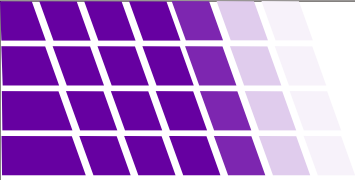


MISSION STATEMENT

To rank in the top quartile
in performance of
NAFA FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors

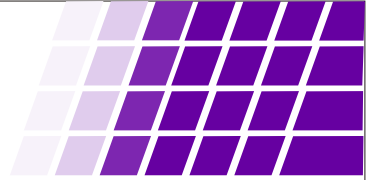


NAFA FUNDS

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NAFA FUNDS



FUNDS' INFORMATION

Management Company

National Fullerton Asset Management Limited.

Board of Directors of the Management Company

Mr. Masood Karim Shaikh	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Gerard Lee How Cheng	Director
Mr. Raymond H. Kotwal	Director
Mr. Patrick Pang Chin Hwang	Director
Mr. Shahid Anwar Khan	Director
Syed Naseer ul Hassan	Director

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Gerard Lee How Cheng	Chairman
Mr. Shahid Anwar Khan	Member
Mr. Raymond H. Kotwal	Member

Trustee

Central Depository Company of Pakistan Limited (CDC)
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi.

Bankers to the Fund

NAFA CASH FUND

Allied Bank Limited
Arif Habib Bank Ltd.
Askari Bank Limited
Atlas Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
KASB Bank Limited
MCB Bank Limited
My Bank Limited
National Bank of Pakistan
NIB Bank Limited
Saudi Pak Commercial Bank Ltd.
Soneri Bank Limited
Standard Chartered Bank (PAK)Ltd.
The Bank of Khyber
The Bank of Punjab
Royal Bank of Scotland Limited
United Bank Limited



NAFA FUNDS

Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road,
P.O. Box 4716
Karachi.

Legal Advisor

Jooma & Soomro, Advocates and Legal Consultants
103, Ammera Centre,
Shahrah-e-Iraq, Karachi.

Head Office

9th Floor, Adamjee House
I.I. Chundrigar Road,
Karachi.

Lahore Office :

68-B-1, M.M. Alam Road,
Gulberg 3, Lahore.
Uan : 042-111-111-632
Phone No. 042-5778248-63
Fax: 042-5876806

Islamabad Office:

Plot No. 395, 396 Industrial Area, 1-9/3, Islamabad
Uan : 051-111-111-632 Phone : 051-2514987
Fax: 051-4859031

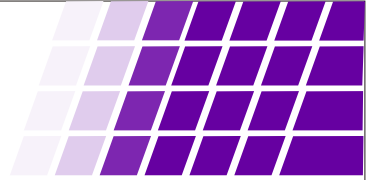
Peshawar Office:

1st Floor Haji Tehmas Centre,
Near KFC, Tehkal Payan
University Road, Peshwar.
Phone No. 92-91-5711784, 5711782
Fax: 92-91-5211780

Multan Office:

82 Khan Centre Near SP Chowk
Abdali Road, Multan Cantt,
Multan.

NAFA CASH FUND



NAFA CASH FUND

**HALF YEARLY REPORT
FOR THE HALF YEAR ENDED
DECEMBER 31, 2008
(UN-AUDITED)**





NAFA CASH FUND

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NAFA CASH FUND

DIRECTORS' REPORT

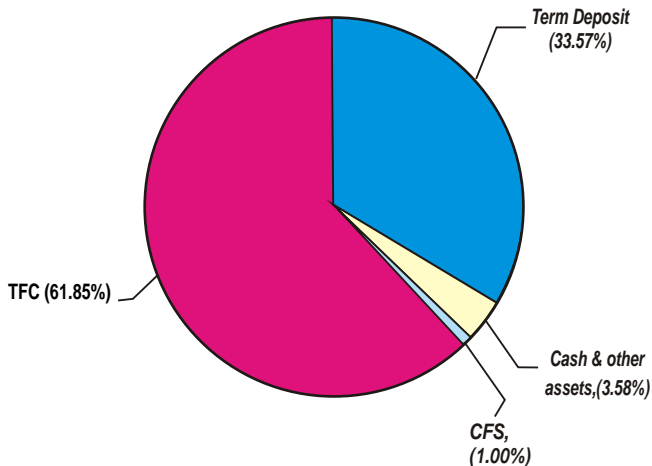
The Board of Directors of National Fullerton Asset Management Limited is pleased to present the unaudited financial statements of NAFA Cash Fund for the half year ended December 31, 2008

Funds Performance

Assets under management of NAFA Cash Fund have reduced from Rs.24,044 million to Rs.10,374 million during the period i.e. a decline of 56.85%. This is due to an overall run on the mutual funds industry as a result of a liquidity crunch in the financial markets, the resultant drop in value of all assets classes, and uncertainty among investors. Due to reduction in the market value of debt securities in the Fund on account of the liquidity crunch during the period, the unit price of NAFA Cash Fund has reduced from Rs.9.7650 on June 30, 2008 (Ex-Div) to Rs. 9.5895 on December 31, 2008, translating into a decline of 1.80% during the period

NAFA Cash Fund has earned a total income of Rs. 432.35 million during the period. After deducting total expenses of Rs.365.90 million, the net income is Rs. 66.45 million. The resultant per unit loss, after accounting for unrealized revaluation loss of Rs. 415.52 million on available for sale investments, is Re.0.1775. The asset allocation of NAFA Cash Fund as on December 31, 2008 is as follows:

Asset Allocation as on December 31, 2008





NAFA CASH FUND

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance

The Board also wishes to place on record its appreciation for the hard work dedication and commitment shown by the staff and the Trustee

On behalf of the Board of
National Fullerton Asset Management Limited

Masood Karim Shaikh, FCA
Chairman

Dr. Amjad Waheed, CFA
Chief Executive

Date: February 17, 2009
Place: Karachi.

