NAFA Islamic Aggressive Income Fund (NIAIF)



MONTHLY REPORT (MUFAP's Recommended Format) Unit Price (30/11/2015): Rs. 9.7697

November 2015

| Performance % | | | | | | | | | |
|-------------------------------------|------|------|------------------|------|-------|------|-------|------|-------------------|
| Performance Period | | | Rolling 12Months | | | FY | | FY | Since Launch |
| | 2015 | 2016 | Dec 14 - Nov 15 | 2015 | 2014 | 2013 | 2012 | 2011 | October 26, 2007* |
| NAFA Islamic Aggressive Income Fund | 5.9% | 7.4% | 8.4% | 9.2% | 13.6% | 6.8% | 19.0% | 9.0% | 6.8% |
| Benchmark | 4.7% | 5.0% | 5.8% | 6.6% | 6.5% | 7.0% | 7.9% | 7.1% | 6.6% |

^{*} Annualized Return Based on Morning Star Methodology All other returns are Annualized Simple Return

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: October 26, 2007 Fund Size: Rs. 1,954 million

Type: Open-end – Shariah Compliant Aggressive

Income 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: 1% (Nil on investment above

Rs. 16 million), Back end: 0%

Management Fee: 1.0% per annum
Risk Profile: Low to Medium
Fund Stability Rating: "A-(f)" by PACRA
Listing: Lahore Stock Exchange

Custodian & Trustee: Central Depository Company (CDC)

Auditors: KPMG Taseer Hadi & Co.

Chartered Accountants

Benchmark: Average 3-month deposit rate of Islamic Banks
Fund Manager: Muhammad Imran, CFA, ACCA
Minimum Growth Unit: Rs. 10,000/Subscription: Income Unit: Rs. 100,000/Asset Manager Rating: AM2+ by PACRA (High Investment

Management Standards)

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

| Sukuks | 2.6% | 1.6% |
|-----------------------------|--------|--------|
| Bank Deposits | 91.6% | 97.4% |
| Other including receivables | 5.8% | 1.0% |
| Total | 100.0% | 100.0% |
| Leverage | Nil | Nil |

Top Sukuk Holdings (as at Nov 30, 2015)

| Name of Sukuk | % of Total Assets | | | |
|------------------------------|-------------------|--|--|--|
| K Electric Azm Sukuk - 5 Yrs | 1.3% | | | |
| K Electric Azm Sukuk - 3 Yrs | 0.8% | | | |
| Maple Leaf Cement (Sukuk I) | 0.5% | | | |
| Total | 2.6% | | | |

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 2,944,049/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0147/0.16%. For details investors are advised to read note 7 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.

Name of the Members of Investment Committee

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

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.

Investment Objective

To seek preservation of capital and earn a reasonable rate of return in a Shariah compliant manner.

Fund Manager Commentary

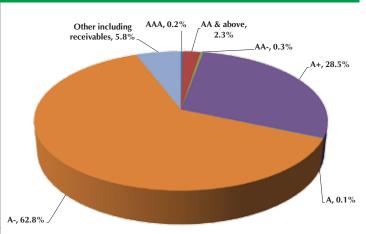
During the month under review, the Fund posted an annualized return of 5.9% as compared to the Benchmark return of 4.7% thus registering an outperformance of 1.2% p.a. During CY15, the Fund has posted 8.4% annualized return versus 5.7% by the Benchmark, hence an outperformance of 2.7% p.a. This outperformance is net of management fee and all other expenses.

The allocation in corporate Sukuks stood at around 2.6% of the total assets. Around 91.6% of the portfolio is allocated in bank deposits. The higher allocation in bank deposits is due to better yields as compared to other authorized alternative investment avenues.

The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio is around 8.0% p.a. and weighted average time to maturity is 2.6 years. The weighted average time to maturity of the Fund is 25 days.

During the month, SBP maintained the Discount Rate in its Monetary Policy announcement on November 21, 2015. We will rebalance the allocation of the fund proactively based on the capital market outlook.

Credit Quality of the Portfolio as of Nov 30, 2015 (% of Total Assets)



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