

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#</p> <p>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)

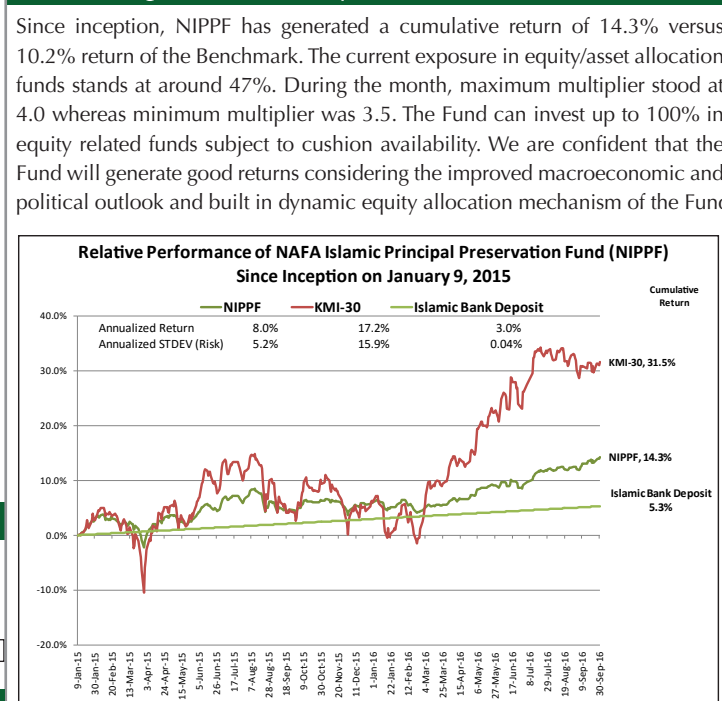
The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 1,767,381/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1627/0.17%. For details investors are advised to read the Note 16 of the Financial Statements of 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.

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 Documents to understand the investment policies and the risk involved. Principal Preservation only applies to unit holders who hold their investments until initial maturity of two years.

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