



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/05/2012): Rs. 8.4710

May 2012

Performance

Performance %	May 2012*	Jul. 2011- May. 2012 *	Trailing 12 Months*	Since Launch October 29, 2007*
NAFA Islamic Aggressive Income Fund	10.17%	18.98%	17.76%	4.58%
Benchmark	7.95%	7.85%	7.85%	6.69%

* Represent Annualized Return - (based on morning star formula)
(Returns are net of management fee & all other expenses)

General Information

Launch Date:	October 29, 2007
Fund Size:	Rs. 176 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 earned an annualized return of 10.17% during May 2012. The annualized return for first eleven months of FY 2012 is an impressive 18.98% against the benchmark return of 7.85%, hence an out-performance of 11.13%. Last 12 months return is 17.76% against the benchmark return of 7.85%. This outperformance is net of management fee and all other expenses.

The Fund is mainly invested in sukuk of Cement, Fertilizer, Utilities and Consumer Electronics sub-sectors with a total sub-allocation of 50.55% in corporate Sukuks. Around 29% of the portfolio is allocated to AAA rated Government of Pakistan Ijara Sukuks which coupled with 11% allocation in bank deposits provides diversification and liquidity to the portfolio. Going forward, the Fund intends to maintain the present allocation.

The weighted average Yield-to-Maturity of the sukuk portfolio of the Fund is around 18.95% p.a. while, its weighted average time to maturity is 1.51 years. The weighted average time to maturity of the Fund is 0.68 years. Hence, for investors with an investment horizon of medium term, the Fund offers an attractive opportunity to earn decent returns. However, Sukuks prices may go up and down. Therefore, only long-term investors are advised to invest in this Fund.

Excess / (Short) exposures

Particulars	Exposure Type	% of Net Assets	Limit	Excess / (Shortfall)
Kohat Cement Limited (Sukuk)	Per Party	18.22%	15.00%	3.22%

Asset Allocation (% of Total Assets) 31-May-12 30-Apr-12

	31-May-12	30-Apr-12
Sukuks	50.55%	51.06%
GOP Ijarah Sukuks - Govt. Backed	29.42%	29.49%
Cash Equivalents	11.16%	11.06%
Other including receivables	8.87%	8.39%
Total	100.00%	100.00%
Leverage	Nil	Nil

Top Sukuk Holdings (as at May 31, 2012)

Top 10 Sukuk Holding	
Name of Sukuks	% of Total Assets
GOP Ijarah (Sukuk IX)	19.51%
Kohat Cement Limited (Sukuk)	17.90%
Engro Fertilizer Limited (Sukuk)	12.76%
Maple Leaf Cement (Sukuk I)	8.75%
Pak Elektron Limited (Sukuk)	6.21%
GOP Ijarah (Sukuk V)	5.46%
Sui Southern Gas Company Limited (Sukuk)	4.93%
GOP Ijarah (Sukuk XI)	2.23%
GOP Ijarah (Sukuk VII)	1.11%
GOP Ijarah (Sukuk X)	1.11%
Total	79.97%

Name of the Members of Investment Committee

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

Credit Quality of the Portfolio as of May 31, 2012 (% of Total Assets)

