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

Fund Manager Report of Shariah Compliant Schemes

September 2016



For Information & Investment

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“September 2016”

Islamic Mutual Funds - Collective Investment Schemes (CISs)

Risk Profile	Fund Name	Fund Size (Rs. In Crore)	Stability Rating	Inception Date	Sep-2016	FYTD	Rolling 12 Months	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Inception
Lowest Risk	Islamic Income Funds												
	NAFA Riba Free Savings Fund	102	A (f)	20-Aug-10	5.3%	5.4%	5.4%	5.5%	7.4%	7.8%	8.7%	10.8%	8.3%
	Benchmark				4.3%	4.3%	4.6%	4.9%	6.7%	6.7%	7.3%	8.3%	6.9%
	NAFA Islamic Aggressive Income Fund	248	A- (f)	26-Oct-07	5.2%	5.5%	6.8%	7.4%	9.2%	13.6%	6.8%	19.0%	6.8%
	Benchmark				4.6%	4.5%	4.6%	4.8%	6.6%	6.5%	7.0%	7.9%	6.4%
Moderate Risk	Equity Related Islamic Funds												
	Cumulative Returns												Annualized Return
	NAFA Islamic Asset Allocation Fund	672		26-Oct-07	1.8%	6.7%	20.9%	13.1%	33.8%	22.2%	36.3%	13.2%	16.6%
	Benchmark				(0.2%)	2.1%	12.3%	9.2%	12.1%	17.7%	28.9%	11.1%	11.2%
High Risk	NAFA Islamic Stock Fund	318		9-Jan-15	3.9%	12.2%	31.0%	12.9%	n/a	n/a	n/a	n/a	20.4%
	Benchmark				(0.6%)	4.2%	27.5%	15.5%	n/a	n/a	n/a	n/a	18.6%

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

Risk Profile	Fund Name	Fund Size	Inception Date	Sep-2016	FYTD	Rolling 12 Months	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Inception
Low Risk	NIPF - Money Market Sub-fund	15	2-Jul-13	4.3%	4.3%	4.1%	3.9%	6.2%	n/a	n/a	n/a	5.7%
	NIPF - Debt Sub-fund	32	2-Jul-13	4.2%	4.1%	3.7%	3.8%	5.6%	n/a	n/a	n/a	5.7%
	Cumulative Returns											
High Risk	NIPF - Equity Sub-fund	57	2-Jul-13	5.4%	13.2%	34.3%	16.9%	51.5%	n/a	n/a	n/a	36.2%

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.

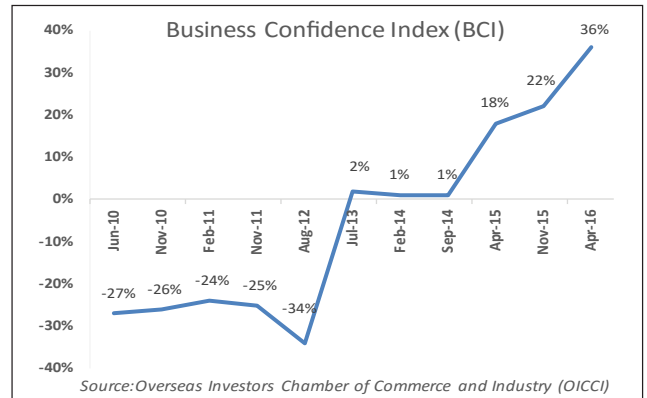
n/a = Not applicable.
Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)

Pakistan Economy

Positives galore, but external account concerns warrant attention

Prospects for Pakistan's economy look increasingly promising on the back of improving power supply position, bullish business sentiments, ameliorating law and order situation, expected progress on China Pak Economic Corridor (CPEC) related projects, continuation of benign commodity prices, and low inflation & interest rates.

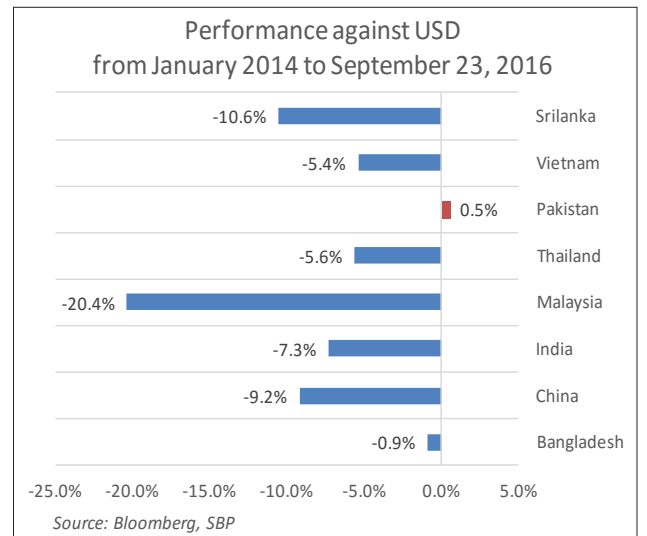
Business sentiments have considerably improved as captured in the latest OICCI Business Confidence Survey which shows that economic outlook on Pakistan is at a six-year high and continuously improving. The business confidence is largely positive in all sectors, with participants expecting further improvement in security environment, improved energy supply and reduced level of load shedding, and better government policies. Majority of the respondents expect their business to expand in the next six months and 40% have plans for capital investment, mainly to increase capacity.



Further, energy shortages, which have crippled domestic manufacturing activity, shaving at least 2% from potential GDP growth rate, would substantially ease with the commissioning of some fast-track power generation projects in 2017 and 2018 and availability of gas to industry through imported RLNG. Though inflation is expected to mildly pick up, interest rates should still hover in mid-single digits, spurring private sector credit growth and investment. Lastly, further progress on infrastructure and energy projects under CPEC would also buttress economic growth in the coming years. For the current fiscal year, we expect GDP growth to hit 5% mark driven by robust consumption and rising investment demand.

However, recent data on external account flags latent risks, warranting decisive policy measures. Specifically, current account deficit is sharply up (92%YoY) in 2 month Fy17 to USD 1.3bn mainly due to tapering off remittances growth as a result of slowdown in Gulf economies and select developed markets; and a rising trade deficit on account of increase in imports, on strong consumption/investment demand and slump in exports.

Lackluster global GDP growth is partly blamed for dismal exports performance; structural issues such as an overvalued exchange rate, low value addition, poor productivity, and higher input costs especially energy cost are key culprits. In the above backdrop, even a moderate increase in oil prices to USD60/bbl would put sizeable pressure on external current account.



Despite a worsening current account balance, overall balance of payment position remains in surplus so far, as reflected in healthy foreign exchange reserves accumulation. However, a break-up of financial account reveals that government has resorted to heavy external borrowing to fund the current account deficit whereas FDI flows, down 53%YoY, continue to remain depressing. That said, given improving risk profile of the country and easy global liquidity conditions, the government can comfortably raise external loans to finance Pakistan's burgeoning current account deficit over the next 12 months.

