



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (29/02/2012): Rs. 7.8898

February 2012

Performance

Performance % *	February 2012	Jul. 2011- Feb. 2012	Trailing 12 Months	Since Launch October 29, 2007
NAFA Islamic Aggressive Income Fund	10.37%	14.22%	14.00%	3.15%
Benchmark	8.01%	7.93%	7.88%	6.63%

* 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. 167 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 earned an annualized return of 10.37% during February 2012. The annualized return for first eight months of the FY 2012 is an impressive 14.22% against the benchmark return of 7.93%, hence an out-performance of 629 basis points. Last twelve months return is 14.00% against the benchmark return of 7.88%, hence an out-performance of 612 basis points. This outperformance 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 25.15% of the portfolio is allocated to AAA rated Government of Pakistan Ijara Sukuk which coupled with 13.10% cash provides diversification and liquidity to the portfolio.

The weighted average Yield-to-Maturity of the sukuk portfolio of your Fund is around 19.04% p.a. while, its weighted average time to maturity is 1.97 years. The weighted average time to maturity of your Fund is 0.9 years. Hence, for investors with an investment horizon of medium term, 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.

Excess exposure

Particulars	Exposure Type	% of Net Assets	Limit	Excess Exposure
Kohat Cement Limited (Sukuk)	Per Party	24.31%	15.00%	9.31%

Asset Allocation (% of NAV) 29-Feb-12 31-Jan-12

	29-Feb-12	31-Jan-12
Sukuk	55.52%	56.15%
GOP Ijarah Sukuk - Govt. Backed	25.15%	19.23%
Cash Equivalents	13.10%	19.18%
Other Net Assets	6.23%	5.44%
Total	100.00%	100.00%
Leverage	Nil	Nil

Top Sukuk Holdings (as at February 29, 2012)

Name of Sukuk	% of Net Assets
Kohat Cement Limited (Sukuk)	24.31%
GOP Ijarah (Sukuk IX)	18.01%
Engro Fertilizer Limited (Sukuk)	14.02%
Maple Leaf Cement (Sukuk I)	9.45%
Pak Elektron Limited (Sukuk)	7.74%
GOP Ijarah (Sukuk V)	5.92%
GOP Ijarah (Sukuk VII)	1.22%
Total	80.67%

Name of the Members of Investment Committee

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

Credit Quality of the Portfolio as of February 29, 2012 (% of NAV)

