

# Faysal AssetManagement

## Fund Manager's Report

May 2017





# The Month in Review

## Economic Review

After a decade-long slump, Pakistan's economy surged past the US\$300 billion mark in the outgoing fiscal year. Pakistan's GDP grew 5.28% as compared to 4.71% last year, the first time in nine years that the growth crossed the threshold of 5%. Industrial sector contributed 21%, agriculture 20% and services 6% to the GDP. This increase in the overall size of the economy indicates improved productivity and better standards of living. Since an estimated one-third or more of Pakistan's economy is undocumented and so does not form part of the Gross Domestic Product (GDP) figures, the actual economic growth is probably higher.

The government can rightly claim some credit for this, although this growth falls short of the target of 7.2% that it had set for itself three years ago. This is still far lower compared to neighboring countries in South Asia such as India and Bangladesh, which are growing at around 7%.

Looking at the sub-components of growth, there is good news from agriculture, which showed a positive growth of 3.5% versus actual contraction of 0.27% last year. This change may be attributed to a 3.02% growth in crops (cotton, sugarcane, maize and gram) against a negative growth of 4.97% last year.

The government's active attention to this sector through the Prime Minister's Agriculture Kisan Package and increased disbursement of PKR 700-billion credit may have helped the turnaround. However, the performance of industrial sector, with a growth of 5% against the target of 7.7% in 2016-17, of this, manufacturing showed a 5.27% growth instead of the targeted 6.1% and 3.7% growth last year, is not very encouraging.

Large Scale Manufacturing (LSM) in the country contributing 13.5% GDP and generating biggest number of industrial employment with technology transfer has witnessed an impressive 5.1% growth during first three quarters of current fiscal year as compared to 4.6% in same period last year. Year on Year, LSM recorded significant growth of 10.5% in March 2017 as compared to 7.6% of March 2016. During 2017, it recorded an impressive growth of 5.3% against 3.7% of last year.

Despite some bright spots such as those related to construction industry (iron and steel and cement), other key sectors such as fertilizers and engineering products were almost stagnant. Small and household sectors increased at a rate of 8.2% — almost on target. Electricity generation gas distribution showed a miserly 3.4% growth against a target of 12.5% and last year's 8.4% growth despite the government's full focus on these areas.

Construction, another governmental priority, also showed 9% growth, against an increase of about 15% last year, and missed the target of 13.2%. Both these areas were also part of the CPEC focus that consumed more than PKR 450bn during the year.

Growth of services (5.98%) is mostly because of banking and insurance, which grew 10.77%. Similarly another sector, government services, showed a growth of 6.91%. While the growth in government services indicates increased expenditure and as such is not a healthy sign, the growth in the banking sector means higher deposit mobilization, which is a positive indicator.

There is slight improvement in government's taxation policies towards telecom and mobile phone sector. This would, to some extent, balance the negative fallout of the anti-telecom policies followed over the last four years. Hopefully, this will once again make Pakistan an attractive market for foreign investors.

According to the State Bank of Pakistan, in the last ten months, the FDI increased by 13% to \$1.73 billion in the first 10 months (Jul-Apr) of the ongoing fiscal year compared to \$1.54 billion in the same period of the previous year.

The biggest jump in FDI was recorded in the food sector that attracted \$475 million as opposed to outflows of US\$46 million in the corresponding period of previous year. The second highest jump was recorded in the power sector where the country received US\$423 million, down by a massive 37% compared to US\$676 million in the same period of last year. Meanwhile, the construction sector received US\$356 million in the first 10 months of the ongoing fiscal year, up by a significant 641% from just US\$48 million in the same period last year. And the electronics sector also received US\$154 million compared to just US\$29 million in the period under review.

Outstanding foreign debt stands at US\$58.4 billion, total debt has risen to PKR 20,872 billion compared to PKR 14,318 billion in 2013. Thus, during the last four years, the debt has risen by almost 50%. Already this year, interest payment on debt was the largest single expense for the country.

Next year Pakistan's external debt servicing is estimated to be 25% higher than a year ago, which was \$5.3 billion. It seems that increased spending on debt servicing will continue to be a major drag on the economic growth for years to come.

Another worrying development is the continuous fall in exports. In the first nine months of the current year, there was a further decline of 3.06% with exports volume shrinking to US\$15.119 billion. Also, remittances dropped by 2.79% to \$15.8bn in July-April, MoM they were cut short by massive 9%.

Looking at the budget from the standpoint of development, there is a discernible effort on the part of the government to expand and upgrade the development activity in the country. The allocation for federal PSDP stands at PKR 1001billion which represents 40% increase over the last year. The major thrust of the budget remains on agriculture, industry, energy and infrastructure development and rightly so. In addition to PSDP PKR 180 billion have been set aside for uplift projects under CPEC as compared to PKR 122 billion last year.

A sense of urgency and commitment has been exhibited to fix the maladies afflicting the under-performing agriculture sector and exports. For agriculture in addition to the special package of PKR 341 billion already announced, the government has brought yet another package comprising subsidies on inputs and electricity, which was a long outstanding demand of the farmers. In addition to this custom duty on import of machinery for dairy, livestock and poultry sector has been reduced. Prices of fertilizers have been reduced. Small farmers will be given loans up to PKR 50,000. Budget deficit was brought down to 4.2% from 5.3% last year, 24bps higher than YoY CPI inflation of 4.78% recorded last month. May-17 Inflation was driven primarily by uptick in food prices, slightly higher than expected but driven mainly by perishable food items. Inflation was lowest ever. For May 2017, CPI clocked in at 5.02% and average inflation stood at 4.2% for 11MFY17.

Per capita income increased from US\$1560 to US\$1653 and unemployment rate also went down by 0.6% and the number of unemployed fell by 854,000 during the last year. The imposition of new taxes is the trickiest part of the budget. People justifiably or otherwise tend

to show aversion to new taxes. But the fact is that it is an inevitable undertaking. However the redeeming factor is that a well-considered effort has been made to lay more emphasis on direct taxes e.g. increase in taxes on imported cloth, steel bar, cigarettes, cosmetics, perfumes and electronic etc. which tend to stay where they are and do not have a trickled down or inflationary impact.

Thus, with the widening of fiscal deficit, slowing down of remittances and foreign direct investments and increasing circular debt, the government may find it difficult to keep the economy afloat without more borrowing. Furthermore, it is not likely that during the forthcoming election year, the government would maintain the ongoing reform process, which has been steady, even if slow. All these factors may result in the next government having to face serious economic challenges.

## Money Market Review

During the month under review, the Monetary Policy Committee of the State Bank of Pakistan (SBP) decided to keep the policy rate unchanged at 5.75%. The supply of credit remained at ease because of the healthy growth in bank deposits and government's reliance on central bank financing along with net retirement to commercial banks. SBP has played its part by the calibrated open market operations to manage residual liquidity demand besides keeping the overnight repo rate generally close to the policy rate. Reflecting these developments, money supply (M2) grew by 13.8% (YoY) in Apr FY17 as compared to 13.0% (YoY) during the same month last year.

Foreign exchange reserves as of May 23 stood at US\$20.93bn including the central bank's \$16.15bn despite repayment of \$500m to China and another US\$500m Eurobond. Per capita income in dollar terms improved by 6.4% to \$1,629 a year compared to 1.1% growth last year. Total investment increased by 11% to PKR 5.026 trillion while fixed investment increased by 14% to PKR 4.5trn including public sector's PKR 1.36trn. Total investment to GDP ratio stood at 15.8% against a lowest of 12.8% in 2012-13.

National savings on the other hand declined to 13.1% of GDP this year against 14.3% last year. Net external debt on the other hand amounted to \$41.9bn while net public debt amounted to PKR 18.9trn or at 59.3% of GDP Private sector credit posted a net expansion of PKR 503 billion during Jul-Apr FY17, which is significantly higher than the uptick of PKR 334 billion in the same period of last year.

