



# NAFA Islamic Multi Asset Fund (NIMF)

**NBP Fullerton  
Asset Management Limited**

(Formerly National Fullerton Asset Management Limited)

Unit Price (31/10/2010): Rs. 9.5090

October 2010

## Performance

Performance % *	October 2010	FYTD Jul. - Oct. 2010	Since Launch October 29, 2007
<b>NAFA Islamic Multi Asset Fund</b>	<b>0.69%</b>	<b>7.46%</b>	<b>8.22%</b>

\* Cumulative returns are net of management fee & all other expenses

## General Information

Launch Date:	October 29, 2007
Fund Size:	Rs. 249 million
Type:	Shariah Compliant - Open-end – Balanced 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 – 3%, Back end - 0%
Management Fee:	3% per annum
Risk Profile	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	50% KMI - 30 Index & 50% average 1-month profit rate of Islamic banks.
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA

## Investment Objective

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.

## Fund Manager Commentary

During the month of October 2010, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) increased by 0.69%, whereas the benchmark (50% KMI-30 index & 50% average 1-month profit rate of Islamic Banks) increased by 3.52%, thus your Fund under-performed the benchmark by 2.83%.

NIMF is a Balanced Fund and market weight implies 50% weight in equities and 50% in fixed income asset class. The Fund's under-performance during the month is mainly due to the impact of depressed Sukuk prices. At the start of the month, NIMF was around 49% invested in equities. The stock market portrayed a robust trend during the month on the back of sanguine corporate results announcements. We enhanced the weightage of NIMF in the Oil & Gas sector. This sector performed significantly better than the market resulting from good results announcements, healthy dividend payouts and expectations of strong earnings growth. In particular, the fundamentals of the Oil & Gas Exploration and Refineries sub-sectors have improved. Towards the end of the month NIMF was around 47% invested in equities. The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio of NIMF is around 27%.

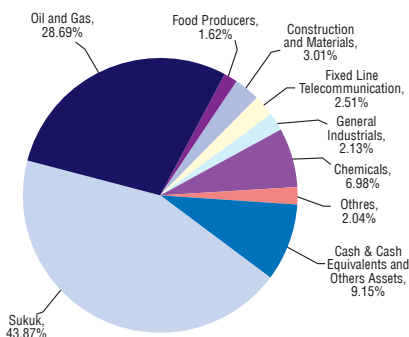
NIMF remains invested in attractive high dividend yielding stocks with low business risk. The returns from the Sukuk portfolio will also improve following the increase in the Base rates. We are monitoring the capital market conditions and will rebalance the portfolio accordingly.

## Asset Allocation %

31-Oct-10 30-Sep-10

Equities / Stock	46.98%	49.02%
TFC / Sukuk	43.87%	35.81%
Cash Equivalents	4.03%	14.18%
Other Net Assets	5.12%	0.99%
Leverage	Nil	Nil

## Asset Allocation (as on 31st October 2010)



## Name of the Members of Investment Committee

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

## Top Ten Holdings

Name	Asset Class	% of NAV	Name	Asset Class	% of NAV
Kohat Cement	Sukuk	12.93%	Eden Housing	Sukuk	5.19%
Maple Leaf Cement	Sukuk	12.58%	FFBL	Equity	4.08%
POL	Equity	11.87%	FFC	Equity	2.90%
PPL	Equity	11.56%	PTC	Equity	2.51%
Pak Elektron Ltd.	Sukuk	11.01%	Eden Builders	Sukuk	2.17%

## 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
Kohat Cement Limited Sukuk	Sukuk	48,300,000	16,094,816	**32,205,184	12.93%	30.20%
Maple Leaf Cement Sukuk 1	Sukuk	49,968,125	18,630,865	**31,337,260	12.58%	27.63%
Eden Housing Limited Sukuk 2	Sukuk	18,750,000	5,832,337	**12,917,663	5.19%	36.25%
<b>Total</b>		<b>117,018,125</b>	<b>40,558,018</b>	<b>76,460,107</b>	<b>30.70%</b>	

\*\* Book Value, performing but below investment grade

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell the fund. All investments in mutual funds are subject to market risks. The price of units may go up as well as down. Past performance is not necessarily indicative of future results.