



## Performance

Performance %	June 2014*	FY 2014*	FY 2013*	FY 2012*	Since Launch August 21, 2010 **
NAFA Riba Free Savings Fund	7.01%	7.82%	8.72%	10.80%	9.41%
Benchmark	7.02%	6.75%	7.28%	8.29%	7.58%

\* Annualized Simple Return - \*\* (Annualized Return Based on Morning Star Methodology)  
(Returns are net of management fee & all other expenses)

## General Information

Launch Date:	August 21, 2010
Fund Size:	Rs. 1,657 million
Type:	Open-end – Shariah Compliant Income Fund
Dealing Days:	Daily – Monday to Saturday (Mon - Thr) 8:00 A.M to 2:00 P.M (Friday) 8:00 A.M to 12:30 P.M (Saturday) 9:00 A.M to 1:00 P.M
Ramazan Dealing Time:	Forward Pricing
Settlement:	2-3 business days
Pricing Mechanism:	Front end: without Life Insurance: 0.5%, with Life Insurance: 5% (Nil on investment above Rs. 16 million), Back end: 0%
Load:	
Management Fee:	1.25% per annum
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:	Average 6-month deposit rate of A- and above rated Islamic Banks
Fund Manager:	Salman Ahmed
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2 by PACRA (Very High Investment Management Standards)

## 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 Fund generated an annualized return of 7.0% for the month of June 2014 versus the Benchmark return of 7.0%. During the last one year the Fund has outperformed its Benchmark by 1.0% by earning an annualized return of 7.8%. This outperformance is net of management fee and all other expenses.

The Fund aims to consistently provide better return than the 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 allowed to invest in short-term Shariah compliant money market securities of up to six months maturity rated AA- or better. The Fund is not authorized to invest in corporate debt securities and the Equities. With stability rating of AA-(f), NRF SF is amongst the highest rated Islamic Income Funds in the market.

The allocation of the Fund is around 12% in GOP Ijarah Sukuks, which are floating rate instruments with 6-months coupon re-setting. Around 87% of the portfolio is invested in bank deposits which further enhance liquidity profile of the Fund. In the month of June, auction of GOP Ijara Sukuk witnessed a cutoff of -2% from base rate that translate into profit rate of 7.98% p.a.

The weighted average duration of the Fund is 33 days and the weighted average time to maturity is 65 days. We will rebalance the portfolio based on economic and capital market outlook.

Asset Allocation (% of Total Assets)	30-June-14	31-May-14
GOP Ijara Sukuk - Govt. Backed	11.88%	13.24%
Cash Equivalents	87.28%	85.53%
Other including receivables	0.84%	1.23%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## Top Holdings (as at June 30, 2014)

Name of Sukuk	% of Total Assets
GOP Ijarah (Sukuk IX)	5.91%
GOP Ijarah (Sukuk XII)	1.61%
GOP Ijarah (Sukuk XIII)	1.51%
GOP Ijarah (Sukuk X)	1.27%
GOP Ijarah (Sukuk XIV)	0.81%
GOP Ijarah (Sukuk XI)	0.77%
<b>Total</b>	<b>11.88%</b>

## WORKERS' WELFARE FUND (WWF)

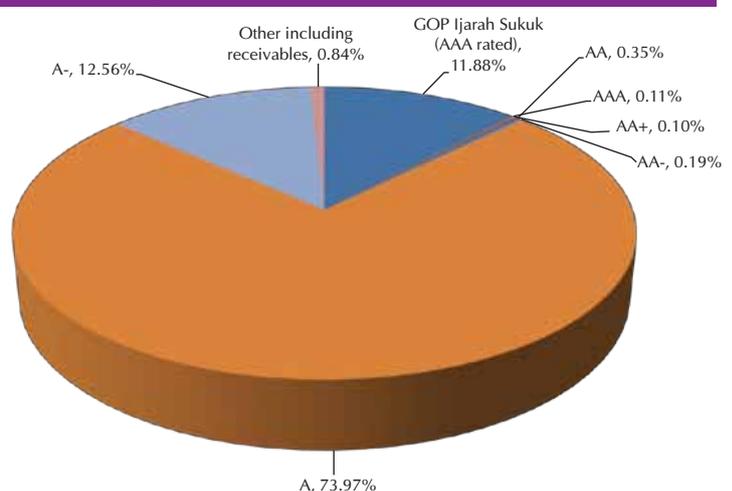
The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.8,813,444/-. If the same were not made the NAV per unit/last one year return of scheme would be higher by Rs.0.0537/0.57%. For details investors are advised to read note 5 of the Financial Statements of the Scheme for the period ended March 31, 2014.

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Syed Suleman Akhtar, CFA  
Salman Ahmed

Note: 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 Income Tax Ordinance.

## Credit Quality of the Portfolio as of June 30, 2014 (% of Total Assets)



**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 dependent 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.