalents	8.8%	11.1%
Others including receivables	0.5%	0.5%
Total	100.0%	100.0%
Debt Sub-fund	31-July-18	29-June-18
Cash Equivalents	64.8%	69.7%
GOP Ijara Sukuk	29.9%	29.1%
Sukuk	2.3%	-
Commercial Papers (Islamic)	2.3%	-
Others	0.7%	1.2%
Total	100.0%	100.0%
Money Market Sub-fund	31-July-18	29-June-18
Cash Equivalents	99.3%	99.1%
Others	0.7%	0.9%
Total	100.0%	100.0%

## 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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2018): Rs. 101.8654

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	FY 2016	FY 2015	Last 3 Years*	Since Launch June 27, 2014*
NAFA Islamic Principal Protected Fund-II	0.3%	1.2%	0.9%	0.8%	25.8%	3.3%	21.0%	8.6%	12.0%
Benchmark	0.3%	1.4%	1.6%	1.6%	16.1%	8.9%	12.2%	8.2%	9.5%

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

## General Information

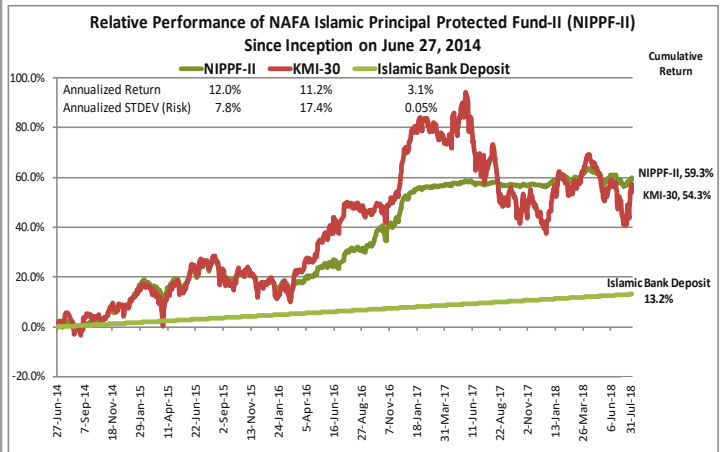
Launch Date:	June 27, 2014
Fund Size:	Rs. 125 million
Type:	Open-end Shariah Compliant -Capital Protected Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon-Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Back end: 0%
Management Fee:	Equity component 2% per annum Others: 12% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Risk Profile:	Low
Total Expense Ratio (%)	2.40% p.a (including 0.22% government levies)
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

Since inception, NIPPF-II has generated a return of 12.0% p.a versus Benchmark return of 9.5% p.a. The current equity exposure stands at around 17%. During the month, maximum multiplier stood at 0.5 whereas minimum multiplier was 0.4. Key holdings of the Fund belong to Oil & Gas Exploration Companies, Fertilizer and Power Generation & Distribution sectors.



## Asset Allocation (% of Total Assets)

	31-July-18	29-June-18
Equities / Stocks	17.2%	21.5%
Cash Equivalents	79.9%	75.6%
Others including receivables	2.9%	2.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Hub Power Company Ltd	Equity	1.8%	Pak Petroleum Ltd	Equity	1.1%
Engro Corporation Ltd	Equity	1.8%	Meezan Bank Ltd	Equity	1.0%
Engro Fertilizer Ltd	Equity	1.5%	Pakistan Oilfields Ltd	Equity	0.7%
Oil & Gas Dev Co Ltd	Equity	1.4%	Hascol Petroleum Ltd	Equity	0.7%
Mari Petroleum Company Ltd	Equity	1.2%	Pakistan State Oil Co. Ltd	Equity	0.7%

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIPPF-II	9.9	2.2	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

Oil & Gas Exploration Companies	4.5%
Fertilizer	3.2%
Power Generation & Distribution	2.0%
Oil & Gas Marketing Companies	1.7%
Cement	1.2%
Others	4.6%

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 3,619,621/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 2.939/2.91%. For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2018.

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. Capital protection only applies to unit holders who hold their investments until initial maturity of two years.

