

Performance %

Performance Period	Nov 2015	FYTD 2016	Rolling 12Months Dec 14 - Nov 15	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	Since Launch March 28, 2008*
NAFA Income Fund	5.2%	7.3%	11.0%	13.7%	2.3%	6.9%	(6.9%)	(4.2%)	3.7%
Benchmark	6.5%	6.8%	7.6%	9.0%	9.8%	9.9%	12.4%	13.2%	11.2%

* 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:	March 28, 2008
Fund Size:	Rs. 600 million
Type:	Open-end – 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
Fund Stability Rating	"A- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	MCB Financial Services Limited
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
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 earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.

Fund Manager Commentary

The Fund posted an annualized return of 5.2% during November 2015 versus the Benchmark return of 6.5%. Subdued performance of the Fund during the month was due to mark to market impact on TFCs & Government Securities holdings. The annualized return during CY 15 is 10.1% against the Benchmark return of 7.4%, hence an outperformance of 2.7% p.a. This outperformance is net of management fee and all other expenses.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stands at 20.1%. All TFCs in the Fund are floating rate instruments linked to KIBOR.

The weighted average Yield-to-Maturity of the Fund is around 7.5% p.a. while its weighted average time to maturity is 0.6 years. This yield does not include potential recovery in fully provided TFCs (Face Value of around Rs. 310 million), which is potential upside for the Fund. Thus, the Fund is expected to perform well over the medium to long term horizon. However, since TFCs prices may go up or down, therefore, only investors with medium term investment horizon are advised to invest in this Fund.

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.

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

	30-Nov-15	30-Oct-15
TFCs / Sukuks	20.1%	20.2%
T-Bills	10.2%	10.2%
PIBs	8.8%	8.9%
MTS	26.0%	30.0%
Bank Deposits	33.5%	29.5%
Others including receivables	1.4%	1.2%
Total	100.0%	100.0%
Leverage	Nil	Nil

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
World Call Telecom Limited	TFC	27,519,590	27,519,590	-	-	-
Saudi Pak Leasing	TFC	41,321,115	41,321,115	-	-	-
Eden Housing (Sukuk II)	SUKUK	19,687,500	19,687,500	-	-	-
Agritech Limited II	TFC	149,875,800	149,875,800	-	-	-
Agritech Limited V	TFC	22,180,000	22,180,000	-	-	-
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	-	-
Total		309,638,376	309,638,376	-	-	-

Top TFC (as at Nov 30, 2015)

Name of TFC / Sukuk	% of Total Assets
K Electric Azm Sukuk	8.1%
Faysal Bank Limited	4.2%
Jahangir Siddiqui and Company Ltd. 08-APR-14	3.5%
Engro Fertilizer Limited (PPTFC)	2.4%
Bank Alfalah Limited (Floater)	1.7%
Jahangir Siddiqui and Company Ltd. 30-OCT-12	0.2%
Total	20.1%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 4,095,302/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0685/0.76%. For details investors are advised to read 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.

Name of the Members of Investment Committee

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

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.

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