However, for the long-term sustainability of the external account and to consolidate the recent growth momentum, higher export earnings and healthy FDI flows are inevitable. The above would necessitate political stability, a positive macroeconomic policy direction, ascent on high value addition, and a big push on critical pro-growth structural reforms. Otherwise, the recent economic upturn may eventually fizzle out due to intensifying macroeconomic imbalances.

Stock Market Review

During September 2016, the stock market was seen trading in a narrow range amid large volumes led by second-tier and third-tier stocks. The benchmark KMI 30 Index closed the month at 68,959, declining by around 1%, taking CY16 increase to around 24%. Increasing noise in the domestic politics, rising geopolitical tensions with India over alleged Pakistani involvement in an attack on a military base, and large foreign selling weighed on investors' sentiments during the month. Adding to investors' angst were renewed concerns on the external account due to remittances growth tapering off and declining exports earnings. Though increasing exports earnings is necessary for the long-term sustainability of the external account there are no immediate risks given healthy reserve accumulation and room to borrow in the international market amid abundant global liquidity. Overall, corporate results season for the period ending June 2016 was better than expected, providing confidence to the investors after a robust rally over the last few months. We expect foreign portfolio inflows to resume very soon following year-end fresh allocations by the funds tracking Emerging Market MSCI driven by better economic prospects, reasonable valuations, and dearth of global investment opportunities at a time of abundant macro liquidity.

Turning to the sectoral performance during the month, Automobile Assemblers, Chemicals, Commercial Banks, Engineering, Textile Composite, and Oil & Gas Marketing sectors performed better than the market while, Oil & Gas Exploration, Cement, Power Generation & Distribution, Pharmaceuticals, and Fertilizer sectors lagged behind. Rally in the Automobile & Assemblers sector further picked up pace during the month on the back of improving earnings outlook driven by robust volumetric growth and healthy profit margin. Attractive valuations and SBP decision to keep the policy rate unchanged in the recently announced monetary policy review drew investors towards the Banking sector. Robust volumetric growth of petroleum products and cheap valuations attracted investors towards the Oil & Gas Marketing sector. Cement sector took a breather due to investor apprehensions on future profitability driven by fears of a potential price war in the wake of large capacity expansion announcements. Textile composite sector continued the rally on the expectation of some PKR depreciation and newfound government incentives. Pharmaceuticals sector depicted dismal performance due to disappointed earnings announcements and stretched valuations.

Currently, the market is trading at about 10 times estimated earnings and offers around 4.7% dividend yield. We reiterate our sanguine outlook on the equities premised on improving macroeconomic prospects, reasonable stock market valuations, benign near-term inflation & interest rate outlook, and expectation of healthy portfolio inflows. That said, we acknowledge that volatility may spike after the recent calm on any rise in geopolitical risk emanating from escalation of tensions with India, fluidity of the domestic political situation, increasing anti-globalization political rhetoric, and global economic policy uncertainty.

Money Market Review

State Bank of Pakistan (SBP) in its recently announced bi-monthly Monetary Policy review maintained discount rate at 6.25% and policy rate at 5.75%. SBP cited that increase in monetary aggregates (M2), comfortable liquidity conditions coupled with record-high foreign exchange reserves and CPEC related projects gathering momentum were few factors behind the status quo policy announcement. Though we hold a benign near-term inflation outlook there are some upside risks contingent upon any unforeseen recovery in oil prices and its associated second round impact; and measured PKR depreciation.

During the month, SBP conducted two T-Bill auctions with a combined target of Rs. 200 billion and a maturity of Rs. 116 billion. In the first auction, an amount of Rs. 86 billion was accepted against the target of Rs. 100 billion and maturity of Rs. 81 billion at a cut-off yield of 5.86%, 5.9% and 5.91% for 3 month, 6 month and 12 month tenors, respectively. The bid pattern skewed towards 6 month tenor as compared to 3 and 12 month tenors. In the second T-Bill auction, an amount of Rs. 35 billion was accepted against the target of Rs. 100 billion and maturity of Rs. 35 billion where the cut-off yield were maintained at the previous action. However, the bid pattern tilted towards 3 month tenor. In the PIB auction during the month, an amount of Rs. 223 billion was accepted against the target of Rs. 100 billion and maturity of Rs 49 billion at a cut-off yield of 6.2%, 6.7% and 7.8% for 3 year, 5 year and 10 year, respectively while, no bid was received in 20 year tenor. The bid pattern skewed towards 3 year tenor.

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

Our Contacts

Contact our Investment Consultant for free Investment advice

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MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs. 10.3065

September 2016

Performance %									
Performance Period	Sep 2016	FYTD 2017	Trailing 12 months Oct 15 - Sep 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Riba Free Savings Fund	5.3%	5.4%	5.4%	5.5%	7.4%	7.8%	8.7%	10.8%	8.3%
Benchmark**	4.3%	4.3%	4.6%	4.9%	6.7%	6.7%	7.3%	8.3%	6.9%

* 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	Investment Objective
<p>Launch Date: August 20, 2010</p> <p>Fund Size: Rs. 1,024 million</p> <p>Type: Open-end – Shariah Compliant Income Fund</p> <p>Dealing Days: Daily – Monday to Saturday</p> <p>Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M</p> <p>Settlement: 2-3 business days</p> <p>Pricing Mechanism: Forward Pricing</p> <p>Load: Front end: without Life Takaful: 0.5%, with Life Takaful 3% (Nil on investment above Rs. 16 million), Back end: 0%</p> <p>Management Fee: 10% of Net Income (Min 0.5% p.a., Max 1.25% p.a.)</p> <p>Total Expense Ratio: 1.26% p.a.(including 0.17% government levies)</p> <p>Risk Profile: Very Low</p> <p>Fund Stability Rating: "A(f)" by PACRA</p> <p>Listing: Pakistan Stock Exchange</p> <p>Custodian & Trustee: Central Depository Company (CDC)</p> <p>Auditors: Deloitte Yousuf Adil Chartered Accountants</p> <p>Benchmark:** 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP*</p> <p>Fund Manager: Muhammad Ali Bhabha CFA, FRM</p> <p>Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p> <p>Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)</p>	<p>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.</p>
	Fund Manager Commentary
	<p>The Fund generated an annualized return of 5.3% for the month of September 2016 versus the Benchmark return of 4.3% thus registering an outperformance of 1.0% p.a. During FYTD the Fund has outperformed its Benchmark by 1.1% by earning an annualized return of 5.4%. This outperformance is net of management fee and all other expenses.</p> <p>The Fund aims to consistently provide better return than the profit rates offered by Islamic Banks / Islamic windows of commercial banks, while also providing easy liquidity along with a high quality credit profile. The Fund is allowed to invest in short-term Shariah compliant money market securities of up to six months maturity rated AA- or better. The Fund is not authorized to invest in corporate debt securities and the Equities.</p> <p>The allocation of the Fund is around 9.9% of net assets in GOP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 92% of net assets of the portfolio is invested in bank deposits which enhances the liquidity profile of the Fund. The weighted average time to maturity of the fund is 80 days.</p> <p>We will rebalance the allocation of the fund proactively based on the capital market outlook.</p>

** effective from September 01, 2016; Previously Average 6-month deposit rate of A- and above rated Islamic Banks
Banks selected by NAFA, as MUFAP's selection not available yet.