## 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 (31/07/2018): Rs. 115.9599

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	Since Launch* January 15, 2016
NAFA Islamic Active Allocation Plan-I	(0.6%)	(1.0%)	(11.9%)	(12.0%)	24.3%	7.6%
Benchmark**	(0.1%)	1.0%	(9.2%)	(8.5%)	16.3%	8.6%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	January 15, 2016
Fund Size:	Rs. 366 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 funds, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%):	0.61% p.a (including 0.11% government levies)
Risk Profile:	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

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

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

	31-July-18	29-June-18
Shariah Compliant Funds	93.7%	92.5%
Cash Equivalents	6.3%	7.4%
Others including receivables	-	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAEF	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\*\* Based on NBP Funds estimates

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

NAFA Active Allocation Riba Free Savings Fund	63.5%
NAFA Islamic Active Allocation Equity Fund	30.2%
<b>Total</b>	<b>93.7%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 4,843,029/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 1.5351/1.17%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

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## 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

NBP Funds 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 NBP Funds 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 7.6% p.a versus benchmark return of 8.6% p.a. The current exposure in Income Fund and Equity Fund stands at 63.5% & 30.2%, 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.

## 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	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	Since Launch* March 04, 2016
NAFA Islamic Active Allocation Plan-II	(0.5%)	0.1%	(10.8%)	(11.1%)	23.6%	6.9%
Benchmark**	0.1%	1.6%	(8.4%)	(8.1%)	15.9%	7.0%

\* 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

Launch Date:	March 04, 2016
Fund Size:	Rs. 392 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 funds, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%):	0.60% p.a (including 0.17% 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

NBP Funds 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 NBP Funds 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 6.9% p.a versus benchmark return of 7.0% p.a. The current exposure in Income Fund and Equity Fund stands at 65.2% & 30.6%, 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-July-18 29-June-18

	31-July-18	29-June-18
Shariah Compliant Funds	95.8%	94.0%
Cash Equivalents	4.1%	5.9%
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	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\*\* Based on NBP Funds estimates

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

NAFA Active Allocation Riba Free Savings Fund	65.2%
NAFA Islamic Active Allocation Equity Fund	30.6%
<b>Total</b>	<b>95.8%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 3,974,742/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 1.1035/0.90%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

## 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 (31/07/2018): Rs. 106.9218

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	Since Launch* June 28, 2016
NAFA Islamic Active Allocation Plan-III	0.4%	2.1%	(8.0%)	(8.9%)	20.0%	4.6%
Benchmark**	0.5%	4.2%	(5.2%)	(5.0%)	13.4%	4.2%

\* 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. 647 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 funds, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%):	0.50% p.a (including 0.20% government levies)
Risk Profile:	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

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

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

	31-July-18	29-June-18
Shariah Compliant Funds	91.5%	93.3%
Cash Equivalents	8.4%	6.7%
Others including receivables	0.1%	-
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAEF	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\*\* Based on NBP Funds estimates

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

NAFA Active Allocation Riba Free Savings Fund	78.6%
NAFA Islamic Active Allocation Equity Fund	12.9%
<b>Total</b>	<b>91.5%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 3,863,766/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.6383/0.55%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

## 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

NBP Funds 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 NBP Funds 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 4.6% p.a versus benchmark return of 4.2% p.a. The current exposure in Income Fund and Equity Fund stands at 78.6% & 12.9%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Name of the Members of Investment Committee

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



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2018): Rs. 96.8076

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	Since Launch* September 30, 2016
NAFA Islamic Active Allocation Plan-IV	(0.8%)	0.1%	(9.6%)	(9.6%)	0.4%
Benchmark	(0.8%)	1.8%	(7.3%)	(5.9%)	1.8%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	September 30, 2016
Fund Size:	Rs. 526 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 funds, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%):	0.62% p.a (including 0.14% 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

NBP Funds 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 NBP Funds 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 0.4% p.a versus the benchmark return of 1.8% p.a. The current exposure in Income Fund and Equity Fund stands at 82.5% & 10.0%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

	31-July-18	29-June-18
Shariah Compliant Funds	92.5%	91.6%
Cash Equivalents	7.4%	8.3%
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**	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

NAFA Active Allocation Riba Free Savings Fund	82.5%
NAFA Islamic Active Allocation Equity Fund	10.0%
<b>Total</b>	<b>92.5%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 1,748,239/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.3218/0.30%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

## Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2018): Rs. 89.1084

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	Since Launch* January 12, 2017
NAFA Islamic Active Allocation Plan-V	(0.6%)	0.6%	(9.2%)	(9.1%)	(7.2%)
Benchmark	(0.1%)	3.4%	(5.7%)	(4.9%)	(6.4%)

\* Annualized Return

All Other returns are Cumulative

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

## General Information

Launch Date:	January 12, 2017
Fund Size:	Rs. 846 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 funds, 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)

## 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

NBP Funds 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 NBP Funds based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-V has an initial maturity of two years.

Since inception unit price of NIAAP-V has decreased by 7.2% p.a versus the benchmark decline of 6.4% p.a. The current exposure in Income Fund and Equity Fund stands at 63.2% & 30.7%, 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-July-18 29-June-18

	31-July-18	29-June-18
Shariah Compliant Funds	93.9%	91.0%
Cash Equivalents	6.0%	8.9%
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**	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

NAFA Active Allocation Riba Free Savings Fund	63.2%
NAFA Islamic Active Allocation Equity Fund	30.7%
<b>Total</b>	<b>93.9%</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.

## 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 (31/07/2018): Rs. 86.5290

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	Since Launch* May 26, 2017
NAFA Islamic Active Allocation Plan-VI	(0.6%)	0.6%	(8.3%)	(7.8%)	(11.5%)
Benchmark	(0.1%)	3.3%	(4.7%)	(3.8%)	(9.4%)

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

## General Information

Launch Date:	May 26, 2017
Fund Size:	Rs. 442 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 funds, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%):	0.50% 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

NBP Funds 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 is dynamically managed between dedicated equity related and income schemes managed by NBP Funds based on the Fund Manager's outlook of the authorized asset-classes. The Plan is presently closed for new subscription. NIAAP-VI has an initial maturity of two years.

Since inception, unit price of NIAAP-VI has decreased by 11.5% p.a versus the Benchmark decline of 9.4% p.a. The current exposure in Income Fund and Equity Fund stands at 60.7% & 30.7%, 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-July-18 29-June-18

Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Shariah Compliant Funds	91.4%	93.7%
Cash Equivalents	8.5%	6.2%
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**	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

Top Holdings (%age of total assets)	(as on 31 July, 2018)
NAFA Active Allocation Riba Free Savings Fund	60.7%
NAFA Islamic Active Allocation Equity Fund	30.7%
<b>Total</b>	<b>91.4%</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 (31/07/2018): Rs. 92.8994

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	Since Launch* June 29, 2017
NAFA Islamic Active Allocation Plan-VII	(0.6%)	0.7%	(6.7%)	(6.5%)	(6.5%)
Benchmark	(0.1%)	3.3%	(3.3%)	(3.0%)	(3.3%)

\* Annualized Return

All Other returns are Cumulative

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

## General Information

Launch Date:	June 29, 2017
Fund Size:	Rs. 191 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 funds, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%):	0.60% p.a (including 0.12% government levies)
Risk Profile:	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

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

## Fund Manager's Commentary

NBP Funds 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 is dynamically managed between dedicated equity related and income schemes managed by NBP Funds 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 6.5% p.a versus the benchmark decline of 3.3% p.a. The current exposure in Income Fund and Equity Fund stands at 60.1% & 30.6%, 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-July-18 29-June-18

	31-July-18	29-June-18
Shariah Compliant Funds	90.7%	93.9%
Cash Equivalents	9.2%	6.0%
Others including receivables	0.1%	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

NAFA Active Allocation Riba Free Savings Fund	60.1%
NAFA Islamic Active Allocation Equity Fund	30.6%
<b>Total</b>	<b>90.7%</b>

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

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

## 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 (31/07/2018): Rs. 99.7105

July 2018

## Performance %\*

Performance Period	July 2018	CYTD 2018	Rolling 6 Months	Since Launch November 03, 2017
NAFA Islamic Active Allocation Plan-VIII	(0.6%)	(0.2%)	(3.7%)	(0.3%)
Benchmark	(0.1%)	1.7%	(2.6%)	1.5%

