MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/10/2014): Rs.106.4743

October 2014

Performance %*

Performance Period	October 2014	FYTD 2015	Since Launch March 05, 2014
NAFA Islamic Principal Protected Fund-I (NIPPF-I)	2.8%	4.7%	7.5%
Benchmark	0.5%	2.0%	5.7%

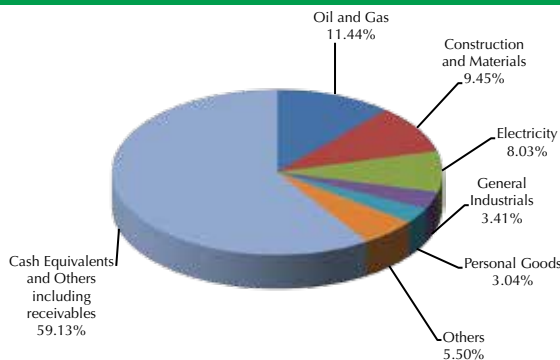* Cumulative Returns   [Returns are net of management fee & all other expenses]

General Information

Launch Date:	March 5, 2014
Fund Size:	Rs. 1,683 million
Type:	Shariah Compliant - Open-end – Capital Protected Fund
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
Load:	Back end: 0%
Management Fee:	2% per annum
Risk Profile:	Low
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Fund's actual allocation.
Fund Manager:	Sajjad Anwar, CFA
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

The objective of NAFA Islamic Principal Protection Fund-I is to earn a potentially high return through dynamic asset allocation between shariah compliant Equities and Money Market investment avenues, while providing principal protection.

Fund Manager's Commentary

NAFA launched its first open-end Islamic capital protected fund namely NAFA Islamic Principal Protected Fund (NIPPF-1) this March. The aim of the Fund is to provide growth to the investment of Unit holders over the long-term in approved Shariah compliant equities and money market instruments while protecting initial investment value at Initial Maturity date, which is two years from launch date. The Fund is presently closed for new subscription.

Since inception, NIPPF- I has generated a return of 7.5% versus 5.7% return of the Benchmark. The current equity exposure stands at around 41%. Key holdings of the Fund belong to Oil and Gas, Electricity and Construction & Materials sectors. The Fund can invest up to 50% in equities. We are confident that the Fund will generate good returns once the political situation settles, considering the positive outlook of the market and built in dynamic equity allocation mechanism of the Fund.

Asset Allocation (% of Total Assets)	31-Oct-14	30-Sep-14
Equities / Stocks	40.87%	39.02%
Cash Equivalents	56.85%	57.31%
Others including receivables	2.28%	3.67%
Total	**100.00%**	**100.00%**
Leverage	Nil	Nil

Characteristics of Equity Portfolio**

	PER	PBV	DY
NIPPF-I	7.6	2.3	6.4%
KMI-30	8.7	2.2	6.7%

** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 31 October, 2014)

- Oil and Gas 11.44%
- Construction and Materials 9.45%
- Electricity 8.03%
- General Industrials 3.41%
- Personal Goods 3.04%
- Others 5.50%
- Cash Equivalents and Others including receivables 59.13%

Top Ten Holdings (as on 31 October, 2014)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Pakistan Petroleum Ltd	Equity	4.03%	Thal Ltd	Equity	2.53%
Kot Addu Power	Equity	4.03%	Maple Leaf Cement Factory Ltd	Equity	2.49%
Pakistan Oilfields Ltd	Equity	3.90%	Pioneer Cement Ltd	Equity	2.26%
Hub Power Company Ltd	Equity	3.59%	Nishat Mills Ltd	Equity	2.02%
Lucky Cement Ltd	Equity	2.76%	Pakistan State Oil Co. Ltd	Equity	1.81%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs. 2,423,759/-If the same were not made the NAV per unit/ since inception return of scheme would be higher by Rs. 0.1533/0.15%. For details investors are advised to read Note 7 of the Financial Statements of the Scheme for the period ended September 30, 2014.

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, CFA
Asim Wahab khan, CFA
Muhammad Imran, CFA, ACCA

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 Income Tax Ordinance.