

FUNDS' INFORMATION

Management Company

National Fullerton Asset Management Limited.

Board of Directors of the Management Company

Mr. Masood Karim Shaikh	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Gerard Lee How Cheng	Director
Khawaja Iqbal Hassan	Director
Mr. Patrick Pang Chin Hwang	Director
Mr. Shahid Anwar Khan	Director
Mr. Masroor Ahmed Qureshi	Director

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Gerard Lee How Cheng	Chairman
Mr. Shahid Anwar Khan	Member
Mr. Masroor Ahmed Qureshi	Member

Trustee

Central Depository Company of Pakistan Limited (CDC)
CDC House, 99-B, Block "B", S.M.C.H.S
Main Shahra-e-Faisal, Karachi.

Bankers to the Fund

NAFA CASH FUND

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Habib Bank Limited
KASB Bank Limited
MCB Bank Limited
My Bank Limited
National Bank of Pakistan
NIB Bank Limited
Saudi Pak Commercial Bank Ltd.
Soneri Bank Limited
United Bank Limited
Atlas Bank Limited
The Bank of Punjab
Habib Metropolitan Bank Limited
JS Bank Limited
The Bank of Khyber
Standard Chartered Bank Ltd.
Arif Habib Rupali Bank Ltd.
ABN AMRO Bank

NAFA Funds

Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No.1-C
I.I. Chundrigar Road
P.O. Box 4716
Karachi.

Legal Advisor

Aly Shah & Co. Advocates and Legal Consultants
Suite 502, 5th Floor
Marine Pride, BC-2, Block-7,
Khayaban-e-Iqbal
Clifton, Karachi.

Head Office

9th Floor, Adamjee House
I.I. Chundrigar Road
Karachi.

Lahore Office

83-A-E/1, Main Boulevard
Gulberg III
Lahore.

Islamabad Office

4th Floor, Ali Plaza
1-E, Blue Area
Islamabad.

DIRECTORS' REPORT

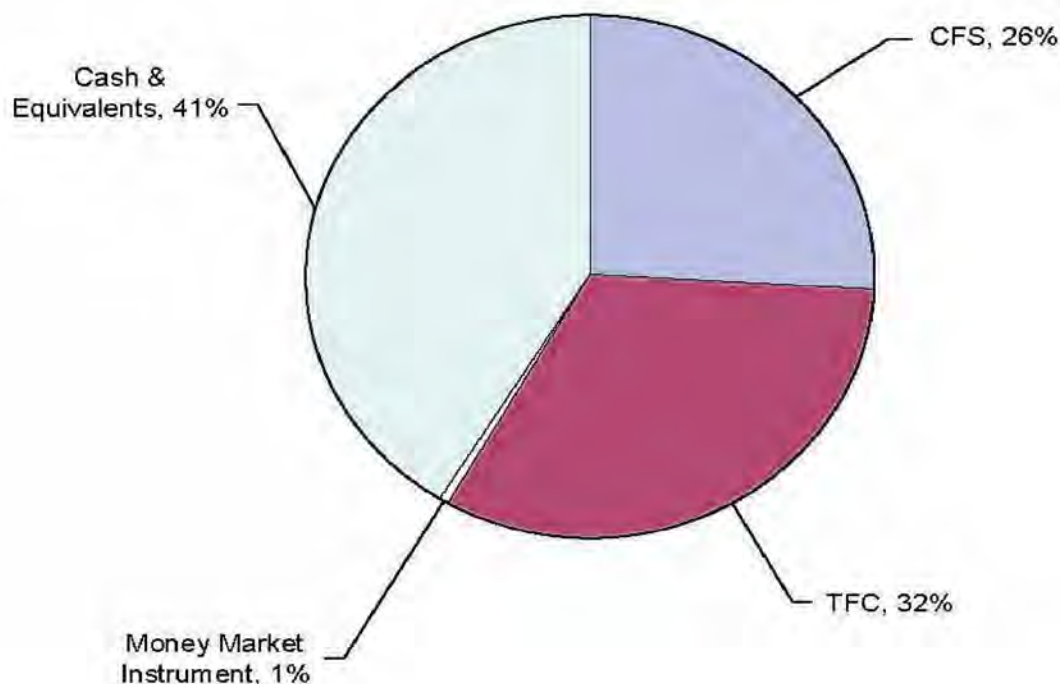
The Board of Directors of National Fullerton Asset Management Limited is pleased to present the un-audited financial statements of **NAFA Cash Fund** for the period ended March 31, 2008.

