

## Fund Manager's Report June 2015



the 1990s, the number of people in the UK who are employed in the public sector has increased by 1.5 million, from 2.5 million in 1980 to 4 million in 1999. The public sector has also become an important employer of people with disabilities, with 1.5 million people with disabilities employed in the public sector in 1999, compared with 1.2 million in 1980.

There are a number of reasons why the public sector has become an important employer of people with disabilities. One reason is that the public sector has a long history of employing people with disabilities. In the 19th century, the public sector employed people with disabilities in a number of different roles, including as clerks, typists, and stenographers. In the 20th century, the public sector employed people with disabilities in a number of different roles, including as teachers, nurses, and social workers.

Another reason why the public sector has become an important employer of people with disabilities is that the public sector has a number of advantages over the private sector. One advantage is that the public sector is not subject to the same profit pressures as the private sector. This means that the public sector can afford to pay people with disabilities a fair wage, even if they are not as productive as people without disabilities. Another advantage is that the public sector has a number of policies in place that make it easier for people with disabilities to work there.

One of these policies is the Public Sector Equality Duty, which requires public sector employers to make sure that people with disabilities are not discriminated against in the workplace. Another policy is the Public Sector Equality Duty, which requires public sector employers to make sure that people with disabilities are not discriminated against in the workplace. Another policy is the Public Sector Equality Duty, which requires public sector employers to make sure that people with disabilities are not discriminated against in the workplace.

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# The Month in Review

## Economic Review

Headline Inflation clocked in at 3.16% YoY during the period under review (against 8.2%YoY in June 2014) increasing by 0.62% MoM as compared to 0.76% hike MoM witnessed in May 2015. On YoY basis, CPI remained flat in June 2015 as compared to the last month on the back of lower food inflation recorded at 1.2% against 1.8% recorded in the last month. This effectively brought the FY15 average inflation to 4.56% YoY against 8.6% YoY in FY14 in line with SBP's forecast of 4.5-5.5% YoY.

Going forward, inflation is expected to surge owing to increase in electricity and gas tariff which would affect directly and indirectly prices of perishable food items along with new budgetary tax impact on the prices of essential items in the CPI basket.

On external front, current account balance posted a deficit of USD 521 million during May 2015 as compared to revised surplus of USD 223 million in April 2015 due to higher trade deficit (lower exports and higher import of non-oil commodities), however, taking 11MFY15 current account deficit to USD 1.98 billion (0.8% of GDP) as compared to USD 3.0 billion (1.4% of GDP) in the same period last year. Remittances were recorded at a higher level worth USD 1.7 billion during May 2015 thus taking 11MFY15 figure to USD 16.6 billion as compared to USD 14.3 billion, registering a growth of 16% YoY. Moreover, foreign exchange reserves surged up to USD 18 billion by the end of June 2015 posting a growth of 28% YoY as compared to June 2014 on account of receipt of USD 750 million from the World Bank.

Going forward, macroeconomic indicators are expected to remain positive as foreign exchange reserves are expected to surge owing to approval of IMF 8th Tranche under EFF, manageable inflation levels, comfortable external account due to higher remittances expected on account of religious occasion of Eid. With slight expected uptick in inflation in the coming months and real interest rates currently standing at 380bps, it is anticipated that SBP would maintain status quo at 7% in the upcoming MPS in July 2015.

## Money Market Review

During the month under discussion money market mostly remained short of liquidity and to overcome the liquidity shortage SBP conducted 06 OMO – Injections where the total participation stood at PKR 2.52trn and total accepted amount was PKR 2.50trn 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 59.2bn and the total accepted amount was PKR 46.5bn at weighted average rate of 6.48%.

SBP conducted two T bill auctions during the month of June'15. Total target was set at PKR 100bn against maturities of PKR 65.88bn, and SBP accepted PKR 159.91bn, the cut-offs for all three tenors were slashed by up to 15bps and the cut-offs for the last auction of the month were recorded at; 3M – 6.9308%, 6M – 6.9513% and 12M – 6.9710%.

In the both auctions held during the month under discussion it

has been observed that major participation was remained focused towards 03months tenor followed by 06months and 12months tenor.

