

# NAFA Multi Asset Fund (NMF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/10/2016): Rs.17.1416

October 2016

## Performance %

| Performance Period    | Oct 2016 | FYTD 2017 | Rolling 12 Months Nov 15 - Oct 16 | FY 2016 | FY 2015 | FY 2014 | FY 2013 | FY 2012 | Since Launch January 19, 2007* |
|-----------------------|----------|-----------|-----------------------------------|---------|---------|---------|---------|---------|--------------------------------|
| NAFA Multi Asset Fund | (0.2%)   | 9.6%      | 18.5%                             | 8.7%    | 26.8%   | 25.4%   | 34.1%   | 15.5%   | 16.2%                          |
| Benchmark**           | (0.8%)   | 2.3%      | 10.1%                             | 7.1%    | 11.0%   | 19.6%   | 22.4%   | 8.0%    | 9.3%                           |

\* 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 19, 2007  |
| Fund Size:              | Rs 1,489 million  |
| Type:                   | Open-end – Balanced Fund  |
| Dealing Days:           | Daily – Monday to Friday  |
| Dealing Time:           | (Mon – Thr) 9:00 A.M to 5:00 P.M<br>(Friday) 9:00 A.M to 5:30 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  |
| Total Expense Ratio (%) | 2.81% p.a.(including 0.37% government levies)   |
| Risk Profile:           | Moderate  |
| Listing:                | Pakistan Stock Exchange   |
| Custodian & Trustee:    | Central Depository Company (CDC)  |
| Auditors:               | KPMG Taseer Hadi<br>Chartered Accountants   |
| Benchmark:**            | Daily weighted return of KSE-30 Total Return Index & 6-month KIBOR based on Fund's actual allocation. |
| Fund Manager:           | Asim Wahab Khan, CFA  |
| Minimum Subscription:   | Growth Unit: Rs. 10,000/-<br>Income Unit: Rs. 100,000/-   |
| Asset Manager Rating:   | AM2++ by PACRA (High Investment Management Standards)   |

\*\* effective from September 01, 2016; Previously 50% KSE-30 Total Return Index & 50% 3-month KIBOR. From January 01, 2014, KSE-30 Total Return Index

## Investment Objective

To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.

## Fund Manager's Commentary

During the month under review, NAFA Multi Asset Fund's (NMF) unit price (NAV) decreased by 0.2% while the Benchmark decreased by 0.8%. Thus your Fund outperformed the Benchmark by 0.6%. Since inception on January 19, 2007 your Fund has posted 334.0% return, versus 138.9% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 195.1%. This outperformance is net of management fee and all other expenses.

NMF started off the month with an allocation of around 63% in equities which decreased to around 59% towards the end of the month. NMF outperformed the Benchmark in October as the Fund was underweight in select Power Generation & Distribution Companies, and Automobile Assembler sectors stocks which underperformed the market and overweight in select Textile Composite, Commercial Banks, Automobile Assembler, Oil & Gas Marketing Companies, Cement, and Transport sectors stocks which outperformed the market. During the month, the allocation was primarily increased in Textile Composite and Transport sectors, whereas it was reduced primarily in Engineering, Glass & Ceramics, Automobile Assembler, Automobile Parts & Accessories, Cement, Power Generation & Distribution Companies, and Oil & Gas Exploration Companies sectors.

## Asset Allocation (% of Total Assets) 31-Oct-16 30-Sep-16

| Asset Allocation (% of Total Assets) | 31-Oct-16     | 30-Sep-16     |
|--------------------------------------|---------------|---------------|
| Equities / Stocks                    | 59.2%         | 62.6%         |
| TFCs / Sukuks                        | 7.9%          | 8.1%          |
| Cash                                 | 27.8%         | 24.8%         |
| PIBs                                 | 2.5%          | 2.6%          |
| Others including receivables         | 2.6%          | 1.9%          |
| <b>Total</b>                         | <b>100.0%</b> | <b>100.0%</b> |
| Leverage                             | Nil           | Nil           |

## Characteristics of Equity Portfolio\*\*\*

|        | PER | PBV | DY   |
|--------|-----|-----|------|
| NMF    | 9.1 | 2.8 | 4.7% |
| KSE-30 | 9.4 | 2.2 | 5.5% |

\*\*\* Based on NAFA's estimates

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

|                                 |       |
|---------------------------------|-------|
| Commercial Banks                | 9.0%  |
| Oil & Gas Exploration Companies | 8.9%  |
| Textile Composite               | 8.5%  |
| Cement                          | 6.4%  |
| Fertilizer                      | 5.5%  |
| Others                          | 20.9% |

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA  
Muhammad Ali Bhabha, CFA, FRM

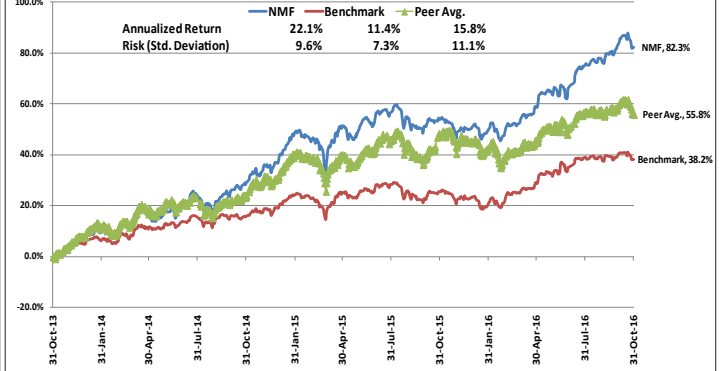
## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 20,016,564/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.2305/1.59%. For details investors are advised to read Note 7 of the Financial Statements of the Scheme for the period ended September 30, 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.

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Documents to understand the investment policies and the risks involved. The scheme holds certain non-compliant investments. Before making any investment decision, investors should review the latest monthly Fund Manager Report and Financial statements. The reported return may include provisions and reversal of provisions against some debt securities.

## Relative Performance of NAFA Multi Asset Fund (NMF) for the Last Three Years



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

| Name                       | Asset Class | % of Total Assets | Name                         | Asset Class | % of Total Assets |
|----------------------------|-------------|-------------------|------------------------------|-------------|-------------------|
| K Electric Azm             | Sukuk       | 5.2%              | Jahangir Siddiqui and Co Ltd | TFC         | 2.7%              |
| Nishat Mills Ltd           | Equity      | 3.9%              | Mari Petroleum Company Ltd   | Equity      | 2.7%              |
| Kohinoor Textile Mills Ltd | Equity      | 3.2%              | Pakistan Oilfields Ltd       | Equity      | 2.1%              |
| Engro Corporation Ltd      | Equity      | 3.1%              | Oil & Gas Dev Co Ltd         | Equity      | 2.1%              |
| Indus Motor Company Ltd    | Equity      | 2.8%              | Pakistan State Oil Co. Ltd   | Equity      | 2.1%              |

## 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 |
|----------------------------------|--------------------|---------------------------------------|-------------------|--------------------------------------|-----------------|-------------------|
| Saudi Pak Leasing                | TFC                | 27,547,410                            | 27,547,410        | -                                    | -               | -                 |
| Eden Housing (Sukuk II)          | SUKUK              | 9,843,750                             | 9,843,750         | -                                    | -               | -                 |
| New Allied Electronics (Sukuk I) | SUKUK              | 10,000,000                            | 10,000,000        | -                                    | -               | -                 |
| <b>Total</b>                     |                    | <b>47,391,160</b>                     | <b>47,391,160</b> | <b>-</b>                             | <b>-</b>        | <b>-</b>          |