

Fund Manager's Report

July 2015



The Month in Review

Economic Review

Headline inflation for Jul 2015 clocked in at 1.8%YoY compared to 7.8%YoY recorded in Jul 2014, marking the lowest reading since Aug 2003. On MoM basis, CPI increased by 0.4% during the month under review as compared to 0.6% in the previous month despite quarterly House Rent Index revision. Modest spike in food inflation at 0.1% MoM against 1.2% in the previous as the prices of perishable food items remained benign despite the month of Ramadan owing to smooth availability of food items coupled with unchanged prices of petroleum products were the primary factors that supported the decline in the CPI. The impact of quarterly revision in house rent (up 1.19% MoM in Jul-15, lower than +1.8% MoM in Jul-14) was clearly offset by soft food prices. Key contributing factors are; soft food prices prior to month of Ramadan (Jun-15), which largely offsets the pattern of high prices of perishable food items seen before and during the month of Ramadan for the past three years, delay in gas tariff hike originally planned to be made effective in Jul-15 and decline in crude oil prices owing to exogenous factors (Iran- US deal).

Going forward, inflation is expected to witness slight uptick considering the likely implementation of hike in gas and electricity tariff and flood implications on the prices of perishable food items, lower base effect to start kicking-in in November, and higher GST imposed on the sale of petroleum products (from 17% to 20%) which suggests lower passing on the benefit of drop in crude oil prices.

On monetary side, SBP kept discount rate unchanged at 7% in its July Monetary Policy Statement on the back of lower inflation, easing pressures on the external account, robust remittances, and improved foreign exchange flows on the back of approval of IMF Tranche. Pressures on external account remained muted largely driven by higher remittances inflows at USD 18 billion as compared to USD 15 billion (up by 16.52% YoY) although trade account worsened despite lower oil prices. External account improved considerably owing to significant shrinkage in current account deficit from USD 3.1 billion (1.3% of GDP) in FY14 to USD 2.3 billion (0.8% of GDP) in FY15 on account of inflows of remittances and CSF proceeds.

Going forward, economic growth is forecasted at 5.5% in FY16, inflation to remain in single digit at 6% (SBP's target), foreign exchange reserves to surge to USD 20 billion by 2018 owing to proceeds from IMF's tranches and privatization mandates, lower international oil prices to provide breather to the external account further alleviating pressures on the economy, remittances to stand at elevated positions, and CSF inflows to be on track.

Money Market Review

In the last MPS announcement in the month of Jul'15, SBP kept the discount rate unchanged at 7.00% which is lowest in 42 years, on the back of lower inflation and strengthening external account stability due to swelling foreign exchange reserves.

During the month under discussion money market mostly remained short of liquidity and to overcome the liquidity crisis SBP conducted 07 OMO – Injections where the total participation stood at PKR 4.33trn and total accepted amount was PKR 4.20trn at weighted average rate of 6.50%. One instance of excess liquidity was also witnessed in money market during the month and to wipe off the excess liquidity from the market SBP also conducted an OMO – Mop ups where the total participation was PKR 169.5bn and the total accepted amount was PKR 169.50bn at weighted average rate of 6.50%.

SBP conducted two T bill auctions during the month of Jul'15. Total target was set at PKR 350bn against maturities of PKR 148.89bn, and SBP accepted PKR 282.14bn, the cut-offs for all three tenors were increased by max up to 15bps in the last auction and the cut-offs for the last auction of the month were recorded at; 3M – 6.9308%, 6M – 6.9513% and 12M – 6.9595%.

In the last auction it has been observed that major participation was focused towards 6 months tenor followed by 3 months and 12 months tenor.

In the PIB auction held during the month, total realized amount was PKR 52.46bn which was above than the targeted amount of PKR 50mn. When compared to the previous month's PIB auction market participants remained focused to 3Yr tenor PIBs followed by 5Yr PIBs. The cut-offs were kept same as of the last auction cut-offs and bids in 10Yr tenor were rejected and 20Yr tenor bids weren't received. The cut-offs for the auction held during the month under review were 3Yr – 8.0940% from 8.0934%, 5Yr – 8.9990% from 8.9990%, 10Yr – bids rejected and 20Yr – No bids received.

Equity Review

KSE100 index started the financial year on a positive note with a MoM gain of 4%, reaching an all-time high of 35,741 points and recording an 11% CYTD return in the Frontier Space thus becoming the 3rd best performing market. Unlike the historical trend of low activity during the end of the Holy month of Ramadan the Bourse rallied on the back of improved macro-economic condition, Pakistan receiving collation support fund of USD 377mn, improving foreign exchange position and the Judicial Commission's rejection regarding the rigging allegations in the 2013 General Elections. Major activity was witnessed in the 2nd and 3rd tier stocks resulting in the all share Average Daily Turnover (ADT) clocking in at 447mn compared to previous month's 377mn shares, registering a jump of 18%.

The mutual funds remained net buyers for the 2nd consecutive month with USD 24.5mn and Banks and DFI's reported net selling of USD 38mn compared to USD 85.6mn in previous month. Owing to the Greek financial crises, underperformance of the Chinese Stock Market and declining oil prices impacted foreign investment position which reported net selling of USD 21mn compared to net buying of USD 7.7mn in the previous month.