In the PIB auction held during the month, total realized amount was PKR 51.39bn which was higher than the targeted amount of PKR 50bn. When compared to the previous month's PIB auction market participants remained focused to 03yr tenor PIB followed by 5yr and 10yr PIBs. The cut-offs were increased by up to max 90bps in comparison to the previous auction cut-offs. The cut-offs for the auction held during the month under review were 3Yr – 8.0934% from 7.5527%, 5Yr – 8.9994% from 8.1041%, 10Yr –and 20Yr –bids were scrapped.

## Equity Review

In the last month of the financial year 2014-15 KSE – 100 index closed in at 34,398.86 points posting a FY15 return of 16.0% compared to 42% in FY14. After losing 2% in May 2015 the bourse gained 4% in June 2015 outperforming the regional peers by ~7%. Despite the fact that the Holy Month of Ramadan was observed in the 2nd half of the month slowing the activity as trading time reduced, however the average daily turnover (ADTO) was up by an astonishing 124% clocking in at 377m shares.

The positive news flow outweighed the negative updates as the market rallied on the back of higher allocation to the PSDP aiding the cement sector; textile gained on account of announcement of special package of PKR 64bn, while macroeconomic indicators such as Moody's rating upgrade of bond to B3 and MSCI decision to evaluate Pakistan for reclassification into Emerging Market improved market sentiments.

The mutual funds from being net sellers in May 2015 ended the financial year as net buyers at USD 31mn. Foreign inflow was reported at net portfolio investment of USD 7.7 million compared to an inflow of USD 14.9 million in May 2015 which is a decrease of 48.59% mainly attributed to the current Greek debt crises. Nevertheless, compared to its peers KSE – 100 is only bourse which reported positive foreign inflows. Sector wise return shows Autos & Cements continuing to outperform the index while heavy weight sector Oil & Gas (recent drop in oil prices) and Banks (allocation of various taxes) substantially underperformed. In the power sector, K-Electric rallied due to the expectation of improved fundamentals.

During the month of June 2015 the market witnessed initial public offering of "Arif Habib Dolmen Riet" 1st Real Estate Investment Trust in Pakistan to be listed and Al Shaheer Corporation a market leader in the meat industry. Substantial investor interest was observed as the book building portion of Al Shaheer closed at PKR 95 after initiating at a floor price of PKR 43 and was oversubscribed by 3.5 times.

Going forward, the market is expected to remain bullish on successful reclassification of Pakistan in the MSCI Emerging Market next year and progress made in the China Pakistan Economic Corridor however; political tension cannot be ignored as Judicial Commission formed to probe alleged rigging in the 2013 election as entered in its final phase.

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)	101.06
Net Assets (PKR mn)	3,329.62
Leverage	Nil
Weighted Average Maturity	50.88 Days

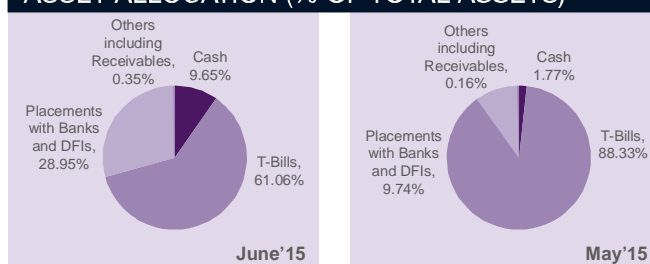
## FUND RETURNS

(Annualized % p.a Holding Period)	FMMF	Benchmark
Month on Month	9.46	5.74
FY15 to Date	8.64	7.72
1 year Trailing	8.64	7.72

Returns (%)	FY 14	FY 13	FY 12	FY 11	FY 10
FMMF	8.35%	9.06%	10.98%	11.20%	-
Benchmark (YTD)	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)