NAFA CASH FUND

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

NAFA Cash Fund (the Fund), an open-end scheme was established under a trust deed dated February 11, 2006 executed between National Fullerton Asset Management Limited, as the Management Company and Central Depository Company of Pakistan Limited, as the Trustee.

In our opinion, the Management Company has in all material respects managed the Fund during the period from July 01, 2008 to December 31, 2008 in accordance with the provisions of the following.

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Muhammad Hanif

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: February 27, 2009



NAFA CASH FUND

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NAFA Cash Fund** as at December 31, 2008, and the related condensed interim income statement, condensed interim distribution statement, condensed interim cash flow statement and condensed interim statement of movement in unit holders' funds together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2008. The Management Company (National Fullerton Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim income statement, condensed interim distribution statement, condensed interim cash flow statement and condensed interim statement of movement in unit holders' funds for the quarters ended December 31, 2008 and 2007 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2008.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2008 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

A.F. Ferguson & Co.

Chartered Accountants

Dated: February 24, 2009
Karachi

NAFA CASH FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2008

	Note	Unaudited December 31, 2008	Audited June 30, 2008
----- Rupees in '000 -----			
Assets			
Balances with banks		752,479	4,551,072
Receivable against Continuous Funding System (CFS) transactions		104,055	3,993,216
Investments	4	6,517,832	8,410,167
Loans and receivables	5	3,400,000	6,429,802
Receivable against sale of investment		287,463	254,258
Advances, deposits, prepayments and other receivables		8,867	51,048
Dividend and profit receivable	6	698,946	506,066
Preliminary expenses and floatation costs		1,153	1,403
Total assets		11,770,795	24,197,032
Liabilities			
Accrued expenses and other liabilities	7	19,476	25,649
Borrowings from financial institutions	8	1,300,000	-
Payable on redemption of units		37,778	75,581
Payable to National Fullerton Asset Management Limited - Management Company		29,975	27,694
Payable to Central Depository Company of Pakistan Limited - Trustee		1,074	1,928
Payable to Securities and Exchange Commission of Pakistan		8,961	22,381
Total liabilities		1,397,264	153,233
Net assets		10,373,531	24,043,799
Unit holders funds (as per statement attached)		10,373,531	24,043,799
Commitments			
	10	Number of units	
Number of units in issue		1,081,763,769	2,231,047,818
		Rupees	
Net asset value per unit		9.5895	10.7769

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

**For National Fullerton Asset Management Limited
(Management Company)**

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2008

	Half year ended		Quarter ended	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
	Rupees in '000		Rupees in '000	
Income				
Profit on bank deposits	558,870	345,672	196,555	167,819
Income from Continuous Funding System (CFS) transactions	103,801	427,280	17,621	214,106
Gain / (loss) on sale of investments - net	(73,323)	14,090	(74,232)	13,064
Income from spread transactions	5,387	22,209	(140)	22,209
Income from term finance certificates, sukuk bonds and commercial papers	611,362	308,743	313,241	181,781
Income on certificates of deposit and clean placements	15,087	21,783	3,714	7,528
Net unrealised appreciation / (diminution) in the value of investments at fair value through profit or loss	(426,781)	41,674	(414,369)	2,678
Total income	794,403	1,181,451	42,390	609,185
Expenses				
Remuneration of National Fullerton Asset Management Limited - Management Company	138,910	154,379	53,135	81,602
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9,765	10,795	3,795	5,692
Annual fee - Securities and Exchange Commission of Pakistan	8,961	10,292	3,243	5,440
Annual listing fee	15	15	7	8
Brokerage and other transaction costs	2,840	34,834	297	15,116
Settlement charges and bank charges	6,445	6,065	539	2,539
Financial charges	33,988	-	33,988	-
Auditors' remuneration	258	224	134	112
Impairment loss on investments classified as 'available for sale'	149,700	-	149,700	-
Provision against impairment in loans and receivables	12,229	1,802	11,061	(2,287)
Fund rating fee	71	-	71	-
Legal charges	16	-	16	-
Other expenses	2,449	-	1,913	-
Amortisation of preliminary expenses and floatation costs	250	252	124	126
Total expenses	365,897	218,658	258,023	108,348
Net income / (loss) from operating activities	428,506	962,793	(215,633)	500,837
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	(362,057)	100,324	(308,155)	63,005
Net income / (loss) for the period	66,449	1,063,117	(523,788)	563,842
Earnings / (loss) per unit	11			

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

**For National Fullerton Asset Management Limited
(Management Company)**

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2008

	Half year ended		Quarter ended	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Undistributed income brought forward	1,684,637	1,775,971	619,970	550,968
Final distribution for the year ended June 30, 2008: 7.34% (2007:10.50%)				
- Bonus units	(1,252,063)	(1,729,719)	-	-
- Cash distribution	(389,760)	-	-	-
Interim distribution for the quarter ended September 30, 2008: 2.85% (2007:Nil)				
- Bonus units	(268,945)		(268,945)	
- Cash distribution	(206,556)		(206,556)	
Net element of income and capital gains included in prices of units sold less those in units repurchased - amount representing income that forms part of the unitholders' funds	281,585	10,246	294,666	4,805
Net income / (loss) for the period	66,449	1,063,117	(523,788)	563,842
Undistributed income / (loss) carried forward	<u>(84,653)</u>	<u>1,119,615</u>	<u>(84,653)</u>	<u>1,119,615</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