Fund's Performance

The size of NAFA Cash Fund has grown from Rs.18.25 billion to Rs.25.15 billion during the period from July 1, 2007 to March 31, 2008, a growth of 37.81%. During this period, the Unit Price of the Fund has grown from Rs.10.0273 (Ex-Div) on June 30, 2007 to Rs.10.7547 on March 31, 2008, which translates into annualized return of 9.65%.

NAFA Cash Fund has earned a total income of Rs.2,036.43 million during the said period. After deducting total expenses of Rs.335.59 million, the net profit is Rs.1,700.84 million, which translates into an earning per unit of Rs.0.7274.

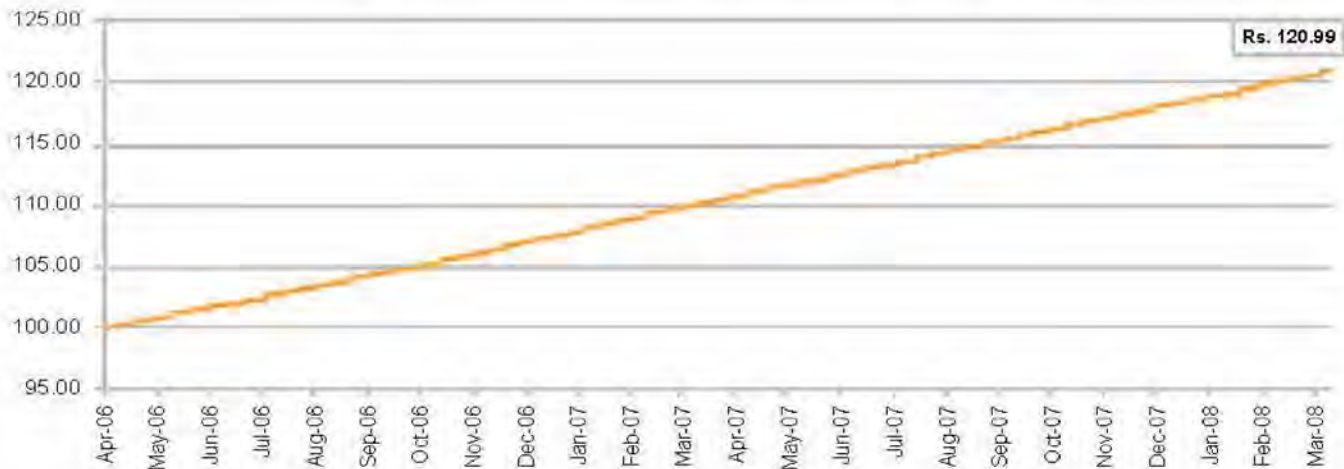
The asset allocation of the Fund as at March 31, 2008 is as follows:



NAFA Cash Fund has not observed a decline in unit price by even one paisa on any one day since launch of NAFA Cash Fund in April 2006. The following chart shows a uniform growth in the value of investment of NAFA Cash Fund.

NAFA Cash Fund

Value of Rs. 100 Invested in NAFA Cash Fund at launch (April 22, 2006)



Interim Income Distribution

The Board of Directors of the Management Company has approved an interim distribution @ 2.356% (i.e. Re.0.2356 per unit of Rs.10 each).

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the management, and providing us with the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee for their continued support and cooperation.

On behalf of the Board of
National Fullerton Asset Management Limited

Masood Karim Shaikh, FCA
Chairman

Dr. Amjad Waheed, CFA
Chief Executive

Date: April 16, 2008
Place: Karachi.