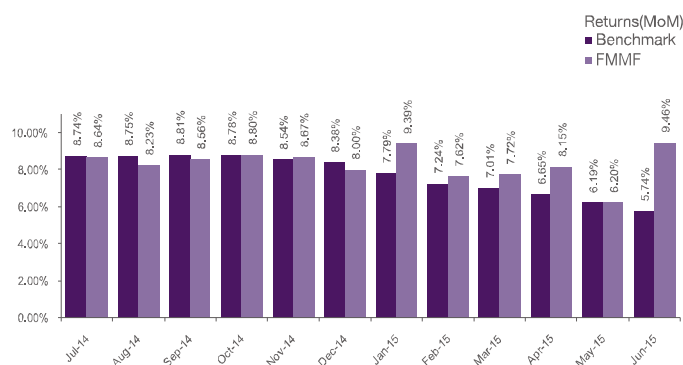
Government Securities	61.06%
AA+	11.14%
AA	27.46%
NR (include receivables against sale of Government Securities)	0.35%

## 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-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



## 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
Pak Brunei Investment Co.	AA	AA+	10%	11.26%	1.26%	COI & LOP	375,000,000	-	375,000,000	11.26%	11.13%

The Scheme has maintained provisions against **Workers' Welfare Fund** liability to the tune of Rs. 18,100,029 as at June 30, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.549 (0.54%). 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 9.46% during the month of June 2015 outperforming the benchmark by 372 bps. The performance allowed YTD return to consolidate at 8.64% beating the benchmark by 92 bps. During the month under review your fund reduced exposure in T-bills to 61.06% from 88.33% and redeployed to banks and DFIs to benefit from quarter end TDR rates. Going forward, the fund will continue to take advantage of the favorable economic condition and alter investment strategy accordingly.

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)	101.59
Net Assets (PKR mn)	2,004.26
Leverage	Nil
Weighted Average Maturity	1.35 Yrs

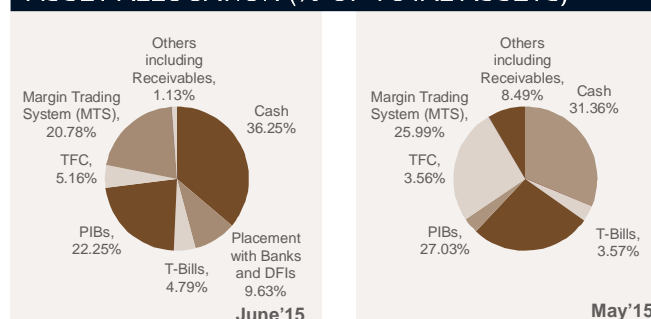
## FUND RETURNS

(Annualized % p.a) Holding Period	FSGF	Benchmark
Month on Month	-2.90	6.86
FY15 to Date	12.81	6.61
1 year Trailing	12.81	6.61

Returns (%)	FY 14	FY 13	FY 12	FY 11	FY 10
FSGF	8.81%	8.67%	11.14%	11.01%	10.98%
Benchmark (YTD)	9.76%	9.88%	12.33%	13.34%	12.44%

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)

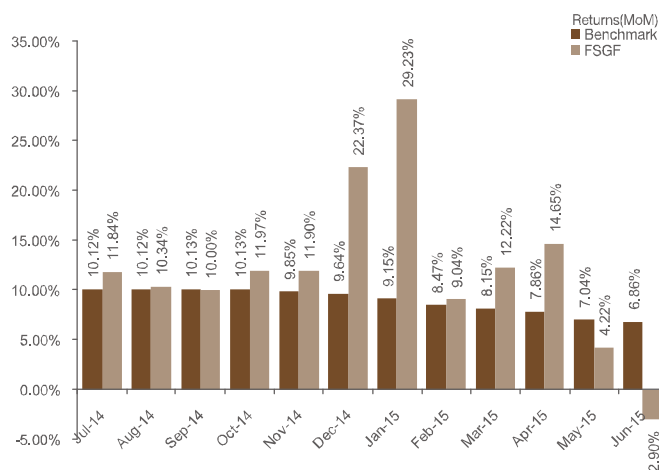
Government Securities	27.04%
AA+	0.01%
AA	10.04%
AA-	40.99%
MTS (Unrated)	20.78%
NR (include receivables against sale of investments)	1.13%