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
GOP Ijara Sukuk	9.5%	9.0%
Bank Deposits	88.5%	89.6%
Other including receivables	2.0%	1.4%
Total	100.0%	100.0%
Leverage	Nil	Nil

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 10,079,475/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.1014/1.03%. For details investors are advised to read note 17 of the Financial Statements of the Scheme for the year ended June 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Name of the Members of Investment Committee

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

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

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs. 9.6165

September 2016

Performance %

Performance Period	Sep 2016	FYTD 2017	Trailing 12 months Oct 15 - Sep 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch October 26, 2007*
NAFA Islamic Aggressive Income Fund	5.2%	5.5%	6.8%	7.4%	9.2%	13.6%	6.8%	19.0%	6.8%
Benchmark**	4.6%	4.5%	4.6%	4.8%	6.6%	6.5%	7.0%	7.9%	6.4%

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

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

General Information

Launch Date:	October 26, 2007
Fund Size:	Rs. 2,482 million
Type:	Open-end – Shariah Compliant Aggressive Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 1% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	10% of Net Income (Min 0.5% p.a., Max 1.0% p.a.)
Total Expense Ratio:	1.08% p.a. (including 0.17% 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:**	1-year average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP* Muhammad Ali Bhabha, CFA, FRM
Fund Manager:	Growth Unit: Rs. 10,000/- Subscription: Rs. 100,000/- Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)

** effective from September 01, 2016; Previously Average 3-month deposit rate of Islamic Banks
Banks selected by NAFA, as MUFAP's selection not available yet.

Asset Allocation (% of Total Assets) 30-Sep-16 31-Aug-16

	30-Sep-16	31-Aug-16
Sukuks	1.6%	1.6%
GOP Ijara Sukuks - Govt. Backed	3.7%	3.7%
Bank Deposits	92.4%	92.3%
Other including receivables	2.3%	2.4%
Total	100.0%	100.0%
Leverage	Nil	Nil

Top Sukuk Holdings (as at Sep 30, 2016)

Name of Sukuk	% of Total Assets
K Electric Azm Sukuk - 5 Yrs	1.0%
K Electric Azm Sukuk - 3 Yrs	0.6%
Total	1.6%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 2,944,049/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0114/0.13%. For details investors are advised to read note 13 of the Financial Statements of the Scheme for the year ended June 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Name of the Members of Investment Committee

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

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

Investment Objective

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

Fund Manager Commentary

During the month under review, the Fund posted an annualized return of 5.2% as compared to the Benchmark return of 4.6% thus registering an outperformance of 0.6% p.a. During FYTD, the Fund has posted 5.5% annualized return versus 4.5% by the Benchmark, hence an outperformance of 1.0% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks stood at around 1.7% of the net assets. Around 92% of total assets of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues.

The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio is around 5.3% p.a. and weighted average time to maturity is 2.1 years. The weighted average time to maturity of the Fund is 44 days.

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

Credit Quality of the Portfolio as of Sep 30, 2016 (% of Total Assets)

GOP Ijarah Sukuk (AAA rated)	3.7%
AAA	16.0%
AA+	0.1%
AA	1.8%
AA-	0.3%
A+	29.4%
A	0.1%
A-	46.2%
BBB+	0.1%
Others including receivables	2.3%
Total	100.0%

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Performance %

Performance Period	Sep 2016	FYTD 2017	Rolling 12 Months Oct 15 - Sep 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch October 26, 2007*
NAFA Islamic Asset Allocation Fund	1.8%	6.7%	20.9%	13.1%	33.8%	22.2%	36.3%	13.2%	16.6%
Benchmark**	(0.2%)	2.1%	12.3%	9.2%	12.1%	17.7%	28.9%	11.1%	11.2%

* Annualized Return

All Other returns are Cumulative

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

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. 6,724 million
Type:	Open-end-Shariah Compliant -Asset Allocation Fund
Dealing Days:	Daily - Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 3%, (Nil on investment above Rs. 50 million), Back end: 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.64% p.a.(including 0.36% government levies)
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:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

Banks selected by NAFA, as MUFAP's selection not available yet.

Investment Objective

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

Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Asset Allocation Fund increased by 1.8% whereas the Benchmark decreased by 0.2%, thus your Fund outperformed the Benchmark by 2.0%. Since inception your Fund has posted 293.9% return, versus 159.0% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 134.9%. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 59% in equities, which decreased to around 56% towards the end of the month. NIAAF outperformed the Benchmark in September as the Fund was overweight in equities which rose during the month. The Fund was also underweight in select Fertilizer sector stocks which underperformed the market and overweight in select Textile Composite, Automobile Assembler, Engineering, and Automobile Parts & Accessories sectors stocks which outperformed the market. During the month, the allocation was primarily increased in Automobile Assembler, Oil & Gas Marketing Companies, and Automobile Parts & Accessories sectors, whereas it was reduced primarily in Cement, Fertilizer, Power Generation & Distribution Companies, and Oil & Gas Exploration Companies sectors.

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
Equities / Stocks	56.0%	58.7%
Sukuks	0.7%	0.7%
Cash	41.2%	39.7%
Others including receivables	2.1%	0.9%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NIAAF	10.0	3.1	4.3%
KMI-30	10.9	2.2	4.8%

*** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 30 Sep, 2016)

Oil & Gas Exploration Companies	9.7%
Cement	9.4%
Oil & Gas Marketing Companies	6.6%
Fertilizer	5.9%
Power Generation & Distribution	5.6%
Others	18.8%

Name of the Members of Investment Committee

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

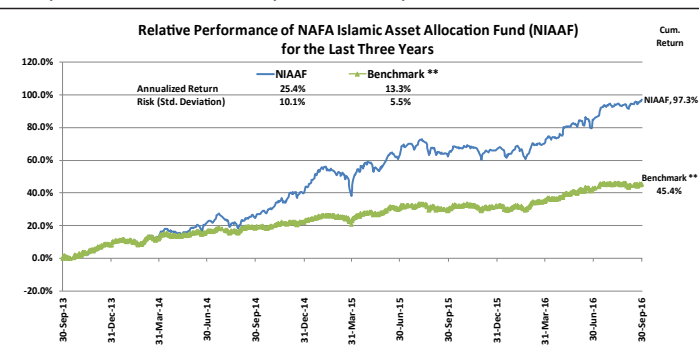
WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 15,789,039/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0391/0.29%. For details investors are advised to read the Note 13.2 of the Financial Statements of the Scheme for the year ended June 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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