Market remained short of liquidity during the month of May'17 and to accomplish this liquidity shortage SBP conducted 5 OMO – Injections where the total participation stood at PKR 5.34trn and total accepted amount was PKR 3.226trn and the weighted average rate of all OMO – Injections was 5.83%. This is 1.32% more participation and 38% lesser acceptance relative to last month.

Central bank conducted two T bill auctions during May-17, where in both auctions the cut offs were maintained at current previous levels for 3M – 5.991%, 6M – 6.0109% while in second auction cutoff was raised for 12M to 6.0499% from 6.0273%. The total amount realized was PKR 699.53bn against the target of PKR 816.48bn and total maturities of PKR 712.55bn. SBP rejected all bids for long-term investment bonds crushing the market anticipation of change in interest rate as the received bids were less than the target and the bids were at higher rates than last auction, the government decided not to borrow through Pakistan Investment Bonds (PIBs) and accordingly all bids were rejected. Pricing and volume seem to be the main factors behind the rejection.

## Equity Review

May'17 was an eventful month owing to important developments on both local and global front. For the local market, it was even more significant as investors and wealth managers were looking forward to the much talked about MSCI EM inclusion of benchmark PSX 100 index that escalated to historic heights of above 53k levels and rose above 650 points in 3 consecutive sessions post announcement week of inclusion.

However, the month closed with PSX 100 gaining 2.6%MoM, bringing CYTD return to 5.8%. The gains however were limited (the market lost 4% since presentation of Budget FY18) where, contrary to expectations, fiscal prudence superceded election year populist measures in Budget FY18.

Also, unexpected tax restructuring on the stock market induced further volatility (flat 15% CGT regardless of holding period, enhancement of tax on dividend to 15%). On the other hand, transition to MSCI EM index triggered a sell-off with PSX-100 index losing 1.7%, just a day before formal inclusion of Pakistan in MSCI EM (Jun 1'17).

Foreign Institution Portfolio Investment (FIPI) was again negative in May'17 (US\$141.2mn; CYTD: US\$341mn). Individuals and Mutual funds once again bought the liquidity during the month with net inflows of US\$72.9mn and US\$46.7mn, respectively.

In this regard, total average daily turnover for the month clocked in at 338.17 mn shares while average daily traded values were recorded at US\$184mn. Market capitulation also expanded to high of US\$96.66bn (PKR 10.13trn).

Amongst sectors, Oil&Gas led the charge in terms of price performance posting a positive return of 10.3% in anticipation of extending oil supply cuts in OPEC's May'17 meet. Following on, Textiles (+3.3%MoM on anticipation of refund payments in budget), Chemicals (+1.7% on positive budgetary implications) along with Commercial Banks (+1.2% on MSCI EM inclusion) also ended in green. Laggards included Cements (-4.6%MoM on anticipated slowdown in dispatches in Ramadan) and Automobiles (-1.8%MoM on profit taking post a stellar run-up in Apr'17).

Going forward, foreign activity is likely to guide market sentiments in the short term with the market seeing increased volatility until complete re-balancing of portfolios, while developments of political front may also be under investors watchful radar.

However, key themes like: 1) materialization of CPEC projects, 2) healthy corporate earnings growth, (3) interest rate reversal and 4) depreciative pressures on the PKR are expected to take center stage until general elections next year.

## MUFAP's recommended format

**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 the Investment policies and the risks involved.

# Faysal Money Market Fund

## FUND INFORMATION

Fund Type	Open Ended
Category	Money Market Scheme
Stability Rating	AA (f) (PACRA)
Risk Profile	Low
Launch Date	December 13, 2010
Custodian/Trustee	CDC
Auditor	Deloitte Yousuf Adil, Chartered Accountants
Management Fee	0.80%
Front/Back end Load	Nil
Min Subscription	PKR 5,000
Benchmark	70% Three months PKRV rates + 30% three months average deposit rates of three AA- rated scheduled 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)	107.42
Net Assets (PKR mn)	885.13
Leverage	Nil
Weighted Average Maturity*	21.22 days
Total Expense Ratio	1.36% <small>TBR includes 0.33% representing government levy, SECP fee and Sindh worker welfare Fund excluding reversal of WWF.</small>

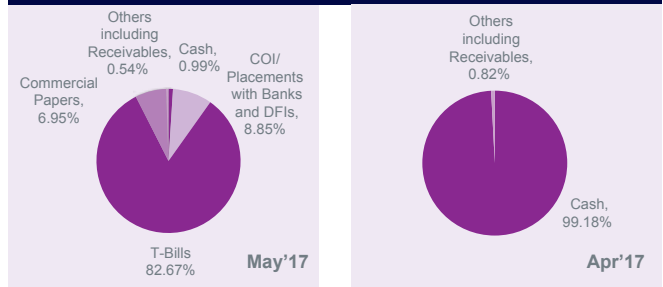
## FUND RETURNS

(Annualized % p.a Holding Period)	FMMF	Benchmark
FY17 to Date	6.81%	5.26%
Month on Month	4.84%	5.22%
1 year Trailing	6.78%	5.26%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FMMF	5.67%	8.64%	8.35%	9.06%	10.98%
Benchmark (YTD)	5.34%	7.72%	8.44%	8.83%	9.98%

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	82.67%
AAA	0.02%
AA+	9.55%
AA	7.22%
NR (include receivables against sale of Government Securities)	0.54%

## Investment Objective

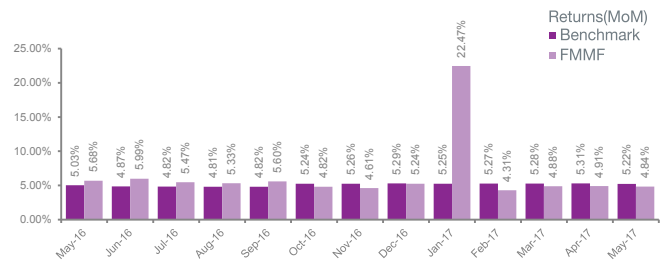
Faysal Money Market Fund (FMMF) seeks to provide stable and competitive returns in line with the money markets exhibiting low volatility consistent with capital preservation by constructing a liquid portfolio of low risk short term investments yielding competitive returns.

## COMMERCIAL PAPER HOLDINGS (% OF TOTAL ASSETS)

JS Global Capital	11-May-17	6.95%
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## INVESTMENT COMMITTEE

Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuhro	Chief Investment Officer
Mr.Syed Shahid Iqbal	Sr. Fund Specialist - Fixed Income
Ms.Sania Awan	Acting Head of Research



The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 1,065,123 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.209 (0.15%). For details investors are advised to read the Note 6.1 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal Money Market Fund yielded a return of 4.84% on a month-on-month basis whereas the annualized year-to-date return clocked in at 6.81%, outpacing the benchmark by 155bps. During the month, exposure was built in T-Bills to 82.67%, COI to 8.85% and Commercial Paper to 6.95%; cash allocations were decreased from 99.18% in April to 0.99% currently. Your fund is actively exploring lucrative investment avenues and trading opportunities to generate greater gains.

