



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/12/2013): Rs.12.0686

December 2013

Performance

Performance %	December 2013*	FYTD Jul 2013 - Dec 2013*	CY 2013*	Since Launch August 21, 2010**
NAFA Asset Allocation Fund *	1.75%	6.07%	26.40%	21.24%
Benchmark	1.49%	7.94%	16.96%	13.46%

* Cumulative Returns
** Annualized Return [Net of management fee & all other expenses]

General Information

Launch Date:	August 21, 2010
Fund Size:	Rs. 1,269 million
Type:	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 – 3% (Nil on investment above Rs. 16 million) Back end - 0%
Management Fee:	2% per annum
Risk Profile:	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Index
Fund Manager:	Muhammad Imran, CFA, ACCA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

Investment Objective

To generate income by investing in Debt & Money Market securities and to generate capital appreciation by investing in equity and equity related securities.

Fund Manager's Commentary

During the month under review, NAFA Asset Allocation Fund's (NAAF) unit price (NAV) increased by 1.8% while the benchmark increased by 1.5%. Thus your Fund outperformed the benchmark by 0.3%. Since inception on August 21, 2010 the Fund has posted 91.3% return, versus 53.0% by the benchmark. Thus, to date the cumulative outperformance of your Fund stands at 38.3%. This outperformance is net of management fee and all other expenses.

The stock market crossed the 25,000 index level during the month of December and closed at 25,261 points. The market continued its bull run as the sentiments remained largely positive on the back of stability in PKR vs USD, benign inflation outlook for January, grant of GSP Plus status, and improved investment outlook especially in the power sector. NAAF started off the month with an allocation of around 21% in equities, which was increased to around 30% towards the end of the month. Despite being underweight in equities, the Fund outperformed the benchmark in December as the Fund's key holdings in Banks, Construction and Materials, and Personal Goods sectors outperformed the market. During the month, allocation was increased in all the sectors barring Electricity, and Chemicals sectors, where the allocation was reduced.

Asset Allocation (% of Total Assets) 31-Dec-13 29-Nov-13

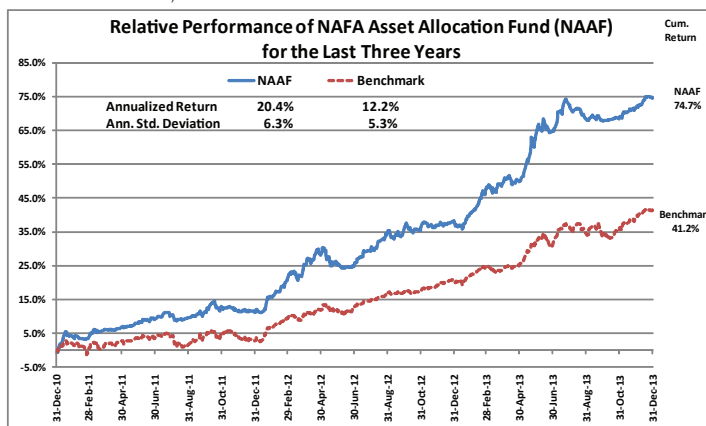
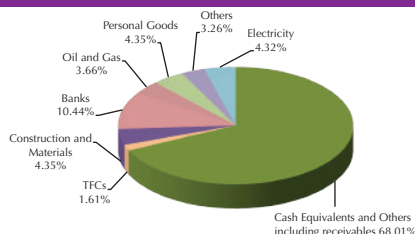
	31-Dec-13	29-Nov-13
Equities / Stocks	30.38%	20.64%
TFCs	1.61%	2.16%
T-Bills	-	57.89%
Cash Equivalents	67.44%	18.22%
Others including receivables	0.57%	1.09%
Total	100.00%	100.00%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NAAF	7.0	1.7	6.6%
KSE-30	8.1	2.0	6.8%

*** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 31st December, 2013)



Top Ten Holdings (as on 31st, December, 2013)

Name	Asset Class	% of Total Assets
Bank AL-Habib Ltd	Equity	4.37%
Bank Al-Falah Ltd	Equity	4.34%
Nishat Mills Ltd.	Equity	4.34%
Kot Addu Power Company Ltd	Equity	4.14%
Lucky Cement Ltd	Equity	2.08%
Pakistan State Oil Co. Ltd.	Equity	1.89%
Pakistan Telecommunication Ltd	Equity	1.75%
United Bank Ltd	Equity	1.73%
Pioneer Cement Ltd	Equity	1.16%
Pakistan Petroleum Ltd	Equity	1.03%
Total		26.83%

Name of the Members of Investment Committee

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

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 7,825,389/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0744/0.78%. For details investors are advised to read Note 8 of the Financial Statements of the Scheme for the period ended September 30, 2013.

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. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.