\* Cumulative Returns

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

## General Information

Launch Date:	November 3, 2017
Fund Size:	Rs. 572 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 funds, 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:	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

NBP Funds 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 is dynamically managed between dedicated equity related and income schemes managed by NBP Funds 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 decreased by 0.3% versus the benchmark increase of 1.5%. The current exposure in Income Fund and Equity Fund stands at 60.6% & 30.9%, respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Shariah Compliant Funds	91.5%	93.5%
Cash Equivalents	8.4%	6.5%
Others including receivables	0.1%	-
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

NAFA Active Allocation Riba Free Savings Fund	60.6%
NAFA Islamic Active Allocation Equity Fund	30.9%
<b>Total</b>	<b>91.5%</b>

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

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 100,520/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.0175/0.02%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

## Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2018): Rs. 100.4264

July 2018

## Performance %\*

Performance Period	July 2018	Since Launch February 28, 2018
NAFA Islamic Capital Preservation Plan-I	0.4%	0.8%
Benchmark	0.4%	0.7%

\* Cumulative Returns

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

## General Information

Launch Date:	February 28, 2018
Fund Size:	Rs. 1,701 million
Type:	Open Ended Shariah Compliant Fund of Funds - CPPI
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 funds, no additional fee. 2) Cash in Bank account: 1.0% p.a.
Total Expense Ratio (%):	0.49% p.a (including 0.21% government levies)
Risk Profile:	Low
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 and 3-months average deposit rate of three AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP, on the basis of actual investment by the Plan in equity and money market schemes.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

The objective of NAFA Islamic Capital Preservation Plan-I is to earn a potentially high return through dynamic asset allocation between Shariah Compliant Dedicated Equity and Money Market based Collective Investment Schemes, while providing Capital Preservation of the Initial Investment Value including sales load at completion of twenty four months and beyond.

## Fund Manager's Commentary

NBP Funds launched its NAFA Islamic Capital Preservation Plan-I (NICPP-I) in February, 2018 which is the fourth plan under NAFA Islamic Active Allocation Fund-II. The Plan is dynamically allocated between the Equity Component and Money Market Component by using the Constant Proportion Portfolio Insurance (CPPI) Methodology. Allocation to Equity Component is generally increased when equity market is rising, while allocation to the Money Market Component is generally increased when the equity market declines. The Plan is presently closed for new subscription. NICPP-I has an initial maturity of two years.

Since inception, unit price of NICPP-I has increased by 0.8% versus the benchmark increase of 0.7%. The current exposure in Money Market Fund and Equity Fund stands at 88.0% & 9.3%, respectively. During the month, maximum multiplier stood at 1.4 whereas minimum multiplier was 1.2.

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Shariah Compliant Funds	97.3%	93.8%
Cash Equivalents	2.6%	6.1%
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**	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

NAFA Islamic Money Market Fund	88.0%
NAFA Islamic Active Allocation Equity Fund	9.3%
<b>Total</b>	<b>97.3%</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 309,700/- If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.0183/0.02%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

## Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2018): Rs. 100.3612

July 2018

## Performance %\*

Performance Period	July 2018	Since Launch April 27, 2018
NAFA Islamic Capital Preservation Plan-II	0.4%	0.9%
Benchmark	0.4%	0.5%

\* Cumulative Returns

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

## General Information

Launch Date:	April 27, 2018
Fund Size:	Rs. 828 million
Type:	Open Ended Shariah Compliant Fund of Funds - CPPI
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 funds, no additional fee. 2) Cash in Bank account: 1.00% p.a.
Total Expense Ratio (%):	1.64% p.a (including 0.32% government levies)
Risk Profile:	Low
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 and 3-months average deposit rate of three AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP, on the basis of actual investment by the Plan in equity and money market schemes.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

The objective of NAFA Islamic Capital Preservation Plan-II is to earn a potentially high return through dynamic asset allocation between Shariah Compliant Dedicated Equity and Money Market based Collective Investment Schemes, while providing Capital Preservation of the Initial Investment Value including sales load at completion of twenty four months and beyond.

