

NAFA Asset Allocation Fund (NAAF)



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/01/2017): Rs.18.8703

January 2017

Performance %

Performance Period	Jan 2017	FYTD 2017	Rolling 12 Months Feb 16-Jan 17	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Asset Allocation Fund	1.9%	27.2%	39.3%	7.6%	24.6%	13.7%	32.0%	14.4%	21.4%
Benchmark**	1.4%	16.4%	26.7%	6.2%	9.6%	15.3%	17.1%	8.1%	13.2%

* 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:	August 20, 2010
Fund Size:	Rs. 2,563 million
Type:	Open-end – Asset Allocation Fund
Dealing Days:	Daily – Monday to Friday (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Dealing Time:	2-3 business days
Settlement:	Forward Pricing
Pricing Mechanism:	Front End Load (Individual): 3% (Nil on investment above Rs. 101 million)
Load:***	Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% per annum
Total Expense Ratio (%)	4.16% p.a (including 1.74% government levies)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil 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/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

** effective from September 01, 2016; Previously 1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Index Total Return.

*** effective from January 02, 2017

Investment Objective

To generate income by investing in Debt & Money Market securities and to generate capital appreciation by investing in equity and equity related securities.

Fund Manager's Commentary

During the month under review, NAFA Asset Allocation Fund's (NAAF) unit price (NAV) increased by 1.9% while the Benchmark increased by 1.4%. Thus your Fund outperformed the Benchmark by 0.5%. Since inception on August 20, 2010 the Fund has posted 21.4% p.a return, versus 13.2% p.a by the Benchmark. Thus, to date the outperformance of your Fund stands at 8.2% p.a. This outperformance is net of management fee and all other expenses.

NAAF started off the month with an allocation of around 65% in equities, which decreased to around 64% towards the end of the month. NAAF outperformed the Benchmark in January as the Fund was underweight in select Commercial Banks, Oil & Gas Exploration Companies, and Cement sectors stocks which underperformed the market and overweight in select Chemical, Engineering, Automobile Assembler, and Transport sectors stocks which outperformed the market. During the month, the allocation was increased Primarily in Pharmaceuticals, Automobile Assembler, Engineering, and Cable & Electric Goods sectors, whereas it was reduced primarily in Cement, Fertilizer, Commercial Banks, Food & Personal Care Products, Oil & gas Exploration Companies, and Oil & Gas Marketing Companies sectors.

Asset Allocation (% of Total Assets)	31-Jan-17	30-Dec-16
Equities / Stocks	63.7%	65.1%
Cash	33.9%	32.2%
Bank Placements	2.0%	2.2%
Others including receivables	0.4%	0.5%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio****

	PER	PBV	DY
NAAF	9.9	3.6	3.6%
KSE-30	11.4	2.9	4.8%

**** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 31 Jan, 2017)

Cement	8.9%
Oil & Gas Exploration Companies	8.6%
Commercial Banks	8.5%
Textile Composite	8.3%
Automobile Assembler	4.9%
Others	24.5%

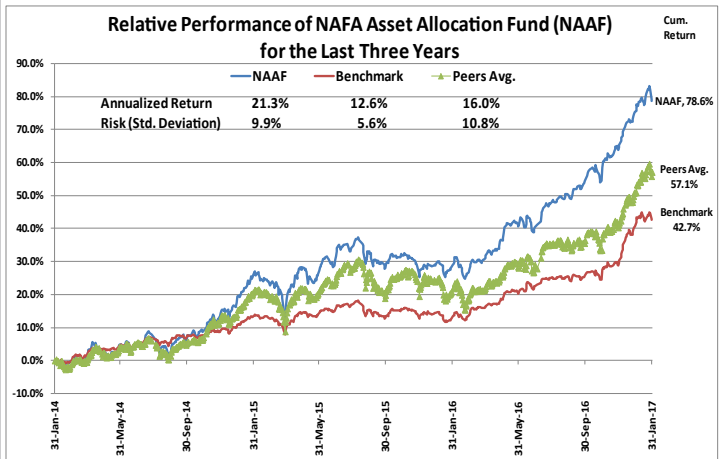
Name of the Members of Investment Committee

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

Sindh Workers' Welfare Fund (SWWF)

The scheme has maintained provision against Sindh Workers' Welfare Fund's liability to the tune of Rs 13,644,929/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1004/0.79%.

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.



Top Ten Holdings (as on 31 Jan, 2017)

Name	Asset Class	% of Total Assets
Nishat Mills Ltd	Equity	2.5%
Lucky Cement Ltd	Equity	2.5%
Engro Corporation Ltd	Equity	2.5%
Attock Cement Pakistan Ltd	Equity	2.5%
Kohinoor Textile Mills Ltd	Equity	2.4%
Mari Petroleum Company Ltd	Equity	2.4%
D G Khan Cement Co Ltd	Equity	2.3%
Pak Petroleum Ltd	Equity	2.2%
Shell Pakistan Ltd	Equity	2.2%
Pakistan State Oil Co. Ltd	Equity	2.2%
Total		23.7%

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.