



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/10/2012): Rs. 9.4188

October 2012

## Performance

Performance % *	October 2012	FYTD Jul 12 - Oct 12	Trailing 12 Months Nov - Oct 2011 - 2012	Since Launch March 29, 2008
NAFA Income Fund	4.06%	12.93%	0.08%	1.51%
Benchmark	9.81%	10.79%	11.57%	12.30%

\* Represent Annualized Return - (based on morning star formula)  
(Fund's returns are net of management fee & all other expenses)

## General Information

Launch Date: March 29, 2008  
Fund Size: Rs. 433 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: M. Yousuf Adil Saleem & Co.  
Chartered Accountants  
6-Month KIBOR  
Benchmark: Muhammad Ali Bhabha, CFA, FRM  
Fund Manager: Growth Unit: Rs. 10,000/-  
Minimum Subscription: 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 4.06% p.a. during October 2012 versus the benchmark return of 9.81% p.a. Lower return is on account of decline in price of a Telecom sector TFC.

The Fund is invested in TFCs with 57.58% weightage and 26.47% 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. 88.14 against the par value of Rs.100

The weighted average Yield-to-Maturity of the Fund is around 15.91% p.a. while its weighted average time to maturity is 2.19 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs. 221 mln) which is potential upside for the Fund. 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) 31-Oct-12 28-Sep-12

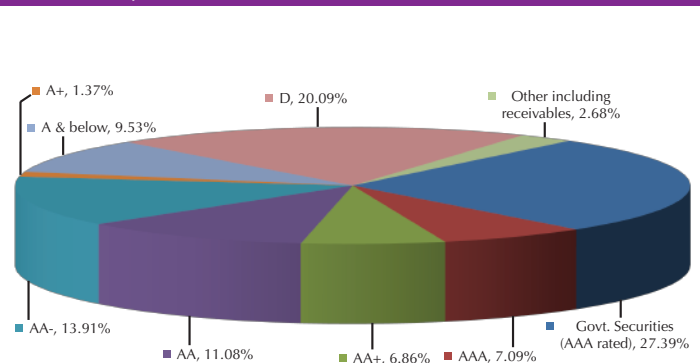
	31-Oct-12	28-Sep-12
TFCs / Sukuks	57.58%	56.96%
T-Bills	26.47%	31.39%
PIBs	0.12%	0.12%
Islamic Commercial Paper	6.86%	6.85%
GOP Ijara Sukuks - Govt. Backed	0.80%	0.80%
Cash Equivalents	5.49%	2.00%
Other including receivables	2.68%	1.88%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## 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	8,994,571	20,987,431	4.84%	4.80%	21.45%
Saudi Pak Leasing***	TFC	48,527,400	16,510,186	32,017,214	7.39%	7.32%	25.86%
Eden Housing (Sukuk II)	SUKUK	53,437,500	18,628,900	34,808,600	8.03%	7.96%	58.08%
Agritech Limited II	TFC	149,875,800	149,875,800	-	n/a	n/a	n/a
Agritech Limited IV	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>353,057,073</b>	<b>265,243,828</b>	<b>87,813,245</b>	<b>20.25%</b>	<b>20.10%</b>	

\*\*\*Book Value, performing but below authorized minimum credit rating grade

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



## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 2,248,568/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.049/ 0.52%. For details investors are advised to read note 16 of the Financial Statements of the Scheme for the period ended June 30, 2012.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Tanvir Abid, CFA, FRM

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