



National Fullerton
Asset Management Limited

NAFA Islamic Multi Asset Fund (NIMF)

NAV Unit Price (31/01/2009): Rs. 6.5661

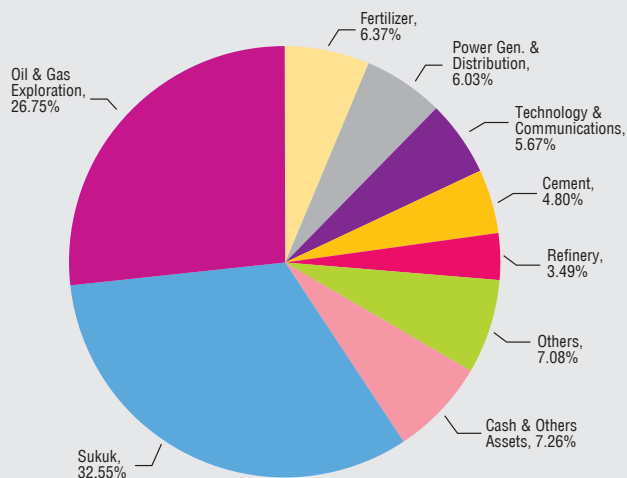
January 2009

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.	Return (%)*	Nov - Dec 2007	Jan - Jun 2008	Jul - Dec 2008	Jan 2009	Since Launch
	NAFA Islamic Multi Asset Fund	-2.42%	-2.06%	-34.59%	5.27%	-34.34%
	Benchmark**	-	-	-	4.06%	-

*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. 415 million</p> <p>Type: Shariah Compliant - Open-end Balanced Fund</p> <p>Dealing: Daily</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 under review, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) increased by 5.27%, whereas benchmark increased by 4.06%, thus an out-performance of 1.21% was recorded.</p> <p>After a lot of volatility during the month, the stock market ended the month on a positive note. It closed well above its bottom. Trading volumes were good during the month, which shows that buying interest among domestic investors has revived.</p>
<p>Listing: Lahore Stock Exchange</p> <p>Trustee: Central Depository Company</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>Macroeconomic indicators are improving. Headline inflation numbers (CPI as well as SPI) for the month of December 2008 show an easing in inflation rates. Core inflation at 18.5% has also tapered off over the past three months and seems set to decline going forward. Foreign exchange reserves have stabilized around USD 10 billion. Fiscal deficit has also remained within the limits set by IMF for the first half of the current fiscal year. These trends suggest that there will be a strong case for lowering of interest rates in the near future.</p>	

Asset Allocation (on 31st January 2009)



During the month, we remained market weight in equity and fixed income asset classes. NIMF is a balanced fund and market weight implies a 50% weight in equity and 50% weight in fixed income. The Fund was able to beat the benchmark through combination of stock selection and a high yield on the fixed income portfolio.

Towards the end of the month, we increased our exposure to equity to 60%. Our strategy is to remain overweight in equity in the near future. Current stock prices are very attractive considering the earnings potential of the companies especially those in the defensive sectors like Oil & Gas, Fertilizer & Power. Going forward, it is our view that the Fund will perform well as we expect significant improvement in sukuks' and stocks' prices during 2009.

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