## 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

## TFCs/SUKUK Holdings (% of Total Assets)

Engro Fertilizer Limited PPTFC - 1	3.65%
Bank Alfalah Limited IV	1.51%



The Scheme has maintained provisions against **Workers' Welfare Fund** liability to the tune of Rs. 52,554,556 as at June 30, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 2.664 (2.62%). 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 YTD return consolidated at 12.81% beating the benchmark by 620 bps. Going forward, the fund is expected to be rebalanced in line with prevalent economic scenario without compromising on 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)	100.23
Net Assets(PKR mn)	204.36
Leverage	Nil
Weighted Average Maturity	3.63 Yrs

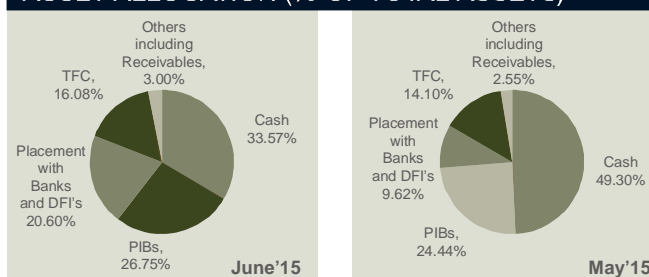
## FUND RETURNS

(Annualized % p.a) Holding Period	FFSOF	Benchmark
Month on Month	-8.74	6.26
FY15 to Date	7.41	8.22
1 year Trailing	7.41	8.22

Returns (%)	FY 14	FY 13	FY 12	FY 11	FY 10
FFSOF	9.12%	-	-	-	-
Benchmark (YTD)	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)

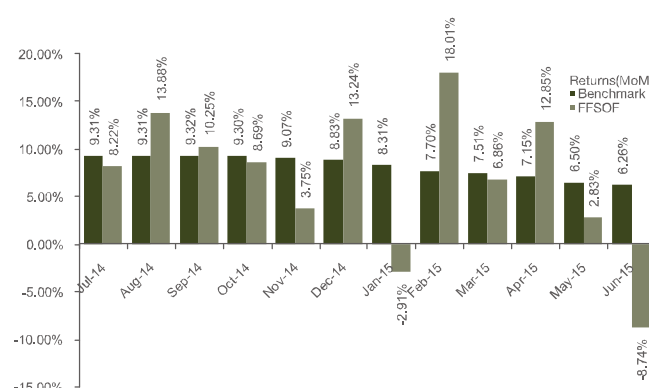
Government Securities	26.75%
AAA	10.20%
AA+	11.04%
AA	10.16%
AA-	32.95%
A+	5.90%
NR (include receivables against sale of investments)	3.00%

## 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

## TFCS/SUKUK HOLDINGS (% OF TOTAL ASSETS)

Standard Chartered Bank	10.18%
NIB Bank Limited TFC II	5.90%



## 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 Bank	AA-	AAA	10%	10.40%	0.40%	TFC	21,258,319	-	21,258,319	10.40%	10.18%
Pak Brunei Investment Co	AA-	AA+	10%	11.25%	1.25%	COI	23,000,000	-	23,000,000	11.25%	11.02%

The Scheme has maintained provisions against **Workers' Welfare Fund** liability to the tune of Rs. 1,095,739 as at June 30, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.537 (0.54%). 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 -8.74% during the month of June 2015 taking its YTD return to 7.41% During the month under review your fund reduced its exposure in liquid assets to 33.57% from 49.30% and took up exposure in banks, DFI's to 20.60% to benefit from the quarter end TDR rates. Going forward, the fund is expected to capitalize on higher yielding instruments to generate competitive returns.

## MUFAP's recommended format

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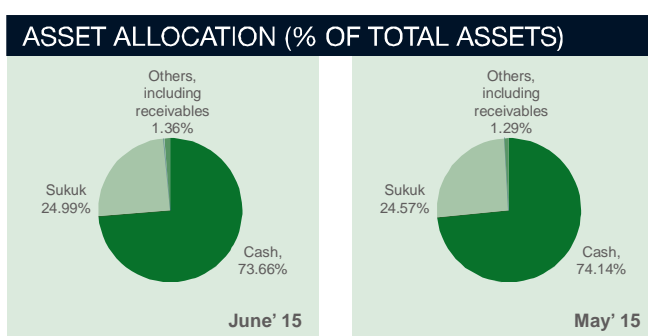
# Islamic Savings Growth Fund