MUFAP's recommended format

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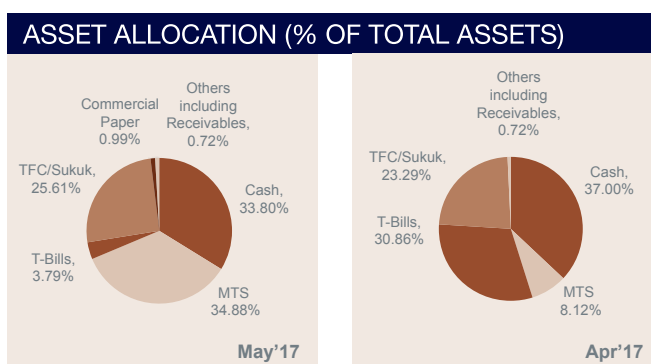
# Faysal Savings Growth Fund

FUND INFORMATION	
Fund Type	Open Ended
Category	Income scheme
Stability Rating	AA- (f) (PACRA)
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	Six months KIBOR rates
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3++ (JCRVIS)
NAV per Unit (PKR)	107.26
Net Assets (PKR mn)	2,587.24
Leverage	Nil
Weighted Average Maturity*	2.21 Yr
Total Expense Ratio	2.36% <small>TER includes 0.37% representing government levy, SECP fee and Sindh worker welfare Fund excluding reversal of WWF.</small>

FUND RETURNS		
(Annualized % p.a) Holding Period	FSGF	Benchmark
FY17 to Date	5.98%	6.10%
Month on Month	5.18%	6.15%
1 year Trailing	6.15%	6.10%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FSGF	7.75%	12.81%	8.81%	8.67%	11.14%
Benchmark (YTD)	6.50%	6.61%	9.76%	9.88%	12.33%

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



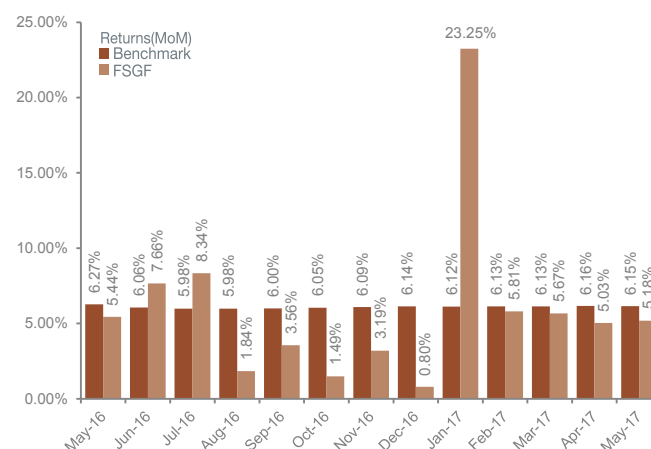
## Investment Objective

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	4.78%
AAA	6.92%
AA+	4.79%
AA	4.44%
AA-	38.13%
A+	6.13%
MTS (Unrated)	34.88%
NR (include receivables against sale of investments)	0.93%

TFCs/SUKUK Holdings (% of Total Assets)		
HBL TIER II TFC	19-Feb-16	6.91%
JSBL TFC	14-Dec-16	6.13%
BOP-TFC	23-Dec-16	5.78%
BAHL TFC	17-Mar-16	3.87%
AKBL TFC	30-Sep-14	2.91%
JS Global Capital (commercial paper)	11-May-17	0.99%

INVESTMENT COMMITTEE	
Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuhro	Chief Investment Officer
Mr.Syed Shahid Iqbal	Sr. Fund Specialist - Fixed Income
Ms.Sania Awan	Acting Head of Research



The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 2,748,698 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.21 (0.20%). For details investors are advised to read the Note 7.1 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal Savings Growth Fund generated a return of 5.18% on a month-on-month basis whereas the annualized year-to-date return clocked in at 5.98%. Exposure towards MTS was built to 34.88% during the month, while T-bills exposure was reduced to 3.79%. Cash allocations were subsequently decreased from 37.00% to 33.80%. Going forward, the fund will continue to build exposure in lucrative investment avenues and enhance yields with a proactive investment strategy.

MUFAP's recommended format

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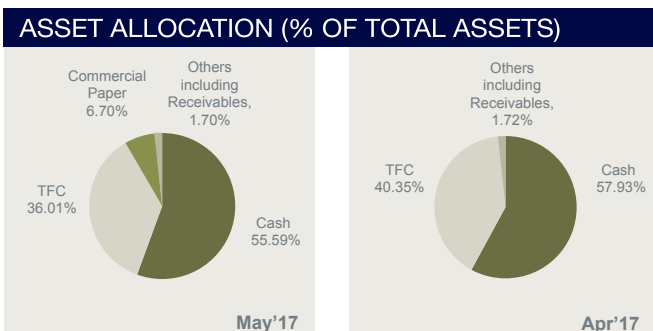
# Faysal Financial Sector Opportunity Fund

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 less than PKR 10 mn
Back end Load	Nil
Min Subscription	PKR. 5,000
Benchmark	Six months KIBOR rates
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3++ (JCRVIS)
NAV per Unit (PKR)	105.97
Net Assets(PKR mn)	113.15
Leverage	Nil
Weighted Average Maturity*	2.54 Yr
Total Expense Ratio	2.26% <small>TER includes 0.28% representing government levy, SECP fee and Sindh worker welfare Fund excluding reversal of WWF.</small>

FUND RETURNS		
(Annualized % p.a) Holding Period	FFSOF	Benchmark
FY17 to Date	5.26%	6.10%
Month on Month	4.69%	6.15%
1 year Trailing	5.92%	6.10%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FFSOF	7.08%	7.41%	9.12%	-	-
Benchmark (YTD)	5.88%	8.22%	8.96%	-	-

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



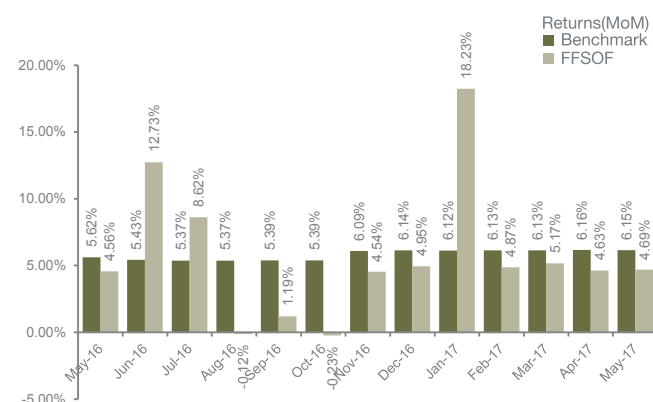
## Investment Objective

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 instruments.

ASSET QUALITY (% OF TOTAL ASSETS)	
Government Securities	0.00%
AAA	7.85%
AA+	0.26%
AA	13.61%
AA-	76.57%
NR (include receivables against sale of investments)	1.70%

TFCs/SUKUK Holdings (% of Total Assets)		
BAFL TFC	20-Feb-13	8.01%
NIB Bank TFC	19-Jun-14	7.89%
BOP-TFC	23-Dec-16	7.89%
HBL TIER II TFC	19-Feb-16	7.81%
JS Global Capital (commercial paper)	11-May-17	6.07%
AKBL	30-Sep-14	4.41%

INVESTMENT COMMITTEE	
Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuuro	Chief Investment Officer
Mr.Syed Shahid Iqbal	Sr. Fund Specialist - Fixed Income
Ms.Sania Awan	Acting Head of Research



The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 105,433 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.33 (0.50%). For details investors are advised to read the Note 7.2 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal Financial Sector Opportunity Fund yielded a return of 4.69% on a month-on-month basis whereas the annualized year-to-date return clocked in at 5.26%. Cash allocations with banks were decreased to 55.59% during the month; exposures in financial TFC's were decreased to 36.01% as interest rates remained stable and inflation moved upwards. Your fund will continue to strategize in accordance with the macroeconomic landscape and market dynamics.