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

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Top Ten Holdings (as on 30 Sep-, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan State Oil Co. Ltd	Equity	4.2%	Indus Motor Company Ltd	Equity	2.9%
Engro Corporation Ltd	Equity	3.2%	Nishat Mills Ltd	Equity	2.4%
Mari Petroleum Company Ltd	Equity	3.2%	Kohinoor Textile Mills Ltd	Equity	2.4%
Lucky Cement Ltd	Equity	3.1%	Hub Power Company Ltd	Equity	2.1%
Pakistan Oilfields Ltd	Equity	3.0%	Pak Petroleum Ltd	Equity	2.1%

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	-	-	-
Total		4,921,875	4,921,875	-	-	-

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.12.8350

September 2016

Performance

Performance Period	Sep 2016	FYTD 2017	Rolling 12 Months Oct 15 - Sep 16	FY 2016	Since Launch* January 09, 2015
NAFA Islamic Stock Fund	3.9%	12.2%	31.0%	12.9%	22.1%
Benchmark	(0.6%)	4.2%	27.5%	15.5%	17.2%

* Annualized Return
All Other returns are Cumulative

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

General Information

Launch Date:	January 9, 2015
Fund Size:	Rs. 3,175 million
Type:	Open-end-Shariah Compliant-Equity Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism Load:	Forward Pricing Front end 3% (Nil on investment above Rs 50 million) Back end - 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.81% p.a.(including 0.37% government levies)
Risk Profile	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	"A. F. Ferguson & Co. Chartered Accountants"
Benchmark:	KMI-30 Index
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

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 3.9%, whereas the Benchmark decreased by 0.6%, thus an outperformance of 4.5% was recorded. Since inception on January 9, 2015 your Fund has posted 41.1% cumulative return, versus 31.5% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 9.6%. This outperformance is net of management fee and all other expenses.

NISF started off the month with an allocation of around 86% in equities, which increased to around 88% towards the end of the month. NISF outperformed the Benchmark in September as the Fund was underweight in select Power Generation & Distribution, Cement, and Fertilizer sectors stocks which underperformed the market and overweight in select Textile Composite, Automobile Assembler, Oil & Gas Marketing Companies, Engineering, Glass & Ceramics, and Automobile Parts & Accessories sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Automobile Assembler, Automobile Parts & Accessories, Textile Composite, Refinery, and Oil & Gas Marketing sectors, whereas it was reduced primarily in Cement, Fertilizer, Oil & gas Exploration Companies, and Power Generation & Distribution Companies sectors.

Asset Allocation (% of Total Assets) 30-Sep-16 31-Aug-16

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
Equities / Stocks	87.5%	86.1%
Cash Equivalents	11.1%	13.6%
Others including receivables	1.4%	0.3%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**

	PER	PBV	DY
NISF	9.0	3.2	3.8%
KMI-30	10.9	2.2	4.8%

** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 30 Sep, 2016)

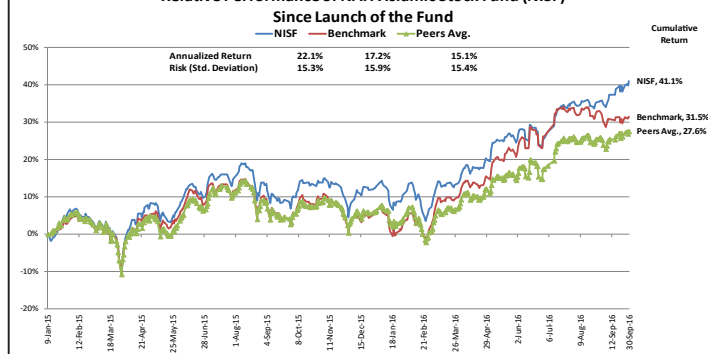
Cement	13.9%
Fertilizer	11.9%
Oil & Gas Exploration Companies	11.3%
Oil & Gas Marketing Companies	11.0%
Textile Composite	8.0%
Others	31.4%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 2,403,366/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0097/0.11%.For details investors are advised to read the Note 13 of the Financial Statements of the Scheme for the year ended June 30, 2016.From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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

Relative Performance of NAFA Islamic Stock Fund (NISF)



Top Ten Holdings (as on 30 Sep, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan State Oil Co Ltd	Equity	5.0%	Honda Atlas Cars Ltd	Equity	3.4%
Nishat Mills Ltd	Equity	4.8%	Indus Motor Company Ltd	Equity	3.2%
Engro Corporation Ltd	Equity	4.7%	Attock Cem.Pak.Ltd	Equity	3.1%
Mari Petroleum Company Ltd	Equity	4.0%	Lucky Cement Ltd	Equity	3.0%
Pakistan Oilfields Ltd	Equity	3.5%	Pak Petroleum Ltd	Equity	2.9%

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA

Performance %

	Fund Size (Rs. in mn)	NAV Per Unit (Rs.) Sep 30, 2016	Sep 2016	FYTD 2017	Rolling 12 Months Oct 15 - Sep 16	FY 2016	FY 2015	Since Launch July 02, 2013
NIPF-Equity Sub-fund	565.8	275.0933	5.4%*	13.2%*	34.3%*	16.9%*	51.5%*	36.2%
NIPF-Debt Sub-fund	324.5	120.8725	4.2%	4.1%	3.7%	3.8%	5.6%	5.7%
NIPF-Money Market Sub-fund	151.6	120.9997	4.3%	4.3%	4.1%	3.9%	6.2%	5.7%

* Cumulative Returns
All Other returns are annualized

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

General Information

Launch Date:	July 2, 2013
Fund size: NIPF	Rs. 1,042 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 05:30 P.M
Pricing Mechanism	Forward Pricing
Front end Load:	Upto 3% on Contributions
Back end	0%
Management Fee:	On average Annual Net Assets of each Sub-Fund. Equity, Debt, Money Market 1.50% p.a. Equity 2.09% p.a. (including 0.25% government levies)
Total Expense Ratio (%)	Debt 2.01% p.a. (including 0.25% government levies) Money Market 2.11% p.a. (including 0.25% 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	Initial: Rs. 10,000/-
Subscription:	Subsequent: Rs. 1000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)
Leverage	Nil

Investment Objective

To provide a secure source of savings and regular income after retirement to the Participants.

Fund Manager's Commentary

During the month of September:

NIPF Equity Sub-fund unit price increased by 5.4% as compared to 0.6% decrease in KMI-30 Index. The Sub-fund was around 95% invested in equities with major weights in Cement, Fertilizer, and Oil & Gas Exploration Companies sectors. Equity Sub-fund maintains exposure of atleast 90% in listed equities on average. Last 90 days average allocation in equity was 94.2% of net asset.

