



NAFA Government Securities Liquid Fund (NGSLF)

**NBP Fullerton
Asset Management Limited**

(Formerly National Fullerton Asset Management Limited)

Unit Price (31/10/2010): Rs. 10.1278*

October 2010

Performance

Performance % **	October 2010	Jul. - Oct. 2010	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	11.10%	10.89%	10.73%
Benchmark	11.18%	11.02%	10.89%

* Ex-Distribution Price

** Represent Annualized Return

(Returns are net of management fee & other expenses)

General Information

Launch Date:	May 16, 2009
Fund Size:	Rs. 8,110 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 11.10% during the month. We expect the returns to remain stable or slightly improve over the next few months.

NGSLF Fund stability rating is 'AAA(f)' awarded by PACRA. This rating is usually associated with Government paper only. The rating reflects exceptionally strong credit and liquidity profile of your Fund. Also, NGSLF will maintain its maturity below 45 days to minimize any interest rate risk. The investment value of NGSLF has not declined on any day since the launch of Fund in May 2009.

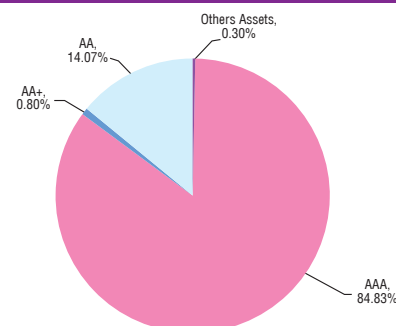
T-Bills according to remaining maturities	T-Bills outstanding (Rs. in billions)	% of T-Bills maturing in time bucket
Maturing in:		
less than 3 months	748	51%
3 months to 6 months	463	32%
6 months to 12 months	246	17%
	1,457	100%

T-Bills according to issue	T-Bills outstanding (Rs. in billions)	% of T-Bills issued tenor
Issued as:		
3 months	409	28%
6 months	365	25%
12 months	683	47%
	1,457	100%

The above data (as of October 31, 2010) suggests that the market is currently unwilling to take a longer term view and is investing mainly in short-term i.e. 3 months. This is in contrast to few months back when participants were investing more in longer tenor. This appears to be well justified considering uncertainties pertaining to inflation including possible second round impact of floods and rising fiscal deficit.

The average maturity of your Fund is 35 days, which makes it very liquid.

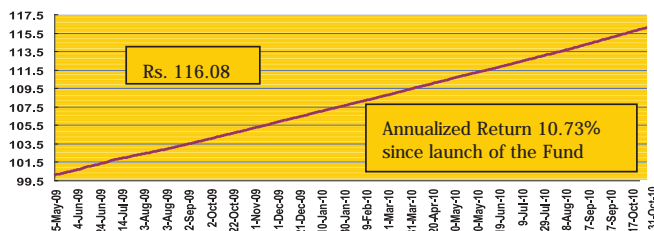
Credit Quality of the Portfolio (% of Net Assets)



Asset Allocation %

	31-Oct-10	30-Sep-10
T-Bills (Including Reverse Repo via Master Repurchase Agreement)	84.81%	87.82%
TDR	8.63%	7.59%
Cash Equivalents	6.31%	4.53%
Other Assets	0.25%	0.06%
Total	100.00%	100.00%
Leverage	Nil	Nil

Value of Rs. 100 invested in NAFA Government Securities Liquid Fund at launch (May 16, 2009)



Name of the Members of Investment Committee

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

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