



Performance				
Performance %	February 2011 *	FYTD Jul. 2010 - Feb. 2011**	Trailing 12 Months *	Since Launch March 29, 2008 *
NAFA Income Fund	33.22%	-1.07%	2.49%	4.61%
Benchmark	13.76%	8.42%	12.61%	12.29%

* Represent Annualized Return - (based on morning star formula)
** Represent Cumulative Return
(Returns are net of management fee & all other expenses)

General Information	
Launch Date:	March 29, 2008
Fund Size:	Rs. 506 million
Type:	Open-end – Income 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: 1.0%, Back end: 0%
Management Fee:	2.0% per annum
Risk Profile:	Low
Fund Stability Rating	"A- (f)" by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	6-Month KIBOR (Benchmark changed with effect from 15-12-2010. Previous Benchmark was 3-Month T-Bills)
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 earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.

Fund Manager Commentary
The Fund earned an annualized return of 33.22% during February 2011. This is relatively higher because of unrealized gains in the TFC portfolio and reclassification of a housing sector TFC to a performing security.

The Fund's largest exposure in a Fertilizer sector TFC is expected to improve its credit worthiness because of the company's potential acquisition.

The weighted average Yield to Maturity of NAFA Income Fund is around 23.2% p.a. The weighted average maturity of NAFA Income Fund is 3.3 years. Thus, the Fund is expected to perform well over a three to four year horizon. However, since there are TFCs / Sukuks in the portfolio and their prices may go up and down based on market liquidity etc., only long-term investors are advised to invest in this Fund.

Asset Allocation (% of NAV) 28-Feb-11			31-Jan-11		
TFC / Sukuk	83.22%	84.11%			
T-Bills	11.52%	9.94%			
Cash Equivalents	3.44%	3.95%			
Other Assets	1.82%	2.00%			
Total	100.00%	100.00%			
Leverage	Nil	Nil			

Details of Non-Compliant Investments

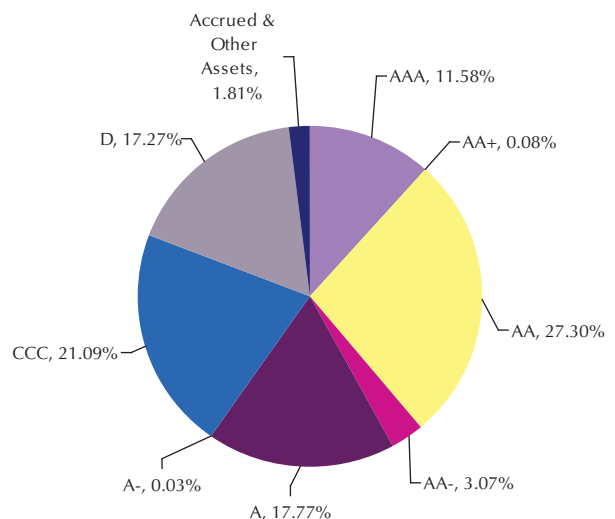
Name of Non Compliant Investment	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	Yield to Maturity per annum
Agritech Limited II	TFC	149,880,000	43,150,835	106,729,165	21.09%	28.59%
Saudi Pak Leasing	TFC	54,269,100	17,669,171	36,599,929	7.23%	23.64%
Eden Housing Sukuk II	Sukuk	73,125,000	22,329,304	***50,795,696	10.04%	38.86%
Total		277,274,100	83,149,310	194,124,790	38.36%	

*** Book value, performing but below investment grade.

TFC/SUKUK Holdings (as at February 28, 2011)

Credit Quality of the Portfolio (% of NAV)

Name of TFCs / Sukuks	% of Net Assets
Agritech Limited II	21.09%
World Call Telecom Limited	17.72%
Engro Fertilizer (PPTFC)	17.61%
Eden Housing Limited (Sukuk)	10.04%
United Bank Limited IV	9.54%
Saudi Pak Leasing	7.23%
Total	83.22%



Name of the Members of Investment Committee

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