

Faysal Islamic Savings Growth Fund

Faysal Islamic Savings Growth Fund (FISGF) seeks to provide maximum possible preservation of capital and a reasonable rate of return via investing in Islamic money market and debt securities with good credit quality rating and liquidity.

What led to this fund being launched?

Shariah compliant funds in Pakistan are strongly gaining traction, so to provide our investors with a broader spectrum of funds we launched Faysal Islamic Savings Growth Fund (FISGF) to fulfill the needs of our Shariah-conscious investors.

Why has this particular region / asset class been chosen?

Islamic income funds have a high potential and growth in the region along with market competitive returns that offer investors an opportunity to invest in a diversified portfolio of Shariah compliant investments.

What are the key factors that drive the fund's performance?

The fund is continuously outperforming its benchmark as well as its peer income group funds. The investment philosophy of FISGF is to maximize return for investors and to preserve the capital while keeping exposure in a blend of short, medium and long-term Islamic income instruments.

Who are your investors (profile)?

It is a combination of Islamic banks and Takaful companies, retail clients, high net worth individuals, corporate companies, employee retirement funds and other institutions from Pakistan.

What specific risks does the fund take into consideration? And why?

FISGF strives to achieve competitive returns at acceptable risk levels. We always review our investment portfolio on a continuous basis, particularly considering credit risk, price risk and liquidity risk. We mostly keep cash with 'AA' rated banks and invest in 'AA+' or better credit quality securities with minimal price risk along with ample

liquidity to cater for any unforeseen event.

How often do you review this fund?

The fund is constantly and proactively monitored and reviewed by the fund manager and the internal investment committee.

What are the sectors you are heavily invested in and why?

As we have limited avenues available in the Islamic income fund, we have a substantial exposure in government Sukuk Ijarah. Due to the high demand and limited Sukuk available in the market, so far we have made remarkable returns on the same.

What is the market outlook for this fund?

The current market outlook for FISGF is very positive. We intend to continue our investment strategy with a focus on Shariah compliant assets with good credit quality, high liquidity and opportunities of capital gains.

How has this fund performed compared to your initial expectations?

The performance of FISGF is tremendous. It is consistently and significantly outperforming its benchmark as well as its peer income group funds.

Has your strategy for this fund changed since inception, and if so how?

Initially we had invested in short-term instruments, but last year we diversified our portfolio exposure in a blend of short, medium and long-term instruments. We aim to continue our investment strategy to look out for Islamic income opportunities with competitive returns at acceptable risk levels. ☺

Fact sheet	
Fund manager	Ayaz Mustafa Zuberi
Trustee	Central Depository Company of Pakistan
Shariah advisor(s)	Muhammad Abubaker Siddiq Abdul Zahid Farooqi
Benchmark (Index)	Average six months deposit rate of three Islamic banks
Domicile	Pakistan
inception date	14 th June 2010
Fund characteristics *(as at the 31 st October 2011)	Fund type Open-ended - Islamic income scheme Fund size PKR395 million (US\$4.55 million) NAV per share PKR102.58 (US\$1.18) Minimum investment PKR 5,000 (US\$57.6) Management fee 1.5%

Performance summary	
(Holding Period annualized % p.a)	October 2011
FY12 to date	14.55%
Month-on-month	19.46%
Benchmark (YTD)	8.99%
(CAGR annualized % p.a)	October 2011
FY12 to date (CAGR)	15.26%
Month-on month (CAGR)	21.29%
Since inception (CAGR)	11.64%
Benchmark (YTD)	8.99%