MUFAP's recommended format

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# Faysal 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	Deloitte Yousuf Adil, Chartered Accountants
Management Fee	1.50%
Front/Back end Load	Nil
Min Subscription	PKR. 5,000
Benchmark	Six months average deposit rates of three A rated scheduled Islamic Banks or Islamic windows of conventional 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)	106.94
Net Assets (PKR mn)	1149.40
Leverage	Nil
Weighted Average Maturity*	1.39 Yr
Total Expense Ratio	2.29% <small>TER includes 0.4% representing government levy, SECP fee and Sindh worker welfare Fund excluding reversal of WWF.</small>

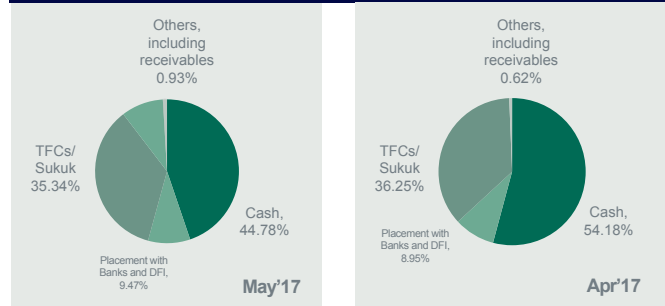
## FUND RETURNS

(Annualized % p.a) Holding Period	FISGF	Benchmark
FY17 to Date	5.37%	3.18%
Month on Month	3.64%	2.40%
1 year Trailing	5.26%	3.28%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FISGF	5.50%	8.22%	7.65%	8.28%	11.24%
Benchmark (YTD)	4.68%	6.61%	6.92%	7.30%	8.70%

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

## ASSET ALLOCATION (% OF TOTAL ASSETS)



## 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)

BYCO SUKUK	18-Jan-17	15.07%
TPL Trakker Ltd TFC Sukuk	13-Apr-16	8.16%
KEL SUKUK 5YR	19-Mar-14	6.60%
Engro Fertilizer SUKUK	9-Jul-14	4.28%
ENGRO SUKUK RUPIYA 5 YR	10-Jul-14	1.22%

## CERTIFICATE OF MUSHARIKA (% OF TOTAL ASSETS)

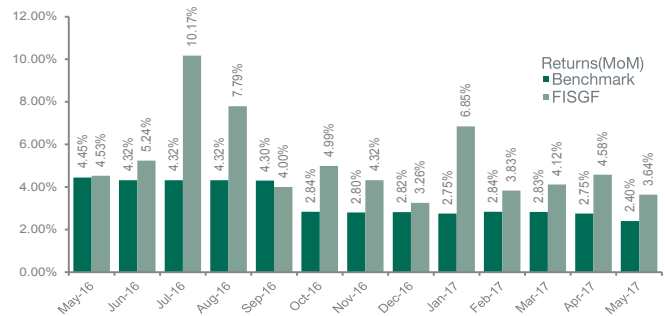
ORIX Modarba	31-May-17	9.47%
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## INVESTMENT COMMITTEE

Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuuro	Chief Investment Officer
Mr.Syed Shahid Iqbal	Sr. Fund Specialist - Fixed Income
Ms.Sania Awan	Acting Head of Research

## ASSET QUALITY (% OF TOTAL ASSETS)

AAA	15.08%
AA+	9.47%
AA	1.33%
AA-	4.28%
A+	68.90%
A	0.01%
NR (include receivables against sale of investments)	0.93%



## NON COMPLIANCE

Name of Non-Compliant Investment	Rating required	Existing Rating	Required Exposure as a % of NAV	Existing Exposure as a % of NAV	Breach	Type of Instrument	Value of Investment before provisioning	Provision (If any)	Value of Investment after provisioning	% of Net Assets	% of Total Assets
BYCO Oil Pakistan Ltd Sukuk	A-	AAA	0%-15%	15.23%	0.23%	Sukuk	175,000,000	-	175,000,000	15.23%	15.07%

The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 1,088,742 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.147 (0.13%). For details investors are advised to read the Note 7.1 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal Islamic Savings and Growth Fund yielded a return of 3.64% on a month-on-month basis, outperforming the benchmark by 124bps, whereas the annualized year-to-date return clocked in at 5.37%, outperforming the benchmark by 219bps. During the month, your fund decreased its exposure towards Sukuks to 35.34%, increased exposure as placements with Islamic Financial institutions to 9.47%, gained exposure in Certificate of Modaraba to 9.47% and decreased cash holdings to 44.78%. Going forward, your fund will continue to explore Islamic investment avenues in order to provide competitive returns.

MUFAP's recommended format

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# Faysal Income & Growth Fund

FUND INFORMATION	
Fund Type	Open Ended
Category	Aggressive Income Fund
Stability Rating	A(f) (PACRA)
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	One year KIBOR rates
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3++ (JCRVIS)
NAV per Unit (PKR)	109.82
Net Assets (PKR mn)	1,216.59
Leverage	Nil
Weighted Average Maturity*	2.02 Yr
Total Expense Ratio	2.23% <small>TER includes 0.35% representing government levy, SECP fee and Sindh worker welfare Fund excluding reversal of WWF.</small>

## 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)		
JSBL TFC	14-Dec-16	8.35%
BYCO Petroleum	18-Jan-17	8.14%
BOP-TFC	23-Dec-16	5.44%
TPL Trakker Ltd TFC Sukuk	13-Apr-16	5.14%
NRSP TFC	30-Jun-16	4.59%
GGL	3-Feb-17	3.33%
AKBL	30-Sep-14	1.66%

INVESTMENT COMMITTEE	
Mr. Razi Ur Rahman Khan	Chief Executive Officer
Mr. Ayub Khuhro	Chief Investment Officer
Mr. Syed Shahid Iqbal	Sr. Fund Specialist - Fixed Income
Ms. Sania Awan	Acting Head of Research

NON COMPLIANCE		
DESCRIPTION	Exposure Limit Range	Actual Holding
Securities and/or instruments issued or guaranteed, whether directly or indirectly, by Federal or Provincial Government / Authority of Pakistan, including but not limited to Federal Investment Bonds, Treasury Bills, Pakistan Investment Bonds and includes any securities or instruments issued by such entities majority of which is owned, whether directly or indirectly, by the Federal or Provincial Government / Authority of Pakistan or other deposits in the banks and Non-Banking Finance Companies.	63%-100%	62.73%

The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 943,429 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs.0.176 (0.22%). For details investors are advised to read the Note 8.1 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal Income & Growth Fund yielded a return of 5.82% on a month-on-month basis, whereas the annualized year-to-date return clocked in at 4.40%. During the month, cash allocations were decreased to 62.13% from 64.46% and exposure in TFCs was induced to 36.65% from 34.57%. Going forward, your fund will strive to maximize returns in a competitive macroeconomic landscape.

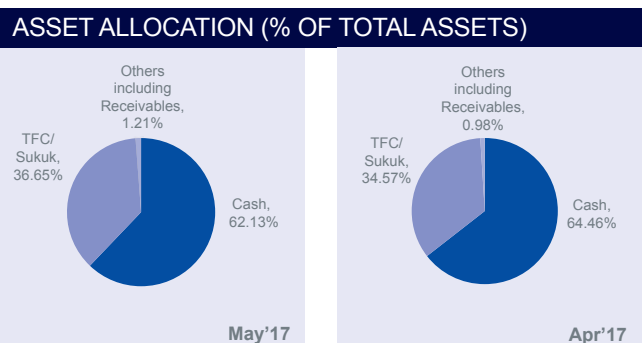
## MUFAP's recommended format

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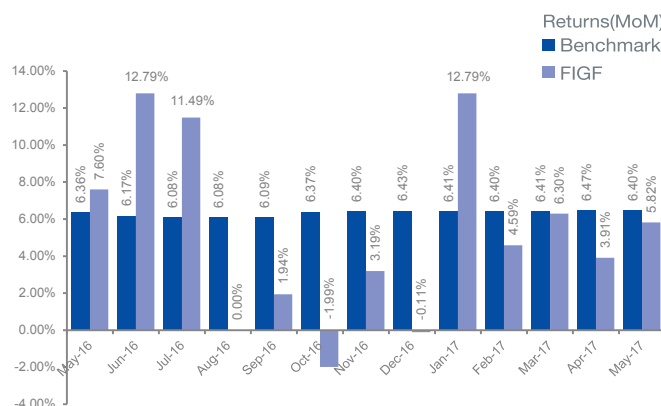
FUND RETURNS		
(Annualized % p.a) Holding Period	FIGF	Benchmark
FY17 to Date	4.40%	6.40%
Month on Month	5.82%	6.45%
1 year trailing	5.13%	6.40%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FIGF	9.41%	12.14%	8.82%	9.50%	13.55%
Benchmark (YTD)	6.59%	9.03%	9.87%	9.92%	12.24%

