



Performance

Performance %	June 2013 *	FYTD Jul 12 - June 13 *	CYTD Jan 13 - Jun 13 *	Since Launch October 28, 2011 **
NAFA Financial Sector Income Fund	7.46%	9.28%	8.49%	10.63%
Benchmark	8.54%	9.03%	8.62%	9.72%

\* Simple Annualized Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

General Information

Launch Date:	October 28, 2011
Fund Size:	Rs. 4,961 Million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday (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
Dealing Time:	2-3 business days
Settlement:	Forward Pricing
Pricing Mechanism:	Forward Pricing
Load:	Front end: 1% (Nil on investment above Rs. 5 million) Back end: 0%
Management Fee:	1.5% per annum
Risk Profile:	Low
Fund stability rating:	A+(f) by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	70% 6-Month KIBOR & 30% average 3-Month deposit rates (A & above rated banks)
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA

Investment Objective

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

Fund Manager Commentary

The Fund generated an annualized return of 7.46% for the month of June 2013 versus the benchmark return of 8.54%. Since its launch in October 2011, the Fund offered an annualized return of 10.63% against benchmark return of 9.72%, hence an out-performance of 0.91% p.a. This outperformance is net of management fee and all other expenses.

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

Exposure in TFCs was 40.37% at the end of the month with average time to maturity of 3.73 years and Yield to Maturity of 10.35% p.a. Exposure in Money Market Instruments was around 6.41% and investment with DFIs was 6.01%. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. Therefore, in case of increase in interest rates, the coupon income of the Fund will improve.

The weighted average time-to-maturity of the Fund is 1.54 years. We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

Asset Allocation (% of Total Assets) 29-June-13 31-May-13

	29-June-13	31-May-13
TFCs	40.37%	50.34%
Money Market Placements	6.41%	9.20%
Placement with DFIs	6.01%	-
Cash Equivalents	26.04%	37.75%
Other including receivables	21.17%	2.71%
Total	100.00%	100.00%

Leverage	Nil	Nil
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Top 10 TFC (Including Short Term Sukuk) (as at June 29th, 2013)

Name of TFC / Short Term Sukuk	% of Total Assets
United Bank Limited IV	8.89%
Bank Alfalah Limited IV - FT	7.38%
Faysal Bank Limited III	6.14%
NIB Bank Limited	5.45%
HUBCO Short Term Islamic Sukuk VI	4.61%
Askari Bank Limited III	3.16%
Pakistan Mobile Communication Limited	2.27%
HUBCO Short Term Islamic Sukuk V	1.80%
Allied Bank Limited II	1.26%
Bank Alfalah Limited IV - FX	1.25%
Total	42.21%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 9,318,634/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0193/0.24%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

Name of the Members of Investment Committee

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

Credit Quality of the Portfolio as of June 29th, 2013 (% of Total Assets)

