



National Fullerton  
Asset Management Limited

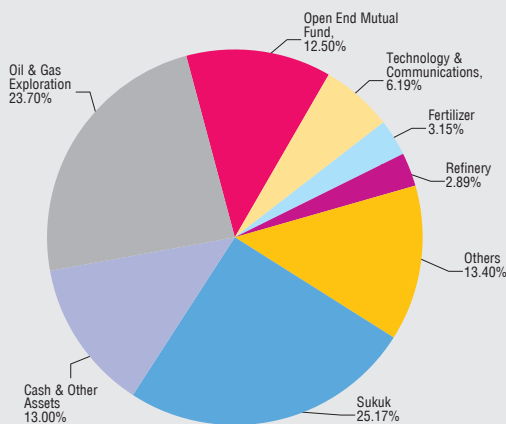
# NAFA Islamic Multi Asset Fund (NIMF)

November 2008

Investment Objective	Performance					
To provide investors with a combination of capital growth and income by investing in Shariah compliant investments. NIMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of Shariah compliant securities, instruments and avenues such as Equities, Musharakah, Murabahah, Ijarah etc.	Return (%)*	Jan - Jul 2008	Jul - Sep 2008	Aug 2008	Sep 2008	Since Launch Oct 29, 2007 to Sept 30, 2008
	<b>NAFA Islamic Multi Asset Fund</b>	<b>-6.96%</b>	<b>-10.63%</b>	<b>-5.69%</b>	<b>-0.23%</b>	<b>-14.78%</b>
	*Returns are net of management fee & all other expenses					

General Information	Fund Manager's Commentary
<p>Launch Date: October 29, 2007 Fund Size: Rs. 513 million Type: Shariah Compliant - Open-end Balanced Fund Dealing: Daily Settlement: 2-3 business days Load: Front end - 3%, Back end - 0% Management Fee: 3% per annum</p> <p>Listing: Lahore Stock Exchange Trustee: Central Depository Company Auditors: A. F. Ferguson &amp; Co. Chartered Accountants</p> <p>Fund Manager: Abdul Rehman Warraich Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	<p>During the first week of the month, the Securities &amp; Exchange Commission directed all open end mutual funds to mark-down the prices at which TFCs and Sukuk bonds were recorded in their books. Statedly, it was done to reflect the illiquid conditions prevailing in the secondary market for TFCs &amp; Sukuks. The TFCs and Sukuks held by mutual funds have been issued by highly rated and profitable companies. We believe that most of the investors understand that these mark-to-market losses will be erased once the liquidity crunch is over.</p> <p>The macroeconomic situation is stabilizing. First tranche of the IMF facility has been received and more foreign exchange inflows (from World Bank, ADB etc.) are in the pipeline. Inflation is also expected to fall over the next few months. We expect that the liquidity situation in the domestic financial sector will improve and the prices of TFCs and Sukuks will recover over the next few months.</p> <p>The Floor placed under the stock prices has not been removed yet. We hope that the stabilization fund worth Rs. 20 billion will soon become operational. This fund will provide some stability to the Stock Market when the floor is removed.</p> <p>Economic revival may take some time. Positive signals of economic recovery should come from a stable exchange rate, better performance of the agriculture sector and higher domestic demand in response to falling prices.</p> <p>In the very short-term, however, profit rates on Shariah Compliant debt instruments (including sukuks and mudarabah placements) remain high. We intend to remain underweight in equities and overweight in debt instruments until the focus of economic policy shifts away from inflation and towards economic growth.</p>

Asset Allocation (as on 30th November 2008)



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