



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (29/02/2012): Rs. 10.0789

February 2012

Performance

Performance % *	February 2012	Jul. 2011- Feb. 2012	Trailing 12 Months	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	9.57%	11.12%	11.37%	11.07%
Benchmark	10.39%	10.92%	11.13%	11.04%

* Represent Annualized Return - (based on morning star formula)
(Returns are net of management fee, Workers' Welfare Fund (WWF) provisioning & all other expenses)

General Information

Launch Date: May 16, 2009
Fund Size: Rs. 16,182 million
Type: Open-end – Money Market Fund
Dealing Days: Daily – Monday to Saturday
Dealing Time: (Mon - Thr) 9:00 A.M to 5:00 P.M
(Friday) 9:00 A.M to 5:30 P.M
(Saturday) 9:00 A.M to 1:00 P.M
Settlement: 2-3 business days
Pricing Mechanism: Forward Pricing
Load: Front end: 0%, Back end: 0%
Management Fee: 1.25% per annum
Risk Profile: Exceptionally 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- 'Positive Outlook' 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 9.57% during February 2012. The return for the first eight months of FY 2012 is 11.12% p.a. against the benchmark return of 10.92% p.a, hence an out-performance of 20 bps. In the line with market expectations, we were expecting reduction in discount rate by the SBP in its monetary policy announcement of February 2012. As a result, we elongated the maturity of T-Bill Portfolio. Against our expectations, SBP left the discount rate unchanged. This resulted in lower return on T-Bill portfolio of the Fund. Going forward, we are expecting the Fund to offer double-digit return as the daily return of portfolio has improved significantly versus the last month.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of your Fund. In the last 365 days average daily allocation in short-term Government Securities was 88.37%, while the daily average time to maturity of T-Bills for last 365 days was 44 days. The investment value of NGSLF has not declined on any day since the launch of the Fund in May 2009.

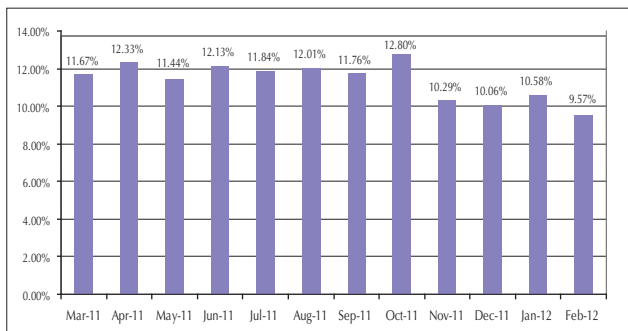
In the two T-Bill auctions of February, SBP cumulatively accepted Rs. 163 billion against the target of Rs. 200 billion. The cut off yields (p.a) for the last T-Bill auction were noted at 11.74% and 11.81% for the 3 months and 6 months maturities respectively. Bids for one year paper were rejected.

As of February 29, 2012, weighted average time to maturity of your Fund is around 49 days.

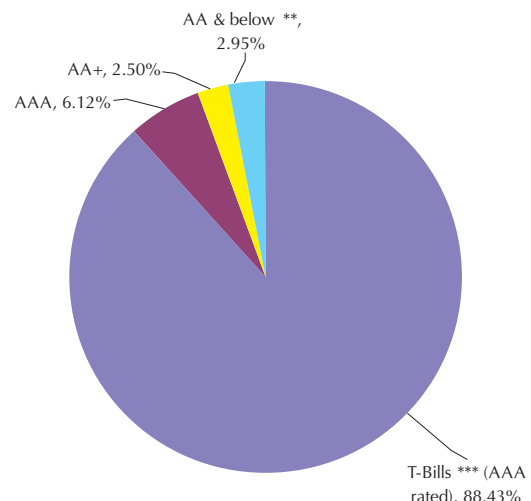
Asset Allocation (% of NAV) 29-Feb-12 31-Jan-12

T-Bills (Including Reverse Repo via Master Repurchase Agreement)	88.43%	86.07%
Placements with Banks	1.24%	5.03%
Placements with DFIs (AA+ & above rated)	8.03%	5.97%
Cash Equivalents	3.17%	3.95%
Other Net Liabilities	(0.87)%	(1.02)%
Total	100.00%	100.00%

Leverage Nil Nil



Credit Quality of the Portfolio as of February 29, 2012 (% of NAV)



** Net of Other Net Liabilities

*** Including Reverse Repo via Master Repurchase Agreement

Name of the Members of Investment Committee

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

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.