

# NAFA Multi Asset Fund (NMF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (29/09/2017): Rs. 18.1020

September 2017

## Performance %

| Performance Period    | Sep 2017 | FYTD 2018 | Rolling 12 Months Oct 16 - Sep 17 | FY 2017 | FY 2016 | FY 2015 | FY 2014 | FY 2013 | Since Launch January 19, 2007* |
|-----------------------|----------|-----------|-----------------------------------|---------|---------|---------|---------|---------|--------------------------------|
| NAFA Multi Asset Fund | 1.3%     | (5.7%)    | 10.3%                             | 28.4%   | 8.7%    | 26.8%   | 25.4%   | 34.1%   | 15.8%                          |
| Benchmark**           | 2.4%     | (5.2%)    | 4.8%                              | 14.1%   | 7.1%    | 11.0%   | 19.6%   | 22.4%   | 9.0%                           |

\* 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

Launch Date: January 19, 2007  
Fund Size: Rs 1,767 million  
Type: Open-end – Balanced Fund  
Dealing Days: Daily – Monday to Friday (Mon-Thr) 9:00 A.M to 4:30 P.M (Friday) 9:00 A.M to 5:00 P.M  
Dealing Time: 2-3 business days  
Settlement: Forward Pricing  
Pricing Mechanism: Front End Load (Individual): 3%, (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL  
Load:\*\*\*  
Management Fee: 2% per annum  
Total Expense Ratio (%): 2.74% p.a.(including 0.37% government levies)  
Risk Profile: Moderate  
Listing: Pakistan Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: KPMG Taseer Hadi Chartered Accountants  
Benchmark:\*\* Daily weighted return of KSE-30 Total Return Index & 6-month KIBOR based on Fund's actual allocation.  
Fund Manager: Taha Khan Javed, CFA  
Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM1 by PACRA (Very High Quality)

## 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) unit price (NAV) increased by 1.3% while the Benchmark increased by 2.4%. Thus your Fund underperformed the Benchmark by 1.1%. Since inception on January 19, 2007 your Fund has posted 15.8% p.a return, versus 9.0% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 6.8% p.a. This outperformance is net of management fee and all other expenses.

NMF started off the month with an allocation of around 57% in equities, which increased to around 58% towards the end of the month. NMF underperformed the Benchmark in September as the Fund was underweight in select Commercial Banks, Fertilizer, Oil & Gas Exploration Companies, and Power Generation & Distribution Companies sectors stocks which outperformed the market and overweight in select Cement, Textile Composite, Glass & Ceramics, and Engineering sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Commercial Banks, Fertilizer, and Oil & Exploration Companies sectors, whereas it was reduced primarily in Cement, Textile Composite, and Chemical sectors.

\*\* effective from September 01, 2016; Previously 50% KSE-30 Total Return Index & 50% 3-month KIBOR. From January 01, 2014, KSE-30 Total Return Index  
\*\*\* effective from January 02, 2017

## Asset Allocation (% of Total Assets) 29-Sep-17 31-Aug-17

| Asset Allocation (% of Total Assets) | 29-Sep-17     | 31-Aug-17     |
|--------------------------------------|---------------|---------------|
| Equities / Stocks                    | 57.9%         | 57.0%         |
| TFCs / Sukuks                        | 6.9%          | 6.9%          |
| Cash                                 | 26.2%         | 8.6%          |
| T-Bills                              | -             | 26.9%         |
| Placement with Banks                 | 8.1%          | -             |
| Others including receivables         | 0.9%          | 0.6%          |
| <b>Total</b>                         | <b>100.0%</b> | <b>100.0%</b> |
| Leverage                             | Nil           | Nil           |