According to sector wise performance, banks (unchanged policy rate), multi utilities (expected hike in gas tariff), food producers (expected improved fundamentals), chemicals and telecommunications were the major performers whereas, oil and gas (declining international oil prices) restricted the KSE100 index from further gains. Going forward we anticipate positive movement in the cement sector on the back of improved fundamentals as the annual results start pouring in.

Going forward due to the recent floods that have hit Punjab causing the perishable food prices to rise and possible gas price hike on cards, the SBP might adopt a cautious view on the monetary policy. However the positive impact Judicial Commission's by giving a clean chit on 2013 General Elections has cleared away any political tension which will bode well for market and improve investor sentiments.

MUFAP's recommended format

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Money Market Fund

FUND INFORMATION

Fund Type	Open Ended
Category	Money Market Scheme
Stability Rating	AA (f) (JCRVIS)
Risk Profile	Low
Launch Date	December 13, 2010
Custodian/Trustee	CDC
Auditor	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants
Management Fee	0.80%
Front/Back end Load	Nil
Min Subscription	PKR 5000
Benchmark	50% 3 month T-Bills and 50% Average 3 months deposit rate of AA rated and above banks
Pricing Mechanism	Backward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3+ (JCRVIS)
NAV per Unit (PKR)	101.55
Net Assets (PKR mn)	2,854.57
Leverage	Nil
Weighted Average Maturity	60.09 Days

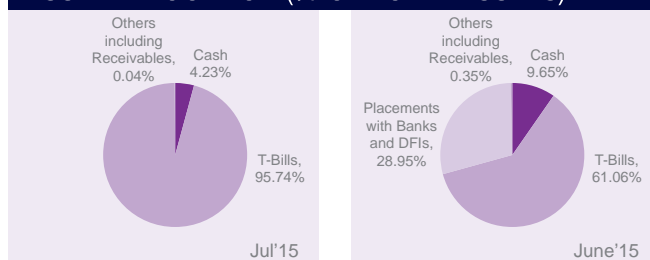
FUND RETURNS

(Annualized % p.a Holding Period)	FMMF	Benchmark
Month on Month	5.71	5.91
FY16 to Date	5.71	5.91
1 year Trailing	8.37	7.48

Returns (%)	FY 15	FY 14	FY 13	FY 12	FY 11
FMMF	8.64%	8.35%	9.06%	10.98%	11.20%
Benchmark (YTD)	7.72%	8.44%	8.83%	9.98%	10.18%

Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)

ASSET ALLOCATION (% OF TOTAL ASSETS)



ASSET QUALITY (% OF TOTAL ASSETS)

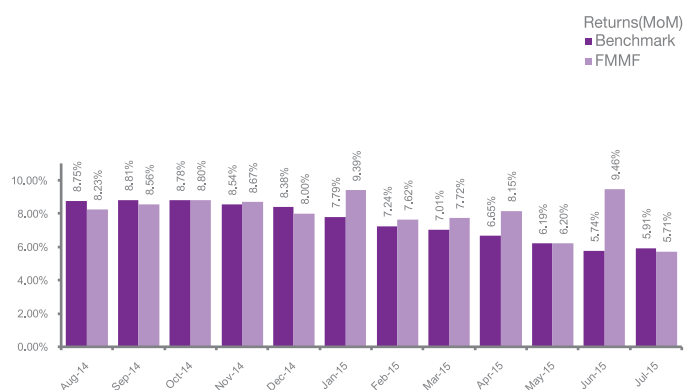
Government Securities	95.74%
AA	4.22%
NR (include receivables against sale of Government Securities)	0.04%

Investment Objective

Faysal Money Market Fund (FMMF) seeks to provide stable and competitive returns in line with the money markets exhibiting low volatility consistent with capital preservation by constructing a liquid portfolio of low risk short term investments yielding competitive returns.

INVESTMENT COMMITTEE

Mr. Enamullah Khan	Chief Executive Officer
Mr. Najm-UI-Hassan	Chief Operating Officer
Mr. Ayub Khuuro	Head of Research
Mr. Vasseh Ahmed	Chief Investment Officer
Mr. Syed Shahid Iqbal	Fund Manager (Fixed Income)
Mr. Hassan Bin Nasir	Fund Manager (Fixed Income)
Mr. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Vacant	Manager Risk



The Scheme has maintained provisions against Workers' Welfare Fund liability to the tune of Rs. 18,100,029 as at July 31, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.644 (0.63%). For details investors are advised to read the Note 9.1 of the latest financial statements for the quarter ended March 31, 2015.

Performance Review

Faysal Money Market Fund yielded an annualized return of 5.71% during the month of July 2015. During the month under review your fund reduced its exposure in Placement with Banks & DFI's to 0.00% from 28.95% and increased its position in T-Bills to 95.74% from 61.06%. Going forward, the fund will continue to position according to economic conditions and will keep a close eye on the next monetary policy.

