

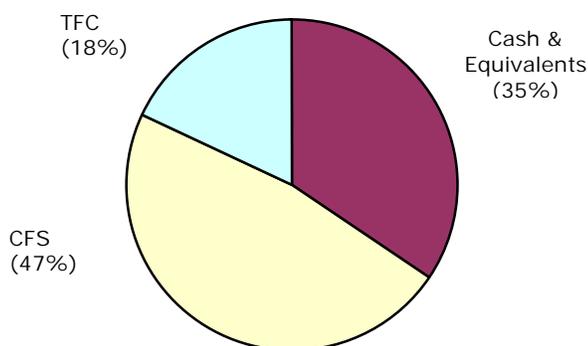
Investment Objective	Performance					
To seek preservation of capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.	Annualized Performance (%) (Net of Management Fee)	HY - 2006 (Jul – Dec)	Qtr 2 - 2006 (Oct-Dec)	December 2006	January 2007	Since Launch April 22, 2006
	NAFA Cash Fund:	10.3%	10.4%	11.0%	10.6%	10.6%
	Benchmark:	9.6%	9.7%	9.8%	9.9%	9.8%
Profit on Rs. 100,000 invested	Rs. 5,171	Rs. 2,632	Rs. 936	Rs. 899	Rs. 8,025	

General Information	Fund Manager Commentary
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Launch Date: April 22, 2006 Fund Size: Rs. 6.0 billion Type: Open-end – Fixed Income Fund Dealing: Daily Settlement: 2-3 business days Load: No entry or exit load Management Fee: 1.5% per annum	<p>In the span of 10-months, NCF's size has witnessed tremendous growth and has crossed the landmark figure of Rs.6 billion. This is an indication of the confidence in us by our investors.</p> <p>CFS rates have experienced a significant drop of approximately 150 basis points during the month. The rates have dropped from 15.56% p.a. to 14.04% p.a. due to the excess supply of funds in the CFS market, as well as due to the low volumes witnessed during the first three weeks of January. We expect CFS rates to increase due to the following two reasons: 1) better volumes expected at the KSE during the month of February, and 2) the total CFS value has increased to Rs.47 billion and is coming close to the cap of Rs.55 billion.</p>
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Listing: Lahore Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Company Benchmark: 1-month KIBOR Fund Manager(s): Ms. Rukhsana Narejo, CFA Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	<p>In line with its efforts to improve the risk management measures at Karachi Stock Exchange (KSE), the SECP has constituted a Committee for smooth and early implementation of CFS Mk II. When implemented, CFS Mk II will help the income funds to earn higher net rates of return due to lowering of brokerage costs.</p> <p>The month of January witnessed a decrease in KIBOR rates, where 6-Month KIBOR decreased by approximately 10 basis points. For financial institutions, December marks the end of the fiscal year, and KIBOR rates generally are up during this month, but witness a drop in January. We expect KIBOR to either remain stable at the current levels or gradually increase.</p> <p>Expected rise in CFS rates and further building of our TFC portfolio, will help us to further improve the return on the Fund in the future.</p>
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Asset Allocation (as on 31st January 2007)

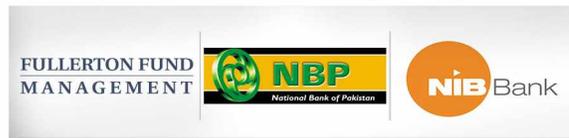


Disclaimer: *The price of units may go down as well as up. Please refer to respective offering document(s).*

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