## Characteristics of Equity Portfolio\*\*\*\*

|        | PER | PBV | DY   |
|--------|-----|-----|------|
| NMF    | 9.3 | 1.3 | 4.4% |
| KSE-30 | 9.6 | 1.7 | 5.6% |

\*\*\*\*Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 29 September, 2017)

|                                 |       |
|---------------------------------|-------|
| Oil & Gas Exploration Companies | 8.9%  |
| Textile Composite               | 8.0%  |
| Commercial Banks                | 7.9%  |
| Cement                          | 6.3%  |
| Automobile Assembler            | 4.2%  |
| Others                          | 22.6% |

## Name of the Members of Investment Committee

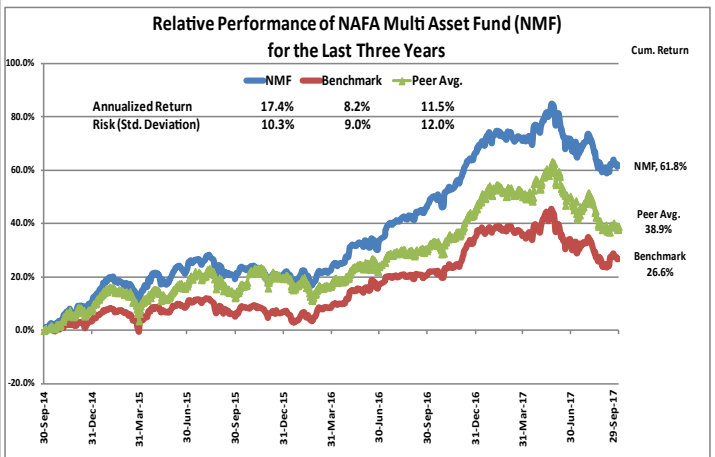
Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Taha Khan Javed, CFA  
Hassan Raza, CFA  
Muhammad Ali Bhabha, CFA, FRM

## Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against Sindh worker's welfare Fund's liability to the tune of Rs 12,223,019/- if the same were not made the NAV Per unit/return of the Scheme would be higher by Rs 0.1252/0.77%. For details investors are advised to read the note T2.1 of the Financial Statements of the Scheme for the year ended June 30, 2017.

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 risks involved. The scheme holds certain non-compliant investments. Before making any investment decision, investors should review the latest monthly Fund Manager Report and Financial statements. The reported return may include provisions and reversal of provisions against some debt securities.



## Top Ten Holdings (as on 29 September, 2017)

| Name                          | Asset Class | % of Total Assets | Name                       | Asset Class | % of Total Assets |
|-------------------------------|-------------|-------------------|----------------------------|-------------|-------------------|
| Jahangir Siddiqui and Co. Ltd | TFC         | 6.9%              | Engro Corporation Ltd      | Equity      | 2.3%              |
| Mari Petroleum Company Ltd    | Equity      | 2.7%              | Pak Petroleum Ltd          | Equity      | 2.3%              |
| Kohinoor Textile Mills Ltd    | Equity      | 2.7%              | Millat Tractors Ltd        | Equity      | 2.1%              |
| Nishat Mills Ltd              | Equity      | 2.6%              | Indus Motor Company Ltd    | Equity      | 2.1%              |
| Pakistan Oilfields Ltd        | Equity      | 2.6%              | Pakistan State Oil Co. Ltd | Equity      | 1.9%              |

## 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 |
|----------------------------------|--------------------|---------------------------------------|-------------------|--------------------------------------|-----------------|-------------------|
| Saudi Pak Leasing                | TFC                | 27,547,410                            | 27,547,410        | -                                    | -               | -                 |
| Eden Housing (Sukuk II)          | SUKUK              | 9,843,750                             | 9,843,750         | -                                    | -               | -                 |
| New Allied Electronics (Sukuk I) | SUKUK              | 10,000,000                            | 10,000,000        | -                                    | -               | -                 |
| <b>Total</b>                     |                    | <b>47,391,160</b>                     | <b>47,391,160</b> | <b>-</b>                             | <b>-</b>        | <b>-</b>          |