MUFAP's recommended format

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Savings Growth Fund

FUND INFORMATION

Fund Type	Open Ended
Category	Income scheme
Stability Rating	A (f) (JCRVIS)
Risk Profile	Low
Launch Date	May 12, 2007
Custodian/Trustee	CDC
Auditor	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants
Management Fee	1.50%
Front/Back end Load	Nil
Min Subscription	PKR. 5,000
Benchmark	75% 6M KIBOR & 25% 3M PKRV
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3+ (JCRVIS)
NAV per Unit (PKR)	102.74
Net Assets (PKR mn)	2,334.06
Leverage	Nil
Weighted Average Maturity	2.66 Yrs

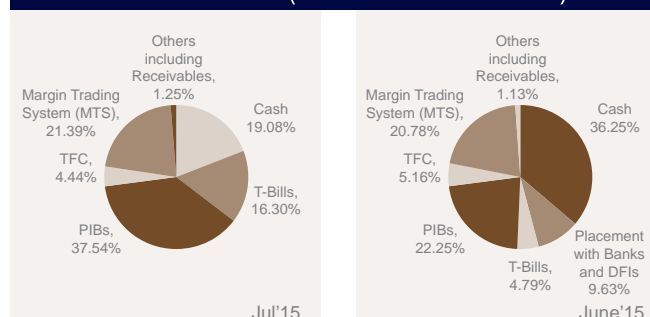
FUND RETURNS

(Annualized % p.a) Holding Period	FSGF	Benchmark
Month on Month	13.33	7.01
FY16 to Date	13.33	7.01
1 year Trailing	12.95	8.70

Returns (%)	FY 15	FY 14	FY 13	FY 12	FY 11
FSGF	12.81%	8.81%	8.67%	11.14%	11.01%
Benchmark (YTD)	6.61%	9.76%	9.88%	12.33%	13.34%

Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)

ASSET ALLOCATION (% OF TOTAL ASSETS)



Investment Objective

To generate competitive returns by investing primarily in debt and fixed income instruments having investment grade credit rating.

ASSET QUALITY (% OF TOTAL ASSETS)

Government Securities	53.84%
AA+	0.01%
AA	1.09%
AA-	22.43%
MTS (Unrated)	21.39%
NR (include receivables against sale of investments)	1.25%

TFCs/SUKUK Holdings (% of Total Assets)

Engro Fertilizer Limited PPTFC - 1	3.16%
Bank Alfalah Limited IV	1.29%

INVESTMENT COMMITTEE

Mr. Enamullah Khan	Chief Executive Officer
Mr. Najm-Ul-Hassan	Chief Operating Officer
Mr. Ayub Khuhro	Head of Research
Mr. Vasseh Ahmed	Chief Investment Officer
Mr. Syed Shahid Iqbal	Fund Manager (Fixed Income)
Mr. Hassan Bin Nasir	Fund Manager (Fixed Income)
Mr. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Vacant	Manager Risk

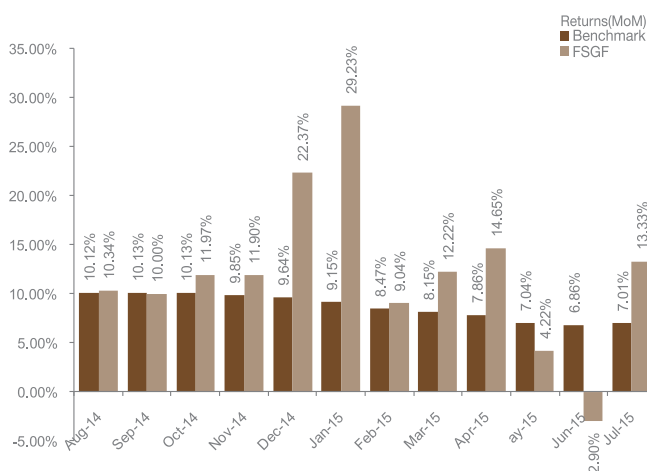
The Scheme has maintained provisions against Workers' Welfare Fund liability to the tune of Rs. 52,554,556 as at July 31, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 2.313 (2.25%). For details investors are advised to read the Note 9.1 of the latest financial statements for the quarter ended March 31, 2015.

Performance Review

Faysal Saving Growth Fund yielded an annualized return of 13.33% in July outperforming the benchmark by 632bps. During the month under review your fund reduced its exposure from Placement with Banks & DFIs and cash to 0.0% from 9.63% and 19.08% respectively. The fund went on to increase its allocation to T-Bills 16.30% from 4.79%, Margin Trading System 21.39% from 20.78% and PIBs 37.54% from 22.25%. Going forward, the fund is expected to yield stable returns by focusing in higher quality assets.

