

## Performance

Performance % *	September 2011	Jan. - Sep. 2011	Trailing 12 Months	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	11.76%	11.89%	11.73%	11.14%
Benchmark	11.60%	11.58%	11.51%	11.14%

\* 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. 10,312 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 11.76% during September 2011, which is better than the benchmark return by 16 basis points (bps). The annualized return for the first nine months of CY 2011 is 11.89% against the benchmark return of 11.58%, hence an out-performance of 31 bps. The management is announcing monthly dividends since July 2011 and intends to continue this policy in the future as well.

NGSLF's 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.

The inter-bank money market remained very tight during September 2011 as indicated by very high overnight REPO rates of 13.23%, just below the Discount Rate of 13.5%. The yield curve of up to one year is inverted now as market is expecting a rate cut in next Monetary Policy by SBP. SBP stabilized the money market by injecting over Rs 250 billion in weekly open market operations.

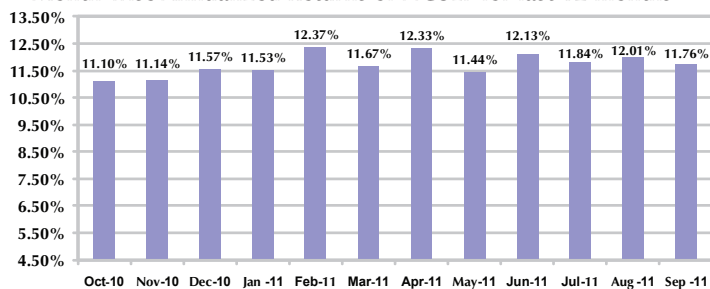
In the first nine months of the calendar year 2011, average daily allocation in short-term Government Securities was 88.5%. In the same period, T-Bills asset class maturity ranged from a minimum of 24 days to a maximum of 45 days, with the daily average at 39 days.

As on September, 2011 average maturity of your Fund is around 38 days while that of T-bills asset class portfolio is 44 days.

## Asset Allocation (% of NAV) 30-Sep-11 30-Aug-11

Asset Allocation (% of NAV)	30-Sep-11	30-Aug-11
T-Bills (Including Reverse Repo via Master Repurchase Agreement)	86.11%	88.11%
Placements with Banks	11.15%	9.42%
Cash Equivalents	2.34%	2.69%
Other Assets / (Liabilities)	0.40%	-0.22%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## Month-wise Annualized Returns of NGSLF for last 12 months



## 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 as of September 30, 2011 (% of NAV)

