



## Performance

Performance %	April 2014*	FYTD Jul 2013 - Apr 2014*	Trailing 12 Months May 2013 - Apr 2014 *	Since Launch March 29, 2008 **
NAFA Income Fund	-18.72%	5.07%	6.67%	2.26%
Benchmark	10.18%	9.75%	9.71%	11.65%

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

## General Information

Launch Date:	March 29, 2008
Fund Size:	Rs. 510 million
Type:	Open-end – 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: 0% to 1% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.0% per annum
Risk Profile:	Low
Fund Stability Rating	"A- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	MCB Financial Services Limited
Auditors:	M. Yousuf Adil Saleem & Co. Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Muhammad Ali Bhabha, CFA, FRM
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## Investment Objective

To earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.

## Fund Manager Commentary

The Fund posted an annualized loss of 18.7% during April 2014 versus the benchmark return of 10.2%. Subdued performance of the Fund during the month is due to provisioning in leasing sector TFC. During the last one year the Fund has earned an annualized return of 6.7% as compared to benchmark annualized return of 9.7%.

As the allocation of the Fund shows, exposure in TFCs and Sukuks stand at 35.7%. The weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is around Rs. 99 against the par value of Rs.100. All TFCs in the Fund are floating rate instruments linked to KIBOR.

The weighted average Yield-to-Maturity of the Fund is around 12.8% p.a. while its weighted average time to maturity is 1.7 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs. 292 million), which is potential upside for the Fund. Thus, the Fund is expected to perform well over the medium to long term horizon. However, since TFCs prices may go up or down, therefore, only investors with medium term investment horizon are advised to invest in this Fund.

## Asset Allocation (% of Total Assets) 30-Apr-14 31-Mar-14

	30-Apr-14	31-Mar-14
TFCs / Sukuks	35.67%	44.39%
T-Bills	23.19%	11.35%
PIBs	32.38%	24.09%
Cash Equivalents	6.10%	17.14%
Others including receivables	2.66%	3.03%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

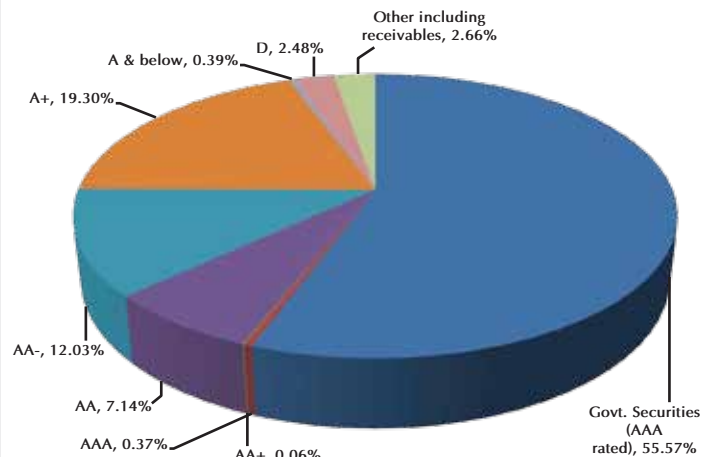
## Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
World Call Telecom Limited	TFC	29,982,002	29,982,002	-	n/a	n/a	n/a
Saudi Pak Leasing	TFC	41,321,115	41,321,115	-	n/a	n/a	n/a
Eden Housing (Sukuk II)	SUKUK	19,687,500	6,863,279	12,824,221	2.51%	2.48%	155.76%
AgriTech Limited II	TFC	149,875,800	149,875,800	-	n/a	n/a	n/a
AgriTech Limited V	TFC	22,180,000	22,180,000	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	n/a	n/a	n/a
<b>Total</b>		<b>312,100,788</b>	<b>299,276,567</b>	<b>12,824,221</b>	<b>2.51%</b>	<b>2.47%</b>	

## TFC / Sukuk (as at April 30, 2014)

Name of TFC / Sukuk	% of Total Assets
K Electric Azm Sukuk	9.87%
Engro Fertilizers Limited 30-NOV-07	6.16%
Faysal Bank Limited	5.11%
Jahangir Siddiqui & Co. Ltd	4.84%
Engro Fertilizer Limited (PPTFC)	2.76%
Eden Housing (Sukuk II)	2.49%
Bank Alfalah Limited (Floater)	2.04%
Allied Bank Limited II	1.89%
Engro Fertilizers Limited 17-DEC-09	0.51%
<b>Total</b>	<b>35.67%</b>

## Credit Quality of the Portfolio as of April 30, 2014 (% of Total Assets)



## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.2,751,068/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs.0.0513/0.58%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

## Name of the Members of Investment Committee

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

**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. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.