NIPF Debt Sub-fund generated annualized return of 4.2%. 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 0.7 year.

NIPF Money Market Sub-fund generated annualized return of 4.3%. 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 0.2 year.

Credit Quality of the Portfolio (as on 30 Sep 2016)

	Debt	Money Market
Government Securities (AAA rated)	35.5%	9.9%
AAA	20.0%	23.5%
AA+	19.1%	19.3%
AA	3.9%	6.0%
AA-	-	0.5%
A+	19.6%	38.4%
Others	1.9%	2.4%
Total	100.0%	100.0%

Top Five Sectors (% of Total Assets) (as on 30 Sep, 2016)

Cement	13.4%
Fertilizer	11.4%
Oil & Gas Exploration Companies	11.0%
Oil & Gas Marketing Companies	10.3%
Textile Composite	8.8%
Others	40.5%

Asset Allocation (% of Total Assets)

Equity Sub-fund	30-Sep-16	31-Aug-16
Equity	95.4%	90.7%
Cash Equivalents	3.4%	8.8%
Others including receivables	1.2%	0.5%
Total	100.0%	100.0%
Debt Sub-fund	30-Sep-16	31-Aug-16
Cash Equivalents	62.6%	61.7%
GOP Ijara Sukuk	35.5%	36.8%
Others	1.9%	1.5%
Total	100.0%	100.0%
Money Market Sub-fund	30-Sep-16	31-Aug-16
Cash Equivalents	87.7%	89.6%
GOP Ijara Sukuk	9.9%	8.7%
Others	2.4%	1.7%
Total	100.0%	100.0%

Top Ten Holdings of Equity Sub-fund (as on 30 Sep, 2016)

Name	(% of Total Assets)	Name	(% of Total Assets)
Pakistan State Oil Co. Ltd	5.3%	Honda Atlas Cars (Pakistan) Ltd	3.6%
Engro Corporation Ltd	4.9%	Lucky Cement Ltd	3.4%
Nishat Mills Ltd	4.6%	Pakistan Oilfields Ltd	3.1%
Mari Petroleum Company Ltd	4.2%	Shell Pakistan Ltd	3.0%
Pak Petroleum Ltd	3.7%	Synthetic Products Enterprises Ltd	2.8%

WORKERS' WELFARE FUND (WWF)

NIPF has maintained provisions against 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	1,341,944	0.5623	0.29%
Debt Sub-Fund	182,708	0.0578	0.05%
Money Market Sub-Fund	137,561	0.0908	0.08%

For details investors are advised to read the Note 13.1 of the Financial Statements of the Scheme for the year ended June 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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.

Name of the Members of Investment Committee

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

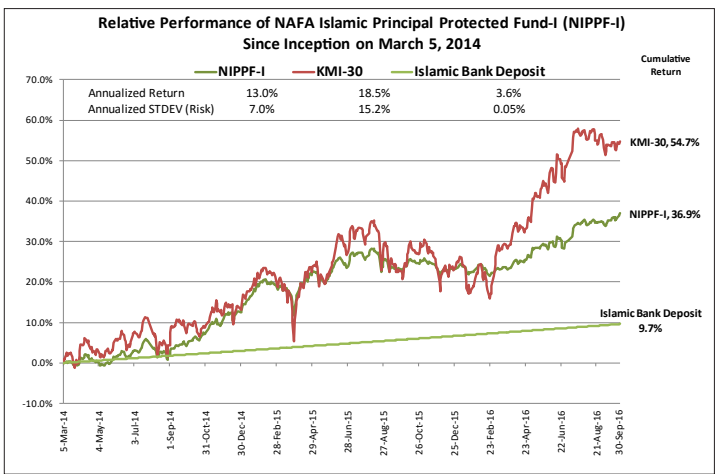
MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.117.9199

September 2016

Performance %						
Performance period	Sep 2016	FYTD 2017	Rolling 12 Months Oct 15 - Sep 16	FY 2016	FY 2015	Since Launch March 05, 2014*
NAFA Islamic Principal Protected Fund-I (NIPPF-I)	1.5%	5.5%	11.8%	4.2%	21.3%	13.0%
Benchmark	(0.1%)	2.3%	12.3%	7.7%	11.0%	9.6%

* Annualized Return
All Other returns are Cumulative

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

General Information		Investment Objective
Launch Date:	March 5, 2014	The objective of NAFA Islamic Principal Protected Fund-I is to earn a potentially high return through dynamic asset allocation between shariah compliant Equities and Money Market investment avenues, while providing principal protection.
Fund Size:	Rs. 642 million	
Type:	Open-end Shariah Compliant -Capital Protected Fund	Fund Manager's Commentary
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	Since inception, NIPPF- I has generated a cumulative return of 36.9% versus 26.7% return of the Benchmark. The current equity exposure stands at around 47%. During the month, maximum multiplier stood a 2.0 whereas minimum multiplier was 1.9. Key holdings of the Fund belong to Cement, Oil & Gas Exploration Companies, and Oil & Gas Marketing Companies sectors. The Fund can invest up to 50% in equities subject to cushion availability. We are confident that the Fund will generate good returns considering the improved macroeconomic and political outlook and built in dynamic equity allocation mechanism of the Fund.
Settlement:	2-3 business days	Relative Performance of NAFA Islamic Principal Protected Fund-I (NIPPF-I) Since Inception on March 5, 2014
Pricing Mechanism:	Forward Pricing	
Load:	Back end: 0%	
Management Fee:	2% per annum	
Total Expense Ratio (%):	2.81% p.a. (including 0.35% government levies)	Annualized Return: 13.0% Annualized STDEV (Risk): 7.0%
Risk Profile:	Low	18.5% 15.2%
Listing:	Pakistan Stock Exchange	3.6% 0.05%
Custodian & Trustee:	Central Depository Company (CDC)	
Auditors:	A. F. Ferguson & Co. Chartered Accountants	
Benchmark:	Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.	
Fund Manager:	Sajjad Anwar, CFA	
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)	

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
Equities / Stocks	47.0%	46.6%
Cash	50.9%	51.7%
Others including receivables	2.1%	1.7%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**			
	PER	PBV	DY
NIPPF-I	10.0	2.8	4.8%
KMI-30	10.9	2.2	4.8%

** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 30 Sep, 2016)	
Cement	7.7%
Oil & Gas Exploration Companies	7.3%
Oil & Gas Marketing Companies	6.3%
Power Generation & Distribution	5.3%
Fertilizer	4.3%
Others	16.1%