NAFA Cash Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2008

	Note	Un-audited March 31, 2008 (Rupees in '000')	Audited June 30, 2007
ASSETS			
Balances with banks		5,910,531	3,111,277
Receivable against Continuous Funding System (CFS) transactions		6,632,394	7,755,443
Investments	4	8,145,535	3,059,370
Loans and receivables		4,028,986	4,130,017
Receivable against sale of Investment		484,154	-
Advances, deposits, prepayments and other receivables		5,356	1,115
Dividend and profit receivable	5	460,285	256,468
Preliminary expenses and floatation costs		1,527	1,904
Total assets		25,668,768	18,315,594
LIABILITIES			
Accrued expenses and other liabilities	6	54,113	37,675
Payable against redemption of units		420,474	105
Payable to National Fullerton Asset Management Limited - Management Company		30,277	20,287
Payable to Central Depository Company of Pakistan Limited - Trustee		2,171	1,417
Payable to Securities and Exchange Commission of Pakistan - Annual fee		16,333	7,933
Total liabilities		523,368	67,417
NET ASSETS		25,145,400	18,248,177
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		25,145,400	18,248,177
COMMITMENTS			
	8	Number of units	
NUMBER OF UNITS IN ISSUE		2,338,076,045	1,647,351,153
		Rupees	
NET ASSET VALUE PER UNIT		10.7547	11.0773

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed
Chief Executive

Masood Karim Shaikh
Chairman

NAFA Cash Fund

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2008

	Note	Nine months ended		Quarter ended	
		March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
		(Rupees in '000')		(Rupees in '000')	
INCOME					
Profit on bank deposits		547,348	161,832	201,676	70,662
Income from Continuous Funding System (CFS) transactions		657,411	267,010	230,131	114,083
Gain on sale of investment		16,350	-	2,260	-
Income from spread transactions		33,830	14,788	11,622	774
Income from Term Finance Certificates and Sukuk bonds		523,648	104,400	214,905	40,276
Income on certificates of deposit and clean placements		27,859	34,564	6,075	1,942
Net unrealised appreciation in the value of financial instruments at fair value through profit or loss		47,013	5,545	5,339	2,270
Total Income		1,853,459	588,139	672,008	230,007
EXPENSES					
Remuneration of National Fullerton Asset Management Limited - Management Company		244,998	67,262	90,619	26,462
Remuneration of Central Depository Company of Pakistan Limited - Trustee		17,085	5,235	6,290	2,011
Annual fee - Securities and Exchange Commission of Pakistan		16,333	4,484	6,041	1,764
Annual listing fee		22	24	7	9
Brokerage and other transaction costs		46,515	33,074	11,682	11,213
Settlement charges and bank charges		8,941	5,893	2,876	2,107
Auditors' remuneration		289	299	64	60
Provision against impairment in loans and receivables		1,031	9,455	(771)	1,705
Amortisation of preliminary expenses and floatation costs		377	375	125	123
Total Expenses		335,591	126,101	116,933	45,454
Net income from operating activities		1,517,868	462,038	555,075	184,553
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed		182,969	316,973	82,645	335,540
Net income		1,700,837	779,011	637,720	520,093
Earnings per unit	9				

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed
Chief Executive

Masood Karim Shaikh
Chairman

NAFA Cash Fund

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2008

	Nine months ended		Quarter ended	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
	(Rupees in '000')		(Rupees in '000')	
Undistributed income brought forward	1,775,971	72,844	1,119,615	259,533
Distribution: Bonus issue at the rate of 10.50% for the year ended June 30, 2007 (2006: 1.90%)	(1,729,719)	(72,229)	-	-
Net element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased - amount representing income / (losses) that form part of the unitholders' fund	14,148	-	3,902	-
Net income for the period	1,700,837	779,011	637,720	520,093
Undistributed income carried forward	<u>1,761,237</u>	<u>779,626</u>	<u>1,761,237</u>	<u>779,626</u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed
Chief Executive

Masood Karim Shaikh
Chairman

NAFA Cash Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2008

	Nine months ended		Quarter ended	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
	----- (Rupees in '000') -----		----- (Rupees in '000') -----	
Net assets at the beginning of the period	18,248,177	3,874,369	23,074,608	5,152,006
Issue of 4,344,645,491 units from July 1 to March 31 (including 172,500,943 bonus units). (2007: 1,436,689,831 units)	43,280,423	15,015,759	9,282,867	8,410,983
Redemption of 3,653,920,599 units from July 1, to March 31 (2007: 851,435,227 units)	(37,901,068)	(8,917,541)	(7,767,150)	(3,312,917)
	5,379,355	6,098,218	1,515,717	5,098,066
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
-amount representing accrued (income) / loss and capital (gains) / losses - transferred to Income Statement	(182,969)	(316,973)	(82,645)	(335,540)
-amount representing (income) / loss that form part of unitholders' fund - transferred to Distribution Statement	(14,148)	-	(3,902)	-
	(197,117)	(316,973)	(86,547)	(335,540)
Net unrealised appreciation in the value of investments at fair value through profit or loss	47,013	5,545	5,339	2,270
Other income from operations	1,653,824	773,466	632,381	517,823
Net income for the period	1,700,837	779,011	637,720	520,093
Net element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased - amount representing income / (losses) that form part of unit holders' funds	14,148	-	3,902	-
Net assets as at the end of the period	<u>25,145,400</u>	<u>10,434,625</u>	<u>25,145,400</u>	<u>10,434,625</u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed
Chief Executive

