



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/12/2011): Rs. 7.6620

December 2011

### Performance

Performance %	December 2011*	Jul. - Dec. 2011**	Jan. - Dec. 2011**	Since Launch October 29, 2007**
NAFA Islamic Aggressive Income Fund	4.18%	12.62%	12.76%	2.55%
Benchmark	0.63%	7.91%	7.79%	6.58%

\* Represent Cumulative Return

\*\* Represent Annualized Return - (based on morning star formula)

(Returns are net of management fee, Workers' Welfare Fund (WWF) provisioning & all other expenses)

### General Information

Launch Date:	October 29, 2007
Fund Size:	Rs. 163 million
Type:	Open-end – Shariah Compliant Aggressive 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: 1.0%, Back end: 0%
Management Fee:	2.0% per annum
Risk Profile:	Low to Medium
Fund Stability Rating:	"BBB (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	MCB Financial Services Limited
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	Average 3-month deposit rate of Islamic Banks
Fund Manager:	Hussain Yasar
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- 'Positive Outlook' by PACRA

### Investment Objective

To seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in Shariah Compliant money market & debt securities having good credit rating and liquidity.

### Fund Manager Commentary

The Fund's unit price increased by 4.18% during December 2011. The return for the CY 2011 is 12.76% p.a. against the benchmark return of 7.79% p.a., hence an out-performance of 497 basis points. This out-performance is net of management fee and all other expenses.

Your Fund is mainly invested in sukuk of Cement, Fertilizer and Consumer Electronics sub-sectors. Around 7.3% of the portfolio is allocated to the Government Ijara sukuk and 26.4% in bank deposits, which provide diversification and liquidity to the portfolio. The Fund will increase allocation to GOP Ijarah Sukuk to around 20% in the coming month. The Trustee of the Fund has been changed from CDC to MCB Financial Services Ltd. during the month.

The weighted average Yield-to-Maturity of the sukuk portfolio of your Fund is around 22.59% p.a. while, its weighted average time to maturity is 1.75 years. The weighted average time to maturity of your Fund is 1.0 years. Hence, for investors with an investment horizon of three to four years, the Fund offers an attractive opportunity to earn decent returns. However, Sukuk prices may go up and down. Therefore, only long-term investors are advised to invest in this Fund.

### Asset Allocation (% of NAV) 30-Dec-11 30-Nov-11

	30-Dec-11	30-Nov-11
Sukuk	61.40%	71.75%
GOP Ijarah Sukuk - Govt. Backed	7.29%	7.56%
Cash Equivalents	26.36%	14.42%
Other Net Assets	4.95%	6.27%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

### Top Sukuk Holdings (as at December 30, 2011)

Name of Sukuk	% of Net Assets
Kohat Cement Limited (Sukuk)	28.95%
Engro Fertilizer Limited (Sukuk)	14.33%
Maple Leaf Cement (Sukuk I)	9.66%
Pak Elektron Limited (Sukuk)	8.46%
GOP Ijarah (Sukuk V)	6.05%
GOP Ijarah (Sukuk VII)	1.24%
<b>Total</b>	<b>68.69%</b>

### Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Ahmad Nouman, CFA  
Sajjad Anwar, CFA  
Tanvir Abid, CFA, FRM  
Hussain Yasar

### Excess exposure

Particulars	Exposure Type	% of Net Assets	Limit	Excess Exposure
Kohat Cement Limited (Sukuk)	Per Party	28.95%	15.00%	13.95%
Construction and Material	Sector	38.60%	35.00%	3.60%

### Credit Quality of the Portfolio as of December 30, 2011 (% of NAV)

