



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/10/2012): Rs. 10.0487

October 2012

## Performance

Performance % *	October 2012	FYTD Jul 12 - Oct 12	Since Launch February 24, 2012
NAFA Money Market Fund	10.88%	11.17%	10.89%
Benchmark	6.81%	7.21%	7.29%

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

## General Information

Launch Date:	February 24, 2012
Fund Size:	Rs. 22,997 million
Type:	Open-end – Money Market 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: 0.5% (Nil on investment above Rs. 5 million), Back end: 0%
Management Fee:	1.00% per annum (W.E.F 16th August 2012)
Risk Profile:	Very Low
Fund Stability Rating:	"AA+ (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	3-Month deposit rates (AA & above rated banks)
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA

## Investment Objective

To provide stable income stream with preservation of capital by investing in AA and above rated banks and money market instruments.

## Fund Manager Commentary

The Fund earned an annualized return of 10.88% during October 2012 against the benchmark return of 6.81%, thus registering an out-performance of 4.07% p.a. Since the launch of the Fund in February 2012, it has earned an annualized return of 10.89%, thus outperforming its benchmark by 3.60% p.a. This out-performance is net of management fee and all other expenses.

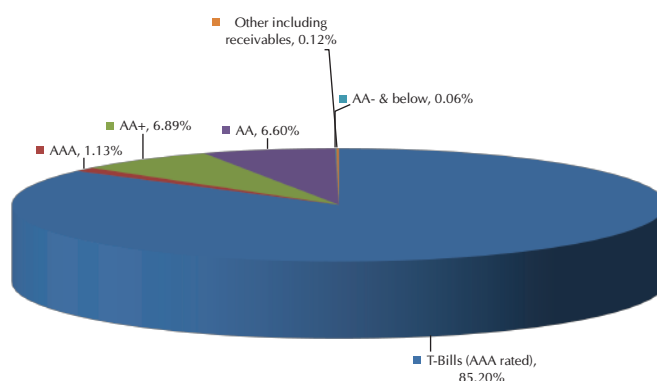
Being a money market scheme, the investment guidelines of the Fund are very restrictive. The authorized investments of the Fund include T-Bills, Bank Deposits and Money Market instruments. Minimum rating is AA, while the Fund is not allowed to invest in any security exceeding six month maturity. The weighted average time to maturity of the Fund cannot exceed 90 days. The Fund is rated AA+(f) by PACRA which denotes a very strong capacity to maintain relative stability in returns and possesses very low exposure to risks.

The allocation of the Fund in AAA rated T-Bills is around 85.20% at month-end. The weighted average time to maturity of the Fund is 78 days. The duration of the T-Bill portfolio of the overall Fund is 74 days. The Fund has demonstrated superior performance during the month due to timely rebalancing of the Portfolio.

During the month SBP further reduced Policy Rate by 0.5% to 10%. Similarly, yields on T-Bills reduced accordingly. The cut-off annualized yields for the last T-Bill auction were noted at 9.23%, 9.27% and 9.35% for the 3-month, 6-month and 1 year tenors, respectively. The return on the Fund will track the yield on T-Bills. Increase in interest rates will bode well for the Fund due to its short maturity.

We are monitoring the developments in capital market conditions and associated expectations and will proactively rebalance the Portfolio.

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



## Asset Allocation (% of Total Assets) 31-Oct-12 29-Sep-12

T-Bills	85.20%	91.57%
Placements with Banks	-	2.21%
Placements with DFIs	7.92%	2.21%
Money Market Placements	1.51%	1.55%
Cash Equivalents	5.25%	2.37%
Others including receivables	0.12%	0.09%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 23,211,201/-. If the same were not made the NAV per unit/ since inception annualized return of scheme would be higher by Rs. 0.0101/0.16%. For details investors are advised to read note 15 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  
Salman Ahmed