MUFAP's recommended format

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Financial Sector Opportunity Fund

FUND INFORMATION

Fund Type	Open Ended
Category	Income scheme
Stability Rating	AA - (f) (JCRVIS)
Risk Profile	Moderate
Launch Date	July 5, 2013
Custodian/Trustee	CDC
Auditor	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants
Management Fee	0.50%
Front end Load	1.75% for investments under PKR 10 mn
Back end Load	Nil
Min Subscription	PKR. 5,000
Benchmark	70% 6M rolling average of 6M KIBOR and 30% of average deposit rate of 3 Banks rated AA-and above.
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3+ (JCRVIS)
NAV per Unit (PKR)	101.04
Net Assets(PKR mn)	247.02
Leverage	Nil
Weighted Average Maturity	2.99 Yrs

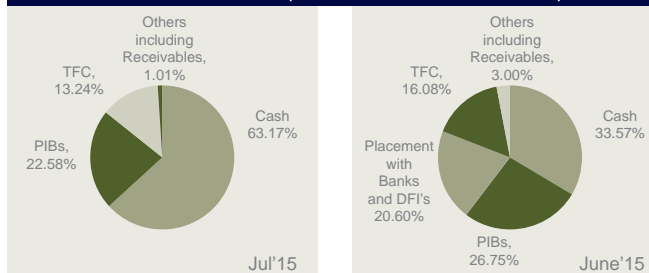
FUND RETURNS

(Annualized % p.a) Holding Period	FFSOF	Benchmark
Month on Month	9.52	6.44
FY16 to Date	9.52	6.44
1 year Trailing	7.52	7.98

Returns (%)	FY 15	FY 14	FY 13	FY 12	FY 11
FFSOF	7.41%	9.12%	-	-	-
Benchmark (YTD)	8.22%	8.96%	-	-	-

Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)

ASSET ALLOCATION (% OF TOTAL ASSETS)



Investment Objective

Faysal Financial Sector Opportunity Fund (FFSOF) seeks to provide a competitive rate of returns to its investors by investing in money market and debt instruments with major exposure in financial sector.

ASSET QUALITY (% OF TOTAL ASSETS)

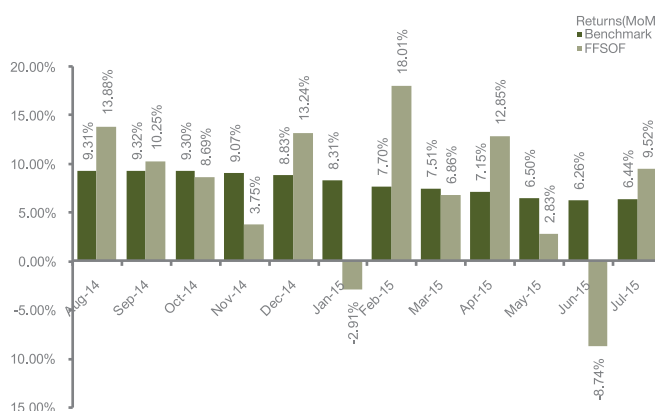
Government Security	22.58%
AAA	8.50%
AA+	0.02%
AA	0.85%
AA-	62.28%
A+	4.75%
NR (include receivables against sale of investments)	1.01%

TFCS/SUKUK HOLDINGS (% OF TOTAL ASSETS)

Standard Chartered Bank	8.49%
NIB Bank Limited TFC II	4.75%

INVESTMENT COMMITTEE

Mr. Enamullah Khan	Chief Executive Officer
Mr. Najm-Ul-Hassan	Chief Operating Officer
Mr. Ayub Khuuro	Head of Research
Mr. Vasseh Ahmed	Chief Investment Officer
Mr. Syed Shahid Iqbal	Fund Manager (Fixed Income)
Mr. Hassan Bin Nasir	Fund Manager (Fixed Income)
Mr. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Vacant	Manager Risk



The Scheme has maintained provisions against Workers' Welfare Fund liability to the tune of Rs. 1,095,739 as at July 31, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.448 (0.44%). For details investors are advised to read the Note 9.1 of the latest financial statements for the quarter ended March 31, 2015.

Performance Review

Faysal financial Sector Opportunity Fund yielded an annualized return of 9.52% in July 2015 outperforming the benchmark by 308bps. During the month under review exposure in banks, DFI's was brought down to 0.00% from 20.60% and PIB's to 22.58% from 26.75%. Going forward, the fund is expected to capitalize on higher yielding instruments to generate competitive returns.

MUFAP's recommended format

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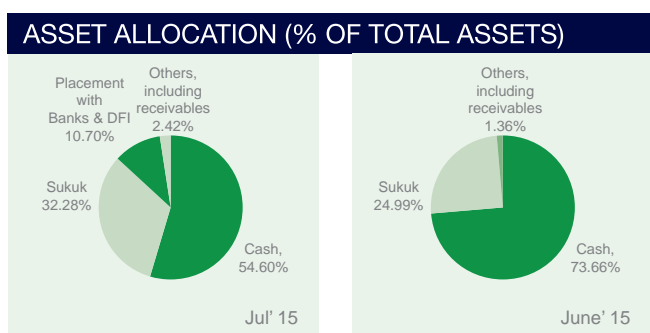
Islamic Savings Growth Fund

