



Performance

Performance % *	January 2013 *	FYTD Jul 12 - Jan13 *	Trailing 12 Months Feb - Jan 2012 - 2013 *	Since Launch April 22, 2006 **
NAFA Income Opportunity Fund	5.69%	6.35%	8.80%	6.23%
Benchmark	8.98%	10.01%	10.93%	11.62%

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

General Information

Launch Date: April 22, 2006
Fund Size: Rs. 1,682 million
Type: Open-end – Income 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%, Back end: 0%
Management Fee: 1.5% per annum
Risk Profile: Low
Fund Stability Rating: "BBB+(f)" by PACRA
Listing: Lahore Stock Exchange
Custodian & Trustee: Central Depository Company (CDC)
Auditors: KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark: 6-Month KIBOR
Fund Manager: Ammar Rizki
Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating: AM2 by PACRA

Investment Objective

To seek preservation of Capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.

Fund Manager Commentary

The Fund posted an annualized return of 5.69% during January 2013 as compared to the benchmark return of 8.98%. Lower return offered by the Fund during the month is on account of i) Mark to Market loss in a leasing sector TFC; and ii) Provisioning in a Consumer Electronics sub sector sukuk. However, some of the non-performing TFCs are at advanced stages of restructuring, which will result in some recoveries in due course of time.

Weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is Rs. 80.62 against the par value of Rs. 100. The weighted average Yield to Maturity of the Fund is around 18.51% p.a. and that of the TFC portfolio is 26.25% p.a. The weighted average time to maturity of the Fund is about 1.85 years. The Fund's sector allocation is fairly diversified with exposure to Telecom, Fertilizer, Cement, Financial Services, Banking, and Leisure (Hotel) sub-sectors. However, since TFCs prices may go up and down, therefore, investors with long-term investment horizon are advised to invest in this Fund.

Asset Allocation (% of Total Assets) 31-Jan-13 31-Dec-12

Asset Allocation (% of Total Assets)	31-Jan-13	31-Dec-12
TFCs / Sukuks	44.45%	47.67%
T-Bills	0.32%	0.32%
Placement with DFIs	3.01%	3.02%
Equity	2.09%	2.19%
Cash Equivalents	24.51%	21.38%
Other including receivables	25.62%	25.42%
Total	100.00%	100.00%
Leverage	Nil	Nil

Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
BRR Guardian Modaraba**	SUKUK	47,187,500	-	35,390,625	2.10%	1.64%	35.46%
Escort Investment Bank Limited**	TFC	9,991,920	-	7,367,602	0.44%	0.34%	18.00%
Kohat Cement Limited (Sukuk)**	SUKUK	57,377,540	-	43,033,155	2.56%	1.99%	9.58%
Saudi Pak Leasing**	TFC	47,526,540	-	24,476,168	1.46%	1.13%	39.44%
World Call Telecom Limited	TFC	96,370,722	74,687,310	21,683,412	1.29%	1.00%	191.39%
Eden Housing (Sukuk II)	SUKUK	22,425,000	7,817,602	14,607,398	0.87%	0.68%	62.99%
Maple Leaf Cement (Sukuk I)	SUKUK	379,150,000	227,490,000	151,660,000	9.02%	7.01%	37.00%
Pak Elektron Limited (Sukuk)	SUKUK	51,428,571	27,547,097	23,881,474	1.42%	1.10%	98.57%
AgriTech Limited I	TFC	149,860,200	149,860,200	-	n/a	n/a	n/a
AgriTech Limited V	TFC	32,320,000	32,320,000	-	n/a	n/a	n/a
Azgard Nine Limited III	TFC	108,396,850	108,396,850	-	n/a	n/a	n/a
Azgard Nine Limited V	TFC	82,180,000	82,180,000	-	n/a	n/a	n/a
Dewan Cement Limited	TFC	150,000,000	150,000,000	-	n/a	n/a	n/a
Gharibwal Cement Limited (PPTFC)	TFC	24,355,500	24,355,500	-	n/a	n/a	n/a
New Allied Electronics (PPTFC)	TFC	31,706,536	31,706,536	-	n/a	n/a	n/a
New Allied Electronics (Sukuk II)	SUKUK	44,148,934	44,148,934	-	n/a	n/a	n/a
PACE Pakistan Limited	TFC	149,820,000	149,820,000	-	n/a	n/a	n/a
Azgard Nine Limited (Non-Voting Ordinary Shares)	Equity	12,854	12,854	-	n/a	n/a	n/a
AgriTech Limited Shares	Equity	45,249,008	-	45,249,008	2.69%	2.09%	n/a
Total		1,529,507,675	1,110,342,882	367,348,842	21.83%	16.98%	

**Said TFCs are performing but classified as Non-Compliant on the basis of required rating. Due to this the difference between the Value of Investment before provision and after provision is mark to market loss instead of provisioning.

Top 10 TFC/Sukuk Holdings (as at January 31, 2013)

Name of TFCs / Sukuks	% of Total Assets
Maple Leaf Cement (Sukuk I)	7.01%
Pakistan Mobile Communication (Listed II)	7.00%
Engro Fertilizer Limited (PPTFC)	6.55%
Avari Hotels Limited	6.55%
Bank Alfalah Limited V	4.62%
Allied Bank Limited II	3.00%
Kohat Cement Limited (Sukuk)	1.99%
BRR Guardian Modaraba	1.64%
Engro Fertilizer Limited	1.14%
Saudi Pak Leasing	1.13%
Total	40.63%

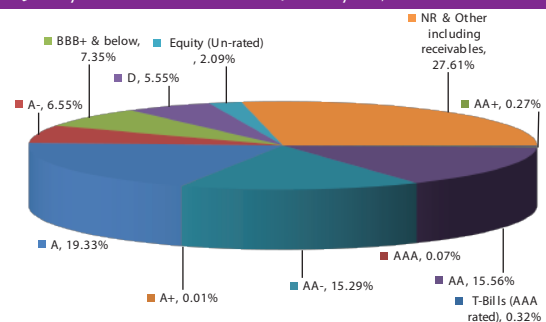
WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 12,632,267/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0753/0.82%. For details investors are advised to read note 8 of the latest Financial Statement of the Scheme for the period ended September 30, 2012.

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Muhammad Ali Bhabha, CFA, FRM
Syed Suleman Akhtar, CFA
Ammar Rizki

Credit Quality of the Portfolio as of January 31, 2013 (% of Total Assets)



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