**For National Fullerton Asset Management Limited
(Management Company)**

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2008

	Half year ended		Quarter ended	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Net assets at the beginning of the period	24,043,799	18,248,177	21,032,581	20,738,605
Issue of 1,034,094,182 units including 151,357,438 bonus units (2007: 3,473,451,786 units)	8,826,881	33,997,556	3,382,359	15,750,713
Redemption of 2,183,378,231 units (2007: 2,925,644,024 units)	(21,913,821)	(30,133,918)	(13,211,890)	(13,915,547)
	(13,086,940)	3,863,638	(9,829,531)	1,835,166
Final Distribution for the year ended June 30, 2008:7.34% (2007:10.50%)	1,252,063	-	-	-
Interim distribution: Issue of bonus units	268,945	-	268,945	-
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
-amount representing accrued (income) / loss and capital (gains) / losses - transferred to Income Statement	362,057	(100,324)	308,155	(63,005)
-amount representing (income) / loss that form part of unitholders' fund - transferred to Distribution Statement	(281,585)	(10,246)	(13,081)	(4,805)
	80,472	(110,570)	295,074	(67,810)
Net unrealised diminution in the value of investments classified as 'available for sale'	(415,518)	-	(407,330)	-
Net income / (loss) for the period	66,449	1,063,117	(523,788)	563,842
Distribution:				
Final distribution for the year ended June 30, 2008:7.34% (2007:10.50%)				
- Bonus distribution	(1,252,063)	-	-	-
- Cash distribution	(389,760)	-	-	-
Interim Distribution				
- Bonus distribution	(268,945)	-	(268,945)	-
- Cash distribution	(206,556)	-	(206,556)	-
Net element of income and capital gains included in prices of units sold less those in units repurchased - amount representing income that forms part of the unit holders' funds	281,585	10,246	13,081	4,805
Net assets as at the end of the period	<u>10,373,531</u>	<u>23,074,608</u>	<u>10,373,531</u>	<u>23,074,608</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2008

	Half year ended		Quarter ended	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
	----- Rupees in '000 -----		----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES				
Net income / (loss) for the period	66,449	1,063,117	(523,788)	563,842
Adjustments				
Net unrealised (appreciation) / diminution on investments at fair value through profit or loss - net	426,781	(41,674)	414,369	(2,678)
Amortization of preliminary expenses and floatation costs	250	252	124	126
Loss on sale of investments	73,323	(14,090)	74,232	(13,064)
Impairment loss on investments classified as 'available for sale'	149,700	-	149,700	-
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	362,057	(100,324)	308,155	(63,005)
	1,078,560	907,281	422,792	485,221
(Increase) / decrease in assets				
Receivable against Continuous Funding System (CFS) transactions	3,889,161	1,659,721	516,527	(614,773)
Receivable against spread transactions	-	-	-	-
Investments	827,013	(3,525,699)	872,150	(574,388)
Loans and receivables	3,029,802	1,551,801	1,738,634	(2,052,288)
Receivable against sale of investment	(33,205)	(313,274)	(287,463)	(313,274)
Advances, deposits, prepayments and other receivables	42,181	(542,060)	(389)	(542,064)
Dividend and profit receivable	(192,880)	(230,102)	(33,695)	(99,384)
	7,562,072	(1,399,613)	2,805,764	(4,196,171)
Increase / (decrease) in liabilities				
Accrued expenses and other liabilities	(6,173)	29,362	(882)	37,018
Payable on redemption of units	(37,803)	207,474	24,194	207,474
Payable to brokers	-	-	-	(83,799)
Payable to National Fullerton Asset Management Limited - Management Company	2,281	6,885	3,266	2,379
Payable to Central Depository Company of Pakistan Limited - Trustee	(854)	546	(806)	246
Payable to Securities and Exchange Commission of Pakistan	(13,420)	2,359	(19,139)	(2,492)
	(55,969)	246,626	6,633	160,826
Net cash inflow / (outflow) on operating activities	8,584,663	(245,706)	3,235,189	(3,550,124)
CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings from financial institutions	1,300,000	-	1,300,000	-
Receipts from issue of units	8,826,881	33,997,556	3,382,359	15,750,713
Redemption of units	(21,913,821)	(30,133,918)	(13,211,890)	(13,915,547)
Distribution paid	(596,316)	-	(206,556)	-
Net cash inflow / (outflow) on financing activities	(12,383,256)	3,863,638	(8,736,087)	1,835,166
Net increase / (decrease) in cash and cash equivalents during the period				
	(3,798,593)	3,617,932	(5,600,898)	(1,714,958)
Cash and cash equivalents at the beginning of the period	4,551,072	3,111,277	6,253,377	8,444,167
Cash and cash equivalents as at the end of the period	752,479	6,729,209	752,479	6,729,209

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited (Management Company)

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2008

1 LEGAL STATUS AND NATURE OF BUSINESS

The NAFA Cash Fund (NCF) was established under a Trust Deed executed between National Fullerton Asset Management Limited (NAFA) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on February 11, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 30, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

NCF is an open-ended mutual fund and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The core objective of the Fund is to seek maximum preservation of capital and a reasonable rate of return by investing primarily in money market and debt securities having a good credit rating and liquidity.

JCR-VIS Credit Rating Company Limited (JCR-VIS) has revised the rating of the Management Company to AM-Developing Situation from AM2 and of the Fund to 'Rating Watch-Developing' Status from A(f) on December 29, 2008. The Fund has two year performance rating of 'five star' dated June 30, 2007.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulation or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended June 30, 2008:

	Note	Unaudited December 31, 2008	Audited June 30, 2008
		----- Rupees in '000 -----	
4 INVESTMENTS			
At fair value through profit or loss	4.1	3,042,183	3,547,051
Available for sale	4.2	3,475,649	4,863,116
		<u>6,517,832</u>	<u>8,410,167</u>
4.1 Investments at fair value through profit or loss			
Equity securities - listed	4.1.2	20,373	-
Equity securities purchased under future sale contracts	4.1.5	-	92,174
Units of open end mutual funds	4.1.4	-	75,473
Term finance certificates - listed	4.1.6	3,021,810	3,379,404
		<u>3,042,183</u>	<u>3,547,051</u>

NAFA CASH FUND

- 4.1.1 NAFA Cash Fund has entered into a Voluntary Continuous Funding System Mark-II Square Up Program (the Program) with National Clearing Company of Pakistan Limited for squaring up of its outstanding exposure in CFS. The need for this program developed due to the large number of suspension of members in December 2008 following eight days of continuous market lower locks in the underlying CFS shares posing great difficulty in squaring up and the likelihood of systemic risk emanating therein. The aim of this program is to ensure the full repayment of financier funds and prevent mass scale broker defaults enabling a vast majority of them to return from suspension.

