



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2014): Rs. 10.7131

September 2014

Performance %									
Performance Period	September 2014	FYTD 2015	Rolling 12 Months	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	Since Launch April 21, 2006 *
NAFA Income Opportunity Fund	8.8%	9.3%	16.3%	16.6%	10.3%	(0.5%)	5.5%	5.8%	8.0%
Benchmark	10.2%	10.2%	10.1%	9.8%	9.9%	12.4%	13.3%	12.4%	11.3%

* Annualized Return Based on Morning Star Methodology
All other returns are Annualized Simple Return [Net of management fee & all other expenses]

General Information	
Launch Date:	April 21, 2006
Fund Size:	Rs. 3,885 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: 1% (Nil on investment above Rs. 16 million), Back end: 0%
Management Fee:	1.5% per annum
Risk Profile:	Low
Fund Stability Rating:	"A-(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:	Muhammad Imran, CFA, ACCA
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 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 8.8% in September 2014 as compared to the Benchmark return of 10.2%. Underperformance of the Fund during the month is due to provisioning in a modaraba sukuk. During the last one year the Fund has outperformed its Benchmark by 6.2% by earning an annualized return of 16.3%.

Weighted average price of the TFC portfolio (excluding TFCs which are fully provided) is Rs. 96.35 against the par value of Rs. 100. The weighted average Yield to Maturity of the Fund is around 11.50% p.a. and that of the TFC portfolio is 12.92% p.a. The weighted average time to maturity of the Fund is about 1.83 years. The Fund's sector allocation is fairly diversified with exposure to Chemical, Electricity Banking, Construction & Material, Travel & Leisure, Oil & Gas and Financial Services sectors. TFC portfolio of the Fund is predominantly floating rate linked to KIBOR. However, since TFCs prices may go up or down, therefore, only investors with medium-term investment horizon are advised to invest in this Fund.

Asset Allocation (% of Total Assets)	30-Sep-14	30-Aug-14
TFCs / Sukuks	27.45%	27.07%
Commercial Paper	1.09%	1.04%
PIBs	34.19%	32.66%
Equity	0.76%	0.72%
Cash Equivalents	23.09%	25.30%
Others including receivables	13.42%	13.21%
Total	100.00%	100.00%
Leverage	Nil	Nil

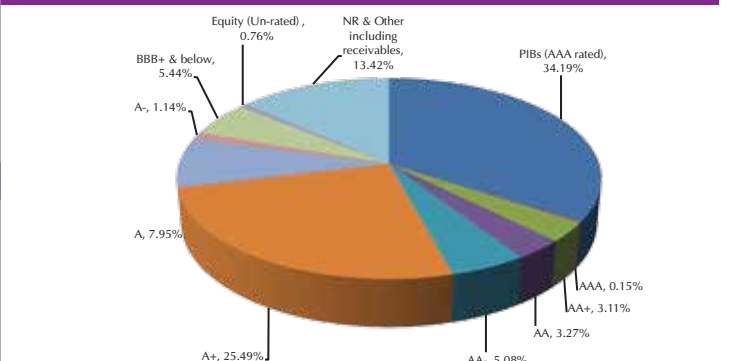
Details of Non-Compliant Investments

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	34,062,500	34,062,500	-	n/a	n/a	n/a
Saudi Pak Leasing	TFC	41,321,115	41,321,115	-	n/a	n/a	n/a
World Call Telecom Limited	TFC	96,370,722	96,370,722	-	n/a	n/a	n/a
Eden Housing (Sukuk II)	SUKUK	9,056,250	9,056,250	-	n/a	n/a	n/a
Pak Elektron Limited (Sukuk)	SUKUK	51,428,571	51,428,571	-	n/a	n/a	n/a
Agri-tech Limited I	TFC	149,860,200	149,860,200	-	n/a	n/a	n/a
Agri-tech Limited V	TFC	32,320,000	32,320,000	-	n/a	n/a	n/a
Azgard Nine Limited III	TFC	108,376,850	108,376,850	-	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
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
Agri-tech Limited Shares	Equity	141,403,150	108,032,007	33,371,143	0.86%	0.76%	n/a
Total		1,122,067,682	1,088,696,539	33,371,143	0.86%	0.76%	

Top 10 TFC/Sukuk Holdings (as at September 30, 2014)

Name of TFCs / Sukuks	% of Total Assets
Maple Leaf Cement (Sukuk I)	5.44%
Engro Fertilizer Limited (PPTFC)	5.23%
K Electric Azm Sukuk	5.02%
Engro Fertilizer Limited	2.89%
Bank Alfalah Limited V	2.27%
Jahangir Siddiqui and Company Ltd. 08-APR-14	1.67%
Allied Bank Limited II	1.48%
Jahangir Siddiqui and Company Ltd. 30-OCT-12	1.29%
Avari Hotels Limited	1.11%
HASCOL Pvt Ltd TFC	1.02%
Total	27.42%

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



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs.26,644,470/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs. 0.0735/0.80%. For details investors are advised to read note 6 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
- Muhammad Imran, CFA, ACCA

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 Income Tax Ordinance.

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. Please read the Offering Document to understand investment policies and the risks involved. The scheme holds certain non-complaint investments. Before making any investment decision, investors should review the latest monthly Fund Manager Report and Financial Statements.