

# NAFA Asset Allocation Fund (NAAF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (29/07/2016): Rs.15.5996

July 2016

## Performance %

Performance Period	July 2016	Rolling 12 Months Aug 15-Jul 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch August 20, 2010*
NAFA Asset Allocation Fund	5.2%	9.8%	7.6%	24.6%	13.7%	32.0%	14.4%	19.6%
Benchmark**	1.9%	6.7%	6.2%	9.6%	15.3%	17.1%	8.1%	11.8%

\* 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.  
\*\*From January 01, 2014, KSE-30 Total Return Index

## General Information

Launch Date:	August 20, 2010
Fund Size:	Rs. 1,274 million
Type:	Open-end – Asset Allocation Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (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 (%)	2.84% p.a. (including 0.38% representing government levies)
Risk Profile:	Moderate
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	Deloitte Yousuf Adil Chartered Accountants
Benchmark:	1/3 of average 3-month bank deposit rate; 1/3 of 6-month KIBOR; 1/3 of KSE 30 Total Return Index
Fund Manager:	Muhammad Imran, CFA, ACCA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

## 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 5.2% while the Benchmark increased by 1.9%. Thus your Fund outperformed the Benchmark by 3.3%. Since inception on August 20, 2010 the Fund has posted 189.2% cumulative return, versus 94.5% by the Benchmark. Thus, to date the cumulative outperformance of your Fund stands at 94.7%. This outperformance is net of management fee and all other expenses.

NAAF started off the month with an allocation of around 22% in equities, which increased to around 63% towards the end of the month. NAAF outperformed the Benchmark in July as the Fund was underweight in select Fertilizer sector stocks which underperformed the market and overweight in select Automobile Assembler, Automobile Parts & Accessories, Engineering, Textile Composite, and Glass & Ceramics sectors stocks which outperformed the market. During the month, the allocation was increased across the board in all the major sectors.

## Asset Allocation (% of Total Assets) 29-July-16 30-June-16

	29-July-16	30-June-16
Equities / Stocks	63.3%	22.2%
Cash	32.3%	12.2%
Bank Placements	3.8%	1.4%
Others including receivables	0.6%	64.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

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

	PER	PBV	DY
NAAF	9.2	2.7	4.8%
KSE-30	10.5	2.3	5.2%

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

## Top Five Sectors (% of Total Assets) (as on 29 July, 2016)

Oil & Gas Exploration Companies	10.4%
Cement	9.2%
Commercial Banks	8.0%
Engineering	6.3%
Textile Composite	6.1%
Others	23.3%

## Name of the Members of Investment Committee

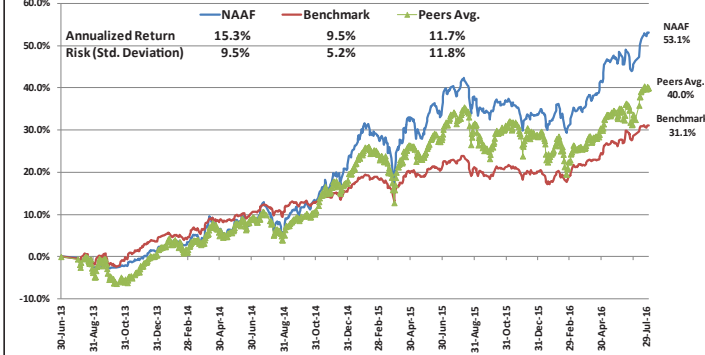
Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Syed Suleman Akhtar, CFA  
Asim Wahab Khan, CFA  
Muhammad Ali Bhabha, CFA, FRM  
Muhammad Imran, CFA, ACCA

## WORKERS' WELFARE FUND (WWF)

The scheme has maintained provision against Workers' Welfare Fund's liability to the tune of Rs 18,637,505/-If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.2281/1.60%. For details investors are advised to read Note 5 of the Financial Statements of the Scheme for the period ended March 31, 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.

## Relative Performance of NAFA Asset Allocation Fund (NAAF) for the Last Three Years



## Top Ten Holdings (as on 29 July, 2016)

Name	Asset Class	% of Total Assets
Tariq Glass Ltd	Equity	3.3%
Kohinoor Textile Mills Ltd	Equity	3.2%
Pak Petroleum Ltd	Equity	3.0%
Indus Motor Company Ltd	Equity	2.9%
International Industries Ltd	Equity	2.9%
Nishat Mills Ltd	Equity	2.9%
Mari Petroleum Company Ltd	Equity	2.7%
Thal Ltd	Equity	2.7%
Lucky Cement Ltd	Equity	2.7%
Pakistan Oilfields Ltd	Equity	2.6%
<b>Total</b>		<b>28.9%</b>

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