

## NBP Fullerton Asset Management Ltd. A Subsidiary of

Vational Bank of Pakistan

## NAFA Financial Sector Income Fund (NFSIF)

MONTHLY REPORT (MUFAP's Recommended Format) Unit Price (29/06/2013): 10.2746

June 2013

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		Investment Objective
Launch Date: Fund Size: Type: Dealing Days:	October 28, 2011 Rs. 4,961 Million Open-end – Income Fund Daily – Monday to Saturday	To provide income enhancement and preservation of capital by investing in prime quality Financial Sector TFCs/Sukuks, Bank deposits and short-term money market instruments.
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M	Fund Manager Commentary
Settlement: Pricing Mechanism Load: Management Fee: Risk Profile:	(Saturday) 9:00 A.M to 1:00 P.M 2-3 business days Forward Pricing Front end: 1% (Nil on investment above Rs. 5 million) Back end: 0% 1.5% per annum Low	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.
Fund stability rating Listing: Custodian & Trustee: Auditors:	A+(f) by PACRA Lahore Stock Exchange Central Depository Company (CDC) A. F. Ferguson & Co. Chartered Accountants	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
Benchmark:	70% 6-Month KIBOR & 30% average 3-Month deposit rates (A & above rated banks)	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 Manager: Minimum Subscription: Asset Manager Rating:	Salman Ahmed Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- AM2 by PACRA	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.
Asset Allocation (% of	Total Assets) 29-June-13 31-May-13	maturity of 3.73 years and Yield to Maturity of 10.35% p.a. Exposure in Money

will improve.

market outlook.

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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

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)

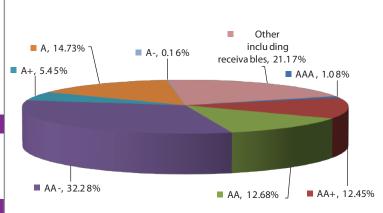
The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 9,318,634/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0193/0.24%. For details investors are advised to read note 6 of the Financial Statements of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

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 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



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