



**Performance**

Performance %	April 2013 *	FYTD Jul 12 - Apr 13 *	Trailing 12 Months May 12 - Apr 13 *	Since Launch October 28, 2011 **
NAFA Financial Sector Income Fund	8.50%	9.41%	10.10%	10.90%
Benchmark	8.63%	9.10%	9.39%	9.84%

\* Simple Annualized Return - \*\* (Annualized Return Based on Morningstar Methodology)  
(Returns are net of management fee & all other expenses)

**General Information**

Launch Date: October 28, 2011  
Fund Size: Rs. 4,121 Million  
Type: Open-end – Income Fund  
Dealing Days: Daily – Monday to Saturday  
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M  
(Friday) 9:00 A.M to 5:30 P.M  
(Saturday) 9:00 A.M to 1:00 P.M  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end: 1% (Nil on investment above Rs. 5 million) Back end: 0%  
Management Fee: 1.5% per annum  
Risk Profile: Low  
Fund stability rating: A+(f) by PACRA  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: A. F. Ferguson & Co. Chartered Accountants  
Benchmark: 70% 6-Month KIBOR & 30% average 3-Month deposit rates (A & above rated banks)  
Fund Manager: Salman Ahmed  
Minimum Subscription: Growth Unit: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2 by PACRA

**Investment Objective**

To provide income enhancement and preservation of capital by investing in prime quality Financial Sector TFCs/Sukuku, Bank deposits and short-term money market instruments.

**Fund Manager Commentary**

The Fund generated an annualized return of 8.50% for the month of April 2013 versus the benchmark return of 8.63%. Since its launch in October 2011, the Fund offered an annualized return of 10.90% against the benchmark return of 9.84%, hence an out-performance of 1.06% p.a. This outperformance is net of management fee and all other expenses.

The Fund is unique as it invests a minimum of 70% of its assets in financial sector debt securities, instruments or deposits. Minimum entity rating of issuers of debt securities (mainly banks) is AA minus. This minimizes credit risk and at the same time enhances liquidity of the Fund. Duration of the Fund cannot be more than one year. This minimizes interest rate or pricing risk. The Fund invests 25% of its assets in less than 90 days T-Bills or saving accounts with banks, which further enhances liquidity profile of the Fund.

Exposure in TFCs was 48.75% at the end of the month with average time to maturity of 3.82 years and Yield to Maturity of 10.71% p.a. Exposure in money market placements was around 8.79% and placements with DFIs was around 8.32%. The TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. Therefore, in case of increase in interest rates, the coupon income of the Fund will improve.

The weighted average time-to-maturity of the Fund is 1.94 years. We will rebalance the allocation of the portfolio proactively based on the capital market outlook.

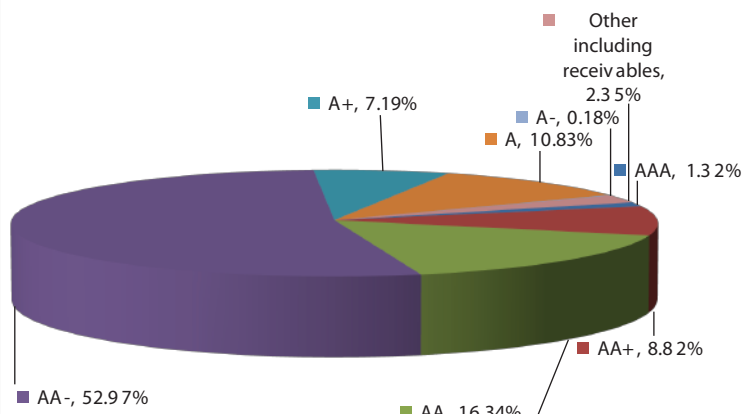
**Asset Allocation (% of Total Assets) 30-Apr-13 30-Mar-13**

	30-Apr-13	30-Mar-13
TFCs	48.75%	48.01%
Money Market Placements	8.79%	8.67%
Placement with DFIs	8.32%	8.20%
Placement with Banks	-	4.68%
Cash Equivalents	31.79%	28.73%
Other including receivables	2.35%	1.71%
Total	100.00%	100.00%
Leverage	Nil	Nil

**Top 10 TFC (Including Short Term Sukuk) (as at April 30th, 2013)**

Name of TFC / Short Term Sukuk	% of Total Assets
United Bank Limited IV	10.63%
Bank Alfalah Limited IV - FT	8.76%
Faysal Bank Limited III	7.24%
NIB Bank Limited	6.48%
HUBCO Short Term Islamic Sukuk VI	5.47%
Askari Bank Limited III	3.81%
Pakistan Mobile Communication Limited	2.67%
HUBCO Short Term Islamic Sukuk V	2.14%
Bank Alfalah Limited IV - FX	1.46%
Allied Bank Limited II	1.46%
Total	50.12%

**Credit Quality of the Portfolio as of April 30th, 2013 (% of Total Assets)**



**WORKERS' WELFARE FUND (WWF)**

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 8,252,149/- If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0203/0.22%. For details investors are advised to read note 6 of the Financial Statements of the Scheme for the period ended March 31, 2013.

**Name of the Members of Investment Committee**

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

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