Under the terms of the Program, CFS shares and their associated margins in the form of exposure shares (i.e those shares which were deposited as collateral against the specific shares financed in the CFS market by the relevant financee broker) were sold to the financiers at a discount of 12.5% and 15% respectively to their closing prices prevailing as at December 24, 2008. The financiers opting into the program have purchased shares of an amount equal to the 30% of the total value they had financed in the CFS market at the aforementioned price. The remaining 70% that they had financed in the CFS market along with the mark-up accrued thereon was to be settled in cash.

Consequent to the announcement of the Program, NAFA Cash Fund has purchased shares of an amount equal to approximately 30% of the total value that they had financed in the CFS market which have been classified in the short-term investments. The remaining 70% CFS balance along with the entire mark-up accrued thereon has been received subsequent to the period ended December 31, 2008.

The SECP vide its circular no. NBFC-1/MUFAP/01/2009 dated January 1, 2009, has permitted all income / money market funds to keep the shares acquired under the Program for a period of three months extendable to another three months upon application to SECP. However, in case the price of these shares attains the level determined in the program i.e. 12.5% discount to the closing price as of December 24, 2008, the Fund is required to dispose of these shares immediately.

4.1.2 Equity securities - listed

Name of the investee company	Number of shares					Market value as at December 31, 2008	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at December 31, 2008		
							(Rupees in '000)

All the holding are in shares of Rs. 10/- each unless otherwise stated.

Investment Banks/Companies

Arif Habib Limited	-	9,071	-	-	9,071	775	0.01
Arif Habib Securities Limited	-	330,869	-	330,869	-	-	-
Dawood Equities Limited	-	61	-	-	61	1	0.00
First National Equities Limited	-	10	-	-	10	1	0.00
Investment & Finance Securities Limited	-	3	-	-	3	-	-
Jahangir Siddiqui Company Limited	-	25,725	-	25,725	-	-	-
Jahangir Siddiqui Investment Company Limited	-	693	-	-	693	30	0.00
J.O.V. & Company	-	9,244	-	-	9,244	84	0.00
Pervez Ahmed Securities Limited	-	8,389	-	-	8,389	30	0.00

Commercial Banks

Allied Bank Limited	-	573	-	-	573	18	0.00
Askari Bank Limited	-	158,672	-	-	158,672	2,312	0.02
Arif Habib Bank	-	113,813	-	-	113,813	629	0.01
Bank Al-Falah Limited	-	145,179	-	145,179	-	-	-
The Bank of Punjab	-	2,877	-	-	2,877	38	0.00
Bank Al Habib Limited	-	90	-	-	90	2	0.00
Bank Islami Pakistan Limited	-	69,587	-	69,587	-	-	-
Faysal Bank Limited	-	1,490	-	-	1,490	17	0.00
Habib Bank Limited	-	9,321	-	-	9,321	698	0.01
MCB Bank Limited	-	24,903	-	24,903	-	-	-
Meezan Bank Limited	-	113	-	13	100	2	0.00
National Bank of Pakistan	-	116,049	-	116,049	-	-	-
NIB Bank Limited	-	120,366	-	-	120,366	562	0.01
J. S. Bank Limited	-	81,520	-	-	81,520	468	0.00
Soneri Bank Limited	-	193	-	-	193	2	0.00
Saudi Pak Commercial Bank Limited	-	58,503	-	-	58,503	293	0.00
United Bank Limited	-	28,730	-	28,730	-	-	-

Balance carried forward

5,961

0.06

NAFA CASH FUND

Name of the investee company	Number of shares					Market value as at December 31, 2008	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at December 31, 2008		
						(Rupees in '000)	
Balance brought forward						5,961	0.06
Insurance							
Adamjee Insurance Company Limited	-	453	-	453	-	-	-
EFU General Insurance Limited	-	3,390	-	-	3,390	451	0.00
Pakistan Reinsurance Limited	-	1,658	-	-	1,658	39	0.00
Textile Spinning							
D.S Industries Limited	-	3,819	-	3,819	-	-	-
Textile Composite							
Azgard Nine Limited (Non-voting)	-	257	-	-	257	13	0.00
Azgard Nine Limited	-	24,825	-	24,825	-	-	-
Dawood Lawrencepur Limited	-	232	-	232	-	-	-
Nishat (Chunian) Mills Limited	-	1,763	-	-	1,763	17	0.00
Nishat Mills Limited	-	131,711	-	131,711	-	-	-
Synthetic & Rayon							
Dewan Salman Fibre Limited	-	34,214	-	-	34,214	48	0.00
Cement							
Al Abbas Cement Company Limited	-	508	-	-	508	2	0.00
Deewan Cement Limited	-	1,868	-	-	1,868	6	0.00
D.G Khan Cement Company Limited	-	14,499	-	14,499	-	-	-
Lucky Cement Limited	-	32,056	-	32,056	-	-	-
Fauji Cement Company Limited	-	6,371	-	-	6,371	30	0.00
Maple Leaf Cement Limited	-	3,142	-	-	3,142	13	0.00
Pakistan Cement Limited	-	10,116	-	-	10,116	32	0.00
Pioneer Cement Limited	-	1,701	-	-	1,701	41	0.00
Thatta Cement Limited	-	1	-	-	1	-	-
Refinery							
Attock Refinery Limited	-	3,632	-	3,632	-	-	-
Bosicor Pakistan Limited	-	16,667	-	16,667	-	-	-
National Refinery Limited	-	288	-	288	-	-	-
Pakistan Refinery Limited	-	1,540	-	1,540	-	-	-
Power & Generation & Distribution							
The Hub Power Company Limited	-	14,680	-	14,680	-	-	-
Kot Addu Power Company Limited	-	234	-	-	234	7	0.00
Oil & Gas Marketing Companies							
Attock Petroleum Limited	-	1,675	-	-	1,675	242	0.00
Pakistan State Oil Company Limited	-	87,550	-	87,550	-	-	-
Sui Southern Gas Company Limited	-	6,784	-	-	6,784	71	0.00
Sui Northern Gas pipelines Company Limited	-	36,011	-	-	36,011	773	0.01
Oil & Gas Exploration Companies							
Mari Gas Company Limited	-	959	-	959	-	-	-
Oil and Gas Development Company Limited	-	52,007	-	52,007	-	-	-
Pakistan Oilfields Limited	-	42,046	-	42,046	-	-	-
Pakistan Petroleum Limited	-	1,993	-	1,993	-	-	-
Engineering							
Crescent Steel and Allied Products Limited	-	1,877	-	1,877	-	-	-
Dost Steel Limited	-	1,554	-	-	1,554	12	0.00
Automobile Assemblers							
Honda Atlas Cars (Pakistan) Limited	-	4,773	-	-	4,773	55	0.00
Indus Motor Company Limited	-	135	-	-	135	17	0.00
Balance carried forward						7,830	0.08

