



National Fullerton  
Asset Management Limited

# NAFA Cash Fund (NCF)

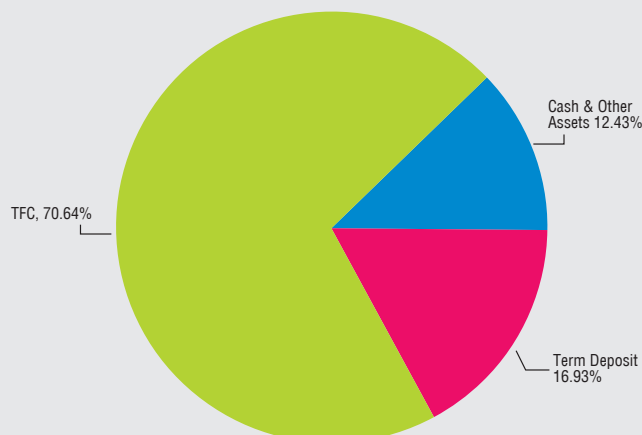
Unit Price (28/02/2009): Rs. 9.8301

February 2009

Investment Objective	Performance					
	Performance (%)	Jan - Jun 2008*	Jul - Dec 2008**	Jan 2008*	Feb 2009*	Since Launch April 22, 2006**
To seek preservation of capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.	<b>NAFA Cash Fund</b>	<b>9.88%</b>	<b>(1.80)%</b>	<b>14.87%</b>	<b>18.47%</b>	<b>24.85%</b>
	<b>Benchmark</b>	11.20%	7.17%	14.37%	13.32%	35.61%
	* Represents Annualized Return ** Represents cumulative Return (Returns are net of management fee & all other expenses)					

General Information		Fund Manager's Commentary
Launch Date:	April 22, 2006	NAFA Cash Fund (NCF) earned an annualized return of 18.47% during the month of February. The return earned during the month is 3.60% higher than the return earned during the last month and 5.15% better than the benchmark return.
Fund Size:	Rs. 8,268 million	
Type:	Open-end – Fixed Income Fund	There has been a significant improvement in liquidity condition in the money market, which was obvious from Rs. 362 billion of bids in the last Treasury Bill auction against target of Rs.120 billion. Yield of 1-year Government Bond has decreased by approximately 150 basis points in the last one week, due to the prevailing excess liquidity.
Dealing:	Daily - Monday to Friday	
Settlement:	2-3 business days	
Load:	No entry or exit load	
Management Fee:	1.5% per annum	The 6-month KIBOR, after witnessing a rising trend from May, 2008 onward, has dropped substantially, falling by 100 basis points in the last three days of February.
Listing:	Lahore Stock Exchange	
Custodian & Trustee:	Central Depository Company (CDC)	
Auditors:	A. F. Ferguson & Co. Chartered Accountants	
Benchmark:	1-Month KIBOR	As on February 28, 2009 NAFA Cash Fund is holding approximately 71% of its Net Asset Value in the Term Finance Certificates, 17% in the Term Deposit Receipts and 12% in cash and other assets. The Government Securities are yielding 11% p.a to 14% p.a as against corporate Term Finance Certificates (TFCs) yielding 18% p.a to 22% p.a. As risk aversion is gradually declining, we expect this spread to narrow, resulting in a significant rise in the prices of TFCs. NAFA Cash Fund, due to its substantial holding of Term Finance Certificates, is expected to be the beneficiary of this narrowing of spread. Investors of NCF are expected to gradually recoup their losses due to capital gains in the TFC portfolio in the coming months.
Fund Manager:	Ms. Rukhsana Narejo, CFA	
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	

Asset Allocation (on 28th February 2009)



We expect performance of NAFA Cash Fund to maintain its rising trend in the future months due to expected capital gains on its Term Finance Certificate portfolio.

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