Masood Karim Shaikh
Chairman

NAFA Cash Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2008

	Nine months ended March 31, 2008		Quarter ended March 31, 2008	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
	(Rupees in '000')		(Rupees in '000')	
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the period	1,700,837	779,011	637,720	520,094
Adjustments				
Net unrealised appreciation in the value of financial instruments at fair value through profit or loss	(47,013)	(5,545)	(5,339)	(2,270)
Amortization of preliminary expenses and floatation costs	377	375	125	123
Amortization of discount on term finance certificates	-	(2,298)	-	(586)
Remuneration of National Fullerton Asset Management Limited – Management Company	244,998	67,262	90,619	26,462
Remuneration of Central Depository Company of Pakistan Limited - Trustee	17,085	5,235	6,290	2,011
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	(182,969)	(316,973)	(82,645)	(335,540)
Provision against impairment in loans and receivables	1,031	-	(771)	-
	<u>1,734,346</u>	<u>527,067</u>	<u>645,999</u>	<u>210,294</u>
(Increase) / decrease in assets				
Receivable against Continuous Funding System (CFS) transactions	1,123,049	(4,005,231)	(536,672)	(2,250,278)
Receivable against spread transactions	-	557,083	-	-
Investments	(5,039,152)	(1,588,473)	(1,499,363)	(761,359)
Loans and receivables	100,000	529,455	(1,449,999)	76,705
Receivable against sale of Investment	(484,154)	(97,634)	(170,880)	(97,634)
Advances, deposits, prepayments and other receivables	(4,241)	-	537,819	-
Dividend and profit receivable	(203,817)	(114,895)	26,285	(78,477)
	<u>(4,508,315)</u>	<u>(4,719,695)</u>	<u>(3,092,810)</u>	<u>(3,111,043)</u>
Increase / (decrease) in liabilities				
Accrued expenses and other liabilities	16,438	24,081	(12,924)	16,263
Short term borrowing	-	-	-	(100,000)
Payable to Securities and Exchange Commission of Pakistan - Annual fee	8,400	3,803	6,041	1,764
	<u>24,838</u>	<u>27,884</u>	<u>(6,883)</u>	<u>(81,973)</u>
Remuneration paid to National Fullerton Asset Management Limited - Management Company	(235,008)	(68,393)	(87,514)	(21,668)
Remuneration paid to Central Depository Company of Pakistan Limited - Trustee	(16,331)	(4,781)	(6,082)	(1,682)
Net cash outflow on operating activities	<u>(3,000,470)</u>	<u>(4,237,918)</u>	<u>(2,547,290)</u>	<u>(3,006,072)</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Net receipts made against issue / redemption of units	5,799,724	6,097,800	1,728,612	5,097,379
Net cash inflow from financing activities	<u>5,799,724</u>	<u>6,097,800</u>	<u>1,728,612</u>	<u>5,097,379</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>2,799,254</u>	<u>1,859,882</u>	<u>(818,678)</u>	<u>2,091,307</u>
Cash and cash equivalents at the beginning of the period	3,111,277	2,111,086	6,729,209	1,879,661
Cash and cash equivalents as at the end of the period	<u>5,910,531</u>	<u>3,970,968</u>	<u>5,910,531</u>	<u>3,970,968</u>

The annexed notes 1 to 12 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed
Chief Executive

Masood Karim Shaikh
Chairman

NAFA Cash Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2008

1 LEGAL STATUS AND NATURE OF BUSINESS

The NAFA Cash Fund (NCF) was established under a Trust Deed executed between National Fullerton Asset Management Limited (NAFA) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on February 11, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 30, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

