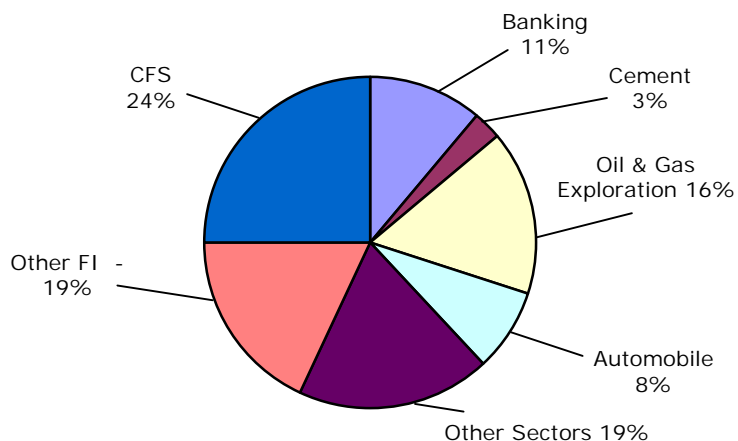


Investment Objective	Performance	
To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, continuous funding system etc.	NAFA Multi Asset Fund	Since Launch January 22, 2007
	Cumulative Return* (%) *(Net of Management Fee)	3.93%
	Value of Rs. 100,000 invested	Rs. 103,930

General Information	Fund Manager Commentary
<p>Launch Date: January 22, 2007 Fund Size: Rs. 806.8 million Type: Open-end – Balance Fund Dealing: Daily Settlement: 2-3 business days Load: Front end – 3% Back end - 0 Management Fee: 2% per annum</p>	<p>The Fund has so far provided around 4% return to its investors in the first five weeks since the launch of our Fund.</p> <p>The Fund is presently invested 57% in equities and 43% in Fixed Income. Equities market has declined marginally during the month, although the expectations are that due to attractive valuations and good corporate earnings, the market will perform well going forward.</p>
<p>Listing: Lahore Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Company Benchmark: 50% KSE-30 Index & 50% 1-month KIBOR Fund Manager(s): Adnan Faisal, CFA Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	

Asset Allocation (as on 28th February, 2007)



In line with the Fund's 'moderate risk level' policy, the Fund is invested in shares with good valuations and dividend yield. The attached chart shows the sector allocations within the equity asset class. We are positive on the banking and insurance sector due to the growing consumer finance potential of the country. We have higher allocation in the oil & gas sector as aggressive exploration activities coupled with higher oil prices make it an attractive investment opportunity. Our favorable view on automobile and cement manufacturers is based on a growing economy and its infrastructural needs.

Asset allocation on the Fixed Income (FI) side is mainly in CFS. Return on CFS initially improved 320 bps to a maximum of 18.8% per annum during the bull run in the stock market. However, this was for a short time period and average annualized CFS return has now come down to 13% per annum. CFS investment is constantly maintained at 24.5% of the Fund size, as it is still providing better returns relative to other investment options such as TFCs, COIs and bank deposits.

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

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