



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/03/2012): Rs. 8.9934

March 2012

## Performance

Performance %	March 2012*	Jul. 2011-Mar. 2012**	Trailing 12 Months*	Since Launch March 29, 2008*
NAFA Income Fund	16.28%	(7.39)%	(13.02)%	0.56%
Benchmark	11.95%	9.24%	12.80%	12.45%

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

\*\* Represent Cumulative Return

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

## General Information

Launch Date:	March 29, 2008
Fund Size:	Rs. 415 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- 'Positive Outlook' 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 16.28% during March 2012 against the benchmark return of 11.95%.

The Fund increased its allocation in TFCs from around 50.28% at the end of previous month to 58.69% at March-end, of this more than 22.12% is in banking sector TFCs while 9.62% is in AA rated corporate paper. Further, allocation to Government securities is around 37.46% of the net assets. All TFCs in the Fund are floating rate instruments linked to KIBOR. Further, the weighted average price of the TFC portfolio is around Rs.87.89 against the par value of Rs.100.

The weighted average Yield-to-Maturity of the Fund is around 15.80% p.a. while its weighted average time to maturity is 1.35 years. This yield does not include potential recovery in fully provided TFCs (Rs 221 mln Face Value) 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.

The management has stopped providing for WWF since March 14, 2012.

## Asset Allocation (% of NAV) 30-Mar-12 29-Feb-12

	30-Mar-12	29-Feb-12
TFCs / Sukuks	58.69%	50.28%
T-Bills	36.50%	44.88%
PIBs	0.12%	0.12%
Islamic Commercial Paper	1.20%	1.22%
GOP Ijara Sukuks - Govt. Backed	0.84%	0.00%
Cash Equivalents	1.81%	2.31%
Other Net Assets	0.84%	1.19%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

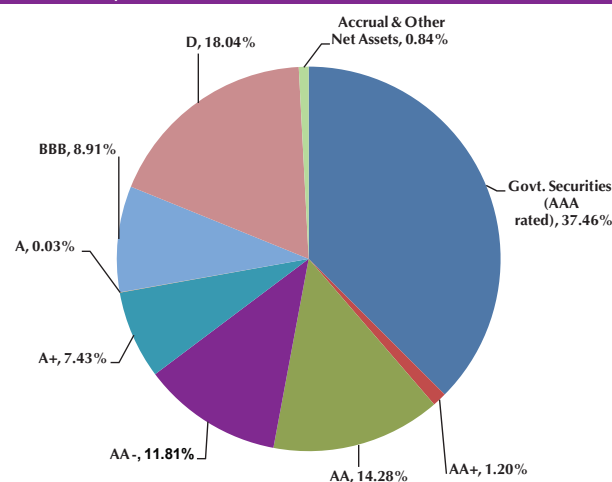
## Details of Non-Compliant Investments

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
Eden Housing (Sukuk II)	SUKUK	62,812,500	21,897,128	40,915,372	9.85%	9.76%	28.67%
Saudi Pak Leasing	TFC	51,529,950	17,507,455	34,022,495	8.19%	8.12%	19.40%
Agritech Limited II	TFC	149,875,800	149,875,800	-	-	-	N/A
Agritech Limited V	TFC	22,180,000	22,180,000	-	-	-	N/A
New Allied Electronics (Sukuk II)	SUKUK	49,054,371	49,054,371	-	-	-	N/A
<b>Total</b>		<b>335,452,621</b>	<b>260,514,754</b>	<b>74,937,867</b>	<b>18.04%</b>	<b>17.88%</b>	

## Top TFC/SUKUK Holdings (as at March 30, 2012)

Name of TFCs / Sukuks	% of Net Assets
Eden Housing (Sukuk II)	9.85%
Engro Fertilizer Limited (PPTFC)	9.62%
World Call Telecom Limited	8.91%
Saudi Pak Leasing	8.19%
NIB Bank Limited	7.43%
Faysal Bank Limited	6.22%
United Bank Limited IV	3.63%
Bank Alfalah Limited (Floater)	2.44%
Allied Bank Limited II	2.40%
HUBCO Short Term Islamic Sukuk	1.20%
<b>Total</b>	<b>59.89%</b>

## Credit Quality of the Portfolio as of March 30, 2012 (% of NAV)



## Name of the Members of Investment Committee

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

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