



National Fullerton
Asset Management Limited

NAFA Islamic Multi Asset Fund (NIMF)

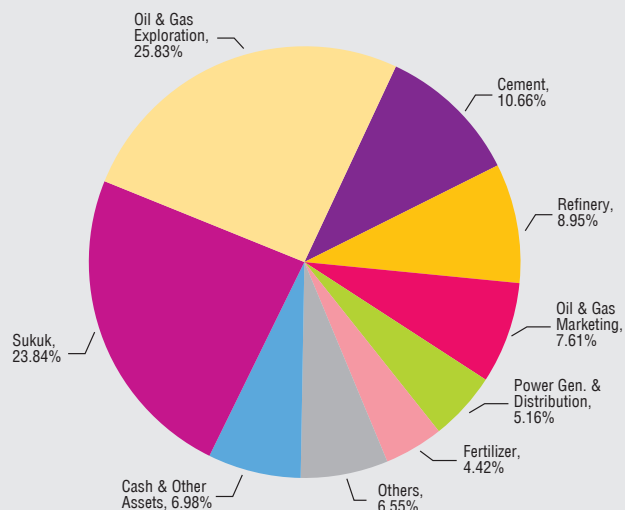
Unit Price (31/07/2009): Rs. 9.3534

July 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 - Jun 2008 - 09	July 2009	Since Launch October 29, 2007
	NAFA Islamic Multi Asset Fund	(2.42)%	(35.94)%	(10.09)%	9.10%	(6.47)%
	Benchmark**	-	-	-	5.07%	-
* Returns are net of management fee & all other expenses ** KMI - 30 Index was launched on 1st Sep, 2008						

General Information	Fund Manager's Commentary
Launch Date: October 29, 2007 Fund Size: Rs. 586 million Type: Shariah Compliant - Open-end Balanced Fund Dealing: Daily - Monday to Friday Settlement: 2-3 business days Load: Front end - 3%, Back end - 0% Management Fee: 3% per annum	During the month of July 2009, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) increased by 9.10%, whereas the benchmark increased by 5.07%, thus an out-performance of 4.03% was recorded. During the month under review, NAV of the peer group increased by 4.76% which translates in to out performance of 4.34% of NIMF versus the peer group.
Listing: Lahore Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Co. Chartered Accountants Benchmark: 50% KMI - 30 Index & 50% average 1-month profit rate of Islamic banks Fund Manager: Sajjad Anwar, CFA Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	

Asset Allocation (as on 31st July 2009)



NIMF is a balanced fund and market weight implies 50% in equities and 50% in fixed income. During the month, we remained over weight in equities and under weight in fixed income. We were expecting upside in the Stock Market due to policy rate cut by the State Bank of Pakistan in their second quarterly monetary policy statement. This strategy benefited us as seen by around 9.35% upside in the Stock Market till July 22, 2009. However, the decision of SBP to delay the announcement of the monetary policy statement weakened the sentiments of the equity investors. Furthermore, the increase in the yield on T-bills in the last auction sent negative signals to the market. During the month, KMI 30 increased by 9.65% to close the month at 11,674 after touching a high of 11,763.

During the outgoing month, stocks of some of the sectors of the economy showed sign of recovery especially cement, autos and refineries. Improvement in sales numbers of autos, higher dispatches of the cement on the back of higher exports attracted the interest of investors to these sectors. Refineries stocks rallied due to expectation of higher earnings on the back of expected inventory gains. Our decision to timely overweight these sectors helped our Fund to outperform the peer group and the benchmark. Our decision to remain overweight or underweight will depend on the future direction of the economy.

We are optimistic about the Stock Market due to expected policy rate cuts by the SBP and expected improvement in liquidity situation with foreign inflows.

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