NCF is an open-ended mutual fund and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The core objective of the Fund is to seek maximum preservation of capital and a reasonable rate of return by investing primarily in money market and debt securities having a good credit rating and liquidity.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2007 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended June 30, 2007 except for the change as set out in 3.1 below:

3.1 Change in basis for determination of fair value of listed debt securities

During the period the Fund has changed its basis for determination of fair value of listed debt securities, subsequent to their initial recognition. This change has been made to comply with the requirements set out in the NBFC Regulations issued by SECP in November 2007. The requirements to compute the net assets of a collective investment scheme previously laid down in the NBFC Rules are now set out under clause 2(i)(xvi) of the NBFC Regulations. In accordance with the NBFC Regulations debt securities listed but not regularly traded on the stock exchange are valued, subsequent to initial recognition, at the average rate notified by the Mutual Funds Association of Pakistan based on the average rates quoted by top

three brokers, in terms of volume traded during the last three months in that debt security.

Previously, the investments of the Fund in listed debt securities were revalued using the average of the rates quoted by certain brokerage houses. This methodology for determination of fair value of listed debt securities was not in accordance with the NBFC Rules which required such investments to be revalued using the rates quoted on the stock exchange on which these investments were listed. However, the management was of the view that the rates used by the Fund were representative of the fair market value of these investments and that such valuation methodology was fair to the existing as well as the new investors.

The change in basis for determination of fair value of listed debt securities has not made any material impact on the net assets of the Fund as it is broadly on the same lines as the valuation methodology previously used by the Fund.

	Note	Un-audited March 31, 2008	Audited June 30, 2007
---- (Rupees in '000) ----			
4 INVESTMENTS			
At fair value through profit or loss	4.1	3,663,950	1,641,967
Available for sale	4.2	4,481,585	1,417,403
		<u>8,145,535</u>	<u>3,059,370</u>
4.1 Investments at fair value through profit or loss			
Equity securities purchased under future sale contracts	4.1.1	111,031	-
Term Finance Certificates	4.1.2	3,552,919	1,641,967
		<u>3,663,950</u>	<u>1,641,967</u>

NAFA Cash Fund

4.1.1 Equity securities purchased under future sale contracts

These securities are held under Ready-Future transactions. These securities are purchased in the ready "T+2" market and simultaneously sold in the future market. NCF has no open exposure to the stock market. The details are as follows:

Name of the investee company	Number of shares					Market Value as at March 31, 2008	Percentage of investments in relation to net assets of the Fund
	As at July 01, 2007	Purchases during the period	Bonus	Sales during the period	As at March 31, 2008		

(Rs. in "000")

All the holding are in shares of Rs. 10/- each unless otherwise stated.

Commercial Banks

Askari Bank Ltd	-	833,000	-	833,000	-	-	-
Arif Habib Bank Ltd.	-	62,000	-	-	62,000	1,631	0.01
Bank Al Falah Ltd	-	4,578,000	-	4,529,000	49,000	2,648	0.01
Bank of Punjab	-	1,521,500	87,000	1,476,000	132,500	8,791	0.03
MCB Bank Ltd	-	1,025,000	-	1,025,000	-	-	-
National Bank of Pakistan	-	6,028,000	162,000	6,024,000	166,000	38,678	0.15
Jahangir Siddiqui Bank Ltd.	-	584,500	-	-	584,500	12,625	0.05
Faysal Bank Ltd	-	182,500	-	182,500	-	-	-
United Bank Ltd.	-	1,000	-	-	1,000	158	0.00

Investment Banks / Companies

Arif Habib Securities Ltd	-	50,500	-	-	50,500	8,911	0.04
Jahangir Siddiqui & Co. Ltd	-	41,500	-	-	41,500	29,687	0.12

Insurance

Adamjee Insurance Co. Ltd.	-	18,000	-	-	18,000	6,876	0.03
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Engineering

Crescent Steel & Allied Products Ltd.	-	4,000	-	-	4,000	338	0.00
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Cement

D.G Khan Cement	-	1,654,000	-	1,654,000	-	-	-
Lucky Cement	-	1,385,000	-	1,385,000	-	-	-
Maple Leaf Cement	-	458,000	-	458,000	-	-	-
Pioneer Cement Ltd	-	14,000	-	14,000	-	-	-