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



ASSET QUALITY (% OF TOTAL ASSETS)	
AAA	8.15%
AA+	0.11%
AA	0.26%
AA-	30.03%
A+	52.32%
A	7.92%
NR (include receivables against sale of investments)	1.21%





# Faysal 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	Deloitte Yousuf Adil, 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)	83.78
Net Assets (mn)	620.45
Leverage	Nil
Total Expense Ratio	5.11% <small>TER includes 1.37% representing government levy, SECP fee and Sindh worker welfare Fund excluding reversal of WWF.</small>

\* Weighted average of 6M KIBOR & percentage invested in Equities

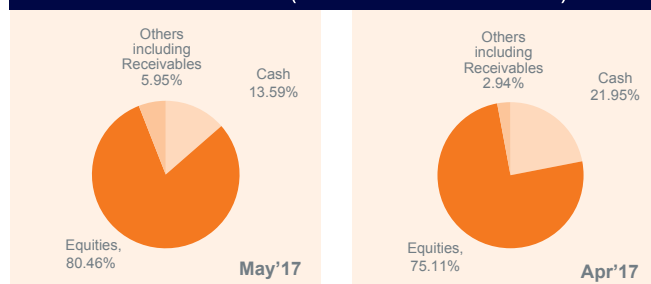
## FUND RETURNS

(Absolute % p.a) Holding Period	FAAF	Benchmark
FY17 to Date	21.68%	29.53%
Month on Month	1.92%	2.34%
1 year trailing	17.87%	34.08%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FAAF	(2.46)%	16.16%	17.01%	20.26%	(0.02)%
Benchmark (YTD)	9.14%	13.44%	30.21%	34.43%	11.62%

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)

	May'17	Apr'17
Commercial Banks	16.91%	7.32%
Cement	11.65%	12.25%
Engineering	9.96%	8.69%
Oil & Gas Marketing Companies	7.26%	9.85%
Fertilizers	6.37%	5.20%
Others	28.31%	31.80%

## ASSET QUALITY (% OF TOTAL ASSETS)

AAA	0.01%
AA+	0.73%
AA	1.86%
AA-	10.99%
NR (Include Equity Investments)	86.41%

## INVESTMENT COMMITTEE

Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuhro	Chief Investment Officer
Mr. Saif Hasan	Fund Manager (Equity)
Ms.Sania Awan	Acting Head of Research

## EQUITY HOLDINGS (% OF TOTAL ASSETS)

Engro Corporation Ltd	6.01%
Lucky Cement Ltd	5.95%
Sui Northern Gas Pipelines Co.	5.85%
Habib Bank Limited	5.63%
MCB Bank Limited	4.91%
United Bank Limited	4.02%
International Steels Limited	3.73%
International Industries	3.03%
Oil & Gas Development Co. Ltd	2.72%
Pak Suzuki Motor Company Ltd	2.68%

## NON COMPLIANCE

Name of Non-Compliant Investment	Rating required	Existing Rating	Required Exposure as a % of NAV	Existing Exposure as a % of NAV	Breach	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 Limited*	BBB	Withdrawn	10%	-	-	TFC	13,137,042	13,137,042	-	-	-

\* Fully provided.

Note: "The FAAF scheme holds certain non-compliant investments. Before making any investment decision, investors should review this document and latest financial statements."

The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 2,257,733 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.462 (0.53%). For details investors are advised to read the Note 6.1 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal Asset Allocation Fund yielded a return of 1.92% on month-on-month basis, whereas the absolute year-to-date return clocked in at 21.68%. During the month, your fund increased its equity exposure to 80.46% from 75.11% and decreased cash holdings to 13.59% from 21.95% due to the expected foreign inflows from MSCI re-rating. Going forward, your fund will devise its portfolio strategy whilst keeping in view the dynamics of our local capital market.

MUFAP's recommended format

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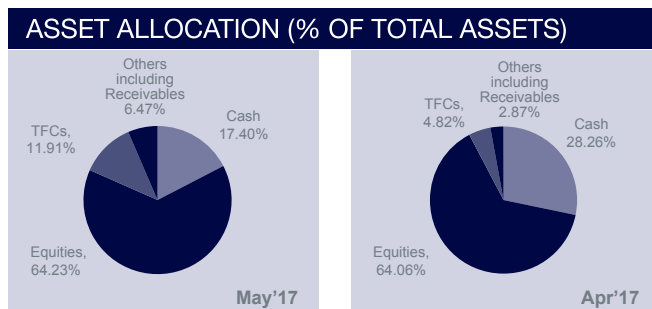
# Faysal Balanced Growth Fund

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)	79.80
Net Assets (mn)	447.18
Leverage	Nil
Total Expense Ratio	4.15% <small>TER includes 1.04% representing government levy, SECP fee and Sindh worker welfare Fund excluding reversal of WWF.</small>

FUND RETURNS		
(Absolute % p.a) Holding Period	FBGF	Benchmark
FY17 to Date	24.14%	24.06%
Month on Month	2.16%	1.97%
1 year trailing	21.74%	27.80%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FBGF	7.39%	19.83%	14.69%	19.15%	(4.69)%
Benchmark (YTD)	8.60%	12.42%	23.53%	30.70%	11.59%

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



## 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)		
	May'17	Apr'17
Cement	8.30%	8.66%
Automobile Assemblers	6.27%	6.29%
Oil & Gas Marketing Companies	5.95%	5.38%
Paper and Board	5.48%	6.25%
Commercial Banks	4.96%	2.73%
Others	33.25%	34.75%

TFCs/SUKUK HOLDINGS (% OF TOTAL ASSETS)		
BYCO TFC	18-Jan-17	7.56%
JS PPTFC	14-Dec-16	4.35%

ASSET QUALITY (% OF TOTAL ASSETS)	
AAA	7.57%
AA+	0.25%
AA	0.02%
AA-	17.12%
A+	4.35%
NR (Include Equity Investments)	70.70%

INVESTMENT COMMITTEE	
Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuhro	Chief Investment Officer
Mr. Saif Hasan	Fund Manager (Equity)
Ms.Sania Awan	Acting Head of Research

EQUITY HOLDINGS (% OF TOTAL ASSETS)	
Sui Northern Gas Pipelines Co.	4.31%
Indus Motor Company Ltd	4.12%
Mari Petroleum Company Ltd	3.47%
International Industries Limited	3.28%
Engro Corporation Ltd	3.22%
Hub Power Company Limited	2.86%
Cherat Cement Company Limited	2.80%
Roshan Packages	2.72%
IGI Insurance	2.66%
ICI Pakistan Limited	2.50%

The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 1,762,174 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.292 (0.28%). For details investors are advised to read the Note 7.1 of the latest financial statements for the quarter ended ended March 31, 2017.

## Performance Review

Faysal Balanced Growth Fund yielded a return of 2.16% on a month-on-month basis, outperforming the benchmark by 19bps. The absolute year-to-date return clocked in at 24.14%, beating the benchmark by 8bps. During the month, your fund maintained its equity exposure at 64.23% from 64.06% in the previous month, and exposure in TFCs was increased to 11.91% from 4.82%. Going forward, your fund will devise its portfolio strategy to keep a clear view of different asset classes and the political, economic and corporate stance.