NAFA CASH FUND

Name of the investee company	Number of shares					Market value as at December 31, 2008	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at December 31, 2008		
(Rupees in '000)							
Balance brought forward						7,830	0.08
Cable & Electrical Goods							
Pak Electron Limited	-	3,741	-	-	3,741	85	0.00
Transport							
Pakistan International Container Terminal Limited	-	305	-	305	-	-	-
Technology & Communications							
Eye Television Network Limited	-	9	-	9	-	-	-
Pakistan Telecommunication Company Limited	-	24,322	-	24,322	-	-	-
Netsol Technologies Limited	-	355,575	-	355,575	-	-	-
TRG Pakistan Limited	-	31,587	-	-	31,587	56	0.00
Telecard Limited	-	4,493	-	-	4,493	9	0.00
World Call Telecommunication Limited	-	122,506	-	-	122,506	364	0.00
Fertilizers							
Engro Chemicals Pakistan Limited	-	894	-	894	-	-	-
Fauji Fertilizer Company Limited	-	19,287	-	-	19,287	1,133	0.01
Fauji Fertilizer Bin Qasim Limited	-	75,893	-	75,893	-	-	-
Pharmaceuticals							
Searle Pakistan Limited	-	22	-	-	22	1	0.00
Chemicals							
BOC Pakistan Limited	-	73	-	-	73	8	0.00
ICI Pakistan Limited	-	156,892	-	-	156,892	10,781	0.10
Pakistan PTA Limited	-	20,463	-	-	20,463	33	0.00
Sitara Peroxide Limited	-	2,748	-	-	2,748	50	0.00
Paper & Board							
Packages Limited	-	691	-	691	-	-	-
Closed end Mutual Fund							
JS Value Fund	-	2,089	-	-	2,089	9	0.00
PICIC Growth Fund	-	1,765	-	-	1,765	10	0.00
Pakistan Premier Fund Limited	-	1,928	-	-	1,928	4	0.00
Miscellaneous							
Pace (Pakistan) Limited	-	51,752	-	51,752	-	-	-
Tri Pack Films Limited	-	1,198	-	1,198	-	-	-
						20,373	0.20
Cost as at December 31, 2008						20,473	

4.1.3 During the period, the Karachi Stock Exchange (Guarantee) Limited (KSE) placed a Floor Mechanism on the market value of securities based on the closing prices of securities prevailing as on August 27, 2008. Under the Floor Mechanism, the individual security price of equity securities could vary within the normal circuit breaker limit, but not below the floor price level. The mechanism was effective from August 28, 2008. Consequent to the introduction of the above measures by the KSE, the market volume declined significantly. The Floor Mechanism was subsequently removed by the KSE on December 15, 2008 in order to rationalise the prices of equity securities. Subsequent to the removal of the Floor Mechanism the KSE 100 index declined from 9,187.10 points at December 15, 2008 to 5,865.01 points at December 31, 2008 and the market remained generally inactive during this period due to low trading volumes.

In view of the above circumstances, a clarification was sought from the Securities and Exchange Commission of Pakistan on whether the prices quoted on the stock exchange as at December 31, 2008 could be considered as the fair value of such securities at that date. The Securities and Exchange Commission of Pakistan vide its circular No. Enf/D-III/Misc/1/2008 dated January 29, 2009 has clarified that the market price as quoted on the stock exchange on December 31, 2008 may be used as the fair value of securities as of that date for the purpose of preparation of financial statements for the period ended December 31, 2008. Accordingly, equity securities have been valued at the market prices as quoted on the stock exchange on December 31, 2008.

NAFA CASH FUND

4.1.4 Units of open-end mutual funds

Name of the investee fund	Number of units					Market value as at December 31, 2008	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at December 31, 2008		
NAFA Income Fund	7,391,566	-	154,910	7,546,476	-	-	-

(Rupees in '000)

4.1.5 Equity securities purchased under future sale contracts

These securities are held under Ready-Future transactions. These securities are purchased in the ready "T+2" market and simultaneously sold in the future market. The details are as follows:

Name of the investee company	Number of shares					Market value as at December 31, 2008	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at December 31, 2008		
Commercial Banks							
The Bank of Punjab	20,000	-	-	20,000	-	-	-
National Bank of Pakistan	220,000	-	-	220,000	-	-	-
Investment Banks/Companies							
Arif Habib Limited	20,500	-	-	20,500	-	-	-
Jahangir Siddiqui & Company Limited		100,000	-	100,000	-	-	-
Cement							
Lucky Cement Limited	25,000	-	-	25,000	-	-	-
Oil and Gas Marketing Companies							
Pakistan State Oil Company Limited	13,000	-	-	13,000	-	-	-
Oil and Gas Exploration Companies							
Oil and Gas Development Company Limited	3,000	-	-	3,000	-	-	-
Pakistan Oilfields Limited	10,000	22,500	-	32,500	-	-	-
Pakistan Petroleum Limited	166,500	17,500	-	184,000	-	-	-
Chemicals							
Sitara Peroxide Limited	31,500	-	-	31,500	-	-	-
Power and Generation and Distribution							
The Hub Power Company Limited	36,500	-	-	36,500	-	-	-
Textile Composite							
Azgard Nine Limited	-	3,100,000	-	3,100,000	-	-	-
Nishat Mills Limited	2,000	-	-	2,000	-	-	-