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)	101.81
Net Assets (PKR mn)	886.84
Leverage	Nil
Weighted Average Maturity	0.97 years

FUND RETURNS		
(Annualized % p.a) Holding Period	FISGF	Benchmark
Month on Month	6.96	5.36
FY15 to Date	8.22	6.61
1 year Trailing	8.22	6.61

Returns (%)	FY 14	FY 13	FY 12	FY 11	FY 10
FISGF	7.65%	8.28%	11.24%	10.33%	9.04%
Benchmark (YTD)	6.92%	7.30%	8.70%	8.85%	7.70%

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



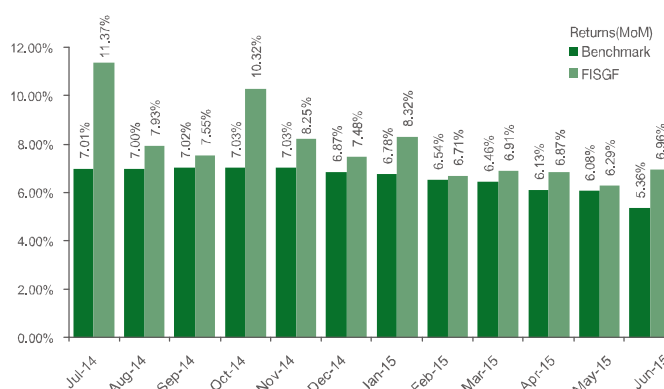
## Investment Objective

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	11.51%
Engro Fertilizer Sukuk	11.29%
Engro Rupaya Sukuk - 1	0.97%
Engro Rupaya Sukuk - 2	1.22%

ASSET QUALITY (% OF TOTAL ASSETS)	
AA	3.29%
A+	22.82%
A-	72.52%
NR (include receivables against sale of investments)	1.36%

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. 5,044,472 as at June 30, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.579 (0.57%). 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 8.22% YTD outperforming the benchmark by 161 bps. The MTD annualized return clocked in at 6.96%. 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)	105.15
Net Assets (PKR mn)	556.63
Leverage	Nil
Weighted Average Maturity	3.05 Yrs

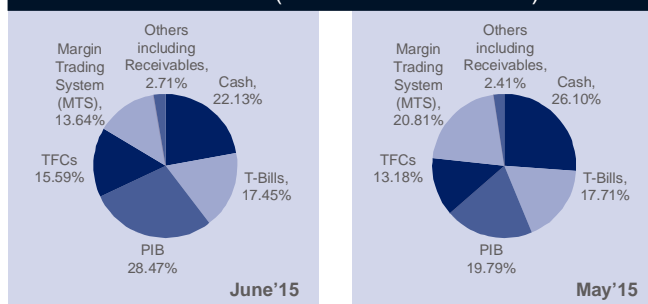
## FUND RETURNS

(Annualized % p.a) Holding Period	FIGF	Benchmark
Month on Month	-4.02	7.02
FY15 to Date	12.14	9.03
1 year trailing	12.14	9.03

Returns (%)	FY 14	FY 13	FY 12	FY 11	FY 10
FIGF	8.82%	9.50%	13.55%	9.71%	11.04%
Benchmark (YTD)	9.87%	9.92%	12.24%	13.30%	12.39%

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	45.92%
AAA	0.01%
AA+	0.02%
AA	2.24%
AA-	29.06%
A+	6.39%
MTS (Unrated)	13.64%
NR (include receivables against sale of investments)	2.71%

## Investment Objective

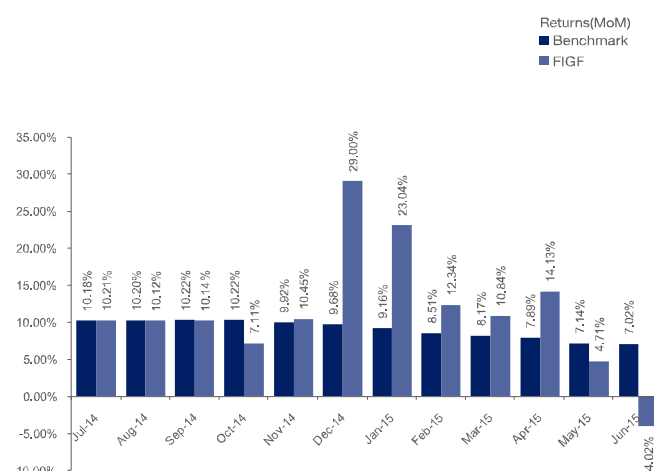
Faysal Income & Growth Fund (FIGF) seeks to provide its investors with optimal yields through a diversified portfolio consisting of both long-term fixed instruments as well as short-term money market securities.