MUFAP's recommended format

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# Faysal Islamic Asset Allocation Fund

## FUND INFORMATION

Fund Type	Open Ended
Category	Shariah Compliant Asset Allocation Scheme
Risk Profile	Moderate to High Risk
Launch Date	September 9, 2015
Custodian/Trustee	CDC
Auditor	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants
Management Fee	2%
Front end Load	less than 2 million : 2% 2 million - less than 5 million : 1% 5 million and above : 0%
Back end Load	Back end - 0 %
Min Subscription	PKR. 5,000
Benchmark*	KMI- 30 Index/6M Deposit rate for A & above rated 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)	125.18
Net Assets (PKR mn)	625.41
Leverage	Nil
Total Expense Ratio	5.71% <small>TER includes 2.01% representing government levy, SECP fee and Sindh worker welfare Fund.</small>

\* Weighted Average Daily Return of KMI-30 Index & 6M Deposit Rate of A & above rated Islamic Banks or Islamic windows of Scheduled Commercial Banks.

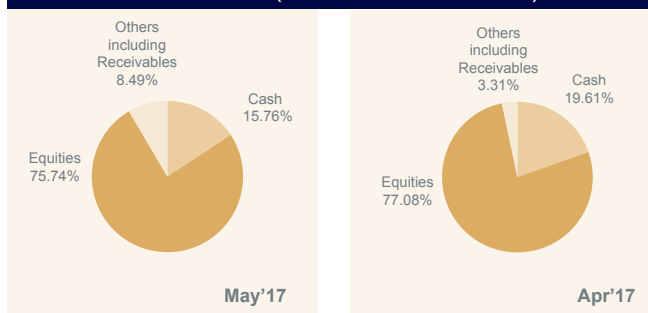
## FUND RETURNS

(Absolute % p.a) Holding Period	FIAAF	Benchmark
FY17 to Date	30.42%	25.91%
Month on Month	4.85%	3.09%
1 year trailing	25.08%	30.51%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FIAAF	(4.02)%	-	-	-	-
Benchmark (YTD)	14.45%	-	-	-	-

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

## ASSET ALLOCATION (% OF TOTAL ASSETS)



## Investment Objective

The objective of Faysal Islamic Asset Allocation Fund (FIAAF) is to earn competitive riba free return by investing in various Shariah compliant asset classes/instruments based on the market outlook and may easily change allocation to take advantage of directional macro and micro economic trends and undervalued stocks.

## SECTOR ALLOCATIONS (% OF TOTAL ASSETS)

	May'17	Apr'17
Cement	14.47%	15.63%
Engineering	14.47%	8.51%
Oil & Gas Marketing Companies	9.95%	13.30%
Fertilizers	7.08%	5.60%
Oil & Gas Exploration Companies	5.72%	2.43%
Others	24.05%	31.61%

## ASSET QUALITY (% OF TOTAL ASSETS)

AA	3.11%
A+	12.63%
A	0.02%
NR (include receivables against sale of investments)	84.24%

## INVESTMENT COMMITTEE

Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuhro	Chief Investment Officer
Mr. Saif Hasan	Fund Manager (Equity)
Ms.Sania Awan	Acting Head of Research

## EQUITY HOLDINGS (% OF TOTAL ASSETS)

Lucky Cement Ltd	9.05%
Sui Northern Gas Pipelines Co.	8.04%
International Steels	7.30%
Engro Corporation Ltd	6.72%
International Industries	3.99%
Hub Power Company Limited	3.99%
National Refinery Limited	3.14%
Oil & Gas Development Co. Ltd	2.93%
Mari Petroleum Company Ltd	2.80%
Packages Limited	2.71%

The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 2,971,177 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.43 (0.34%). For details investors are advised to read the Note 6.2 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal Islamic Asset Allocation Fund yielded a return of 4.85% on a month-on-month basis, outperforming the benchmark by 176bps. The absolute year-to-date return clocked in at 30.42%, outperforming the benchmark by 451bps. During the month, your fund slightly reduced its equity exposure to 75.74% from 77.08% previously. Cash holdings were decreased to 15.76% from 19.61% previously. Going forward, your fund will explore lucrative securities in different Islamic asset classes in order to generate alpha.

## MUFAP's recommended format

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# Faysal MTS Fund

## FUND INFORMATION

Fund Type	Open Ended
Category	Income Scheme
Rating	"A+" f (PACRA)
Risk Profile	Moderate
Launch Date	April 8, 2016
Custodian/Trustee	CDC
Auditor	Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants
Management Fee	1.00%
Front/Back end Load	Less than PKR 5mn FEL will be 1%, For investment PKR 5 million & above FEL will be 0% BEL 0%
Min Subscription	PKR. 5,000
Benchmark	Six months KIBOR rates
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 5:00 pm
AMC Rating	AM3++ (JCRVIS)
NAV per Unit (PKR)	105.26
Net Assets (PKR mn)	126.00
Leverage	Nil
Weighted Average Maturity*	0.13 Yr
Total Expense Ratio	2.30% <small>TER includes 0.3% representing government levy, SECP fee and Sindh worker welfare Fund.</small>

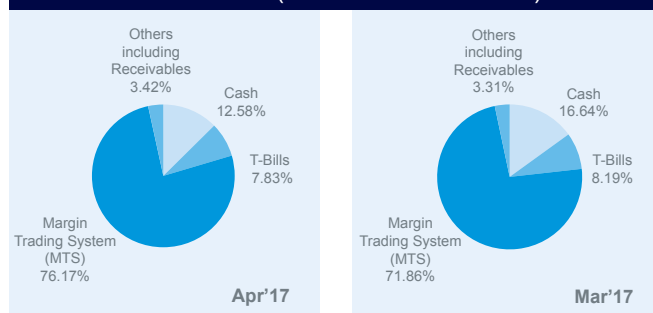
## FUND RETURNS

(Annualized % p.a) Holding Period	FMTS	Benchmark
FY17 to Date	5.66%	6.10%
Month on Month	6.18%	6.15%
1 year trailing	5.96%	6.10%

Returns (%)	FY 16	FY 15	FY 14	FY 13	FY 12
FMTSF	5.96%	-	-	-	-
Benchmark (YTD)	5.51%	-	-	-	-

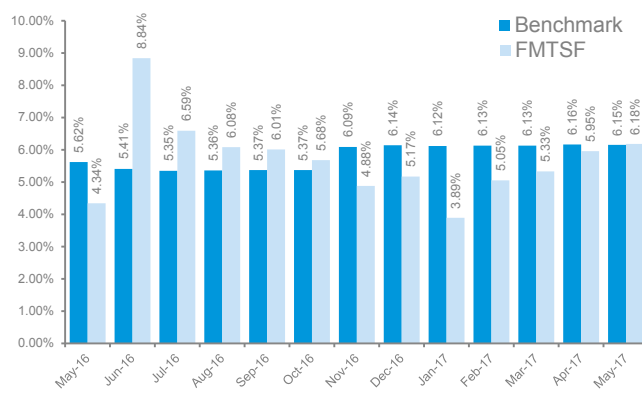
Note: Funds returns computed on NAV to NAV with the dividend reinvestment (excluding Sales Load)

## ASSET ALLOCATION (% OF TOTAL ASSETS)



## ASSET QUALITY (% OF TOTAL ASSETS)

Government Securities	7.83%
AA+	1.24%
AA	0.09%
AA-	11.26%
MTS (Unrated)	76.17%
NR (include receivables against sale of investments)	3.42%



## Investment Objective

The objective of Faysal MTS Fund (FMTSF) is to provide competitive returns primarily through investment in to MTS market.

