



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (29/06/2012): Rs. 9.0393

June 2012

Performance

Performance % *	June 2012	Trailing 12 Months Jul. - Jun 2011 - 2012	Since Launch March 29, 2008
NAFA Income Fund	4.97%	-6.92%	0.65%
Benchmark	12.03%	12.37%	12.42%

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

General Information

Launch Date:	March 29, 2008
Fund Size:	Rs. 417 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: 1.0%, Back end: 0%
Management Fee:	2.0% per annum
Risk Profile:	Low
Fund Stability Rating	"A- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	MCB Financial Services Limited
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	6-Month KIBOR
Fund Manager:	Ahmad Nouman, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA

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 earned an annualized return of 4.97% during June 2012. The return for FY 2012 is (6.92)%. This is on account of provisioning for a Fertilizer sub-sector TFC and delayed payments from a TFC belonging to Telecom sector. As against a leasing sector non-performing TFC has started repaying its overdue principal payment during the month.

The Fund is invested in TFCs with 62.53% weightage and 31.80% in T-Bills. All TFCs in the Fund are floating rate instruments linked to KIBOR. The weighted average price of the TFC portfolio is around Rs.87.67 against the par value of Rs.100.

The weighted average Yield-to-Maturity of the Fund is around 15.21% p.a. while its weighted average time to maturity is 2.62 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs 221 mln) which if materializes would increase the future returns. Thus, the Fund is expected to perform well over medium term horizon. However, TFCs prices may go up and/or down. Therefore, only long-term investors are advised to invest in this Fund.

Asset Allocation (% of Total Assets) 29-June-12 31-May-12

	29-June-12	31-May-12
TFCs / Sukuks	62.53%	62.30%
T-Bills	31.80%	28.76%
PIBs	0.12%	0.12%
Islamic Commercial Paper	1.19%	1.19%
GOP Ijara Sukuks - Govt. Backed	0.83%	0.83%
Cash Equivalents	1.68%	4.10%
Other including receivables	1.85%	2.70%
Total	100.00%	100.00%
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
Eden Housing (Sukuk II)	SUKUK	58,125,000	20,263,014	37,861,986	9.08%	9.00%	52.50%
Saudi Pak Leasing	TFC	49,728,675	16,895,467	32,833,208	7.87%	7.81%	20.81%
World Call Telecom Limited	TFC	39,976,002	9,994,000	29,982,002	7.19%	7.13%	-
Agritech Limited II	TFC	149,875,800	149,875,800	-	-	-	-
Agritech Limited V	TFC	22,180,000	22,180,000	-	-	-	-
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	-	-	-
Total		368,939,848	268,262,652	100,677,196	24.14%	23.94%	

Top TFC / Sukuk Holdings (as at June 29, 2012)

Top 10 TFC / Sukuk Holding

Name of TFCs / Sukuks	% of Total Assets
Engro Fertilizer Limited (PPTFC)	9.61%
Eden Housing (Sukuk II)	9.00%
Saudi Pak Leasing	7.81%
Standard Chartered Bank (Pakistan) Limited IV	7.13%
World Call Telecom Limited	7.13%
Faysal Bank Limited	6.17%
Pakistan Mobile Communication Limited	5.87%
United Bank Limited IV	3.59%
Bank Alfalah Limited (Floater)	2.51%
Allied Bank Limited II	2.29%
Total	61.11%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1,709,485/-. If the same were not made the NAV per unit/ FY 2012 return of scheme would be higher by Rs. 0.0370/ 0.38% p.a. For details investors are advised to read note 6 of the Financial Statement of the Scheme for the period ended March 31, 2012.

Name of the Members of Investment Committee

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

Credit Quality of the Portfolio as of June 29, 2012 (% of Total Assets)