## TFCS/SUKUK HOLDINGS (% OF TOTAL ASSETS)

Askari Bank Limited IV	6.53%
NIB Bank Limited TFC II	6.39%
Engro Fertilizer Limited-PPTC I	2.67%

## 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 June 30, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs.1.583 (1.51%). 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 -4.02% during the month of June 2015. The YTD return clocked in at 12.14% outperforming the benchmark by 311 bps. During the month under review your fund increased its exposure in PIB's to 28.47% from 19.79%. Going forward, we expect the fund to generate returns in line with fund's strategy by proactively investing in lieu of the prevalent economic scenario.

## 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.



# 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)	70.59
Net Assets (mn)	587.69
Leverage	Nil

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

## 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)

	June'15	May'15
Chemicals	13.63%	9.01%
Construction and Material	10.39%	9.87%
Multiutilities (Gas and water)	8.68%	8.32%
Oil & Gas	7.39%	14.38%
Electricity	4.47%	6.59%
Others	6.73%	15.345%

## 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

## 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
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 June 30, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.459 (0.65%). 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 yielded an annualized return of 3.33% beating the benchmark by 38 bps for the month of June. The YTD return clocked in at 16.16%outperforming the benchmark by 272bps. Compared to previous month the fund reduced its exposure in equities from 62.59% to 50.82% and increased its coverage in Margin Trading System to 12.71% from 0.53% and a 3.96% increase in cash. Going forward, the fund will exercise active investment strategy and adjust exposure in equities and fixed income accordingly.

MUFAP's recommended format

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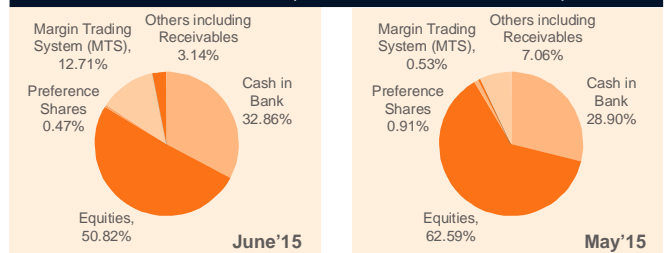
## FUND RETURNS

(Annualized % p.a) Holding Period	FAAF	Benchmark
Month on Month	3.33	2.95
FY15 to Date	16.16	13.44
1 year trailing	16.16	13.44

Returns (%)	FY 14	FY 13	FY 12	FY 11	FY 10
FAAF	17.01%	20.26%	(0.02)%	20.58%	30.70%
Benchmark (YTD)	30.21%	34.43%	11.62%	20.20%	24.07%

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+	0.01%
AA	1.08%
AA-	31.77%
MTS (Unrated)	12.71%
NR (Include Equity Investments)	54.43%

## EQUITY HOLDINGS (% OF TOTAL ASSETS)

Sui Southern Gas Company Ltd	8.68%
Fauji Fertilizer Bin Qasim Ltd	5.51%
Engro Corporation Ltd	4.92%
Saif Power Limited	4.47%
Lafarge Cement Pakistan Ltd	3.73%
Mari Petroleum Company Ltd	3.62%
ICI Pakistan Limited	3.20%
Hascor Petroleum Ltd	2.85%
Pioneer Cement Company Ltd	2.83%
Cherat Cement Company Limited	2.53%

# 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)	64.00
Net Assets (mn)	130.15
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)

	June'15	May'15
Household Services	27.13%	27.78%
Construction and Materials	10.11%	10.11%
Oil & Gas	9.09%	10.09%
Electricity	8.77%	9.05%
Multiutilities (Gas and water)	8.65%	7.62%
Others	19.57%	19.85%