## INVESTMENT COMMITTEE

Mr.Razi Ur Rahman Khan	Chief Executive Officer
Mr.Ayub Khuhro	Chief Investment Officer
Syed Shahid Iqbal	Sr. Fund Specialist - Fixed Income
Ms.Sania Awan	Acting Head of Research

## NON COMPLIANCE

Name of Non-Complaint Investment	Average Net Assets	Cash Required	Total Available	Excess / (Short)
Cash and cash equivalent -Average For the Month	115.93	28.98	25.94	-3.04

The Scheme has maintained provisions against Sindh Workers' Welfare Fund liability to the tune of Rs. 127,604 as at May 31, 2017. If the same were not made the NAV per unit / return of the Scheme would have been higher by Rs. 0.119 (0.10%). For details investors are advised to read the Note 6.1 of the latest financial statements for the quarter ended March 31, 2017.

## Performance Review

Faysal MTS Fund yielded a return of 6.18% on a month-on-month basis, whereas the annualized year-to-date return clocked in at 5.66%. During the month, exposure in Margin Trading System (MTS) was increased to 76.17% from 70.47% and exposure in T-bills was reduced to 7.83% from 8.75%. Going forward, your fund will explore new avenues in the MTS market to yield higher returns.

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SINCE INCEPTION RETURNS (ANNUALIZED %)									
	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
FIGF	10.12%	9.81%	10.06%	10.00%	10.50%	10.37%	10.20%	10.39%	10.30%
Benchmark	10.08%	11.07%	11.34%	11.66%	11.74%	11.51%	11.33%	11.10%	10.68%
FISGF			9.04%	9.68%	10.20%	9.72%	9.30%	9.12%	8.59%
Benchmark			7.70%	8.27%	8.42%	8.14%	7.89%	7.68%	7.24%
FSGF	10.19%	11.04%	11.02%	11.02%	11.04%	10.70%	10.46%	10.72%	10.42%
Benchmark	9.76%	10.95%	11.32%	11.72%	11.82%	11.54%	11.32%	10.79%	10.35%
FMMF				11.20%	11.09%	10.41%	9.89%	9.64%	8.97%
Benchmark				10.18%	10.08%	9.49%	9.23%	8.93%	8.32%
FFSOF							9.12%	8.26%	7.87%
Benchmark							8.96%	8.59%	7.68%
FMTSF									5.96%
Benchmark									5.51%

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

SINCE INCEPTION RETURNS (ABSOLUTE %)									
	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16
FBGF	52.35%	15.79%	41.25%	55.35%	48.06%	76.42%	102.33%	142.46%	160.37%
Benchmark	80.25%	50.64%	87.36%	126.41%	152.65%	230.21%	307.91%	358.58%	398.01%
FAAF			30.70%	57.60%	57.57%	89.49%	121.72%	157.55%	151.22%
Benchmark			24.07%	49.13%	66.46%	123.77%	191.38%	230.54%	260.75%
FIAAF									-4.02%
Benchmark									14.45%

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

## Faysal Asset Management Limited

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[twitter.com/faysalasset](https://twitter.com/faysalasset)

### 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



## Be Smart Be Happy

Avail Tax Credits  
Generate Income  
Save For a Rainy Day



## Avail Tax Credits - Be Smart Be Happy

Invest in one or more Funds of Faysal Asset Management mutual funds ,Simply do the following and be happy :)

**Salaried People** Submit FAML statement of account to your Pay Roll / HR department, They will immediately stop deducting taxes from your salary till June-17 upto available tax credit.

**Non-Salaried/Self-employed people**, Reduce tax payable in your tax return by the available tax credit. Simply show Investment in FAML Funds in your wealth statement.

### ENJOY YOUR SAVINGS AND BE HAPPY :)

The benefits shown in the following tables are calculated as an illustration based on maximum permissible Investments subject to respective income brackets as defined in ITO, 2001.

Salaried Individuals				
Monthly Taxable Income PKR	Effective Tax Rate %	Annual Tax Amount PKR	Permissible Investment for Tax Credit PKR	Taxes Saved PKR 😊
100,000	4.96%	59,500	240,000	11,904
200,000	10.08%	242,000	480,000	48,384
300,000	13.81%	497,000	720,000	99,432
400,000	17.02%	817,000	960,000	163,392
500,000	19.12%	1,147,000	1,200,000	229,440
600,000	20.58%	1,482,000	1,440,000	296,352
700,000	21.93%	1,842,000	1,500,000	328,950
800,000	22.94%	2,202,000	1,500,000	344,100

Self- Employed Individuals				
Monthly Taxable Income PKR	Effective Tax Rate %	Annual Tax Amount PKR	Permissible Investment for Tax Credit PKR	Taxes Saved PKR 😊
100,000	8.29%	99,500	240,000	19,896
200,000	13.52%	324,500	480,000	64,896
300,000	17.21%	619,500	720,000	123,912
400,000	19.99%	959,500	960,000	191,904
500,000	21.99%	1,319,500	1,200,000	263,880
600,000	24.16%	1,739,500	1,440,000	347,904
700,000	25.71%	2,159,500	1,500,000	385,650
800,000	26.87%	2,579,500	1,500,000	403,050

- To avail tax credit, a minimum investment holding period of 2 years from the date of investment is required.
- As per Section 62 of the Income Tax Ordinance, 2001 an individual investor of open end mutual ( Unit trust schemes) can claim tax credit on investment up to Rs. 1,500,000/- or 20% of individual's taxable income ( whichever is lower ) on an investment made in Mutual Funds between July 1st and June 30th in each year.
- To assist you Faysal Mutual Funds Tax Calculator is available on our website ([www.faysalfunds.com](http://www.faysalfunds.com)) to calculate tax investible amount and tax credit available.

Call Now or Email  
Don't Wait - Procrastination = Losses = 😞  
Hurry - 30th June is the last date for availing tax credit.

Investors are advised to seek independent professional advise in tax matters. Capital gain tax and withholding tax on dividend and bonus units will be charged according to Income Tax Law, if applicable.

Call us on 021 111329725, Ext. 302 & 249, 021 32275169 or email at [customerservices@faysalfunds.com](mailto:customerservices@faysalfunds.com)

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Karachi - Pakistan

### Customer Services

Monday to Friday From 9:00 AM to 5:00 PM. UAN: 111329725,  
Ext. 302 & 249, 021 32275169 Fax: 021 32277301

### 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 of future results. Please read the offering documents of respective schemes for understanding the investment policies, the risks and the taxation involved.



The Art of Investment

Faysal Asset Management

# Islamic Asset Allocation Fund

Raise the bar with Halal earnings.



**Risk Disclosure:** All investments in mutual fund are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand the investment policies, taxation policies and risks involved.

## Islamic Asset Allocation Fund

### Fund Objective

The objective of Faysal Islamic Asset Allocation Fund (FIAAF) is to earn competitive riba free return by investing in various Shariah compliant asset classes/instruments based on the market outlook and may easily change allocation to take advantage of directional macro and micro economic trends and undervalued stocks.