NAFA CASH FUND

4.1.6 Term finance certificates - listed

Name of the investee company	Number of certificates				Market value as at December 31, 2008	Percentage of investments in relation to net assets of the Fund
	As at July 1, 2008	Purchases during the period	Sales during the period	As at December 31, 2007		
(Rupees in '000)						
Allied Bank Limited	27,950	-	20,000	7,950	34,753	0.34
Askari Bank Limited - I	13,400	-	6,000	7,400	32,330	0.31
Askari Bank Limited - II	8,000	-	5,000	3,000	13,109	0.13
Azgard Nine Limited	30,000	-	-	30,000	120,180	1.16
Bank Al Habib Limited	27,000	-	27,000	-	-	-
Bank Alfalah Limited - II	5,128	-	5,000	128	559	0.01
Bank Alfalah Limited - III	9,727	-	5,000	4,727	20,657	0.20
Engro Chemical Pakistan Limited	80,000	-	10,000	70,000	314,874	3.04
Escort Investment Bank Limited	10,000	-	-	10,000	42,475	0.41
Faysal Bank Limited	12,000	-	10,000	2,000	8,747	0.08
Gharibwal Cement Limited	5,000	-	-	5,000	17,497	0.17
Jahangir Siddiqui & Co. Limited	18,000	-	-	18,000	83,183	0.80
Naimat Basal Oil & Gas Securitization Co. Limited	4,000	-	4,000	-	-	-
NIB Bank Limited	72,000	5,000	-	77,000	327,185	3.15
Orix Leasing Pakistan Limited	50,000	-	-	50,000	231,111	2.23
Pace (Pakistan) Limited	30,000	-	-	30,000	131,224	1.26
Pak Arab Fertilizers Limited	100,000	-	10,000	90,000	404,919	3.90
Pak Electron Limited	10,000	-	10,000	-	-	-
Pakistan Mobile Communications (Pvt) Limited	15,000	-	-	15,000	65,559	0.63
Pakistan Mobile Communications (Pvt) Limited	120,000	-	35,000	85,000	371,875	3.58
Saudi Pak Leasing Company Limited	15,000	-	-	15,000	59,988	0.58
Standard Chartered Bank (Pakistan) Limited	6,400	-	-	6,400	27,314	0.26
World Telecom Limited	45,000	-	-	45,000	196,875	1.90
United Bank Limited IV	120,000	-	5,000	115,000	517,396	4.99
					3,021,810	29.13

Cost as at December 31, 2008

3,448,490

4.1.7 All term finance certificates have a face value of Rs 5,000 each.

	Note	Unaudited December 31, 2008	Audited June 30, 2008
----- Rupees in '000 -----			
4.2 Available for sale investments			
Term finance certificates - unlisted	4.2.1	2,113,094	3,043,315
Sukuk bonds	4.2.2	1,273,557	1,686,387
Commercial papers	4.2.3	88,998	133,414
		3,475,649	4,863,116

Name of the investee company	Number of certificates				Market value as at December 31, 2008	Percentage of investments in relation to net assets of the Fund
	As at July 1, 2008	Purchases during the period	Sales during the period	As at December 31, 2007		
(Rupees in '000)						

4.2.1 Term finance certificate - unlisted

Avari Hotels International	35,040	-	-	35,040	140,160	1.35
Azgard Nine Limited	50,000	-	-	50,000	212,415	2.05
Dewan Cement Limited - Pre IPO (note 4.2.6.1)	30,000	-	-	30,000	97,648	0.94
Engro Chemical Pakistan Limited	80,000	-	-	80,000	360,000	3.47
First Dawood Investment Bank Limited	6,900	-	-	6,900	28,462	0.27
Jahangir Siddiqui & Company Limited - V	21,000	-	-	21,000	97,086	0.94
New Allied Electronics Industries (Private) Limited (note 4.2.6.2)	15,000	-	-	15,000	43,750	0.42
Orix Leasing Pakistan Limited	5,000	-	-	5,000	462,500	4.46
Pak American Fertilizers Limited	30,000	-	-	30,000	131,198	1.26
Pakistan Mobile Communication (Private) Limited	90,000	-	20,000	70,000	306,250	2.95
Allied Bank Limited - Pre IPO	-	53,400	-	53,400	233,625	2.25
					2,113,094	20.37

NAFA CASH FUND

Name of the investee company	Number of certificates				Market value as at December 31, 2008	Percentage of investments in relation to net assets of the Fund
	As at July 1, 2008	Purchases during the period	Sales during the period	As at December 31, 2007		

(Rupees in '000)

4.2.2 Sukuk bonds

Century Paper and Board Mills Limited	43,000	-	-	43,000	188,125	1.81
Kohat Cement Company Limited (note 4.2.6.3)	50,000	-	-	50,000	169,050	1.63
Engro Chemical Pakistan Limited	60,000	-	-	60,000	270,000	2.60
Maple Leaf Cement Factory Limited	80,000	-	-	80,000	320,000	3.08
Orix Leasing Pakistan Limited	10,000	-	-	10,000	46,250	0.45
Pak Electron Limited	19,000	5,000	-	24,000	102,000	0.98
New Allied Electronics Industries (Private) Limited (note 4.2.6.4)	4,000	5,000	-	9,000	31,500	0.30
National Industrial Parks	40,000	-	40,000	-	-	-
BRR Guardian Modaraba	10,000	-	-	10,000	42,500	0.41
House Building Finance Corporation Limited	20,000	-	-	20,000	85,000	0.82
Eden Builders Limited	-	4,638	-	4,638	19,132	0.18
					1,273,557	12.28

4.2.3 Commercial papers

Pak Electron Limited	3,000	3,000	3,000	3,000	14,770	0.14
Azgard Nine Limited	15,000	-	-	15,000	74,228	0.72
IGI Insurance Limited	10,000	-	10,000	-	-	-
					88,998	0.86
					3,475,649	33.50

Cost of investments as at December 31, 2008

4,040,868

Impairment losses

149,700

4.2.4 All term finance certificates have a face value of Rs 5,000 each.

4.2.5 The SECP vide its circular no. 26/2008 dated November 5, 2008 has changed the basis of valuation of the term finance certificates and Sukuk bonds. Under the said directive, all open-end mutual funds are to value term finance certificates at the lower of discounted redeemable face value of term finance certificates and the market value as determined using rates notified by the Mutual Funds Association of Pakistan (MUFAP). The discount rates are based on the credit rating of the respective entities / issuers as notified by the rating agencies. Prior to the issuance of the said directive, investment in term finance certificates and Sukuk bonds were valued at the rates notified by MUFAP.

