



National Fullerton
Asset Management Limited

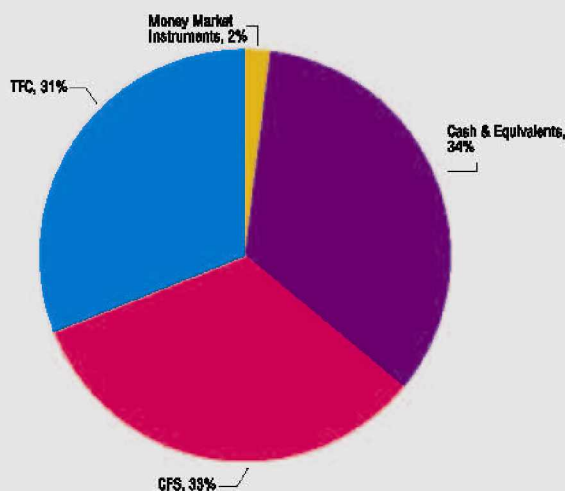
NAFA Income Fund (NIF)

Unit Price (30/04/2008): Rs. 10.0768

Investment Objective	Performance			
	To earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.	Annualized Performance (%)*	April 2008	Since Launch March 29, 2008
		NAFA Income Fund:	9.1%	8.8%
		Benchmark:	10.1%	10.1%
		Monthly profit on Rs. 100,000 invested	Rs. 746	**Rs. 798
* Returns are net of management fee & all other expenses ** Represents cumulative profit since inception				

General Information		Fund Manager's Commentary
Launch Date:	March 29, 2008	<p>This is the first monthly report since the launch of your Fund. NAFA Income Fund was launched on March 29, 2008 with an asset size of Rs. 2.6 billion. The Fund's annualized return since inception is 8.8% whereas its annualized monthly return is 9.1%. The Fund size has increased by 20% to Rs. 3.138 billion since launch. It took a while to build the portfolio, especially in TFCs, and therefore the return is gradually rising. In fact, in the last couple of weeks the annualized return was 9.6%. The Fund is still in the process of portfolio building and intends to enhance its investments in TFCs which should help yield higher returns.</p> <p>Further tightening of the Monetary Policy is expected on account of the unprecedented rise in inflation figures. Increasing food and oil prices are the primary factors that are contributing towards high inflation. Furthermore, the Government is resorting to heavy borrowing from the market, thus a further hike in interest rates is imminent. Your Fund is invested in floating rate instruments that are KIBOR linked, thus any rise in interest rates would benefit your Fund. Moreover, investments are mostly in short duration instruments, thereby minimizing susceptibility to rising interest rates.</p> <p>The Fund will, over time, increase its TFC portfolio to about 60% and RFS Investments to about 10% of the Fund size. In due course, the return on NAFA Income Fund is expected to be higher than NAFA Cash Fund.</p>
Fund Size:	Rs. 3.138 billion	
Type:	Open-end – Fixed Income Fund	
Dealing:	Daily	
Settlement:	2-3 business days	
Load:	Front end: 1.0%	
Management Fee:	1.5% per annum	
Listing:	Lahore Stock Exchange	
Custodian & Trustee:	Central Depository Company (CDC)	
Auditors:	A. F. Ferguson & Co. Chartered Accountants	
Benchmark:	3-Month T-Bills	
Fund Manager(s):	Mr. Hammad Abbas	
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	

Asset Allocation (as on 30th April, 2008)



Disclaimer: The price of units may go down as well as up. Please refer to the respective offering document(s).