



**NBP Fullerton  
Asset Management Limited**  
(Formerly National Fullerton Asset Management Limited)

# NAFA Riba Free Savings Fund (NRFSF)

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/06/2011): Rs. 10.3779

June 2011

## Performance

Performance % *	June 2011	Jan. - Jun. 2011	Since Launch August 21, 2010
NAFA Riba Free Savings Fund	8.35%	11.32%	10.46%
Benchmark	8.44%	8.29%	8.29%

\* 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:	August 21, 2010
Fund Size:	Rs. 377 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Fri) 9:00 A.M to 4:30 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:	1.0% per annum (The Management Fee has been reduced from 1.5% p.a to 1.0% p.a with effect from March 1st 2011)
Risk Profile:	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:	Average 6-month deposit rate of A- and above rated Islamic Banks
Fund Manager:	Usman Khan
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- 'Positive Outlook' by PACRA

## Investment Objective

To provide preservation of capital and earn a reasonable rate of return along with a high degree of liquidity by investing in short-term Shariah compliant banks and money market / debt securities.

## Fund Manager Commentary

The annualized return generated by NRFSF for the month of June 2011 is 8.35%. Annualized return for the fourth quarter FY 2011 is 11.83%, which is better than the benchmark return by 3.45%. Since the Fund's inception ten months ago, the Fund has out-performed its benchmark by 2.17%.

We aim to consistently provide better returns than profit rates offered by Islamic Banks / Islamic windows of commercial banks, while also providing easy liquidity along with a high quality credit profile. The Fund is not authorized to invest in corporate sukuks and the stock market.

Around 70% of your Fund's portfolio is invested in AAA rated Shariah Compliant Government securities. This has substantially increased the liquidity of the Fund. In FY 2011, SBP conducted four auctions of GOP Ijarah, and the accepted amount was Rs 182.35 bln against the target of Rs 170 billion. Currently, the outstanding amount of GOP Ijarah sukuk is around Rs.235 billion. GOP Ijarah sukuks are floating rate Shariah compliant securities with six monthly coupon resets and an average duration of three months. This minimizes pricing risk.

During the month, PACRA has upgraded the stability rating of your Fund to AA-(f) from A+(f). Thus your Fund is now amongst the highest rated Riba Free income funds in the market.

NRFSF is an Islamic Income Scheme that invests only in Shariah compliant avenues. The weighted average rating of the Fund's portfolio is "AA+".

The average duration of the Fund is 78 days.

## Asset Allocation (% of NAV) 30-June-11 31-May-11

Asset Allocation (% of NAV)	30-June-11	31-May-11
GOP Ijarah Sukuk - Govt. Backed	70.48%	70.31%
Cash Equivalents	27.49%	27.61%
Other Net Assets	2.03%	2.08%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

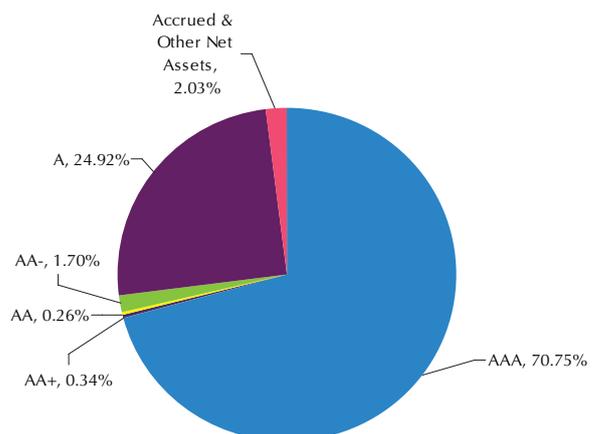
## GOP Ijarah SUKUK Holdings (as at June 30, 2011)

Name of Sukuks	% of Net Assets
GOP Ijarah Sukuk V	9.30%
GOP Ijarah Sukuk VI	8.78%
GOP Ijarah Sukuk VII	32.73%
GOP Ijarah Sukuk VIII	19.67%
<b>Total</b>	<b>70.48%</b>

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Ahmad Nouman, CFA  
Sajjad Anwar, CFA  
Tanvir Abid, CFA, FRM  
Usman Khan

## Credit Quality of the Portfolio as of June 30, 2011 (% of NAV)



**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. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.