4.2.6 During the half year ended December 31, 2008, the Fund did not receive redemption of principal and / or profit amounts on some of its investments, the details of which are as follows:

4.2.6.1 The Fund had advanced an amount of Rs 150 million in respect of Pre-IPO placement of Dewan Cement Limited (DCL) under an agreement, which required public offering to be completed within 270 days of the date of agreement (which was January 9, 2008). During the current period, DCL failed to complete the public offering within the said time period and has also defaulted in payment of principal and profit. Impairment losses amounting to Rs 45,000 thousand have been transferred to the income statement in this respect.

4.2.6.2 This represents investment in privately placed term finance certificates. On November 15, 2008 i.e. the scheduled redemption date, principal redemption of Rs 6,250 thousand and profit redemption of Rs. 2,774 thousand (aggregating to Rs. 9,024 thousand) were not received by the Fund. Impairment losses amounting to Rs 18,750 thousand have been transferred to the income statement in this respect.

4.2.6.3 This represents investment in privately placed sukuk bonds issue with a term of five years. On December 20, 2008 i.e. the scheduled redemption date, principal redemption of Rs 17,000 thousand and profit redemption of Rs. 18,126 thousand (aggregating to Rs. 35,126 thousand) were not received by the Fund. Impairment losses amounting to Rs 72,450 thousand have been transferred to the income statement in this respect.

4.2.6.4 This represents investment in privately placed sukuk bonds. On December 3, 2008 i.e. The scheduled redemption date, profit redemption of Rs. 3,415 thousand was not received by the Fund. Impairment losses amounting to Rs 13,500 thousand have been transferred to the income statement in this respect.

NAFA CASH FUND

5 LOANS AND RECEIVABLES

	Unaudited December 31, 2008	Audited June 30, 2008
	----- Rupees in '000 -----	
Loans and receivables	<u>3,400,000</u>	<u>6,429,802</u>

- 5.1 Loans and receivables include term deposit receipts from various financial institutions. These term deposit receipts would mature on various dates up to November 14, 2009 and carry mark-up ranging from 13.00% to 14.80%. (2007:10.5% to 18%)

6 DIVIDEND AND PROFIT RECEIVABLE

	Note	Unaudited December 31, 2008	Audited June 30, 2008
		----- Rupees in '000 -----	
Dividend receivable on shares held under spread transactions		-	2,804
Income accrued on Continuous Funding System (CFS) transactions		5,183	25,204
Profit on savings and term deposits		339,035	239,415
Income accrued on term finance certificates and sukuk bonds		354,728	234,196
Income accrued on clean placements		-	149
Income accrued on certificates of investment		-	4,298
		<u>698,946</u>	<u>506,066</u>

7 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	248	264
Settlement charges payable	390	1,405
Brokerage	1,337	3,514
Dividend payable to brokers	1,116	4,026
Others	16,385	16,440
	<u>19,476</u>	<u>25,649</u>

8 BORROWINGS FROM FINANCIAL INSTITUTIONS

Borrowings from financial institutions	8.1	<u>1,300,000</u>	<u>-</u>
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- 8.1 These represent financing facilities amounting to Rs 1,500 million (2007: Nil) availed from various financial institutions to meet redemption requests. The markup on these facilities ranges from KIBOR (1 month) plus 250 to 400 basis points and are repayable at various dates up to March 26, 2009.

9 TAXATION

The Fund is exempt from income tax under clause 99 of part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed among the unitholders.

10 COMMITMENTS

	Unaudited December 31, 2008	Audited June 30, 2008
	----- Rupees in '000 -----	
Continuous Funding System (CFS) transactions (including transactions to be rolled over) entered into by the Fund in respect of which the purchase transactions have not been settled as at period end	<u>-</u>	<u>4,320,785</u>
Spread Transactions (including transactions to be rolled over) entered into by the Fund in respect of which the purchase transactions have not been settled as at period end	<u>-</u>	<u>-</u>

NAFA CASH FUND

11 EARNINGS PER UNIT

Earnings per unit (EPU) for the six months ended December 31, 2008 has not been disclosed as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

12 TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include National Fullerton Asset Management Limited being the Management Company and National Bank of Pakistan, NIB Bank Limited and Alexandra Fund Management Pte. Limited being the Sponsors, other collective investment schemes managed by the Management Company and the directors and officers of the Management Company.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market norms.

