



National Fullerton
Asset Management Limited

NAFA Cash Fund (NCF)

Unit Price (30/11/2009): Rs. 10.1261

November 2009

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.	Performance (%)*	Apr - Dec 2006	Jan - Dec 2007	Jan - Dec 2008	Jan - Nov 2009	Nov 2009	Since Launch April 22, 2006
	NAFA Cash Fund	10.65%	10.28%	2.92%	13.28%	11.45%	9.00%
	Benchmark	9.87%	10.07%	12.95%	13.66%	13.56%	11.73%
* Represents Annualized Return (Returns are net of management fee & all other expenses)							

General Information		Fund Manager's Commentary
Launch Date:	April 22, 2006	The Fund earned an annualized return of 11.45% during the month. The annualized return earned during the previous month was 11.24%.
Fund Size:	Rs. 5,748 million	
Type:	Open-end – Fixed Income Fund	<p>Acknowledging the support required for real economic recovery, the SBP has opted for a gradual monetary easing stance with a 50bp cut in policy rate to 12.5%. There has been a notable improvement in 1QFY10 macro economic indicators. Headline inflation has dropped to 8.9% alongside significant improvement in current account balances over the previous year. Going forward, growth in the real economy will be determined by fiscal discipline and trends in inflation.</p> <p>We expect a positive response from the market with regard to liquidity. Fiscal austerity and law and order situation will continue to set the pace of improvement in the general economic health. Timing and magnitude of inflows (non-IMF) should lead SBP monetary policy decision in the next Monetary Policy Statement due end-January, 2010.</p> <p>The weighted average yield to maturity on the TFCs held in NCF is around 16.36% p.a. The proportion of TFCs in the Fund has been reduced to 74.74% during the month. In the coming months, with the expected improvement in liquidity and easing of interest rates, we expect upside potential in TFC prices. The AA rating category TFCs make up more than 65% of the TFC portfolio, whereas the A rating category are 31% which signifies the overall quality of the portfolio.</p> <p>Six Month KIBOR closed at 12.41% for the month, forty three basis points lower than the previous month close.</p>
Dealing:	Daily - Monday to Friday	
Settlement:	2-3 business days	
Load:	No entry or exit load	
Management Fee:	1.5% per annum	
Listing:	Lahore Stock Exchange	
Custodian & Trustee:	Central Depository Company (CDC)	
Auditors:	A. F. Ferguson & Co. Chartered Accountants	
Benchmark:	1-Month KIBOR	
Fund Manager:	Irfan Malik, CFA	
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	

Asset Allocation (as on 30th November 2009)



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