## Fund Manager's Commentary

NBP Funds launched its NAFA Islamic Capital Preservation Plan-II (NICPP-II) in April, 2018 which is the fifth plan under NAFA Islamic Active Allocation Fund-II. The Plan is dynamically allocated between the Equity Component and Money Market Component by using the Constant Proportion Portfolio Insurance (CPPI) Methodology. Allocation to Equity Component is generally increased when equity market is rising, while allocation to the Money Market Component is generally increased when the equity market declines. The Plan is presently closed for new subscription. NICPP-II has an initial maturity of two years.

Since inception, unit price of NICPP-II has increased by 0.9% versus the benchmark increase of 0.5%. The current exposure in Equity Fund stands at 5.6%. During the month, maximum multiplier stood at 0.7 whereas minimum multiplier was 0.6.

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

	31-July-18	29-June-18
Shariah Compliant Funds	5.6%	5.4%
Cash Equivalents	93.7%	93.5%
Others including receivables	0.7%	1.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF**	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

NAFA Islamic Active Allocation Equity Fund	5.6%
<b>Total</b>	<b>5.6%</b>

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

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 166,070/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.0201/0.02%.

## 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 (31/07/2018): Rs. 100.4003

July 2018

## Performance %\*

Performance Period	July 2018	Since Launch June 22 , 2018
NAFA Islamic Capital Preservation Plan-III	0.4%	0.5%
Benchmark	0.2%	0.3%

\* Cumulative Returns

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

## General Information

Launch Date:	June 22, 2018
Fund Size:	Rs. 880 million
Type:	Open Ended Shariah Compliant Fund of Funds - CPPI
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 funds, no additional fee. 2) Cash in Bank account: 1.0% p.a.
Total Expense Ratio (%)	1.90% p.a (including 0.33% government levies)
Risk Profile	Low
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 and 3-months average deposit rate of three AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP, on the basis of actual investment by the Plan in equity and money market schemes.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM1 by PACRA (Very High Quality)

## Investment Objective

The objective of NAFA Islamic Capital Preservation Plan-III is to earn a potentially high return through dynamic asset allocation between Shariah Compliant Dedicated Equity and Money Market based Collective Investment Schemes, while providing Capital Preservation of the Initial Investment Value including sales load at completion of twenty four months and beyond.

## Fund Manager's Commentary

NBP Funds launched its NAFA Islamic Capital Preservation Plan-III (NICPP-III) in June, 2018 which is the first plan under NAFA Islamic Active Allocation Fund-III. The Plan is dynamically allocated between the Equity Component and Money Market Component by using the Constant Proportion Portfolio Insurance (CPPI) Methodology. Allocation to Equity Component is generally increased when equity market is rising, while allocation to the Money Market Component is generally increased when the equity market declines. The Plan is presently closed for new subscription. NICPP-III has an initial maturity of two years.

Since inception, unit price of NICPP-III has increased by 0.5% versus the benchmark increase of 0.3%.

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Shariah Compliant Funds	-	-
Cash Equivalents	98.9%	98.0%
Others including receivables	1.1%	2.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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 89,720/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs 0.0102/0.01%.

## Name of the Members of Investment Committee

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

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MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/07/2018): 10.0566

July 2018

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 months	FY 2018	FY 2017	Since Launch* January 18, 2016
NAFA Active Allocation Riba Free Savings Fund	4.8%	4.3%	4.2%	4.1%	3.8%	4.1%
Benchmark**	2.6%	2.4%	2.5%	2.4%	3.1%	3.1%

\*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:	January 18, 2016
Fund Size:	Rs. 2,721 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:	1.86% p.a. (including 0.35% 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 bank deposits and money market/debt securities.

## Fund Manager Commentary

During the month, the Fund has generated an annualized return of 4.8% against the benchmark return of 2.6%. 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 96% of net assets of the portfolio are 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 25 days.

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

## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

Bank Deposits	95.8%	94.9%
GOP Ijara Sukuks - Govt. Backed	3.5%	4.5%
Others including receivables	0.7%	0.6%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs. 2,721 million

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 2,463,165/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs. 0.0091/0.09%. For details investors are advised to read note 5 of the financial statements of the Scheme for the period ended March 31, 2018.

