

NAFA Asset Allocation Fund (NAAF)



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2016): Rs.16.3173

September 2016

Performance %

Performance Period	Sep 2016	FYTD 2017	Rolling 12 Months Oct 15 - Sep 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Asset Allocation Fund	3.0%	10.0%	20.5%	7.6%	24.6%	13.7%	32.0%	14.4%	19.8%
Benchmark**	0.4%	2.5%	11.4%	6.2%	9.6%	15.3%	17.1%	8.1%	11.6%

* Annualized Return
All Other returns are Cumulative

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:	August 20, 2010
Fund Size:	Rs. 1,517 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. 50 million) Back end – 0%
Management Fee:	2% per annum
Total Expense Ratio (%)	2.88% p.a (including 0.38% government levies)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:**	Daily weighted return of KSE-30 Total Return Index & 6-month KIBOR based on Fund's actual allocation.
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)

** effective from September 01, 2016; Previously 1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Index Total Return from January 01, 2014, KSE-30 Total Return Index

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 3.0% while the Benchmark increased by 0.4%. Thus your Fund outperformed the Benchmark by 2.6%. Since inception on August 20, 2010 the Fund has posted 202.5% cumulative return, versus 95.6% by the Benchmark. Thus, to date the cumulative outperformance of your Fund stands at 106.9%. This outperformance is net of management fee and all other expenses.

NAAF started off the month with an allocation of around 55% in equities, which increased to around 60% towards the end of the month. NAAF outperformed the Benchmark in September as the Fund was underweight in select Fertilizer sector stocks which underperformed the market and overweight in select Textile Composite, Automobile Assembler, Automobile Parts & Accessories Engineering, and Oil & Gas Exploration Companies sectors stocks which outperformed the market. During the month, the allocation was increased primarily in Automobile Assembler, Commercial Banks, Fertilizer, Oil & Gas Marketing Companies, Technology & Communication, and Textile Composite sectors, whereas it was reduced primarily in Cement, Power Generation & Distribution, and Oil & Gas Exploration Companies sectors.

Asset Allocation (% of Total Assets) 30-Sep-16 31-Aug-16

Asset Allocation (% of Total Assets)	30-Sep-16	31-Aug-16
Equities / Stocks	59.9%	55.1%
Cash	35.4%	41.0%
Bank Placements	3.3%	3.3%
Others including receivables	1.4%	0.6%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NAAF	9.2	2.9	4.5%
KSE-30	9.9	2.2	5.3%

*** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 30 Sep, 2016)

Oil & Gas Exploration Companies	9.0%
Commercial Banks	8.9%
Textile Composite	6.7%
Cement	6.5%
Fertilizer	5.2%
Others	23.6%

Name of the Members of Investment Committee

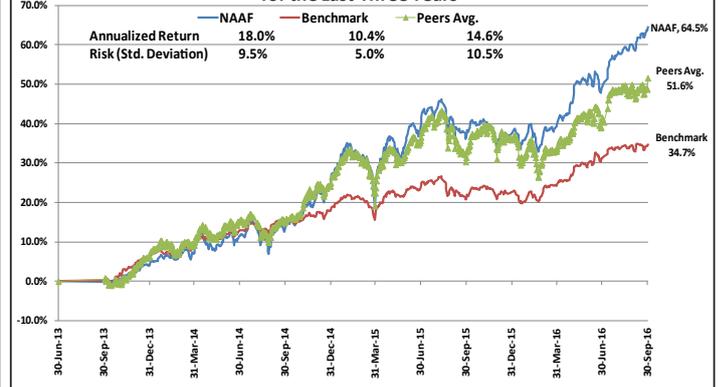
Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA
Muhammad Ali Bhabha, CFA, FRM

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 18,637,505/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.2004/1.48%. For details investors are advised to read Note 17 of the Financial Statements of the Scheme for the year ended June 30, 2016. 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 the Income Tax Ordinance, 2001.

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



Top Ten Holdings (as on 30 Sep, 2016)

Name	Asset Class	% of Total Assets
Indus Motor Company Ltd	Equity	3.1%
Nishat Mills Ltd	Equity	3.1%
Tariq Glass Ltd	Equity	2.7%
Mari Petroleum Company Ltd	Equity	2.7%
Kohinoor Textile Mills Ltd	Equity	2.6%
Engro Corporation Ltd	Equity	2.6%
Pakistan Oilfields Ltd	Equity	2.4%
Thal Ltd	Equity	2.4%
MCB Bank Ltd	Equity	2.4%
Pak Petroleum Ltd	Equity	2.3%
Total		26.3%

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 risks involved.