



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 (31/03/2011): Rs. 10.3461

March 2011

Performance

Performance % *	March 2011	FYTD Jul. 2010 - Mar. 2011	Trailing 12 Months	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	11.67%	11.30%	11.07%	10.93%
Benchmark	11.55%	11.28%	11.13%	11.02%

* 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. 10,093 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:	Front end: 0%, Back end: 0%
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 11.67% during the month of March 2011. The return for the third quarter of FY-11 is 11.84%. The Fund's return is expected to remain attractive going forward.

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.

In the last two Monetary Policy Statements, State Bank of Pakistan has kept the Policy / Discount rate at 14%, with total increment of 1.5% in the current fiscal year. Going forward, the upward pressure on interest rates is not expected to ease due to inflation and associated expectations.

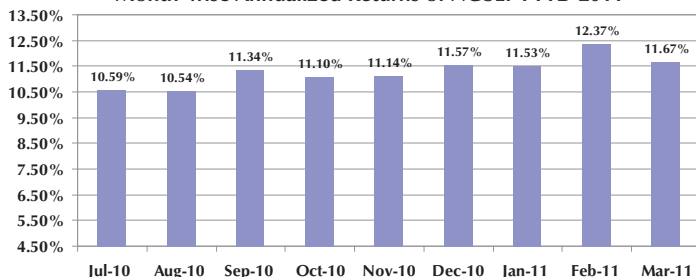
In the two T-Bills auctions of March, SBP cumulatively accepted Rs. 337.21 billion against the target of Rs. 320 billion. The cut off yields for the last auction of the month were noted at 13.25%, 13.64% and 13.80% for the 3 months, 6 months and 12 months T-Bills respectively with a change in trend towards participation in 6 months paper against earlier market focus on 3 month paper. Inflation numbers of March and April will guide the next Monetary Policy decision due at end-May 2011. Gradual removal of subsidies in Energy sector and resolution of non-monetization of fiscal deficit may keep interest rates high. This is likely to keep returns of your Fund attractive due to its short maturity.

The average maturity of your Fund is around 32 days.

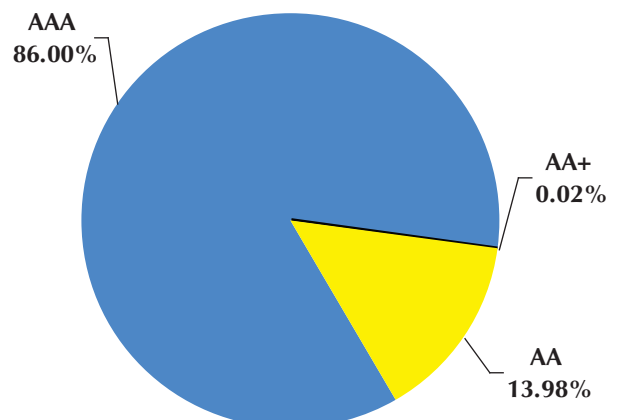
Asset Allocation (% of NAV) 31-Mar-11 28-Feb-11

	31-Mar-11	28-Feb-11
T-Bills (Including Reverse Repo via Master Repurchase Agreement)	85.99%	87.42%
Placements with Banks	10.90%	7.59%
Cash Equivalents	3.75%	5.23%
Other Liabilities	-0.64%	-0.24%
Total	100.00%	100.00%
Leverage	Nil	Nil

Month-wise Annualized Returns of NGSLF FYTD 2011



Credit Quality of the Portfolio (% of NAV)



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.