Oil & Gas Marketing Companies

Pakistan State Oil	-	460,500	-	460,500	-	-	-
Sui Northern Gas	-	47,500	-	47,500	-	-	-
Sui Southern Gas	-	80,500	-	80,500	-	-	-

Oil & Gas Exploration Companies

Oil & Gas Dev Co	-	4,077,000	-	4,077,000	-	-	-
Pakistan Oil Fields	-	2,197,000	-	2,197,000	-	-	-
Pakistan Petroleum Ltd	-	7,657,000	192,500	7,849,500	-	-	-

Power & Generator Companies

Hub Power Co	-	32,500	-	32,500	-	-	-
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Textile Composite

Nishat Mills Ltd	-	82,500	-	82,500	-	-	-
Azgard Nine Ltd.	-	5,000	-	-	5,000	337	0.00

NAFA Cash Fund

Name of the investee company	Number of shares				Market Value as at March 31, 2008	Percentage of investments in relation to net assets of the Fund
	As at July 01, 2007	Purchases during the period	Bonus	Sales during the period		
(Rs. in "000")						
Technology & Communication						
Tele Card Ltd	-	217,500	-	217,500	-	-
Pakistan Telecommunication Ltd	-	548,000	-	548,000	-	-
Fiber						
Dewan Salman Fibre Ltd	-	70,000	-	70,000	-	-
Fertilizers						
Engro Chemical	-	1,066,500	-	1,066,500	-	-
Fauji Fertilizer Bin Qasim	-	1,027,500	-	1,027,500	-	-
Fauji Fertilizer Co	-	21,000	-	21,000	-	-
Miscellaneous						
Pace Pakistan	-	11,000	-	-	11,000	351
					111,031	0.44
Cost of investments as at March 31, 2008						111,654

4.1.2 Term Finance certificates

Name of the investee company	Number of certificates				Market Value as at March 31, 2008	Percentage of investments in relation to net assets of the Fund
	As at July 01, 2007	Purchases during the period	Sales during the period	As at March 31, 2008		
(Rs. in "000")						
Allied Bank Ltd	49,950	-	22,000	27,950	149,109	0.59
Askari Commercial Bank Ltd - I	9,000	4,400	-	13,400	69,817	0.28
Askari Commercial Bank Ltd - II	2,000	6,000	-	8,000	41,727	0.17
Azgard Nine Limited	40,000	-	-	40,000	208,132	0.83
Bank Al Habib Ltd	30,000	-	3,000	27,000	145,188	0.58
Bank Alfalah Ltd - II	15,128	-	10,000	5,128	26,609	0.11
Bank Alfalah Ltd - III	9,727	-	-	9,727	50,644	0.20
Chanda Oil & Gas Securitization Co. Ltd	22,790	-	-	22,790	80,163	0.32
Engro Chemical Pakistan Ltd	-	80,000	-	80,000	412,080	1.64
Escort Investment Bank Ltd	10,000	-	-	10,000	51,864	0.21
Faysal Bank Ltd.	10,000	20,000	5,000	25,000	128,625	0.51
Gharibwal Cement Ltd	10,000	-	5,000	5,000	25,000	0.10
Jahangir Siddiqui & Co. Ltd	18,000	-	-	18,000	91,853	0.37
Naimat Basal Oil & Gas Securitization Co. Ltd.	-	6,000	2,000	4,000	9,171	0.04
NIB Bank Ltd	-	60,000	-	60,000	304,350	1.21
Orix Leasing Pakistan Limited	50,000	-	-	50,000	256,099	1.02
Pace (Pakistan) Ltd	-	30,000	-	30,000	152,820	0.61
Pak Arab Fertilizers Ltd	-	100,000	-	100,000	508,250	2.02
Pak Electron Ltd.	10,000	-	-	10,000	51,750	0.21
Pakistan Mobile Communications (Pvt) Ltd	25,000	-	10,000	15,000	81,364	0.32
Saudi Pak Leasing	-	15,000	-	15,000	76,035	0.30
Standard Chartered Bank (Pakistan) Ltd	6,400	-	-	6,400	31,789	0.13
Soneri Bank Limited	6,000	-	6,000	-	-	-
First International Investment Bank Ltd	5,947	-	5,947	-	-	-
United Bank Limited	5,000	8,000	13,000	-	-	-
United Bank Limited IV	-	120,000	-	120,000	600,480	2.39
					3,552,919	14.16
Cost of term finance certificates at fair value through profit or loss						3,506,972

NAFA Cash Fund

4.1.3 Fair value of listed Term Finance Certificates classified as investments at fair value through profit or loss is determined using MUFAP rates.