FUND INFORMATION	
Fund Type	Open Ended
Category	Islamic Income Scheme
Stability Rating	A (f) (JCRVIS)
Risk Profile	Low
Launch Date	June 14, 2010
Custodian/Trustee	CDC
Auditor	M. Yousuf Adil Saleem & Co.
Management Fee	1.50%
Front/Back end Load	Nil
Min Subscription	PKR 5000
Benchmark	Average 6M deposit rate of 3 Islamic Banks
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3+ (JCRVIS)
NAV per Unit (PKR)	102.38
Net Assets (PKR mn)	783.10
Leverage	Nil
Weighted Average Maturity	1.13 Yrs

FUND RETURNS		
(Annualized % p.a) Holding Period	FISGF	Benchmark
Month on Month	6.59	5.25
FY16 to Date	6.59	5.25
1 year Trailing	7.79	6.46

Returns (%)	FY 15	FY 14	FY 13	FY 12	FY 11
FISGF	8.22%	7.65%	8.28%	11.24%	10.33%
Benchmark (YTD)	6.61%	6.92%	7.30%	8.70%	8.85%

Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)



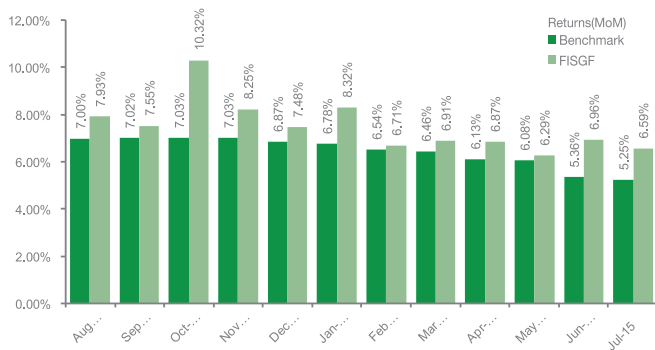
Investment Objective

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

SUKUK HOLDINGS (% OF TOTAL ASSETS)	
K-Electric AZM Sukuk III	13.09%
Engro Fertilizer Sukuk	12.52%
Engro Rupaya Sukuk - 1	6.68%

ASSET QUALITY (% OF TOTAL ASSETS)	
AA+	10.70%
AA	6.76%
A+	25.74%
A-	54.37%
NR (include receivables against sale of investments)	2.42%

INVESTMENT COMMITTEE	
Mr. Enamullah Khan	Chief Executive Officer
Mr. Najm-Ul-Hassan	Chief Operating Officer
Mr. Ayub Khuhro	Head of Research
Mr. Vasseh Ahmed	Chief Investment Officer
Mr. Syed Shahid Iqbal	Fund Manager (Fixed Income)
Mr. Hassan Bin Nasir	Fund Manager (Fixed Income)
Mr. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Vacant	Manager Risk



NON COMPLIANCE											
Name of Non-Complaint Investment	Rating required	Existing Rating	Maximum Exposure as a % of NAV	Existing Exposure as a % of NAV	Excess Exposure %	Type of Instrument	Value of Investment before provisioning	Provision (If any)	Value of Investment after provisioning	% of Net Assets	% of Total Assets
Standard Chartered Modaraba	AA	AA+	10%	10.85%	0.85%	COM	85,000,000	-	85,000,000	10.85%	10.70%

The Scheme has maintained provisions against Workers' Welfare Fund liability to the tune of Rs. 5,044,472 as at July 31, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.659 (0.64%). For details investors are advised to read the Note 9.1 of the latest financial statements for the quarter ended March 31, 2015.

Performance Review

Faysal Islamic Saving Growth Fund yielded an annualized return of 6.59% during the month of July 2015 beating the benchmark by 134bps. During the month under review your fund reduced its exposure in Cash from 73.66% to 54.60% and redeployed to increase its Sukuk holding from 24.99% to 32.28% and further took up Placement with Banks and DFI's from 0.00% to 10.70%. Going forward, the fund will concentrate on higher yielding instruments to provide competitive return without compromising on credit quality.

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Income & Growth Fund

FUND INFORMATION

Fund Type	Open Ended
Category	Aggressive Income Fund
Stability Rating	A(f) (JCRVIS)
Risk Profile	Medium
Launch Date	October 10, 2005
Custodian/Trustee	CDC
Auditor	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants
Management Fee	1.50%
Front/Back end Load	Nil
Min Subscription	PKR. 5,000
Benchmark	90% 1 Yr KIBOR and 10% average of most recent published 3month deposit rates of top 3 scheduled Commercial Bank by deposit size
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3+ (JCRVIS)
NAV per Unit (PKR)	106.27
Net Assets (PKR mn)	539.74
Leverage	Nil
Weighted Average Maturity	3.87 Yrs

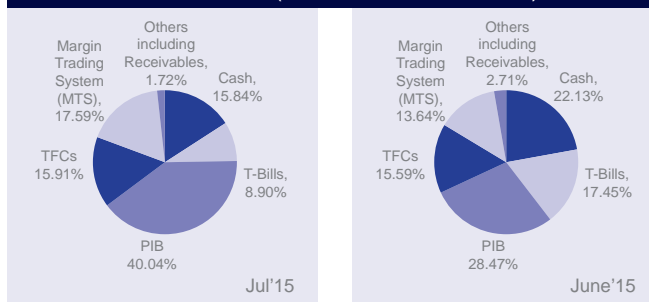
FUND RETURNS

(Annualized % p.a) Holding Period	FIGF	Benchmark
Month on Month	12.54	7.13
FY16 to Date	12.54	7.13
1 year trailing	12.36	8.77

