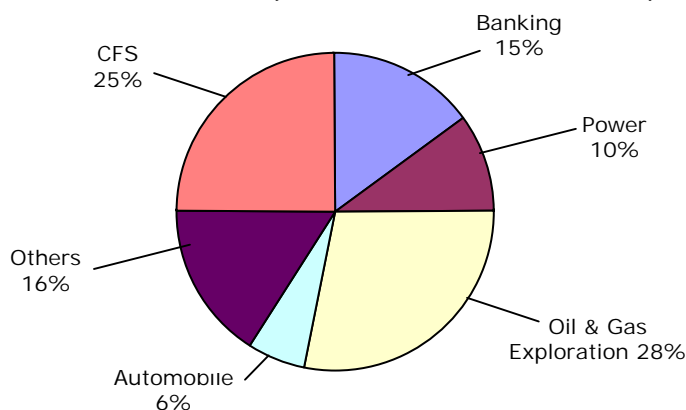


Investment Objective	Performance	
To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, continuous funding system etc.	NAFA Multi Asset Fund	Since Launch January 22, 2007
	Cumulative Return* (%) * Net of Management Fee	3.12%
	Value of Rs. 100,000 invested	Rs. 103,312

General Information	Fund Manager Commentary
<p>Launch Date: January 22, 2007            Fund Size: Rs. 790.9 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 started its investment activity on January 22, 2007 following the IPO.</p> <p>Analysis for asset allocation had been undertaken before the launch. Most of the fundamental indicators such as Price to Earnings, Price to Book, earnings yield etc. indicated that the stock market was at attractive levels relative to historical valuations and other regional markets. Also the stock market momentum had turned positive. It was therefore decided to over-weight equities and under-weight Fixed Income. The attached chart reflects this over-weight stance in equities and the recent market bull run vindicates our view. However we remain vigilant and ready to reduce our equity exposure if and when the market situation justifies.</p>
<p>Listing: Lahore Stock Exchange            Custodian &amp; Trustee: Central Depository Company (CDC)            Auditors: A. F. Ferguson &amp; Company            Benchmark: 50% KSE-30 Index &amp; 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 31<sup>st</sup> January, 2007)



On the first day following IPO, 40% of the total fund was invested in carefully chosen stocks. This allocation was increased to 65% within the first week. The equity part of the portfolio has been kept defensive with dividend yield and strong financial prospects being the key investment factors. The attached chart shows the sectoral allocations within the equity asset class.

On the Fixed Income (FI) side, CFS is presently providing better returns relative to other FI investment options such as TFCs, COIs and bank deposits. Therefore, the Fund has invested 25% of its value in CFS. We are presently satisfied with our asset allocation, and are confident that going forward, the Fund will offer attractive returns to its investors.

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

### National Fullerton Asset Management Ltd.

9<sup>th</sup> Floor, Adamjee House, I.I.Chundrigar Road,  
Karachi-74000, Pakistan.

Toll Free: 0800-20001 UAN: +92-21-111-111-632.

Fax: +92-21-2467605.

Website: [www.nafafunds.com](http://www.nafafunds.com) Email: [info@nafafunds.com](mailto:info@nafafunds.com)

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