



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2012): Rs. 9.2107

Januray 2012

## Performance

Performance %	Januray 2012*	Jul. 2011-Jan. 2012*	Trailing 12 Months**	Since Launch April 22, 2006**
NAFA Income Opportunity Fund	(3.83%)	(5.18)%	(0.75)%	5.79%
Benchmark	0.96%	7.27%	13.09%	11.74%

\* Represent Cumulative Return

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

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

## General Information

Launch Date:	April 22, 2006
Fund Size:	Rs. 1,906 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	"(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0%, Back end: 0%
Management Fee:	1.5% per annum
Risk Profile:	Low
Fund Stability Rating:	"A (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	6-Month KIBOR
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 preservation of Capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.

## Fund Manager Commentary

The Fund's unit price declined by 3.83% during January 2012. This is owing to delay in timely payment of TFC by a Real Estate company.

The Fund has high allocation in TFCs of around 89% of the Fund size. All TFCs in your Fund are floating rate instruments linked to KIBOR. Weighted average price of the TFC portfolio is Rs. 87 against the par value of Rs100.

The weighted average Yield to Maturity of your Fund is around 18.79% p.a. and that of the TFC portfolio is 20.37% p.a. The weighted average time to maturity of your Fund is 2.29 years. The Fund's sector allocation is fairly diversified with exposure to Telecom, Fertilizer, Cement, Textile, Leasing, Real Estate, Banking, and Leisure (Hotel) sub-sectors. However, TFCs prices may go up and down. Therefore, only long-term investors are advised to invest in this Fund.

## Details of Non-Compliant Investments

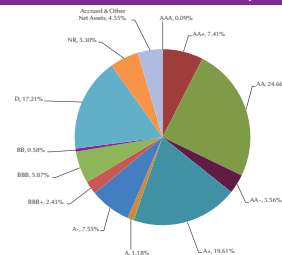
Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
BRR Guardian Modaraba***	SUKUK	49,062,500	12,265,625	36,796,875	1.93%	1.54%	22.06%
Escort Investment Bank Limited***	TFC	14,987,880	3,936,477	11,051,403	0.58%	0.46%	13.00%
Kohat Cement Limited (Sukuk)***	SUKUK	151,500,000	50,294,364	101,205,636	5.31%	4.23%	30.69%
Eden Housing (Sukuk II)	SUKUK	31,050,000	10,824,372	20,225,628	1.06%	0.84%	43.10%
Maple Leaf Cement (Sukuk I)	SUKUK	399,320,000	162,398,253	236,921,747	12.43%	9.89%	36.68%
Pak Elektron Limited (Sukuk)	SUKUK	51,428,571	5,096,674	46,331,897	2.43%	1.93%	9.68%
Saudi Pak Leasing	TFC	51,529,950	17,507,455	34,022,495	1.79%	1.42%	19.43%
AgriTech Limited I	TFC	149,860,200	149,860,200	-	0.00%	0.00%	N/A
AgriTech Limited V	TFC	32,320,000	32,320,000	-	0.00%	0.00%	N/A
Azgard Nine Limited (PPTFC)	TFC	249,800,000	249,800,000	-	0.00%	0.00%	N/A
Dewan Cement Limited	TFC	150,000,000	150,000,000	-	0.00%	0.00%	N/A
Gharibwal Cement Limited (PPTFC)	TFC	24,355,500	24,355,500	-	0.00%	0.00%	N/A
Maple Leaf Cement (Sukuk II)***	SUKUK	15,000,000	15,000,000	-	0.00%	0.00%	N/A
New Allied Electronics (PPTFC)	TFC	31,706,539	31,706,539	-	0.00%	0.00%	N/A
New Allied Electronics (Sukuk II)	SUKUK	44,148,934	44,148,934	-	0.00%	0.00%	N/A
PACE Pakistan Limited	TFC	149,820,000	149,820,000	-	0.00%	0.00%	N/A
<b>Total</b>		<b>1,595,890,074</b>	<b>1,109,334,393</b>	<b>486,555,681</b>	<b>25.53%</b>	<b>20.31%</b>	

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

## Excess / (Short) exposures

Particulars	Exposure Type	% of Net Assets	Limit	Excess / (Short) exposures
Engro Fertilizer Limited (PPTFC)	Per Party	15.31%	10.00%	5.31%
Maple Leaf Cement (Sukuk I)	Per Party	12.43%	10.00%	2.43%
Pakistan Mobile Communication (Listed II)	Per Party	19.61%	10.00%	9.61%
Cash and Cash Equivalent	Cash Balance	6.89%	25.00%	(18.11)%

## Credit Quality of the Portfolio as of Januray 31, 2012 (% of NAV)



## Name of the Members of Investment Committee

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

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