Returns (%)	FY 15	FY 14	FY 13	FY 12	FY 11
FIGF	12.14%	8.82%	9.50%	13.55%	9.71%
Benchmark (YTD)	9.03%	9.87%	9.92%	12.24%	13.30%

Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)

ASSET ALLOCATION (% OF TOTAL ASSETS)



ASSET QUALITY (% OF TOTAL ASSETS)

Government Securities	48.94%
AAA	0.01%
AA+	0.02%
AA	4.36%
AA-	20.96%
A+	6.40%
MTS (Unrated)	17.59%
NR (include receivables against sale of investments)	1.72%

Investment Objective

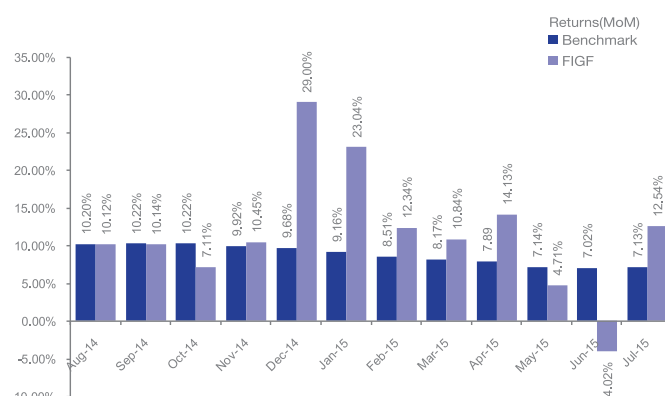
Faysal Income & Growth Fund (FIGF) seeks to provide its investors with optimal yields through a diversified portfolio consisting of both long-term fixed instruments as well as short-term money market securities.

TFCS/SUKUK HOLDINGS (% OF TOTAL ASSETS)

Askari Bank Limited IV	6.75%
NIB Bank Limited TFC II	6.40%
Engro Fertilizer Limited-PPTC I	2.76%

INVESTMENT COMMITTEE

Mr. Enamullah Khan	Chief Executive Officer
Mr. Najm-UI-Hassan	Chief Operating Officer
Mr. Ayub Khuhro	Head of Research
Mr. Vasseh Ahmed	Chief Investment Officer
Mr. Syed Shahid Iqbal	Fund Manager (Fixed Income)
Mr. Hassan Bin Nasir	Fund Manager (Fixed Income)
Mr. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Vacant	Manager Risk



The Scheme has maintained provisions against Workers' Welfare Fund liability to the tune of Rs. 8,379,631 as at July 31, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs.1.650 (1.55%). For details investors are advised to read the Note 9.1 of the latest financial statements for the the quarter ended March 31, 2015.

Performance Review

Faysal Income Growth Fund yielded an annualized return of 12.54% in July 2015 beating the benchmark by 541bps. During the month under review your fund increased its exposure in PIB's to 40.04% and Margin Trading System to 17.59% while reduced its position in T-Bills to 8.90% and Cash to 15.84%. Going forward, we expect the fund to generate returns in line with fund's strategy by continue to proactively invest without affecting asset quality.

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Asset Allocation Fund

FUND INFORMATION

Fund Type	Open Ended
Category	Asset Allocation Scheme
Risk Profile	Moderate to High Risk
Launch Date	July 24, 2006
Custodian/Trustee	CDC
Auditor	M. Yousuf Adil Saleem & Co.
Management Fee	2%
Front/Back end Load	Nil
Min Subscription	PKR. 5,000
Benchmark*	KSE100 Index / 6M KIBOR
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3+ (JCRVIS)
NAV per Unit (PKR)	74.51
Net Assets (mn)	630.68
Leverage	Nil

* weighted average of 6M KIBOR & percentage invested in equities

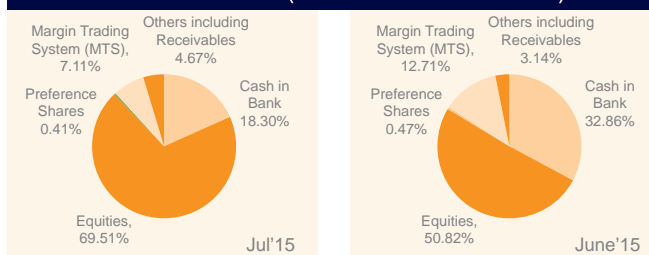
FUND RETURNS

(Annualized % p.a) Holding Period	FAAF	Benchmark
Month on Month	5.55	2.91
FY16 to Date	5.55	2.91
1 year trailing	22.82	14.43

Returns (%)	FY 15	FY 14	FY 13	FY 12	FY 11
FAAF	16.16%	17.01%	20.26%	(0.02)%	20.58%
Benchmark (YTD)	13.44%	30.21%	34.43%	11.62%	20.20%

Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)

ASSET ALLOCATION (% OF TOTAL ASSETS)



Investment Objective

Faysal Asset Allocation Fund (FAAF) endeavors to provide investors with an opportunity to earn long-term capital appreciation optimizing through broad mix of asset classes encompassing equity, fixed income & money market instruments.

