

MONTHLY REPORT (MUFAP's Recommended Format)  
 Unit Price (31/10/2018): Rs. 10.1987

October 2018

## Performance %\*

| Performance Period             | Oct 2018 | FYTD 2019 | Since Launch February 28, 2018 |
|--------------------------------|----------|-----------|--------------------------------|
| NAFA Islamic Money Market Fund | 6.3%     | 5.9%      | 5.3%                           |
| Benchmark                      | 2.8%     | 2.7%      | 2.6%                           |

\*Simple Annualized 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:                                      | February 28, 2018   |
| Fund Size:  | Rs. 1,208 million   |
| Fund Size (excluding investment by Fund of Funds) | Rs. 49 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<br>(Friday) 9:00 A.M to 5:30 P.M<br>(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:                              | 1.70% 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<br>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/-<br>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 6.3% for the month of October 2018 versus the Benchmark return of 2.8% 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. 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 while also providing 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 1 day.

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

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

|                              |               |
|------------------------------|---------------|
| AAA                          | 0.1%          |
| AA+                          | 97.9%         |
| AA                           | 0.1%          |
| AA-                          | 0.1%          |
| A-                           | 0.1%          |
| Others including receivables | 1.7%          |
| <b>Total</b>                 | <b>100.0%</b> |

## Asset Allocation (% of Total Assets) 31-Oct-18 29-Sep-18

|                              |               |               |
|------------------------------|---------------|---------------|
| Bank Deposits                | 98.3%         | 98.7%         |
| Others including receivables | 1.7%          | 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. 1,159 million

## Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provisions against Sindh Workers' Welfare Fund's liability to the tune of Rs. 1,095,739/-. If the same were not made the NAV per unit/since inception return of scheme would be higher by Rs. 0.0092/0.14%. For details investors are advised to read note 7 of the financial statements of the Scheme for the period ended September 30,2018.

## 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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