Top Ten Holdings (as on 30 Sep, 2016)					
Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Indus Motor Company Ltd	Equity	3.7%	Hub Power Company Ltd	Equity	2.6%
Pakistan State Oil Co Ltd	Equity	3.5%	Engro Corporation Ltd	Equity	2.1%
Pak Petroleum Ltd	Equity	3.3%	Lucky Cement Ltd	Equity	1.9%
Pakistan Oilfields Ltd	Equity	2.9%	Nishat Mills Ltd	Equity	1.7%
Kot Addu Power Co Ltd	Equity	2.7%	Attock Cement Pakistan Ltd	Equity	1.7%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 7,552,236/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 1.3872/1.31%. For details investors are advised to read Note 16 of the Financial Statements of the Scheme for the year ended June 30, 2016.From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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

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Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.121.3392

September 2016

Performance Period	Sep 2016	FYTD 2017	Rolling 12 Months Oct 15 - Sep 16	FY 2016	FY 2015	Since Launch June 27, 2014*
NAFA Islamic Principal Protected Fund-II (NIPPF-II)	3.1%	8.1%	15.1%	3.3%	21.0%	14.3%
Benchmark	(0.4%)	2.4%	15.3%	8.9%	12.2%	10.6%

* Annualized Return
All Other returns are Cumulative

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

General Information	Investment Objective
<p>Launch Date: June 27, 2014 Fund Size: Rs. 928 million Type: Open-end Shariah Compliant -Capital Protected Fund Dealing Days: Daily – Monday to Friday Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M Settlement: 2-3 business days Pricing Mechanism: Forward Pricing Load: Back end: 0% Management Fee: 2% per annum Total Expense Ratio (%): 2.79% p.a. (including 0.36% government levies) Risk Profile: Low Listing: Pakistan Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Co. Chartered Accountants Benchmark: Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation. Fund Manager: Sajjad Anwar, CFA Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)</p>	<p>The objective of NAFA Islamic Principal Protected Fund-II is to earn a potentially high return through dynamic asset allocation between Shariah compliant Equities and Money Market investment avenues, while providing principal protection.</p>

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
Equities / Stocks	76.5%	71.9%
Cash Equivalents	21.5%	27.1%
Others including receivables	2.0%	1.0%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**			
	PER	PBV	DY
NIPPF-II	9.6	2.8	4.6%
KMI-30	10.9	2.2	4.8%

** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 30 Sep, 2016)	
Oil & Gas Marketing Companies	11.6%
Textile Composite	11.1%
Cement	10.9%
Oil & Gas Exploration Companies	10.8%
Fertilizer	8.2%
Others	23.9%

WORKERS' WELFARE FUND (WWF)

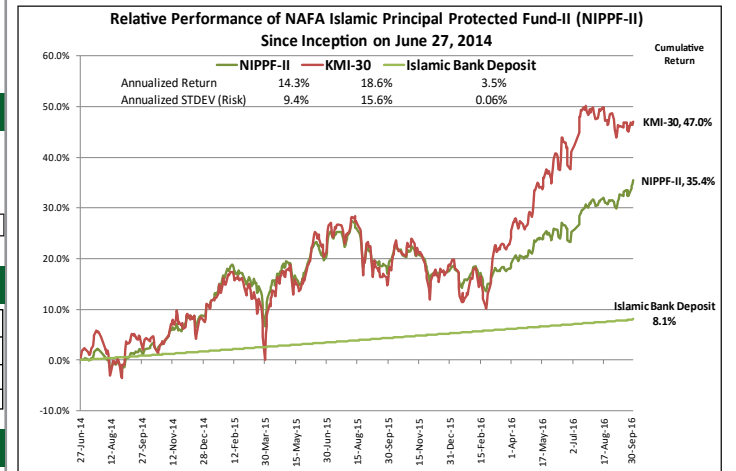
The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 5,069,719,-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.6628/0.63%. For details investors are advised to read Note 16 of the Financial Statements of the Scheme for the year ended June 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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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Fund Manager's Commentary

Since inception, NIPPF- II has generated a cumulative return of 35.4% versus 25.5% return of the Benchmark. The current equity exposure stands at around 77%. During the month, maximum multiplier stood a 3.6 whereas minimum multiplier was 3.2. Key holdings of the Fund belong to Oil & Gas Marketing Companies, Textile Composite and Cement. The Fund can invest up to 100% in equities subject to cushion availability. We are confident that the Fund will continue to generate good returns considering the improved macroeconomic and political outlook and built in dynamic equity allocation mechanism of the Fund.



Top Ten Holdings (as on 30 Sep, 2016)					
Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Nishat Mills Ltd	Equity	6.5%	Indus Motor Company Ltd	Equity	4.1%
Pakistan State Oil Co. Ltd	Equity	5.2%	Shell Pakistan Ltd	Equity	3.9%
Kohinoor Textile Mills Ltd	Equity	4.7%	Pak Petroleum Ltd	Equity	3.3%
Engro Corporation Ltd	Equity	4.6%	Attock Cem.Pak.Ltd	Equity	3.0%
Pakistan Oilfields Ltd	Equity	4.2%	Kot Addu Power Co Ltd	Equity	2.9%

Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.106.8674

September 2016

Performance %	Sep 2016	FYTD 2017	Rolling 12 Months Oct 15 - Sep 16	FY 2016	Since Launch January 09, 2015*
Performance Period					
NAFA Islamic Principal Preservation Fund (NIPPF)	1.6%	4.6%	9.6%	4.0%	8.0%
Benchmark**	0.02%	1.9%	8.4%	3.6%	5.8%

* 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	Investment Objective
<p>Launch Date: January 9, 2015 Fund Size: Rs. 1,161 million Type: Open End Shariah Compliant Fund of Funds 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 Back end Load: 1% in year 1, 0.5% in year 2 and no load beyond 2 years Management Fee: 1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a. Total Expense Ratio (%): 1.28% p.a. (including 0.20% government levies) Listing: Pakistan Stock Exchange Risk Profile: Low Listing: Pakistan Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Co. Chartered Accountants Benchmark:** Combination of benchmarks of underlying schemes on the basis of actual investment i.e. NISF: KMI-30 Index NIAAF: Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP# Cash: 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP# Fund Manager: Sajjad Anwar, CFA Asset Manager Rating: AM2++ by PACRA (High Investment Management Standards)</p>	<p>The objective of NAFA Islamic Principal Preservation Fund is to earn a potentially high return through dynamic asset allocation between Shariah compliant equity related, and Shariah compliant income/ money market Collective Investment Schemes, while providing principal preservation.</p>

** effective from September 01, 2016; Previously daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.
 # Banks selected by NAFA, as MUFAP's selection not available yet.