SECTOR ALLOCATIONS (% OF TOTAL ASSETS)

	Jul'15	June'15
Multiutilities (Gas and water)	18.79%	8.68%
Chemicals	17.68%	13.63%
Construction and Material	9.18%	10.39%
Oil & Gas	6.62%	7.39%
Travel and Leisure	3.46%	1.31%
Others	14.19%	9.89%

ASSET QUALITY (% OF TOTAL ASSETS)

AA+	0.01%
AA	3.18%
AA-	15.11%
MTS (Unrated)	7.11%
NR (Include Equity Investments)	74.59%

INVESTMENT COMMITTEE

Mr. Enamullah Khan	Chief Executive Officer
Mr. Najm-Ul-Hassan	Chief Operating Officer
Mr. Ayub Khuhro	Head of Research
Mr. Vasseh Ahmed	Chief Investment Officer
Mr. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Dr. Gohar Rasool	Fund Manager-Equity
Vacant	Manager Risk

EQUITY HOLDINGS (% OF TOTAL ASSETS)

Sui Southern Gas Company Ltd	10.08%
Sui Northern Gas Pipelines Co.	8.71%
Mari Petroleum Company Ltd	5.85%
Fauji Fertilizer Bin Qasim Ltd	5.73%
Engro Fertilizers Ltd	5.40%
Engro Corporation Ltd	4.70%
Pioneer Cement Company Ltd	4.68%
Cherat Cement Company Limited	4.50%
Pakistan International Airlines	3.46%
TRG Pakistan Ltd	2.96%

NON COMPLIANCE

Name of Non-Complaint Investment	Rating required	Existing Rating	Maximum Exposure as a % of NAV	Existing Exposure as a % of NAV	Excess Exposure %	Type of Instrument	Value of Investment before provisioning	Provision (If any)	Value of Investment after provisioning	% of Net Assets	% of Total Assets
Sui Southern Gas Co. Ltd.	BBB	AA-	10%	11.01%	1.01%	Equity Shares	69,425,000	-	69,425,000	11.01%	10.08%
Trust Investment Bank	BBB	Withdrawn	10%	0.00%	-	TFC	13,137,042	13,137,042	-	-	-

The Scheme has maintained provisions against Workers' Welfare Fund liability to the tune of Rs. 3,819,675 as at July 31, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.451 (0.61%). For details investors are advised to read the Note 9.1 of the latest financial statements for the quarter ended March 31, 2015.

Performance Review

Faysal Asset Allocation Fund posted a return of 5.55% beating the benchmark by 264 bps. Compared to previous month the fund increased its exposure in equities from 50.82% to 69.51% while decreasing its allocation in Margin Trading System to 7.11% from 12.71% and Cash to 18.30% from 32.86%. Going forward, the fund will exercise active investment strategy and adjust exposure in equities and fixed income accordingly.

MUFAP's recommended format

Disclaimer: The 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 the investment policies and the risks involved.

Balanced Growth Fund

FUND INFORMATION

Fund Type	Open Ended
Category	Balanced Scheme
Risk Profile	Moderate
Launch Date	April 19, 2004
Custodian/Trustee	CDC
Auditor	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants
Management Fee	2%
Front/Back end Load	Nil
Min Subscription	PKR. 5,000
Benchmark*	KSE100 Index / 6M KIBOR
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3+ (JCRVIS)
NAV per Unit (PKR)	67.45
Net Assets (mn)	137.16
Leverage	Nil

* weighted average of 6M KIBOR & percentage invested in Equities

Investment Objective

Faysal Balanced Growth Fund (FBGF) endeavors to provide investors with an opportunity to earn income and long-term capital appreciation by investing in a large pool of funds representing equity / non equity investments in a broad range of sectors and financial instruments

SECTOR ALLOCATIONS (% OF TOTAL ASSETS)

	Jul'15	June'15
Household Services	25.05%	27.13%
Multitilities (Gas and water)	16.03%	8.65%
Chemicals	9.24%	7.22%
Oil & Gas	8.06%	9.09%
Personal Goods	6.51%	6.40%
Others	11.68%	24.82%

INVESTMENT COMMITTEE

Mr. Enamullah Khan	Chief Executive Officer
Mr. Najm-Ul-Hassan	Chief Operating Officer
Mr. Ayub Khuhro	Head of Research
Mr. Vasseh Ahmed	Chief Investment Officer
Mr. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Dr. Gohar Rasool	Fund Manager-Equity
Vacant	Manager Risk

