



National Fullerton
Asset Management Limited

NAFA Islamic Multi Asset Fund (NIMF)

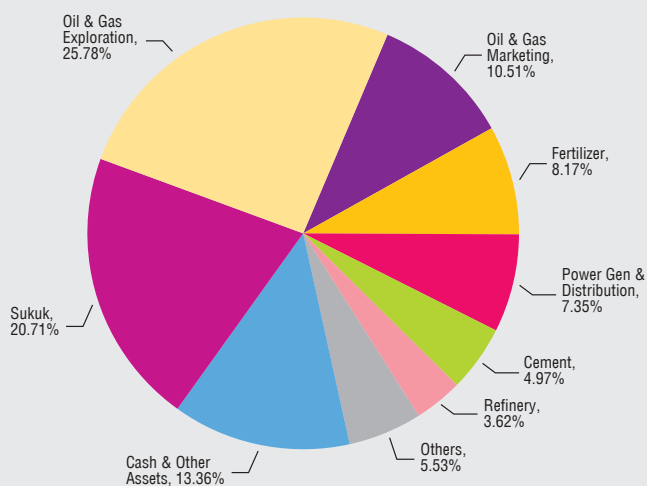
Unit Price (31/08/2009): Rs. 9.9153

August 2009

Investment Objective	Performance					
To provide investors with a combination of capital growth and income by investing in Shariah compliant investments. NIMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of Shariah compliant securities, instruments and avenues such as Equities, Musharakah, Murabahah, Ijarah etc.	Performance (%)*	Nov - Dec 2007	Jan - Dec 2008	Jul - Jul 2008 - 09	Aug 2009	Since Launch October 29, 2007
	NAFA Islamic Multi Asset Fund	(2.42)%	(35.94)%	(1.91)%	6.01%	(0.85)%
	Benchmark**	-	-	-	5.62%	-
* Returns are net of management fee & all other expenses ** KMI - 30 Index was launched on 1st Sep, 2008						

General Information	Fund Manager's Commentary
<p>Launch Date: October 29, 2007</p> <p>Fund Size: Rs. 673 million</p> <p>Type: Shariah Compliant - Open-end Balanced Fund</p> <p>Dealing: Daily - Monday to Friday</p> <p>Settlement: 2-3 business days</p> <p>Load: Front end - 3%, Back end - 0%</p> <p>Management Fee: 3% per annum</p>	<p>During the month of August 2009, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) increased by 6.01%, whereas the benchmark increased by 5.62%, thus an out-performance of 0.39% was recorded.</p> <p>During the month, some of the stocks in auto, refinery and cement sectors did not perform in line with our expectations. In our view, these shares are fundamentally grossly undervalued. We expect mispricing of these stocks to correct in due course of time.</p>
<p>Listing: Lahore Stock Exchange</p> <p>Custodian & Trustee: Central Depository Company (CDC)</p> <p>Auditors: A. F. Ferguson & Co. Chartered Accountants</p> <p>Benchmark: 50% KMI - 30 Index & 50% average 1-month profit rate of Islamic banks</p> <p>Fund Manager: Sajjad Anwar, CFA</p> <p>Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	
<p>Anticipating upside in the Stock Market, we remained overweight in equities and underweight in fixed income during the month. NIMF is a balanced fund and market weight implies 50% weight in equities and 50% in fixed income. The Market witnessed a sharp rising trend during the month. During the month, KMI-30 Index gained around 11%. Key factors responsible for this performance are: (i) net foreign inflows due to up gradation of ratings by Moody's and S&P and decline in Pakistan credit-default swap. (ii) IMF's additional loan. (iii) improved security situation. (iv) lower YoY inflation (CPI). (v) better than expected result season. (vi) improved balance of payment situation. Trading activity also remained very healthy with daily average traded value around PKR 8 billion.</p>	
<p>We witnessed a rising trend in interest rates during the month. As a result, 6-month KIBOR increased by 56 basis points to close the month at 12.56% from 12% at the start of the month. T-bills yield also showed upward trend during the outgoing month, mainly due to the tight liquidity situation and heavy Government borrowing.</p>	
<p>Going forward, we are expecting the performance of our Fund to improve further as we are holding undervalued stocks that are expected to perform better than the Market.</p>	

Asset Allocation (as on 31st August 2009)



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

Note: The provisioning policy on Debt instruments as approved by the Board of Directors of NAFA has been posted on our website (www.nafafunds.com) for your information.