

# NAFA Islamic Stock Fund (NISF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/05/2016): Rs.12.1744

May 2016

## Performance

Performance Period	May 2016	FYTD 2016	Rolling 12 Months June 15 - May 16	Since Launch* January 09, 2015
NAFA Islamic Stock Fund	3.8%	11.8%	17.0%	17.1%
Benchmark	4.5%	10.5%	15.7%	14.4%

\* Annualized Return  
All Other returns are Cumulative

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

## General Information

Launch Date:	January 9, 2015
Fund Size:	Rs. 2,074 million
Type:	Open-end-Shariah Compliant-Equity Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time (Ramadan):	(Mon - Thr) 8:30 A.M to 3:00 P.M (Friday) 8:30 A.M to 12:30 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end 3% (Nil on investment above Rs 50 million) Back end - 0%
Management Fee:	2% per annum
Risk Profile	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	"A. F. Ferguson & Co. Chartered Accountants"
Benchmark:	KMI-30 Index
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## Investment Objective

The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities.

## Fund Manager's Commentary

During the month under review, NAFA Islamic Stock Fund's (NISF) unit price (NAV) increased by 3.8%, whereas the Benchmark increased by 4.5%, thus an underperformance of 0.7% was recorded. Since inception on January 9, 2015 your Fund has posted 24.5% cumulative return, versus 20.6% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 3.9%. This outperformance is net of management fee and all other expenses.

NISF started off the month with an allocation of around 90% in equities, which was decreased to around 86% during the month. NISF underperformed the Benchmark in May as the Fund was underweight in select Fertilizers and Power Generation & Distribution sectors stocks which outperformed the market and overweight in select, Technology & Communication, Food & Personal Care Products and Cement sectors stocks which underperformed the market. During the month, the allocation was primarily increased in Oil & Gas Exploration Companies, and Oil & Gas Marketing Companies, sectors stocks whereas it was reduced primarily in Cement, Technology & Communication and Textile Composite sectors.

## Asset Allocation (% of Total Assets)

	31-May-16	29-Apr-16
Equities / Stocks	86.4%	90.0%
Cash Equivalents	12.7%	9.0%
Others including receivables	0.9%	1.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NISF	8.8	2.7	4.2%
KMI-30	10.1	2.3	5.7%

\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 31 May, 2016)

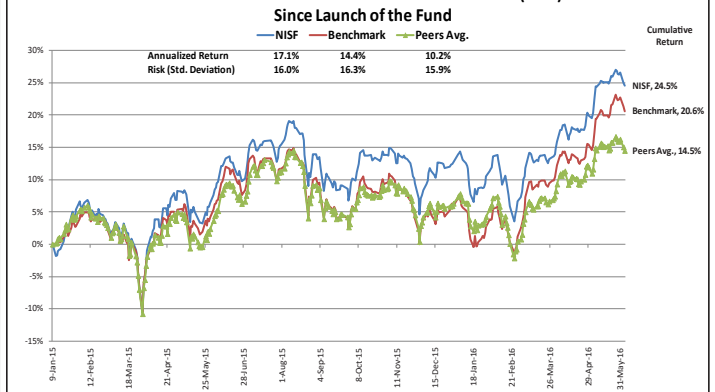
Cement	18.9%
Oil & Gas Exploration Companies	14.5%
Oil & Gas Marketing Companies	8.3%
Fertilizer	8.2%
Textile Composite	6.3%
Others	30.2%

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 2,403,366/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0141/0.15%.For details investors are advised to read the Note 6 of the Financial Statements of the Scheme for the period ended March 31, 2016.From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.  
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

## Relative Performance of NAFA Islamic Stock Fund (NISF)



## Top Ten Holdings (as on 31 May, 2016)

Name	Asset Class	% of Total Assets	Name	Asset Class	% of Total Assets
Mari Petroleum Co Ltd	Equity	6.6%	Nishat Mills Ltd	Equity	3.9%
Engro Corporation Ltd	Equity	6.3%	Pakistan Oilfields Ltd	Equity	3.8%
Pakistan State Oil Co Ltd	Equity	5.3%	Attock Cem.Pak.Ltd	Equity	3.2%
Lucky Cement Ltd	Equity	5.2%	Indus Motor Company Ltd	Equity	2.9%
Pak Petroleum Ltd	Equity	4.1%	D G Khan Cement Co Ltd	Equity	2.6%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA  
Muhammad Imran, CFA, ACCA

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