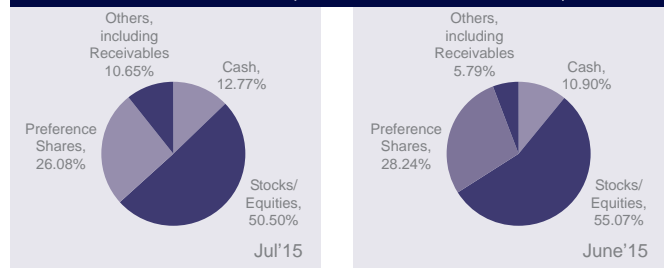
FUND RETURNS

(Annualized % p.a) Holding Period	FBGF	Benchmark
Month on Month	5.39	2.52
FY16 to Date	5.39	2.52
1 year trailing	26.17	13.21

Returns (%)	FY 15	FY 14	FY 13	FY 12	FY 11
FBGF	19.83%	14.69%	19.15%	(4.69)%	9.98%
Benchmark (YTD)	12.42%	23.53%	30.70%	11.59%	20.84%

Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)

ASSET ALLOCATION (% OF TOTAL ASSETS)



ASSET QUALITY (% OF TOTAL ASSETS)

AA+	0.03%
AA	3.54%
AA-	9.21%
NR (Include Equity Investments)	87.23%

EQUITY HOLDINGS (% OF TOTAL ASSETS)

Pak Elektron Ltd-Pref Shares	25.05%
Sui Southern Gas Company Ltd	10.39%
Mari Petroleum Company Ltd	7.03%
Sapphire Fiber Ltd	6.51%
Sui Nothern Gas Pipelines Company Ltd	5.64%
Saif Power Ltd	5.56%
Fauji Fertilizer Bin Qasim Ltd	4.89%
Engro Corporation Ltd	2.70%
Ferozsos Laboratories Ltd	1.87%
Pakistan International Airlines	1.81%

NON COMPLIANCE

Name of Non-Complaint Investment	Rating required	Existing Rating	Maximum Exposure as a % of NAV	Existing Exposure as a % of NAV	Excess Exposure %	Type of Instrument	Value of Investment before provisioning	Provision (If any)	Value of Investment after provisioning	% of Net Assets	% of Total Assets
Sui Sothem Gas Company Ltd	N/A	AA-	10%	11.34%	1.34%	Equity Shares	15,551,200	-	15,551,200	11.34%	10.39%
Pak Elektron Limited	A-	A-	10%	27.33%	17.33%	Preference Shares	37,490,000	-	37,490,000	27.33%	25.05%
Pak Elektron Limited (Sector)	N/A	N/A	25%	27.33%	2.33%	Preference Shares	37,490,000	-	37,490,000	27.33%	25.05%

The Scheme has maintained provisions against Workers' Welfare Fund liability to the tune of Rs. 5,443,878 as at July 31, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 1.089 (1.61%). For details investors are advised to read the Note 9.1 of the latest financial statements for the quarter ended March 31, 2015.

Performance Review

Faysal Balance Growth Fund yielded a return of 5.39% during the month of July 2015 outperforming the benchmark by 287bps. During the month under review your fund reduced its exposure in Equities to 50.50% from 55.07% and Preference Share to 26.08% from 28.24%. Going forward, exposure will be determined on the back of anticipated triggers and macroeconomic development.

MUFAP's recommended format

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SINCE INCEPTION RETURNS (ANNUALIZED %)									
	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
FIGF	10.21%	10.12%	9.81%	10.06%	10.00%	10.50%	10.37%	10.20%	10.39%
Benchmark	9.86%	10.08%	11.07%	11.34%	11.66%	11.74%	11.51%	11.33%	11.10%
FISGF				9.04%	9.68%	10.20%	9.72%	9.30%	9.12%
Benchmark				7.70%	8.27%	8.42%	8.14%	7.89%	7.68%
FSGF	10.42%	10.19%	11.04%	11.02%	11.02%	11.04%	10.70%	10.46%	10.72%
Benchmark	9.39%	9.76%	10.95%	11.32%	11.72%	11.82%	11.54%	11.32%	10.79%
FMMF					11.20%	11.09%	10.41%	9.89%	9.64%
Benchmark					10.18%	10.08%	9.49%	9.23%	8.93%
FFSOF								9.12%	8.26%
Benchmark								8.96%	8.59%

Note: Funds returns computed on NAV to NAV with dividend reinvestment (excluding Sales Load)

SINCE INCEPTION RETURNS (ABSOLUTE %)									
	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
FBGF	52.49%	52.35%	15.79%	41.25%	55.35%	48.06%	76.42%	102.33%	142.46%
Benchmark	84.86%	80.25%	50.64%	87.36%	126.41%	152.65%	230.21%	307.91%	358.58%
FAAF				30.70%	57.60%	57.57%	89.49%	121.72%	157.55%
Benchmark				24.07%	49.13%	66.46%	123.77%	191.38%	230.54%

Note: Funds returns computed on NAV to NAV with dividend reinvestment (excluding Sales Load)

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Risk Disclosure:

All investments in mutual funds are subject to market risks. The NAV of units may go up or down based on the market conditions. Past performance is not necessarily indicative of future results. Please read the offering documents of respective schemes for understanding the investment policies, the risks and the taxation involved.



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