



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/10/2012): Rs.11.3372

October 2012

Performance

| Performance % | October 2012 | Jul. 2012- Oct. 2012 | Trailing 12 Months Nov 2011 - Oct 2012 | Since Launch January 22, 2007 |
|-------------------------|--------------|----------------------|--|-------------------------------|
| NAFA Multi Asset Fund * | 0.44% | 9.00% | 21.80% | 86.17% |
| Benchmark | 0.39% | 6.35% | 14.47% | 42.65% |

* Fund's Cumulative returns are net of management fee & all other expenses

General Information

| | |
|-----------------------|---|
| Launch Date: | January 22, 2007 |
| Fund Size: | Rs 668 million |
| Type: | Open-end – Balanced 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: | Front end – 3%, Back end - 0% |
| Management Fee: | 2% per annum (Effective Jan 22,2012) |
| Risk Profile: | Moderate |
| Listing: | Lahore Stock Exchange |
| Custodian & Trustee: | Central Depository Company (CDC) |
| Auditors: | M. Yousuf Adil Saleem & Co. Chartered Accountants |
| Benchmark: | 50% KSE-30 Index & 50% 3-month KIBOR |
| Fund Manager: | Sajjad Anwar, CFA |
| Minimum Subscription: | Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- |
| Asset Manager Rating: | AM2 by PACRA |

Investment Objective

To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.

Fund Manager's Commentary

During the month under review, NAFA Multi Asset Fund's (NMF) Net Asset Value (NAV) increased by 0.44% while the benchmark increased by 0.39%. Thus your Fund out-performed the benchmark by 0.05%. Since inception on January 22, 2007 your Fund has increased by 86.17%, while the benchmark has increased by 42.65%. Thus, to-date the out-performance of your Fund stands at 43.52%. This out-performance is net of management fee and all other expenses.

NMF is a Balanced Fund and market weight implies 50% weight in equities and 50% in fixed income asset class. The market depicted positive trend with some volatility. At the start of the month NMF was around 68% invested in equities. However, during the month the allocation in stocks was gradually reduced and at the end of October NMF was around 46% invested in equities. NMF's key holdings in the Construction & Materials, Oil & Gas and Media sectors performed better than market, thereby contributing to the out-performance. On the other hand, the drag on the Fund performance was depressed TFC prices and under-performance of its selected holdings in the Fertilizer and Jute sub-sectors. The weightage of NMF in the Electricity and Oil & Gas sectors and Fertilizer sub-sector was reduced.

Asset Allocation (% of Total Assets) 31-Oct-12 28-Sep-12

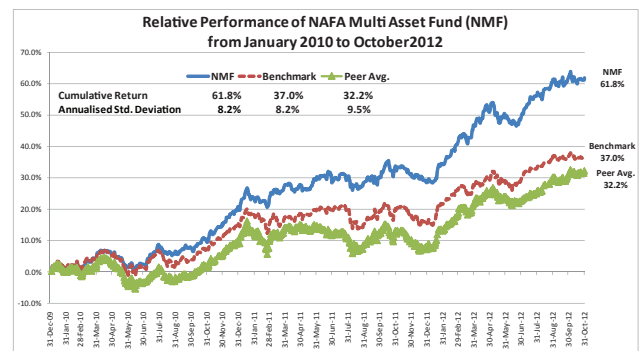
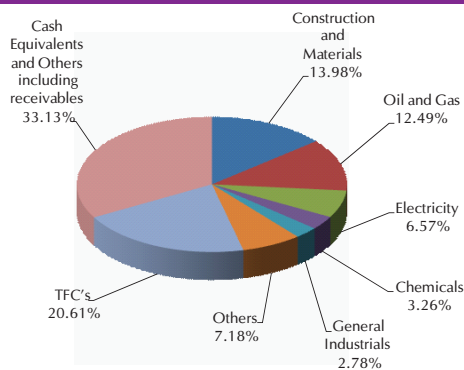
| | 31-Oct-12 | 28-Sep-12 |
|------------------------------|----------------|----------------|
| Equities / Stocks | 46.26% | 67.76% |
| TFCs / Sukuks | 20.61% | 20.72% |
| Cash Equivalents | 29.16% | 8.80% |
| Others including receivables | 3.97% | 2.72% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Characteristics of Equity Portfolio**

| | PER | PBV | DY |
|--------|-----|-----|------|
| NMF | 6.3 | 2.0 | 8.1% |
| KSE-30 | 8.0 | 4.0 | 7.8% |

** Based on NAFA's estimates

Asset Allocation (% of Total Assets)(as on 31st October, 2012)



Top Ten Holdings (as on 31st October, 2012)

| Name | Asset Class | % of Total Assets | Name | Asset Class | % of Total Assets |
|------------------------|-------------|-------------------|--------------------------|-------------|-------------------|
| Hub Power Company Ltd | Equity | 6.53% | Lucky Cement Ltd | Equity | 4.71% |
| Pakistan Petroleum Ltd | Equity | 5.39% | D. G. Khan Cement Co Ltd | Equity | 4.37% |
| Maple Leaf Cement I | Sukuk | 5.08% | Avari Hotels Ltd | TFC | 3.65% |
| Cherat Cement Co Ltd | Equity | 4.88% | Saudi Pak Leasing Ltd | TFC | 3.15% |
| Pakistan Oilfields Ltd | Equity | 4.87% | Thal Ltd | Equity | 2.78% |

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Tanvir Abid, CFA, FRM
Muhammad Ali Bhabha, CFA, FRM

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 6,629,448/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1124/1.21%.For details investors are advised to read the Note 17 of the Financial Statements of the Scheme for the period ended June 30, 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 |
|-----------------------------------|--------------------|---------------------------------------|-------------------|--------------------------------------|-----------------|-------------------|-----------------------------|
| Saudi Pak Leasing*** | TFC | 32,351,600 | 11,006,791 | 21,344,809 | 3.19% | 3.15% | 25.86% |
| Eden Housing (Sukuk II) | SUKUK | 26,718,750 | 9,314,450 | 17,404,300 | 2.60% | 2.57% | 58.08% |
| Maple Leaf Cement (Sukuk I) | SUKUK | 86,041,065 | 51,624,639 | 34,416,426 | 5.15% | 5.08% | 37.10% |
| Pak Elektron Limited (Sukuk) | SUKUK | 17,142,857 | 8,336,863 | 8,805,994 | 1.32% | 1.30% | 71.39% |
| Maple Leaf Cement (Sukuk II) | SUKUK | 2,210,000 | 2,210,000 | - | - | - | - |
| New Allied Electronics (Sukuk II) | SUKUK | 10,000,000 | 10,000,000 | - | - | - | - |
| Total | | 174,464,272 | 92,492,743 | 81,971,529 | 12.26% | 12.10% | |

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

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.