## 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. Ravi Kumar Mandhan (Non voting member)	Head of Compliance & Internal Audit
Dr. Gohar Rasool	Fund Manager-Equity
Vacant	Manager Risk

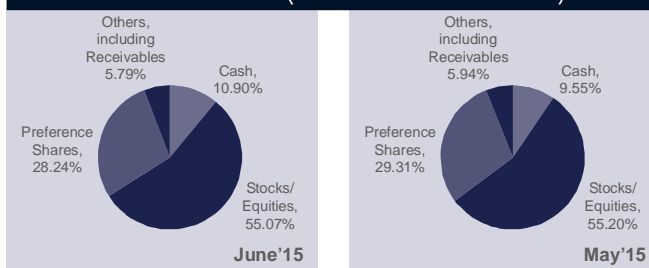
## FUND RETURNS

(Annualized % p.a) Holding Period	FBGF	Benchmark
Month on Month	4.04	2.52
FY15 to Date	19.83	12.42
1 year trailing	19.83	12.42

Returns (%)	FY 14	FY 13	FY 12	FY 11	FY 10
FBGF	14.69%	19.15%	(4.69)%	9.98%	21.99%
Benchmark (YTD)	23.53%	30.70%	11.59%	20.84%	24.38%

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	3.48%
AA-	7.39%
NR (Include Equity Investments)	89.10%

## EQUITY HOLDINGS (% OF TOTAL ASSETS)

Pak Elektron Ltd-Pref Shares	27.13%
Lafarge Pakistan Cement Ltd	8.87%
Saif Power Ltd	8.77%
Sui Southern Gas Company Ltd	8.65%
Mari Petroleum Company Ltd	7.97%
Sapphire Fiber Ltd	6.40%
Ferozsons Laboratories Ltd	4.40%
Fauji Fertilizer Bin Qasim Ltd	4.00%
Engro Corporation Ltd	3.22%
Pakistan International Airlines	1.18%

## 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
Pak Elektron Limited*	A-	A-	10%	28.80%	18.80%	Preference Shares	37,490,000	-	37,490,000	28.80%	27.13%
Pak Elektron Limited (Sector)*	N/A	N/A	25%	28.80%	3.80%	Preference Shares	37,490,000	-	37,490,000	28.80%	27.13%

\* Extension granted till 15th July, 2015.

The Scheme has maintained provisions against **Workers' Welfare Fund** liability to the tune of Rs. 5,443,878 as at June 30, 2015. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 1.089 (1.70%). 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 Balanced Growth Fund yielded an annualized return of 4.04% during the month of June 2015 outperforming the benchmark by 152 bps. The YTD return closed 19.83% beating the benchmark by 741 bps. During the month under review your fund maintained its previous month position. 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 %)									
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
FIGF	7.73%	1.34%	10.12%	9.81%	10.06%	10.00%	10.50%	10.37%	10.20%
Benchmark	9.34%	9.86%	10.08%	11.07%	11.34%	11.66%	11.74%	11.51%	11.33%
FISGF					9.04%	9.68%	10.20%	9.72%	9.30%
Benchmark					7.70%	8.27%	8.42%	8.14%	7.89%
FSGF		10.42%	10.19%	11.04%	11.02%	11.02%	11.04%	10.70%	10.46%
Benchmark		9.39%	9.76%	10.95%	11.32%	11.72%	11.82%	11.54%	11.32%
FMMF						11.20%	11.09%	10.41%	9.89%
Benchmark						10.18%	10.08%	9.49%	9.23%
FFSOF									9.12%
Benchmark									8.96%

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

SINCE INCEPTION RETURNS (ABSOLUTE %)									
	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
FBGF	25.86%	52.49%	52.35%	15.79%	41.25%	55.35%	48.06%	76.42%	102.33%
Benchmark	34.08%	84.86%	80.25%	50.64%	87.36%	126.41%	152.65%	230.21%	307.91%
FAAF					30.70%	57.60%	57.57%	89.49%	121.72%
Benchmark					24.07%	49.13%	66.46%	123.77%	191.38%

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.

Rating by JCR-VIS



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