



NAFA Government Securities Liquid Fund (NGSLF)

NBP Fullerton
Asset Management Limited
(Formerly National Fullerton Asset Management Limited)

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (28/02/2011): Rs. 10.2496 *

February 2011

Performance

Performance % **	February 2011	FYTD Jul. 2010 - Feb. 2011	Trailing 12 Months	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	12.37%	11.26%	11.01%	10.89%
Benchmark	11.63%	11.24%	11.05%	10.99%

* Ex-Distribution Price

** Represent Annualized Return - (based on morning star formula)
(Returns are net of management fee & all other expenses)

General Information

Launch Date:	May 16, 2009
Fund Size:	Rs. 10,535 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	9:00 A.M to 4:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	No entry or exit load
Management Fee:	1.25% per annum
Risk Profile:	Very Low
Fund Stability Rating:	"AAA (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	70% 3-Month T-Bills & 30% average 3-Month deposit rates (AA & above rated banks)
Fund Manager:	Ahmad Nouman, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA

Investment Objective

To generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

Fund Manager Commentary

The Fund earned an annualized return of 12.37% during the month. This is better than the previous month's return by 84 basis points due to gains in the T-Bill portfolio because of liquid inter-bank money market conditions on back of retirement in commodity linked credit.

NGSLF's Fund stability rating is 'AAA(f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of your Fund. NGSFL (i) allocates a minimum of 85% to Government Securities; (ii) maintains T-Bill portfolio maturity / duration below 45 days to minimize any interest rate risk; and (iii) maintains maximum maturity of a single T-Bill to three months. NGSFL is the only 'AAA(f)' rated Fund in Pakistan with more than Rs 10 billion Fund Size. The investment value of NGSFL has not declined on any day since the launch of the Fund in May 2009.

In the current Fiscal Year, SBP has raised the Discount Rate by 1.5% so far. Going forward, the upward pressure in interest rates is not expected to ease due to inflation and associated expectations. However, Government borrowing from SBP has been under control for the first two months of the Calendar Year.

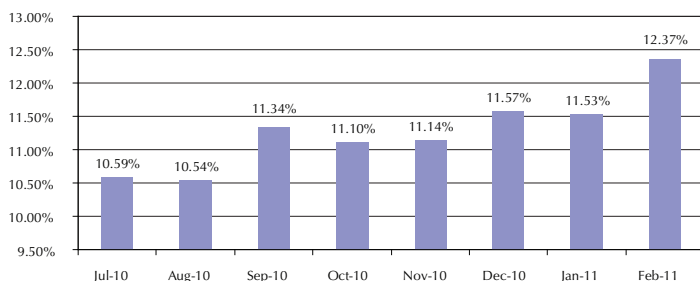
In the two T-bills auctions of February, cumulatively accepted amount was Rs. 348.72 billion against the target of Rs. 300 billion. The cut off yields for the last auction of the month were noted at 13.49%, 13.69% and 13.86% for the 3 months, 6 months and 12 months T-Bills respectively with major participation in 3 months paper. The market is still expecting Policy Rate increase in at least one of the two remaining Policy Rate announcements of this Fiscal Year. This is likely to keep returns of your Fund attractive due to its short maturity.

The average maturity of your Fund is presently 46 days, while that of T-Bills portfolio is 45 days.

Asset Allocation (% of NAV) 28-Feb-11 31-Jan-11

	28-Feb-11	31-Jan-11
T-Bills (Including Reverse Repo via Master Repurchase Agreement)	87.42%	87.34%
Placements with Banks	7.59%	9.59%
Cash Equivalents	5.23%	3.24%
Other Liabilities	-0.24%	-0.17%
Total	100.00%	100.00%
Leverage	Nil	Nil

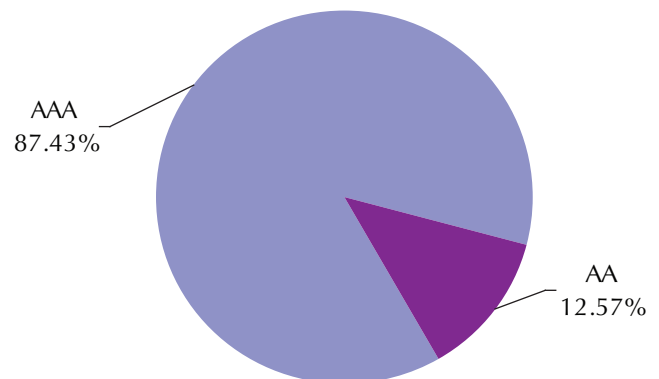
Month wise Returns of NGSFL FYTD 2011



Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Ahmad Nouman, CFA
Sajjad Anwar, CFA
Tanvir Abid, CFA, FRM

Credit Quality of the Portfolio (% of NAV)



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 dependant 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.