



**NBP Fullerton  
Asset Management Limited**  
(Formerly National Fullerton Asset Management Limited)

# NAFA Islamic Multi Asset Fund (NIMF)

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (28/02/2011): Rs.10.4332\*

February 2011

## Performance

Performance % **	February 2011	FYTD Jul. 2010 – Feb. 2011	Trailing 12 Months	Since Launch October 29, 2007
NAFA Islamic Multi Asset Fund	(0.77%)	20.90%	28.04%	21.75%

\* Ex-Dividend Price

\*\* Cumulative returns are net of management fee & all other expenses

## General Information

Launch Date:	October 29, 2007
Fund Size:	Rs. 270 million
Type:	Shariah Compliant - Open-end – Balanced Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	9:00 A.M to 4:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end – 3%, Back end - 0%
Management Fee:	3% per annum
Risk Profile:	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	50% KMI - 30 Index & 50% average 3-month profit rate of Islamic banks. (Benchmark changed with effect from 15-12-2010. Previous Benchmark was 50% KMI - 30 Index & 50% average 1-month profit rate of Islamic banks.)
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA

## Investment Objective

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.

## Fund Manager Commentary

During the month under review, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) decreased by 0.77%, whereas the benchmark (50% KMI-30 index & 50% average 3-month profit rate of Islamic Banks) decreased by 3.08%, thus your Fund out-performed the benchmark by 2.31%. This out-performance is net of management fee and all other expenses.

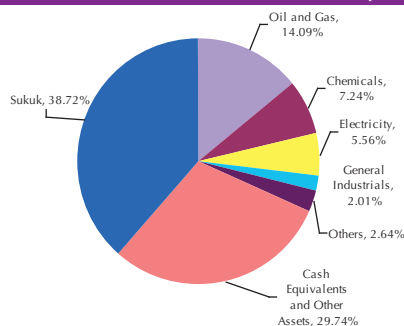
NIMF is a Balanced Fund and market weight implies 50% weight in equities and 50% in fixed income asset class. At the start of the month, NIMF was around 43.4% invested in equities. We further reduced the weightage of the Fund in equities as the market largely portrayed a bearish trend. At the end of the month, NIMF was around 31.5% invested in equities. As per regulations, a Balanced Fund is required to maintain minimum 30% exposure in equities. The portfolio of NIMF is tilted towards stocks that have attractive dividend yields and which are defensive in nature. Therefore, NIMF's exposure in the Power sub-sector and key stocks in the Oil & Gas Exploration sub-sector was kept at either market weight or slightly above the market weight. NIMF's key holdings in the Power and Oil & Gas Exploration sub-sectors performed better than the market, which contributed to the out-performance of the Fund. NIMF's out-performance was also contributed by the Fund's under-weight stance in Cement, Refineries, Oil Marketing Companies and Paper & Board sub-sectors. The weighted average Yield-to-Maturity (YTM) of the Sukuk portfolio of NIMF is around 30.27% per annum.

We are monitoring the developments in the capital markets and will alter the portfolio of NIMF accordingly.

## Asset Allocation (% of NAV) 28-Feb-11 31-Jan-11

Asset Allocation (% of NAV)	28-Feb-11	31-Jan-11
Equities / Stock	31.54%	43.43%
Sukuk	38.72%	38.20%
Cash Equivalents	26.64%	14.91%
Other Net Assets	3.10%	3.46%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## Asset Allocation (as on 28th February 2011)



## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Tanvir Abid, CFA, FRM  
Ahmad Nouman, CFA

## Top Ten Holdings (as on 28th February 2011)

Name	Asset Class	% of NAV	Name	Asset Class	% of NAV
Kohat Cement Ltd.	Sukuk	12.11%	Hub Power Co. Ltd.	Equity	5.56%
Maple Leaf Cement	Sukuk	11.61%	Eden Housing Ltd.	Sukuk	4.71%
Pak Elektron Ltd.	Sukuk	8.61%	Fauji Fert. Co. Ltd.	Equity	4.10%
Pakistan Oilfields Ltd.	Equity	7.16%	Thal Ltd.	Equity	2.00%
Pak Petroleum Ltd.	Equity	6.88%	Fauji Fert. Bin Qasim	Equity	1.79%

## Details of Non-Compliant Investments

Name of Non Compliant Investment	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	YTM Per Annum
Kohat Cement Limited Sukuk	Sukuk	48,300,000	15,626,837	***32,673,163	12.11%	31.58%
Maple Leaf Cement Sukuk 1	Sukuk	49,957,500	18,626,904	***31,330,596	11.61%	29.14%
Eden Housing Limited Sukuk 2	Sukuk	18,281,250	5,582,326	***12,698,924	4.71%	38.86%
<b>Total</b>		<b>116,538,750</b>	<b>39,836,067</b>	<b>76,702,683</b>	<b>28.43%</b>	

\*\*\* Book Value, performing but below investment grade

**Disclaimer:** This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.