



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 (30/06/2011): Rs. 10.3594

June 2011

Performance

Performance % *	June 2011	Jan. - Jun. 2011	FY 2010-11	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	12.13%	11.89%	11.46%	11.05%
Benchmark	11.65%	11.58%	11.35%	11.08%

* 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. 10,810 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Saturday
Dealing Time:	(Mon - Fri) 9:00 A.M to 4:30 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 12.13% during June 2011, which is better than the benchmark return by 48 basis points (bps). The Fund has also out-performed its benchmark in last quarter FY 2011 by 38 bps, second half FY 2011 by 31 bps and FY 2011 by 11 bps.

NGSLF's Fund stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of your Fund. NGSLF (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. The investment value of NGSLF has not declined on any day since the launch of the Fund in May 2009.

Over last three years Government has been relying heavily on scheduled banks to finance its fiscal deficit. Simultaneously, banks' Advances to Deposit ratios have declined and Investments to Deposit Ratio has increased. As a result, outstanding stock of T-Bills is now over Rs1.8 trillion. Persistent continuation of this trend suggests interest rates are expected to remain high. This is likely to keep the return of your Fund attractive.

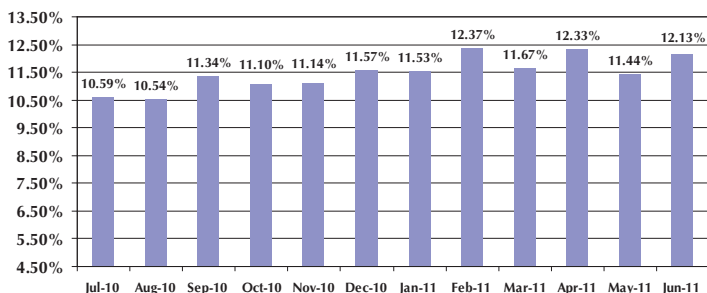
In the first six months of the current calendar year the daily average allocation in short-term Government Securities is 88.5%. In the same period, T-Bills asset class maturity has ranged from a minimum of 24 days to a maximum of 45 days, with the daily average at 39 days.

The average maturity of your Fund is around 43 days.

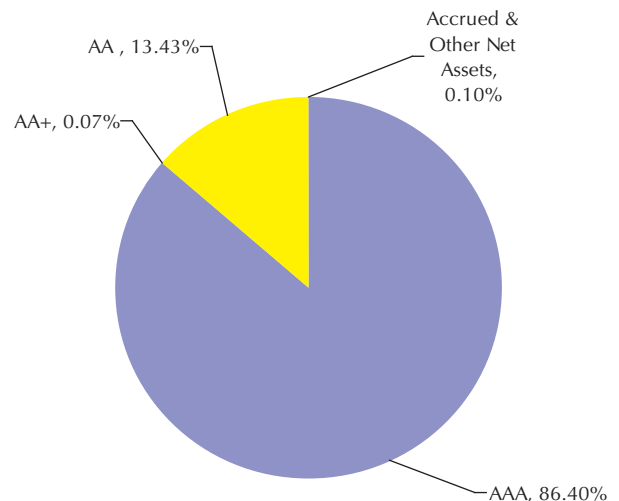
Asset Allocation (% of NAV) 30-Jun-11 31-May-11

	30-Jun-11	31-May-11
T-Bills (Including Reverse Repo via Master Repurchase Agreement)	86.28%	92.12%
Placements with Banks	9.48%	5.52%
Cash Equivalents	4.14%	3.09%
Other Net Assets / (Liabilities)	0.10%	-0.73%
Total	100.00%	100.00%
Leverage	Nil	Nil

Month-wise Annualized Returns of NGSLF FYTD 2010-11



Credit Quality of the Portfolio as of June 30, 2011 (% of NAV)



Name of the Members of Investment Committee

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

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