



Performance

Performance % *	March 2011	FYTD Jul. 2010 - Mar. 2011	Trailing 12 Months	Since Launch March 29, 2008
NAFA Income Fund	42.60%	2.62%	9.26%	5.53%
Benchmark	13.74%	13.00%	12.75%	12.33%

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

General Information

Launch Date:	March 29, 2008
Fund Size:	Rs. 520 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 42.60% during March 2011. This is relatively higher because of unrealized gains in the TFC portfolio. The annualized return for the third quarter of FY11 is 14.54%.

The weighted average Yield to Maturity of NAFA Income Fund is around 21.48% p.a. The weighted average maturity of NAFA Income Fund is 3.17 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.

Details of Non-Compliant Investments

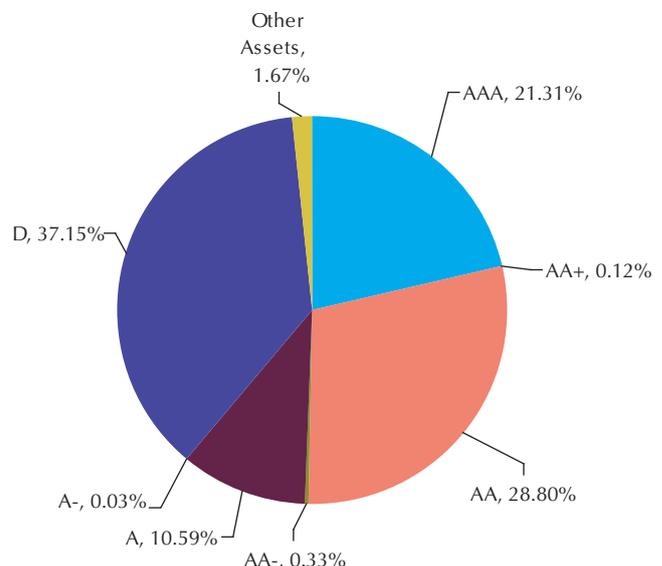
Name of Non Compliant Investment	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	Yield to Maturity per annum
Agritech Limited II	TFC	149,880,000	43,150,835	106,729,165	20.53%	28.77%
Saudi Pak Leasing	TFC	53,942,700	18,327,194	**35,615,506	6.85%	24.96%
Eden Housing Sukuk II	Sukuk	73,125,000	22,329,304	**50,795,696	9.77%	38.93%
Total		276,947,700	83,807,333	193,140,367	37.15%	

** Book value, performing but below investment grade.

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

	31-Mar-11	28-Feb-11
TFC / Sukuk	75.06%	83.22%
T-Bills	21.25%	11.52%
Cash Equivalents	2.02%	3.44%
Other Assets	1.67%	1.82%
Total	100.00%	100.00%
Leverage	Nil	Nil

Credit Quality of the Portfolio (% of NAV)



TFC/SUKUK Holdings (as at March 31, 2011)

Name of TFCs / Sukuks	% of Net Assets
Agritech Limited II	20.53%
Engro Fertilizer (PPTFC)	17.88%
World Call Telecom Limited	10.55%
Eden Housing Limited (Sukuk)	9.77%
United Bank Limited IV	9.48%
Saudi Pak Leasing	6.85%
Total	75.06%

Name of the Members of Investment Committee

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