### Key Benefits

- Earn Riba free - Halal Returns
- No minimum holding period of investment
- Open-end Fund Structure – Ease of entry & exit (in part or whole)
- Proactive portfolio rebalancing to harness optimal asset allocation among equity, fixed income & money market asset classes
- Opportunity to track escalating equity market returns in times of rapidly growing economy
- Portfolio engineered to manage risk while maintaining liquidity
- Encashment without any penalty
- Start your Investment with as low as PKR 5,000/-
- Hassle-free portfolio diversification through a single investment scheme
- Avail Tax credit benefits as per section 62 income tax ordinance 2001

### FUND INFORMATION

Fund type	Open ended
Category	Islamic Asset Allocation Fund
Risk Profile	Moderate to High risk
Launch Date	September 9, 2015
Trustee	CDC
Auditors	Ernst & Young Ford Rhodes Sidat Hyder
Management Fee	2.0% per annum
Front end Load	0 - less than 2 million : 2% 2 million - less than 5 million : 1% 5 million and above : 0%
Back end Load	Back end - 0%
Minimum Investment	PKR 5,000/-
Benchmark	Weighted Average Daily Return of KMI-30 Index and Six (6) Month Deposit Rate of A and above rated Islamic Banks or Islamic windows of Scheduled Commercial Banks based on the Fund's actual proportion in the Equity and Income / Money Market securities.
Pricing Mechanism	Forward
AMC Rating	AM3++ (JCRVIS)

Returns (%)	FY17 to Date
FIAAF	30.42%
Benchmark	25.91%

\*FY17 to Date as published in May 2017 FMR

Available at Selected branches of Faysal Bank Ltd.

Head Office 8th Floor, Tower A, Saima Trade Tower, I.I. Chundrigar Road, Karachi-Pakistan

<b>Karachi</b>	<b>Lahore</b>	<b>Islamabad</b>	<b>Website</b>
U 92 21 111329725, Ext. 302 & 249	T 92 42 35785558	T 92 51 2605721/23	f faysalfunds.com
F 92 21 32277301	F 92 42 35755196	F 92 51 2275254	f facebook.com/faysalasset
			➔ twitter.com/faysalasset

## Also Available at Branches of Faysal Bank Limited

Faysal Bank Limited  
Old Bahawalpur Road Branch (133)  
129/1, Old Bahawalpur Road,  
Multan, Phone: 061-6214903

Faysal Bank Limited  
310-Upper Mall Shahrah-e-Quaid-e-Azam,  
Lahore,  
Phone: 042-35789201, 042-111-11-22-33,  
042-35789013  
Fax: 042-35751020310

Faysal Bank Limited  
Bilal Road, Civil Lines,  
Faisalabad, (111)  
Phone: (92 41) 2644476, 041-2644481-5,  
111-747-747  
Fax: 041-2640545, 041-2644486

Faysal Bank Limited  
9-A, Main Boulevard, Gulberg,  
Lahore, (148)  
Phone: 042-35817262 / 042-35787823-9  
Fax: 042-35787830

Faysal Bank Limited  
1 Fakhre-e-Alam Road Cantt,  
Peshawar, 411  
Phone: 091-5260337 / 091-5285289,  
5270176-8  
Fax: 091-5275503

Faysal Bank Limited  
841 Farooqabad, Main Mansehra Road,  
Peshawar,  
Phone: 0992-385927 / 0992-385919-28  
Fax: 0992-385921

Faysal Bank Limited  
32 Haider Road, Rawalpindi Cantt,  
Rawalpindi, 120  
Phone: 051-5701018 - 22  
Fax: 051-55258

Faysal Bank Limited  
15, Markaz F-7, Opposite FG College for Women,  
F-7/2,  
Islamabad, 332  
Phone: 051-111-11-22-33  
Fax: 051-2651331

Faysal Bank Limited  
Plot Number 339, Main Bohra Bazar Saddar,  
Hyderabad, 138  
Phone: 022-2728359 / 022-2728356-58  
Fax: 022-2728360

Faysal Bank Limited (282)  
Garrison Officers Mess, 12 Tufail Road,  
Lahore Cantt Lahore,  
Phone: 042-36604909-15  
Fax: 042-36604905

Faysal Bank Limited Branch (464)  
Awami Complex, Block No 2,  
New Garden Town, Lahore,  
Phone: 042-35861111, 042-35868776  
Fax: 042-35889869

Faysal Bank Limited  
Z Block Lahore, 326 Z, Commercial Area,  
DHA, Lahore,  
Phone: 042-35728246

Faysal Bank Limited  
136/1, Block-H, Commercial Area Phase I, DHA,  
Lahore Cantt,  
Lahore,  
Phone: 042-35897712-17  
Fax: 042-35897720

Faysal Bank Limited  
43 Shahrah-e-Quaid-e-Azam,  
Lahore,  
Phone: 042-37314051-53, 042-37236014-8  
Fax: 042-37314447

Faysal Bank Limited  
(457) 25-B-2, Gulberg III, Lahore,  
Phone: 042-35717141-5,  
Fax: 042-35718050

Faysal Bank Limited  
Cavalry Ground (3421)  
97- Commercial Area, Cavalry Ground,  
Lahore,  
Phone: 042-36603412-15  
Fax: 042-36603411

Faysal Bank Limited  
5th Road City Shopping Centre,  
Commercial Market, Satellite Town,  
Rawalpindi,  
Phone: 051-4424969-72  
Fax: 051-4424962

Faysal Bank Limited  
15-West, Jinnah Avenue Blue Area,  
Islamabad,  
Phone: 051-111-747-747, 2275096-8  
Fax: 051-2275095

Faysal Bank Limited  
(194) Plot 14, F-11 Markaz,  
Islamabad,  
Phone: 051-2228142-4  
Fax: 051-2228145

Faysal Bank Limited  
(452) 78-W, Roshan Center, Jinnah Avenue,  
Blue Area, Islamabad,  
Phone: 051-227-5250-2  
Fax: 051-2275254

Faysal Bank Limited  
(144)  
130/1, Main Korangi Road, KM Centre,  
Phase I, DHA, Karachi,  
Phone: 021-35388161, 021-35388175  
Fax: 021-35391345

Faysal Bank Limited  
(173) 14-C, Khayaban e Tanzeem,  
Tauheed Commercial, DHA, Phase V,  
Karachi,  
Phone: 021-35877909-10  
Fax: 021-35877847  
Faysal Bank Limited

(118) Quality Heights, K.D.A Scheme # 5,  
Clifton, Karachi,  
Phone: 021-35863771-73  
Fax: 021-35863774

Faysal Bank Limited  
(269) Plot Number DC-1, 16-A and 16-B,  
Block 5, Clifton Centre, Kehkashan,  
Karachi,

Phone: 021-35830113-5  
Fax: 021-35875404

Faysal Bank Limited  
(441) 19-C Bukhari Commercial Lane No 5,  
Ground, Basement and 1st Floor,  
Phase VI, DHA, Karachi,  
Phone: 021-35149595 - 97  
Fax: 021-35149591

Faysal Bank Limited  
(330) 16-Abdullah Haroon Road, Karachi,  
Phone: 111 11 22 33

Faysal Bank Limited  
(110) ST- 02, Main Shahra e Faisal  
(FAYSAL HOUSE), Karachi,  
Phone: 021-111-747-747, 32795200  
Fax: 021-32795234

Faysal Bank Limited  
(342) D-4, Block D, North Nazimabad,  
Karachi,  
Phone: 021-36721600-4  
Fax: 021-36721614

Faysal Bank Limited  
(338) Address: 22/C, Lane-2, Shahbaz  
Commercial, Phase V1, DHA, Karachi  
(175) 14-C, Sunset Commercial Street # 2,  
Phase IV, DHA, Karachi,  
Phone: 021-35802423  
Fax: 021-35802425

Faysal Bank Limited  
(333) 72-A/Z, Block 7/8, Al-Riaz Cooperative  
Housing Society, Karachi  
Phone: 021-34376342, 021-

Faysal Bank Limited  
(165) Plot Number Commercial 7/1, Block 2, Green  
Belt Residency No.13-16, KDA Scheme-5 Shop,  
Kehkashan, Clifton  
Karachi,  
Phone: 021-35877922, 021-35375103  
Fax: 021-35877925

Faysal Bank Limited  
(119) B -35, Block 13-A Main University  
Road, Gulshan e Iqbal, Phone: 021-3499 4262-3  
(422) State Life Building. 11, Abdullah Haroon  
Road Karachi, Phone: 021-386 79355-56

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