



NAFA Islamic Multi Asset Fund (NIMF)

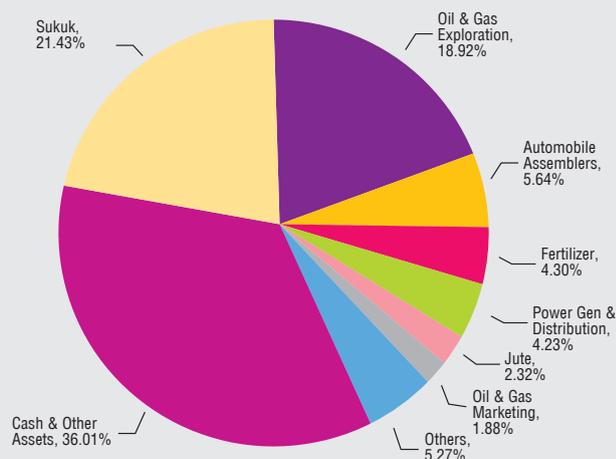
Unit Price (31/10/2009): Rs. 9.9792

October 2009

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.	Performance (%)*	Nov - Dec 2007	Jan - Dec 2008	Jul - Sep 2008 - 09	Oct 2009	Since Launch October 29, 2007
	NAFA Islamic Multi Asset Fund	(2.42)%	(35.94)%	18.70%	(1.94)%	(0.21)%
	Benchmark**	-	-	-	(1.14)%	-
	*Returns are net of management fee & all other expenses **KMI - 30 Index was launched on 1st Sep, 2008					

General Information	Fund Manager's Commentary
<p>Launch Date: October 29, 2007</p> <p>Fund Size: Rs. 624 million</p> <p>Type: Shariah Compliant - Open-end Balanced Fund</p> <p>Dealing: Daily - Monday to Friday</p> <p>Settlement: 2-3 business days</p> <p>Load: Front end - 3%, Back end - 0%</p> <p>Management Fee: 3% per annum</p>	<p>During the month of October 2009, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) decreased by 1.94%, whereas the benchmark decreased by 1.14%, thus an under-performance of 0.80% was recorded.</p> <p>We were overweight in equities and under-weight in fixed income asset class at the start of the month. NIMF is a Balanced Fund and market weight implies 50% weight in equity and 50% in fixed income. However, towards the end of the month we were under-weight in equities and over weight in fixed income asset class.</p>
<p>Listing: Lahore Stock Exchange</p> <p>Custodian & Trustee: Central Depository Company (CDC)</p> <p>Auditors: A. F. Ferguson & Co. Chartered Accountants</p> <p>Benchmark: 50% KMI - 30 Index & 50% average 1-month profit rate of Islamic banks</p> <p>Fund Manager: Sajjad Anwar, CFA</p> <p>Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	

Asset Allocation (as on 31st October 2009)



The month started on a positive note and KMI-30 Index increased by around 2.9% during the 1st Week. However, investors' sentiments were dented due to deteriorating law and order situation in the country following the launch of military operations in Waziristan, high profile terrorist attacks and relative slow down in foreign portfolio inflows. As a result, the KMI-30 Index declined by around 3% during the month. Trading activity decreased significantly; average daily traded value recorded at PKR 10.8 billion versus PKR 13.4 billion during the previous month. The result season generated stock specific activity. Fertilizer, auto, insurance and banking sectors performed better. While, refinery, cement and power sectors underperformed the market.

We have witnessed upward shift in the yield curve during the outgoing month due to tight liquidity conditions. Similarly, 6-month KIBOR increased to 12.84% versus 12.65% at the start of the month. Despite heavy government borrowing and positive Net Domestic Assets (NDA), Broad Money (M-2) growth during the current fiscal year remained flat mainly due to negative growth in the private sector borrowing. We are expecting the improvement in the liquidity situation with actual disbursement of funds from Friends of Pakistan/US and bilateral and multilateral agencies.

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