## Name of the Members of Investment Committee

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

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

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

GOP Ijarah Sukuk (AAA rated)	3.5%
AAA	29.7%
AA-	15.4%
A+	1.2%
A-	49.5%
Others including receivables	0.7%
<b>Total</b>	<b>100.0%</b>

## Performance %

Performance Period	July 2018	CYTD 2018	Rolling 12 Months	FY 2018	FY 2017	Since Launch* January 18, 2016
NAFA Islamic Active Allocation Equity Fund	0.1%	1.3%	(13.3%)	(14.1%)	30.1%	11.8%
Benchmark	1.8%	5.4%	(8.6%)	(9.6%)	18.8%	13.7%

\* Annualized Return  
All Other returns are Cumulative

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

## General Information

Launch Date:	January 18, 2016
Fund Size:	Rs. 1,213 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 (%)	3.80% 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)

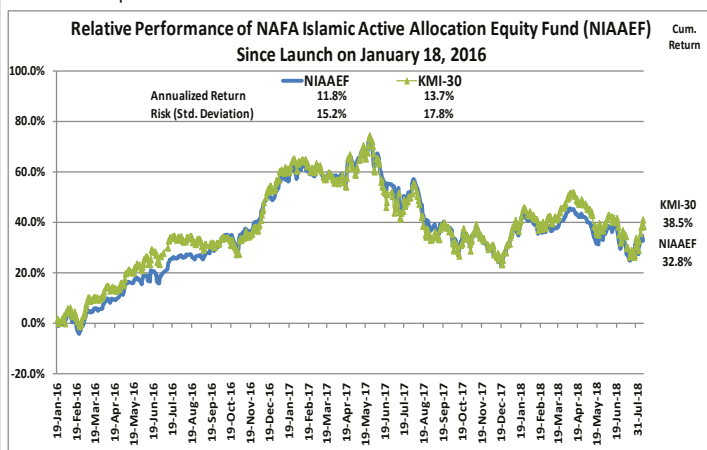
## Investment Objective

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

NBP Funds 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 83% in equities, which decreased to around 76% towards the end of the month. NIAAEF underperformed the Benchmark in July as the Fund was underweight in select Cement, Cable & Electric Good, and Fertilizer sectors stocks which outperformed the market and overweight in select Oil & Gas Exploration Companies, Miscellaneous, and Glass & Ceramics sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Cement, Chemical, Commercial Banks, and Technology & Communication sectors, whereas it was reduced primarily in Glass & Ceramics, Pharmaceutical, Oil & Gas Marketing Companies, Oil & Gas Exploration Companies, Power Generation & Distribution Companies, and Textile Composite sectors.



## Asset Allocation (% of Total Assets) 31-July-18 29-June-18

Asset Allocation (% of Total Assets)	31-July-18	29-June-18
Equities / Stocks	75.7%	83.4%
Cash Equivalents	22.9%	12.2%
Others including receivables	1.4%	4.4%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

Note: Amount invested by fund of funds is Rs 1,213million.

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NIAAEF	9.5	1.9	4.6%
KMI-30	9.5	1.9	4.9%

\*\* Based on NBP Funds estimates

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

Oil & Gas Exploration Companies	23.4%
Fertilizer	13.1%
Cement	8.2%
Oil & Gas Marketing Companies	5.1%
Power Generation & Distribution	4.1%
Others	21.8%

## 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 0.2719/2.08%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2018.

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

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

Name	% of Total Assets	Name	% of Total Assets
Pak Petroleum Ltd	7.3%	Pakistan Oilfields Ltd	4.3%
Oil & Gas Dev Co Ltd	6.8%	Meezan Bank Ltd	3.9%
Engro Corporation Ltd	6.8%	Hub Power Company Ltd	3.6%
Engro Fertilizer Ltd	6.1%	Engro Polymer Co Ltd	2.2%
Mari Petroleum Company Ltd	4.9%	Lucky Cement Ltd	2.1%

## Name of the Members of Investment Committee

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

## **NBP Fund Management Limited**

7th Floor Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton Karachi, Pakistan.

### **For Information & Investment:**

Call : **0800-20002** ♦ SMS: **INVEST** to **9995** ♦ [info@nbpfunds.com](mailto:info@nbpfunds.com)  
[www.nbpfunds.com](http://www.nbpfunds.com) ♦  /nbpfunds