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
Islamic Stock Fund	30.2%	28.3%
Islamic Asset Allocation Fund	16.7%	15.2%
Cash	51.6%	55.3%
Others including receivables	1.5%	1.2%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***			
	PER	PBV	DY
NIAAF	10.0	3.1	4.3%
NISF	9.0	3.2	3.8%
KMI-30	10.9	2.2	4.8%

*** Based on NAFA's estimates

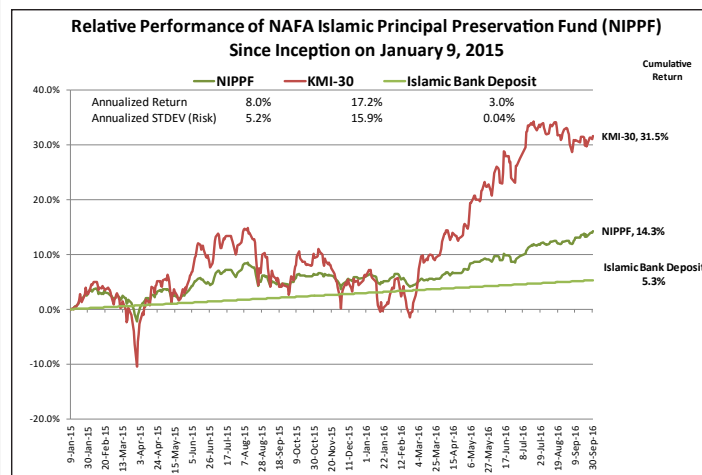
Top Holdings (%age of total assets) (as on 30 Sep, 2016)	
NAFA Islamic Stock Fund	30.2%
NAFA Islamic Asset Allocation Fund	16.7%
Total	46.9%

WORKERS' WELFARE FUND (WWF)
 The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 1,767,381/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1627/0.17%. For details investors are advised to read the Note 16 of the Financial Statements of the Scheme for the year ended June 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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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Fund Manager's Commentary
 Since inception, NIPPF has generated a cumulative return of 14.3% versus 10.2% return of the Benchmark. The current exposure in equity/asset allocation funds stands at around 47%. During the month, maximum multiplier stood at 4.0 whereas minimum multiplier was 3.5. The Fund can invest up to 100% in equity related funds subject to cushion availability. We are confident that the Fund will generate good returns considering the improved macroeconomic and political outlook and built in dynamic equity allocation mechanism of the Fund.



Name of the Members of Investment Committee

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

Performance *

Performance Period %	Sep 2016	FYTD 2017	Rolling 6 Months Apr 16-Sep 16	Since Launch January 15, 2016
NAFA Islamic Active Allocation Plan-I	3.0%	8.7%	16.1%	20.4%
Benchmark**	(0.5%)	3.6%	13.6%	20.2%

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

General Information

Launch Date:	January 15, 2016
Fund Size:	Rs. 908 million
Type:	Open Ended Shariah Compliant Fund of Funds
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
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.46% p.a.(including 0.11% 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:	AM2++ by PACRA (High Investment Management Standards)

** 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.
Banks selected by NAFA, as MUFAP's selection not available yet.

Investment Objective

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

Fund Manager's Commentary

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

Since inception, NIAAP-I has generated a return of 20.4% versus 20.2% return of the Benchmark. The current exposure in Equity Fund and Income Fund stands at 82.8% & 14.4% respectively. The Plan can invest up to 100% in equity funds. We are confident that the Plan will generate good returns considering the improved macroeconomic and political outlook and dynamic equity allocation mechanism of the Fund.

Asset Allocation (% of Total Assets) 30-Sep-16 31-Aug-16

Shariah Compliant Funds	97.2%	96.7%
Cash Equivalents	2.7%	3.2%
Others including receivables	0.1%	0.1%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NIAAEF	9.4	3.4	4.1%
KMI-30	10.9	2.2	4.8%

*** Based on NAFA's estimates

Top Holdings (%age of total assets) (as on 30 Sep, 2016)

NAFA Islamic Active Allocation Equity Fund	82.8%
NAFA Active Allocation Riba Free Savings Fund	14.4%
Total	97.2%

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

Name of the Members of Investment Committee

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

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.116.1775

September 2016

Performance*

Performance Period %	Sep 2016	FYTD 2017	Rolling 6 Months Apr 16-Sep 16	Since Launch March 04, 2016
NAFA Islamic Active Allocation Plan-II	2.8%	8.4%	15.5%	16.4%
Benchmark**	(0.4%)	3.5%	12.7%	14.2%

* Cumulative Returns

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

General Information

Launch Date:	March 04, 2016
Fund Size:	Rs. 735 million
Type:	Open Ended Shariah Compliant Fund of Funds
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
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.48% p.a.(including 0.11% 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:	AM2++ by PACRA (High Investment Management Standards)

** 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.
Banks selected by NAFA, as MUFAP's selection not available yet.

Investment Objective

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

Fund Manager's Commentary

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

Since inception, NIAAP-II has generated a return of 16.4% versus 14.2% return of the Benchmark. The current exposure in Equity Fund and Income Fund stands at 79.8% & 17.5% 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) 30-Sep-16 31-Aug-16

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
Shariah Compliant Funds	97.3%	96.7%
Cash Equivalents	2.6%	3.2%
Others including receivables	0.1%	0.1%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**

	PER	PBV	DY
NIAAEF	9.4	3.4	4.1%
KMI-30	10.9	2.2	4.8%

***Based on NAFA's estimates

Top Holdings (% age of total assets) (as on 30 Sep, 2016)

Top Holdings (% age of total assets)	(as on 30 Sep, 2016)
NAFA Islamic Active Allocation Equity Fund	79.8%
NAFA Active Allocation Riba Free Savings Fund	17.5%
Total	97.3%

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
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.105.3093

September 2016

Performance*

Performance Period %	Sep 2016	FYTD 2017	Since Launch June 28, 2016
NAFA Islamic Active Allocation Plan-III	2.5%	5.3%	5.4%
Benchmark**	(0.3%)	1.2%	1.9%

* Cumulative Returns

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

General Information

Launch Date:	June 28, 2016
Fund Size:	Rs. 1,500 million
Type:	Open Ended Shariah Compliant Fund of Funds
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
Back end Load:	Nil
Management Fee:	1) On invested amount in NAFA fund, no additional fee. 2) Cash in Bank account: 1.25% p.a.
Total Expense Ratio (%)	0.51% p.a. (including 0.12% government levies)
Risk Profile	Low to moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	Daily weighted return of KMI-30 Index & 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP, based on Fund's actual allocation (which is combination of benchmarks of underlying schemes)
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

** 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.
Banks selected by NAFA, as MUFAP's selection not available yet.

