



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/08/2013): Rs. 10.0841

August 2013

## Performance

Performance % *	August 2013 *	FYTD Jul 2013 - Aug 2013*	Trailing 12 Months Sep 12 -Aug 13 *	Since Launch August 21, 2010**
NAFA Riba Free Savings Fund	7.01%	6.76%	8.13%	9.80%
Benchmark	6.63%	6.66%	7.02%	7.80%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

## General Information

Launch Date:	August 21, 2010
Fund Size:	Rs. 3,278 million
Type:	Open-end – Shariah Compliant 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: 0.5% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.25% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AA-(f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC) (w.e.f 04th September 2013)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	Average 6-month deposit rate of A- and above rated Islamic Banks
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To provide preservation of capital and earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shariah compliant banks and money market / debt securities.

## Fund Manager Commentary

The Fund generated an annualized return of 7.01% for the month of August 2013 versus the benchmark return of 6.63% thus registering an out-performance of 0.38% p.a. During the last one year the Fund has out-performed its benchmark by 1.11% by earning an annualized return of 8.13%. This out-performance is net of management fee and all other expenses.

The Fund aims to consistently provide better returns than the profit rates offered by Islamic Banks / Islamic windows of commercial banks, while also providing easy liquidity along with a high quality credit profile. The Fund is allowed to invest in short-term Shariah compliant money market securities of up to six months maturity rated AA- or better. The Fund is not authorized to invest in debt securities and the stock market. With stability rating of AA-(f), NRF SF is amongst the highest rated Islamic Income Funds in the market.

The allocation of the Fund is fairly diversified with exposure of around 18% in GoP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 80% of the portfolio is invested in bank deposits which further enhances liquidity profile of the Fund.

The weighted average duration of the Fund is 15 days and the weighted average time to maturity is 0.21 years. The Fund is invested in floating rate securities. Therefore, the return on the Fund will improve with increase in the interest rates. We will rebalance the portfolio based on the capital market condition.

## Asset Allocation (% of Total Assets)

	31-Aug-13	31-July-13
GOP Ijarah Sukuk - Govt. Backed	18.17%	18.63%
Cash Equivalents	80.53%	80.23%
Other including receivables	1.30%	1.14%
Total	100.00%	100.00%
Leverage	Nil	Nil

## Top Holdings (as at August 31st, 2013)

Name of Sukuk	% of Total Assets
GOP Ijarah (Sukuk IX)	5.22%
GOP Ijarah (Sukuk V)	3.34%
GOP Ijarah (Sukuk VIII)	3.04%
GOP Ijarah (Sukuk XII)	1.52%
GOP Ijarah (Sukuk XIII)	1.42%
GOP Ijarah (Sukuk X)	1.22%
GOP Ijarah (Sukuk XIV)	0.76%
GOP Ijarah (Sukuk XI)	0.73%
GOP Ijarah (Sukuk VI)	0.67%
GOP Ijarah (Sukuk VII)	0.25%
Total	18.17%

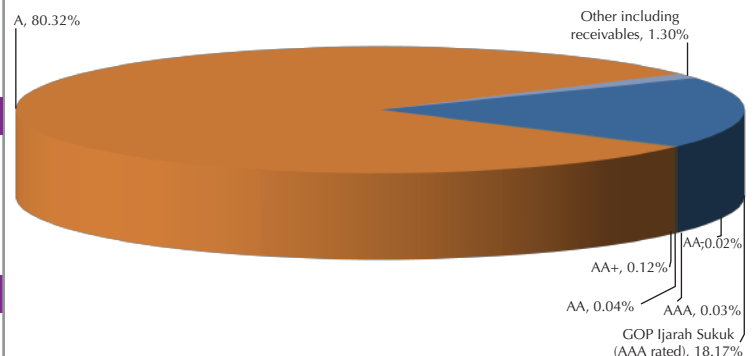
## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.4,684,604/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0144/0.15%. For details investors are advised to read note 5 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 August 31st, 2013 (% of Total Assets)



**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. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.