

## Performance %

| Performance Period                 | Feb 2019 | FYTD 2019 | Rolling 12 Months | FY 2018 | FY 2017 | FY 2016 | FY 2015 | FY 2014 | Last 3 Years* | Last 5 Years* | Last 10 Years* | Since Launch October 26, 2007* |
|------------------------------------|----------|-----------|-------------------|---------|---------|---------|---------|---------|---------------|---------------|----------------|--------------------------------|
| NAFA Islamic Asset Allocation Fund | (1.9%)   | (2.3%)    | (4.6%)            | (8.7%)  | 20.3%   | 13.1%   | 33.8%   | 22.2%   | 6.6%          | 12.6%         | 18.9%          | 12.9%                          |
| Benchmark**                        | (2.3%)   | (1.6%)    | (2.6%)            | (3.6%)  | 11.9%   | 9.2%    | 12.1%   | 17.7%   | 4.8%          | 6.7%          | 14.7%          | 9.1%                           |

\* 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.

Note:\*\* Effective from September 01, 2016; Previously average of (i) average 3-month Islamic banks deposit rate (ii) 6-month KIBOR or its Shariah Compliant equivalent (iii) KMI 30 Index  
 \*\*KSE-30 is used as equity component for the Benchmark before June 30, 2008, the launch date of KMI-30 Index. The fund category was changed to Islamic Asset Allocation from Islamic Balanced with effect from April 22, 2014. Consequently, allowed equity range is now 0% to 90% which previously was 30% to 70%. Previous benchmark was 50% KMI-30 Index & 50% Islamic Bank Deposit.

## General Information

|                              |   |
|------------------------------|---|
| Launch Date:                 | October 26, 2007  |
| Fund Size:                   | Rs. 9,661 million   |
| Type:                        | Open-end-Shariah Compliant -Asset Allocation 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)  |
| Load:***                     | Front End Load (Other): 3% (Nil on investment above Rs. 50 million)   |
|                              | Back End Load: NIL  |
|                              | 2% per annum  |
| Management Fee:              | 3.16% p.a (including 0.37% government levies)   |
| Total Expense Ratio (%)      | 0.4% per annum  |
| Selling & Marketing Expenses | Moderate  |
| Risk Profile:                | Pakistan Stock Exchange   |
| Listing:                     | Central Depository Company (CDC)  |
| Custodian & Trustee:         | Deloitte Yousuf Adil  |
| Auditors:                    | Chartered Accountants   |
| Benchmark:**                 | 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, based on Fund's actual allocation. |
| Fund Manager:                | Taha Khan Javed, CFA  |
| Minimum Subscription:        | Growth Unit: Rs. 10,000/-   |
| Asset Manager Rating:        | Income Unit: Rs. 100,000/-  |
|                              | AM1 by PACRA (Very High Quality)  |
|                              | *** effective from January 02, 2017   |

## Investment Objective

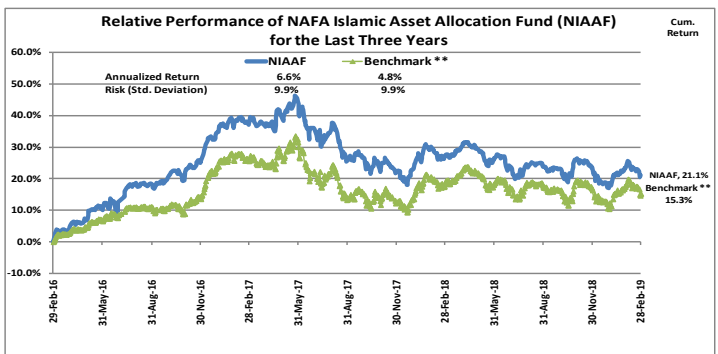
To generate capital appreciation by investing in Shariah Compliant equity and equity related securities and income by investing in Shariah Compliant bank deposits, debt & money market securities.

## Fund Manager's Commentary

During the month under review, unit price (NAV) of NAFA Islamic Asset Allocation Fund (NIAAF) decreased by 1.9%, whereas the Benchmark decreased by 2.3%, thus an outperformance of 0.4% was recorded. Since inception your Fund has posted 12.9% p.a return, versus 9.1% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 3.8% p.a. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 69% in equities, which decreased to around 57% towards the end of the month. NIAAF outperformed the Benchmark as the Fund was underweight in select Oil & Gas Marketing Companies, Food & Personal Care Products, and Refinery sectors stocks which underperformed the market and overweight in select Commercial Banks, Glass & Ceramics, Technology & Communication, and Textile Composite sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Commercial Banks sector, whereas it was reduced primarily in Chemical, Cement, Engineering, and Fertilizer sectors.

| Asset Allocation (% of Total Assets) | 28-Feb-19     | 31-Jan-19     |
|--------------------------------------|---------------|---------------|
| Equities / Stocks                    | 56.8%         | 69.1%         |
| Cash                                 | 41.6%         | 30.3%         |
| Others including receivables         | 1.6%          | 0.6%          |
| <b>Total</b>                         | <b>100.0%</b> | <b>100.0%</b> |
| Leverage                             | Nil           | Nil           |



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

|        | PER | PBV | DY   |
|--------|-----|-----|------|
| NIAAF  | 8.4 | 1.6 | 6.1% |
| KMI-30 | 8.2 | 1.2 | 6.3% |

\*\*\*\* Based on NBP Funds estimates

## Top Five Sectors (% of Total Assets) (as on February 28, 2019)

|                                 |       |
|---------------------------------|-------|
| Oil & Gas Exploration Companies | 19.3% |
| Fertilizer                      | 9.6%  |
| Cement                          | 5.8%  |
| Power Generation & Distribution | 4.3%  |
| Oil & Gas Marketing Companies   | 4.2%  |
| Others                          | 13.6% |

## Name of the Members of Investment Committee

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

## Sindh Workers' Welfare Fund (SWWF)

The Scheme has maintained provisions against worker's welfare Fund's liability to the tune of Rs. 60,862,274/- if the same were not made the NAV Per unit/return of the Scheme would be higher by Rs. 0.0955/0.60%. For details investors are advised to read the note 5 of the Financial Statements of the Scheme for the period ended December 31, 2018.

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.

## Top Ten Holdings (as on February 28, 2019)

| Name                   | Asset Class | % of Total Assets | Name                       | Asset Class | % of Total Assets |
|------------------------|-------------|-------------------|----------------------------|-------------|-------------------|
| Pak Petroleum Ltd      | Equity      | 6.6%              | Hub Power Company Ltd      | Equity      | 3.6%              |
| Oil & Gas Dev Co Ltd   | Equity      | 6.4%              | Nishat Mills Ltd           | Equity      | 3.5%              |
| Engro Corporation Ltd  | Equity      | 5.7%              | Meezan Bank Ltd            | Equity      | 3.1%              |
| Engro Fertilizer Ltd   | Equity      | 3.8%              | Lucky Cement Ltd           | Equity      | 2.7%              |
| Pakistan Oilfields Ltd | Equity      | 3.7%              | Mari Petroleum Company Ltd | Equity      | 2.6%              |

## 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 |
|-------------------------|--------------------|---------------------------------------|------------------|--------------------------------------|-----------------|-------------------|
| Eden Housing (Sukuk II) | SUKUK              | 4,921,875                             | 4,921,875        | -                                    | -               | -                 |
| <b>Total</b>            |                    | <b>4,921,875</b>                      | <b>4,921,875</b> | <b>-</b>                             | <b>-</b>        | <b>-</b>          |