Investment Objective

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

Fund Manager's Commentary

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

Since inception, NIAAP-III has generated a return of 5.4% versus 1.9% return of the Benchmark. The current exposure in Equity Fund and Income Fund stands at 68.8% & 26.6% 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) 30-Sep-16 31-Aug-16

	30-Sep-16	31-Aug-16
Shariah Compliant Funds	95.4%	95.1%
Cash Equivalents	2.5%	4.6%
Others including receivables	2.1%	0.3%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NIAAEF	9.4	3.4	4.1%
KMI-30	10.9	2.2	4.8%

***Based on NAFA's estimates

Top Holdings (%age of total assets) (as on 30 Sep, 2016)

NAFA Islamic Active Allocation Equity Fund	68.8%
NAFA Active Allocation Riba Free Savings Fund	26.6%
Total	95.4%

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
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): 10.0911

September 2016

Performance %*

Performance Period	Sep 2016	FYTD 2017	Rolling Six Month Apr-16-Sep-16	Since Launch January 18, 2016
NAFA Active Allocation Riba Free Savings Fund	4.4%	3.9%	4.1%	4.2%
Benchmark**	4.3%	4.3%	4.5%	4.5%

* 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. 671 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: 0% Back end: 0%
Management Fee:	1.25% per annum
Total Expense Ratio:	1.92% p.a. (including 0.26% government levies)
Risk Profile:	Low
Fund stability rating	"A-(f)" by PACRA
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:**	6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP [#]
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription	Rs. 10,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

** effective from September 01, 2016; Previously Average of 6-Month deposit rates (A- & above rated Islamic banks)
Banks selected by NAFA, as MUFAP's selection not available yet.

Investment Objective

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

Fund Manager's Commentary

During the month under review, the Fund has generated an annualized return of 4.4% against the benchmark return of 4.3%. The performance is net of management fee and all other expenses.

The Fund aims to consistently generate to 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 99.3% of net assets of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues. The weighted average time-to-maturity of the Fund is 1 day.

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

Asset Allocation (% of Total Assets) 30-Sep-16 31-Aug-16

Bank Deposits	98.1%	98.6%
Other including receivables	1.9%	1.4%
Total	100.0%	100.0%
Leverage	Nil	Nil

Credit Quality of the Portfolio as of Sep 30, 2016 (% of Total Assets)

AAA	44.1%
A+	5.1%
A-	48.9%
Other including receivables	1.9%
Total	100.0%

Name of the Members of Investment Committee

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

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

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.12.5792

September 2016

Performance*

Performance %	Sep 2016	FYTD 2017	Rolling 6 Months Apr 16 - Sep 16	Since Launch January 18, 2016
NAFA Islamic Active Allocation Equity Fund	3.5%	10.6%	23.3%	31.3%
Benchmark	(0.6%)	4.2%	18.5%	32.0%

* Cumulative 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. 2,411 million
Type:	Open Ended Shariah Compliant Equity 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
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 (%)	2.82% p.a. (including 0.37% government levies)
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KMI-30 Index
Fund Manager:	Asim Wahab Khan, CFA
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

Investment Objective

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

Fund Manager's Commentary

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

NIAAEF started off the month with an allocation of around 85% in equities, which increased to around 88% towards the end of the month. NIAAEF outperformed the Benchmark in September as the Fund was underweight in select Power Generation & Distribution, Cement, and Fertilizer sectors stocks which underperformed the market and overweight in select Textile Composite, Automobile Assembler, Oil & Gas Marketing Companies, Engineering, Glass & Ceramics, and Automobile Parts & Accessories sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Automobile Assembler, Engineering, Textile Composite, Cable & Electric Goods, and Oil & Gas Marketing sectors, whereas it was reduced primarily in Cement, Fertilizer, Oil & gas Exploration Companies, and Power Generation & Distribution Companies sectors.

Top Ten Holdings (as on 30 Sep, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	5.8%	Pakistan Oilfields Ltd	Equity	3.5%
Pakistan State Oil Co Ltd	Equity	5.3%	Honda Atlas Cars Ltd	Equity	3.5%
Nishat Mills Ltd	Equity	4.7%	Engro Fertilizer Ltd	Equity	3.3%
Mari Petroleum Company Ltd	Equity	3.8%	Kohinoor Textile Mills Ltd	Equity	3.3%
Indus Motor Company Ltd	Equity	3.7%	Attock Cement Pakistan Ltd	Equity	3.0%

Asset Allocation (% of Total Assets) 30-Sep-16 31-Aug-16

Equities / Stocks	88.5%	84.9%
Cash Equivalents	10.4%	14.8%
Others including receivables	1.1%	0.3%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**

	PER	PBV	DY
NIAAEF	9.4	3.4	4.1%
KMI-30	10.9	2.2	4.8%

** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 30 Sep, 2016)

Cement	13.9%
Fertilizer	12.4%
Oil & Gas Exploration Companies	12.1%
Automobile Assembler	9.1%
Oil & Gas Marketing Companies	8.7%
Others	32.3%

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
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.11.8065

September 2016

Performance %*

Performance Period	Sep 2016	FYTD 2017	Since Launch April 21, 2016
NAFA Islamic Energy Fund	2.6%	11.9%	22.5%
Benchmark	(0.6%)	4.2%	17.0%

* Cumulative Return

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

General Information

Launch Date:	April 21, 2016
Fund Size:	Rs. 1,587 million
Type:	Open Ended Shariah Compliant Equity 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
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end 3% (Nil on investment above Rs 50 million) Back end - 0%
Management Fee:	2% p.a
Total Expense Ratio (%)	2.93% p.a (including 0.38% government levies)
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:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

Investment Objective

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

Fund Manager's Commentary

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

NIEF started off the month with an allocation of around 83% in equities, which decreased to around 82% towards the end of the month. NIEF outperformed the Benchmark in September as the Fund was overweight in select Energy sectors stocks which outperformed the market. During the month, the allocation was increased in Oil & Gas Marketing Companies sector whereas it was reduced in Oil & Gas Exploration Companies, and Power Generation & Distribution Companies sectors.

Top Ten Holdings (as on 30 Sep, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Mari Petroleum Co Ltd	Equity	11.0%	Kot Addu Power Co Ltd	Equity	6.2%
Pakistan State Oil Co. Ltd	Equity	10.7%	Sui Northern Gas Ltd	Equity	5.7%
Pakistan Oilfields Ltd	Equity	9.4%	Oil & Gas Dev.Co	Equity	5.7%
Shell Pakistan Ltd	Equity	7.6%	K-Electric Ltd	Equity	5.0%
Pak Petroleum Ltd	Equity	7.2%	Attock Refinery Ltd	Equity	3.9%

Asset Allocation (% of Total Assets) 30-Sep-16 31-Aug-16

Equities / Stocks	82.3%	83.1%
Cash Equivalents	15.8%	16.2%
Others including receivables	1.9%	0.7%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**

	PER	PBV	DY
NIEF	9.3	3.3	4.3%
KMI-30	10.9	2.2	4.8%

** Based on NAFA's estimates

Sectors (% of Total Assets) (as on 30 Sep, 2016)

Oil & Gas Exploration Companies	33.3%
Oil & Gas Marketing Companies	29.3%
Power Generation & Distribution	15.0%
Refinery	4.7%

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
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA

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