



NAFA MULTI ASSET FUND (NMF)

Monthly Report

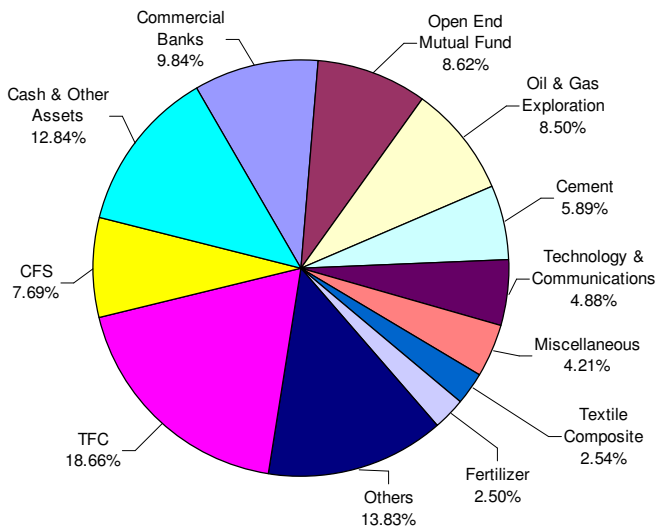
NAV per unit (31/01/2008): Rs. 12.4195

January 2008

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, CFS etc.	Return (%) *	Jan. 22 – Dec. 2007	Jul. - Dec. 2007	Oct. – Dec. 2007	Jan. 2008	Since Launch Jan. 22, 07
	NAFA Multi Asset Fund	44.06%	11.69%	6.63%	-1.23%	42.29%
	Benchmark (50%KSE-30 index & 50% 1-month KIBOR)	17.50%	1.98%	3.09%	0.43%	18.01%
* Returns are net of management fee & all other expenses						

General Information	Fund Manager Commentary
<p>Launch Date: January 22, 2007 Fund Size: Rs. 2,099 million Type: Open-end – Balance Fund Dealing: Daily Settlement: 2-3 business days Load: Front end – 3%, Back end - 0% Management Fee: 2.5% per annum</p>	<p>During the month under review, NAFA Multi Asset Fund's NAV declined by 1.23% while the benchmark (50% KSE-30 & 50% 1-month KIBOR) increased by 0.43%. Thus your Fund underperformed the benchmark by 1.66% during the month. Since inception i.e. January 22, 2007 your Fund has risen by 42.29%, while the benchmark has risen by 18.01%.</p> <p>Till December 27, 2007 we were positive on the stock market in the wake of growing foreign interest and low valuations levels. Your Fund was maintaining an overweight stance in equities, but subsequent events of December 27, 2007 impacted the performance of Your Fund.</p> <p>The month of January proved to be a challenging one as local as well as international crises hit the stock market. In addition to this, the nature of international crises also caused significant uncertainties on the Fixed-Income side.</p>
<p>Listing: Lahore Stock Exchange Trustee: Central Depository Company Auditors: A. F. Ferguson & Co. Chartered Accountants 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 (On Jan. 31, 2008)



The month began with the continuing impact of assassination of Late Ms. Benazir Bhutto. Subsequently, the negative macro economic fallout of the US sub-prime crisis sent shock waves through out the global equity markets. Although the US government announced an economic bailout package to avert the fallout, the global stock markets remained jittery.

The global dispositions along with the continuing up turn in commodities cycle has taken its toll on the monetary scenario. In order to counter imported inflation, SBP has increased the Discount Rate and CRR for the banks. We believe that this will lead to an increase in returns on the Fixed Income portfolio of Your Fund.

We are maintaining a balanced strategy on equities. The resilience showed by the market despite economic and political concerns makes us believe that the downside is limited from here, and the market will experience a decent upside following February 18, 2008 elections.

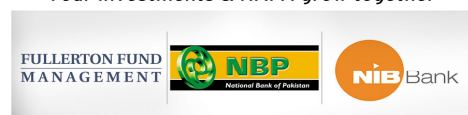
Disclaimer: The price of units may go down as well as up. Please refer to respective offering document(s).

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