12.1 Transactions during the period

	Half year ended		Quarter ended	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
----- Rupees in '000 -----				
National Fullerton Asset Management Limited - Management Company				
Management fee expense for the period	138,910	154,379	53,135	81,602
Bonus units issued (Nil units; 2007: 527,242 units)	-	-	-	-
Units Issued (Nil units; 2007: 1,925,947 units)	-	20,000	-	20,000
National Bank of Pakistan - Sponsor				
Bonus units issued (Nil units; 2007: 785,356 units)	-	-	-	-
Units issued / Transferred in (48,214,148 units; 2007: Nil Units)	500,000	-	500,000	-
Units redeemed / Transferred out(48,214,148 units; 2007: Nil Units)	486,910	-	486,910	-
Cash Dividend	17,418	-	14,768	-
Borrowing Charges	24,269	-	24,269	-
NIB Bank Limited - Sponsor				
Cash Dividend	20,418	-	5,700	-
Bonus units issued (Nil Units; 2007: 2,134,074 units)	-	-	-	-
Units redeemed (Nil Units; 2007: 2,514,074 units)	-	25,782	-	-
Income from bank deposits	17,330	14,209	6,186	6,393
Borrowing Charges	9,056	-	9,056	-
Alexandra Fund Management Pte. Limited - Sponsor				
Bonus units issued (1,192,475 units; 2007: 1,067,037 units)	-	-	-	-
NAFA Multi Asset Fund				
Bonus units issued (1,962,029 units; 2007: Nil units)	-	-	-	-
Units issued/Transferred in (20,752,095 units; 2007:34,052,326 units)	215,000	350,000	215,000	200,000
Units redeemed/Transferred out (30,758,547 units; 2007:34,052,326 units)	302,480	351,757	100,000	351,757
NAFA Islamic Income Fund				
Sale of sukuk bonds	-	60,360	-	-
Payment for purchase of sukuk bonds	25,881	-	25,881	-
NAFA Employees Provident Fund				
Bonus units issued (43,697 units; 2007: 8,778 units)	-	-	-	-
Units issued (Nil units; 2007: 78,792 units)	-	800	-	800

NAFA CASH FUND



	Half year ended		Quarter ended	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
	----- Rupees in '000 -----			
Chief Executive Officer				
Bonus units issued (232,417 units; 2007: 11,352 units)	-	-	-	-
Units Issued (Nil units; 2007: 8,544,853 units)	-	87,417	-	38,678
Units redeemed / Transferred out (3,403,635 units; 2007: 8,664,617 units)	34,524	89,246	-	48,746
Spouse of Chief Executive Officer				
Bonus units issued (1,928 units; 2007: 1,910 units)	-	-	-	-
Units redeemed / Transferred out (546 units; 2007: 940 units)	6	10	-	5
Other Executives of the Management Company				
Bonus units issued (49,036 units; 2007: 20,018 units)	-	-	-	-
Units issued / Transferred in (2,536,739 units; 2007:1,453,010 units)	25,705	14,979	13,972	14,234
Units redeemed / Transferred out (2,993,377 units; 2007:1,148,722 units)	30,375	11,892	18,701	10,881
NAFA Stock Fund				
Bonus units issued (375,925 units; 2007: Nil units)	-	-	-	-
Units Issued / Transferred in (7,239,103 units; 2007: Nil units)	75,000	-	75,000	-
Units redeemed / Transferred out (9,812,909 units; 2007: Nil Units)	95,223	-	95,223	-
NAFA Income Fund				
Bonus units issued (245,244 units; 2007: Nil units)	-	-	-	-
Units Issued / Transferred in (13,615,161 units; 2007: Nil units)	140,000	-	140,000	-
Units redeemed / Transferred out (8,362,294 units; 2007: Nil units)	80,000	-	80,000	-
NAFA Islamic Multi Asset Fund				
Payment for purchase of sukuk bonds	25,892	-	25,892	-
Central Depository Company of Pakistan Limited				
Bonus units issued (795,494 units; 2007: Nil units)	-	-	-	-
Units redeemed / Transferred out (8,998,612 units; 2007: Nil units)	91,571	-	91,571	-
CDC charges	352	-	352	-
			Unaudited	Audited
			December 31,	June 30,
			2008	2008
			----- Rupees in '000 -----	
12.2 Balances outstanding as at period / year end				
National Fullerton Asset Management Limited - Management Company				
Management fee payable			30,484	27,694
Other (receivable) / payable to the management company			(509)	(268)
National Bank of Pakistan - Sponsor				
Investment held by the Sponsor in the Fund (3,601,691 units; June 30, 2008: 3,601,691 units)			34,538	38,815
Deposit held by the Fund with the Sponsor			5,808	1,632
Borrowing Facility			1,000,000	-
Borrowing Charges Payable			6,928	-

NAFA CASH FUND

	Unaudited December 31, 2008	Audited June 30, 2008
	----- Rupees in '000 -----	
NIB Bank Limited - Sponsor		
Investment held by the Sponsor in the Fund (20,000,000 units; June 30, 2008: 20,000,000 units)	191,790	215,538
Deposit held by the Fund with the Sponsor	42,420	403,499
Profit receivable on bank deposits	10	1,052
TDR Balance	-	-
Profit receivable on TDR	-	-
Borrowing Facility	300,000	-
Borrowing Charges Payable	1,873	-
Alexandra Fund Management Pte. Limited - Sponsor		
Investment held by the Sponsor in the Fund (12,700,711 units; June 30, 2008: 11,058,236 units)	121,793	124,023
NAFA Employees Provident Fund		
Investment held in the Fund Trust (465,400 units; June 30, 2008: 421,703 units)	4,463	4,545
Chief Executive Officer		
Investment held by the CEO (Nil units; June 30, 2008: 3,171,218 units)	-	34,176
Spouse of Chief Executive Officer		
Investment held in the Fund (20,135 units; June 30, 2008: 18,237 units)	194	202
Other Executives of the Management Company		
Investment held in the Fund (94,059 units; June 30, 2008: 210,536 units)	902	2,269
NAFA Multi Asset Fund		
Investment held in the Fund (10,905,009 units; June 30, 2008: 18,769,434 units)	104,574	202,276
NAFA Stock Fund		
Investment held by the Fund (140,211 units; June 30, 2008: 2,338,092 units)	1,345	25,197
NAFA Income Fund		
Investment held in the Fund Trust (5,498,111 units)	52,724	-
Investment held by the Fund Trust (7,391,566 units)	-	75,473
Central Depository Company of Pakistan Limited		
Remuneration payable	1,074	1,928
Investment held in the Fund	-	88,404
CDC Charges	-	1,405
Security deposit	100	100

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 17, 2009 by the Board of Directors of the Management Company.

14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

**For National Fullerton Asset Management Limited
(Management Company)**

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman