



National Fullerton
Asset Management Limited

NAFA Islamic Multi Asset Fund (NIMF)

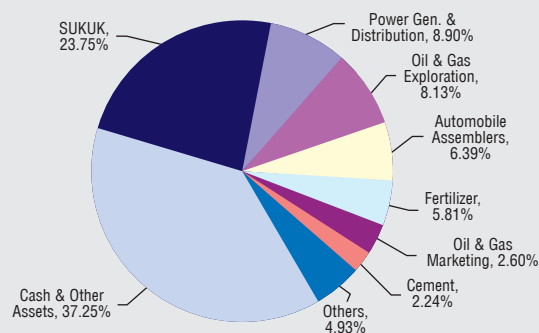
Unit Price (31/01/2010): Rs. 9.5079

January 2010

Investment Objective	Performance						
	Performance (%)*	Oct - Dec 2007	Oct - Jun 2007 - 08	Jul - Jun 2008 - 09	Jul - Dec 2009	January 2010	Since Launch October 29, 2007
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.	NAFA Islamic Multi Asset Fund	(2.64)%	(4.64)%	(10.09)%	8.76%	1.97%	(4.92%)
	*Returns are net of management fee & all other expenses						

General Information		Fund Manager's Commentary
Launch Date: Fund Size: Type:	October 29, 2007 Rs. 508 million Shariah Compliant - Open-end Balanced Fund	During the month of January 2010, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) increased by 1.97%, whereas the benchmark increased by 1.96%, thus your Fund performed in line with the benchmark.
Dealing Days: Settlement: Price Mechanism Load: Management Fee: Risk Profile	Daily - Monday to Friday 2-3 business days Forward Pricing Front end -3%, Back end-0% 3% per annum Moderate	
Listing: Custodian & Trustee:	Lahore Stock Exchange Central Depository Company (CDC)	NIMF is a balanced fund and market weight implies 50% weight in equity and 50% in fixed income asset class. In the beginning of the month we were over-weight in equity and under-weight in the fixed income asset class. During the latter half of the month we reduced our allocation in equity below the market weight due to uncertain political situation and news of imposition of capital gain tax on the stock market.
Auditors:	A. F. Ferguson & Co. Chartered Accountants	
Benchmark:	50% KMI - 30 Index & 50% average 1-month profit rate of Islamic banks.	
Fund Manager: Minimum Subscription: Asset Manager Rating	Sajjad Anwar, CFA Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- AM2-	

Asset Allocation (as on 31st January 2010)



Leverage: (Amount of leveraging / borrowing done by the Fund.)	Nil
Name of the members of Investment Committee:	Dr. Amjad Waheed, CFA Sajjad Anwar, CFA Tanvir Abid, CFA Irfan Malik, CFA

Ahead of the result season the Stock market performed very well during the first half of the month. KMI-30 Index closed at 14,660 levels on January 15, 2010 showing an increase of around 6.58%. However, the release of detailed report by Supreme Court of Pakistan on NRO judgment prompted fear of rift between presidency and judiciary that dampened the investors' confidence. Moreover, statement of imposition of capital gain tax on the stock market by the Finance Minister created anxiety among the investors. Foreign portfolio Investment activity also remained subdued. Trading activity improved in the month of January with average daily traded volume recorded at 187.2 million shares as against 119.2 million shares during the previous month.

State Bank of Pakistan in its Monetary Policy Statement of January 2010 kept the policy rate unchanged at 12.5%. SBP's decision to transfer the oil import payment to the market put some pressure on the exchange rate. 6-month KIBOR declined by 20 basis points to close the month at 12.23% from 12.43% at the start of the month. Year-on-year CPI inflation in the month of December was recorded at 10.5%.

Key triggers for the stock market in our views are: I) political stability II) growth in corporate earnings; III) rationalization of government borrowing and expenditures IV) foreign inflows; V) availability of financing product. Going forward, we are expecting the Fund to perform well as we are holding positions in high dividend yielding stocks with stable earnings stream and superior management quality.

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 the fund. All investments in mutual funds are subject to market risks. The price of units may go up as well as down. Past performance is not necessarily indicative of future results.