



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/03/2012): Rs. 9.5428

March 2012

Performance

Performance %	March 2012*	Jul. 2011-Mar. 2012**	Trailing 12 Months*	Since Launch April 22, 2006*
NAFA Income Opportunity Fund	36.76%	-1.76%	-1.18%	6.26%
Benchmark	11.95%	9.27%	12.80%	11.75%

* Represent Annualized Return - (based on morning star formula)
** Represent Cumulative Return
(Returns are net of management fee & all other expenses)

General Information

Launch Date: April 22, 2006
Fund Size: Rs. 1,706 million
Type: Open-end – 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: 0%, 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: KPMG Taseer Hadi & Co.
Chartered Accountants
Benchmark: 6-Month KIBOR
Fund Manager: Hussain Yasar
Minimum Subscription: Growth Unit: Rs. 10,000/-
Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2- 'Positive Outlook' by PACRA

Investment Objective

To seek preservation of Capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.

Fund Manager Commentary

The Fund has earned an annualized return of 36.76% during the month of March. This high return is due to receipt of principal in a Cement Sector Sukuk which was marked to market at a lower price.

The Fund has high allocation in TFCs of around 88.06% of the Fund size. All TFCs in your Fund are floating rate instruments linked to KIBOR. Weighted average price of the TFC portfolio is Rs. 87.08 against the par value of Rs100. Developments on restructuring of some of the TFCs are at advanced stage.

The weighted average Yield to Maturity of your Fund is around 19.96% p.a. and that of the TFC portfolio is 21.11% p.a. The weighted average time to maturity of your Fund is 2.25 years. The Fund's sector allocation is fairly diversified with exposure to Telecom, Fertilizer, Cement, Financial Services, Banking, and Leisure (Hotel) sub-sectors. However, since TFCs prices may go up and down, therefore, only long-term investors are advised to invest in this Fund.

The management has stopped providing for WWF since March 14, 2012.

Details of Non-Compliant Investments

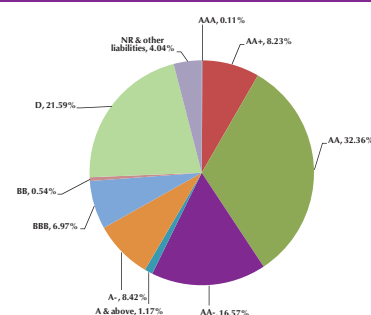
Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
BRR Guardian Modaraba***	SUKUK	48,750,000	12,187,500	36,562,500	2.14%	1.60%	24.10%
Escort Investment Bank Limited***	TFC	12,489,900	3,280,397	9,209,503	0.54%	0.40%	18.00%
Kohat Cement Limited (Sukuk)***	SUKUK	108,500,000	28,256,763	80,243,237	4.70%	3.50%	27.72%
Eden Housing (Sukuk II)	SUKUK	28,893,750	10,072,679	18,821,071	1.10%	0.82%	28.67%
Maple Leaf Cement (Sukuk I)	SUKUK	399,235,000	162,363,684	236,871,316	13.89%	10.35%	37.78%
Pak Elektron Limited (Sukuk)	SUKUK	51,428,571	9,481,783	41,946,788	2.46%	1.83%	14.97%
Saudi Pak Leasing	TFC	51,529,950	17,507,455	34,022,495	1.99%	1.49%	19.40%
AgriTech Limited I	TFC	149,860,200	149,860,200	-	0.00%	0.00%	N/A
AgriTech Limited V	TFC	32,320,000	32,320,000	-	0.00%	0.00%	N/A
Azgard Nine Limited (PPTFC)	TFC	249,800,000	249,800,000	-	0.00%	0.00%	N/A
Dewan Cement Limited	TFC	150,000,000	150,000,000	-	0.00%	0.00%	N/A
Gharibwal Cement Limited (PPTFC)	TFC	24,355,500	24,355,500	-	0.00%	0.00%	N/A
Maple Leaf Cement (Sukuk II)	SUKUK	15,000,000	15,000,000	-	0.00%	0.00%	N/A
New Allied Electronics (PPTFC)	TFC	31,706,536	31,706,536	-	0.00%	0.00%	N/A
New Allied Electronics (Sukuk II)	SUKUK	44,148,934	44,148,934	-	0.00%	0.00%	N/A
PACE Pakistan Limited	TFC	149,820,000	149,820,000	-	0.00%	0.00%	N/A
Total		1,547,838,341	1,090,161,431	457,676,910	26.82%	19.99%	

***Book Value, performing but below authorized minimum credit rating grade

Excess / (Short) exposures

Particulars	Exposure Type	% of Net Assets	Limit	Excess / (Short) exposures
Engro Fertilizer Limited (PPTFC)	Per Party	17.08%	10.00%	7.08%
Maple Leaf Cement (Sukuk I)	Per Party	13.89%	10.00%	3.89%
Pakistan Mobile Communication (Listed II)	Per Party	12.47%	10.00%	2.47%
Cash and Cash Equivalent	Cash Balance	12.61%	25.00%	(12.39)%

Credit Quality of the Portfolio as of March 31, 2012 (% of NAV)



Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Ahmad Nouman, CFA
Sajjad Anwar, CFA
Tanvir Abid, CFA, FRM
Hussain Yasar

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