

# NAFA Islamic Asset Allocation Fund (NIAAF)



NBP Fullerton  
Asset Management Ltd.  
A Subsidiary of  
National Bank of Pakistan

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/10/2015): Rs.15.6218

October 2015

## Performance %

Performance Period	Oct 2015	FYTD 2016	Rolling 12 Months Nov 14 - Oct 15	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	Since Launch October 26, 2007*
NAFA Islamic Asset Allocation Fund	3.1%	2.9%	28.9%	33.8%	22.2%	36.3%	13.3%	28.4%	16.3%
Benchmark**	2.3%	1.5%	10.8%	12.1%	17.7%	28.4%	11.1%	24.4%	11.4%

\* Annualized Return

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

All Other returns are Cumulative

Note:\*\* 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. 4,018 million
Type:	Shariah Compliant - Open-end - Asset Allocation 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: without Life Takaful: 3%, with Life Takaful: 5% (Nil on investment above Rs. 50 million), Back end: 0%
Management Fee:	2% per annum
Risk Profile:	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:**	Average of (i) average 3-month Islamic banks deposit rate (ii) 6-month KIBOR or its Shariah Compliant equivalent (iii) KMI 30 Index
Fund Manager:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2+ by PACRA (High Investment Management Standards)

## 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 increased by 3.1%, whereas the Benchmark increased by 2.3%, thus your Fund outperformed the Benchmark by 0.8%. Since inception your Fund has posted 235.9% return, versus 137.2% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 98.7%. This outperformance is net of management fee and all other expenses.

NIAAF started off the month with an allocation of around 49% in equities, which was increased to 51% towards the end of the month. NIAAF outperformed the Benchmark in October as the Fund was underweight in select Fertilizers sector stocks which underperformed the market and overweight in select Auto Assembler and Engineering sector stocks which outperformed the market. During the month, the allocation was increased Primarily in Fertilizer, Oil & Gas Exploration Companies, and Oil & Gas Marketing companies sectors whereas it was reduced primarily in Power Generation & Distribution and Cements sectors.

## Asset Allocation (% of Total Assets) 30-Oct-15 30-Sep-15

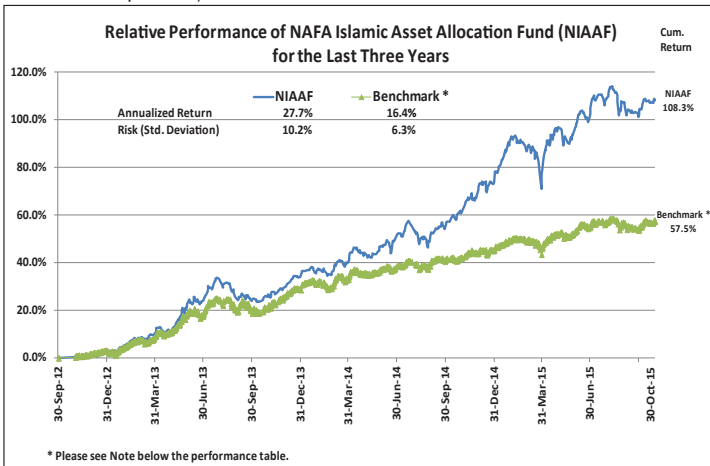
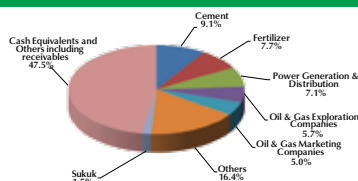
Asset Allocation (% of Total Assets)	30-Oct-15	30-Sep-15
Equities / Stocks	51.0%	49.4%
Sukuks	1.5%	1.7%
Cash	46.3%	47.7%
Others including receivables	1.2%	1.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NIAAF	8.2	2.7	4.3%
KMI-30	10.3	2.9	5.3%

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

## Asset Allocation (% of Total Assets) (as on 30 Oct, 2015)



\* Please see Note below the performance table.

## Name of the Members of Investment Committee

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

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 15,789,039/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0614/0.51%. For details investors are advised to read the Note 8 of the Financial Statements of the Scheme for the period ended September 30, 2015. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

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.

## Top Ten Holdings (as on 30 Oct, 2015)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Engro Corporation Ltd	Equity	4.8%	Kot Addu Power Co Ltd	Equity	2.8%
Lucky Cement Ltd	Equity	3.0%	Indus Motor Company Ltd	Equity	2.7%
Engro Fertilizer Ltd	Equity	3.0%	Pak Petroleum Ltd	Equity	2.7%
Hub Power Company Ltd	Equity	2.9%	Pakistan State Oil Co Ltd	Equity	2.6%
Kohinoor Textile Mills Ltd	Equity	2.9%	D G Khan Cement Co Ltd	Equity	2.5%

## 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>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

**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 risk 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.