



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2014): Rs.12.3573

January 2014

## Performance

Performance %	January 2014*	FYTD Jul 2013 - Jan 2014*	Trailing 12 Months Feb. 2013 - Jan. 2014*	Since Launch August 21, 2010**
NAFA Asset Allocation Fund *	2.39%	8.61%	27.28%	21.50%
Benchmark	1.33%	9.37%	17.07%	13.54%

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

## General Information

Launch Date:	August 21, 2010
Fund Size:	Rs. 1,524 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 – without Life Insurance 3%, with Life Insurance 5% (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 2.4% while the benchmark increased by 1.3%. Thus your Fund outperformed the benchmark by 1.1%. Since inception on August 21, 2010 the Fund has posted 95.9% return, versus 55% by the benchmark. Thus, to date the cumulative outperformance of your Fund stands at 40.9%. This outperformance is net of management fee and all other expenses.

The market welcomed year 2014 with a return of 6% in the month of January. KSE-100 crossed 27,000pts mark during the month before closing at 26,784pts. NAAF started off the month with an allocation of around 30% in equities, which was reduced to around 26% towards the end of the month. Despite being underweight in equities, the Fund outperformed the benchmark in January as the Fund's key holding in Chemicals sector outperformed the market. The Fund was underweight in index heavy-weights such as OGDC and MCB which underperformed the market thus contributing to the outperformance. During the month, allocation was increased primarily in Chemicals, Construction and Materials, and Industrial Transportation sectors, whereas it was reduced mainly in Oil and Gas, Banks, Fixed Line Telecommunication, and Personal Goods sectors. We are closely monitoring the developments in the capital markets and will reposition the portfolio accordingly.

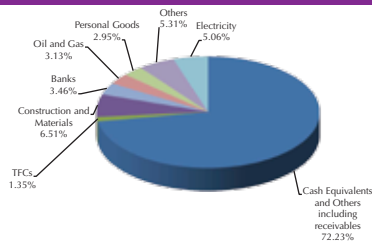
Asset Allocation (% of Total Assets)	31-Jan-14	31-Dec-13
Equities / Stocks	26.42%	30.38%
TFCs	1.35%	1.61%
Cash Equivalents	61.36%	67.44%
Others including receivables	10.87%	0.57%
Total	100.00%	100.00%
Leverage	Nil	Nil

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

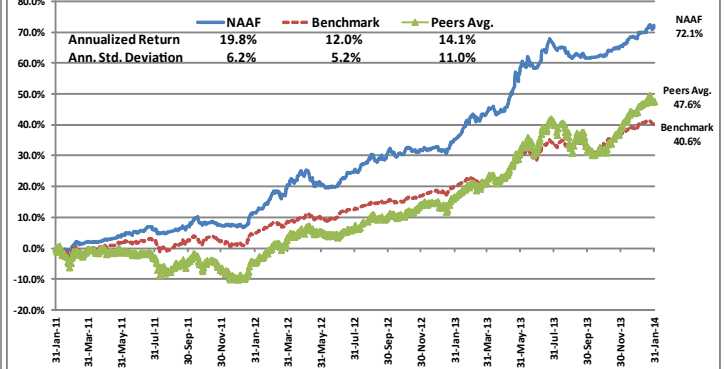
	PER	PBV	DY
NAAF	6.4	1.5	7.4%
KSE-30	8.3	2.1	6.5%

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

## Asset Allocation (% of Total Assets)(as on 31st January, 2014)



## Relative Performance of NAFA Asset Allocation Fund (NAAF) for the Last Three Years



## Top Ten Holdings (as on 31st, January, 2014)

Name	Asset Class	% of Total Assets
Kot Addu Power Company Ltd	Equity	3.18%
Nishat Mills Ltd.	Equity	2.94%
Maple Leaf Cement Factory Ltd	Equity	2.18%
Bank AL-Habib Ltd	Equity	1.89%
Pakistan Oilfields Ltd	Equity	1.76%
Engro Fertilize Ltd	Equity	1.68%
Bank Al-Falah Ltd	Equity	1.57%
D. G. Khan Cement Co Ltd	Equity	1.45%
Pakistan State Oil Co. Ltd.	Equity	1.36%
Lucky Cement Ltd	Equity	1.33%
Total		19.34%

## 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 8,472,251/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0687/0.71%. 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 dependent 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.