4.1.4 All Term Finance Certificates have a face value of Rs 5,000 each.

4.1.5 Investments include Term Finance Certificates with market value aggregating to Rs,733,061 thousand which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan.

4.2 Available for sale

Name of the investee company	Number of certificates				Market Value as at March 31, 2008	Percentage of investments in relation to net assets of the Fund
	As at July 01, 2007	Purchases during the period	Sales during the period	As at March 31, 2008		
(Rs. in "000")						
Term finance certificate - unlisted						
Avari Hotels	-	35,040	-	35,040	175,200	0.70
Azgard Nine Ltd	50,000	-	-	50,000	250,000	0.99
Wateen Telecom Ltd	16,666	-	16,666	-	-	-
KASB Securities Ltd	10,000	-	10,000	-	-	-
Dewan Cement	-	30,000	-	30,000	150,000	0.60
Engro Chemical	-	104,800	24,800	80,000	400,000	1.59
First Dawood Inv. Bank	-	10,900	4,000	6,900	34,690	0.14
Jahangir Siddiqui & Co. Ltd V	25,000	14,000	18,000	21,000	106,356	0.42
Maple Leaf Cement	-	130,000	50,000	80,000	400,000	1.59
New Allied Electronics Ind. (Pvt) Ltd	18,000	12,000	15,000	15,000	75,000	0.30
Orix Leasing Pakistan Ltd	-	100,000	-	100,000	500,000	1.99
Pak American Fertilizer Ltd	-	30,000	-	30,000	150,000	0.60
Pakistan Mobile Communication (Pvt) Ltd	20,000	230,000	40,000	210,000	967,157	3.85
Prime Securitization	16,000	-	-	16,000	80,000	0.32
Three Star Cement	1,100	-	-	1,100	110,000	0.44
					<u>3,398,403</u>	<u>13.53</u>
Sukuk bonds						
Century Paper and board mills Ltd	-	50,000	-	50,000	250,000	0.99
Kohat Cement Ltd	28,000	500,000	28,000	500,000	250,000	0.99
Engro Chemical Pakistan Ltd	60,000	-	-	60,000	300,000	1.19
Orix Leasing Pakistan Ltd	-	10,000	-	10,000	50,000	0.20
Pak Electron Ltd.	-	24,000	5,000	19,000	95,000	0.38
New Allied Electronics Ind. (Pvt) Ltd	-	192,000	192,000	-	-	-
					<u>945,000</u>	<u>3.75</u>
Commercial Paper						
Packages	-	4,000	-	4,000	19,507	0.08
World Telecom	-	13,000	-	13,000	61,725	0.25
Pak Electron Ltd.	-	12,000	-	12,000	56,950	0.23
Azgard Nine Ltd	17,823	177	18,000	-	-	-
					<u>138,182</u>	<u>0.56</u>
					<u><u>4,481,586</u></u>	<u><u>17.84</u></u>
Cost of investments as at March 31, 2008					<u><u>4,481,586</u></u>	

4.2.1 All Term Finance Certificates have a face value of Rs 5,000 each.

NAFA Cash Fund

(Un-audited) (Audited)
 March June
 31, 2008 30, 2007

(Rupees in '000')

5 DIVIDEND AND PROFIT RECEIVABLE

Dividend receivable on shares held under Spread transactions	12,315	-
Income accrued on Continuous Funding System (CFS) transactions	28,868	26,767
Profit on savings and term deposits	180,558	158,029
Income accrued on Term Finance Certificates and Sukuk Bonds	231,090	68,779
Income accrued on clean placements	149	57
Income accrued on Certificates of Investment	4,501	2,836
Others	2,804	-
	<u>460,285</u>	<u>256,468</u>

6 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	190	278
Settlement charges payable	821	1,489
Payable against purchase of investment	18,735	-
Brokerage	8,868	13,914
Dividend payable to brokers	10,536	21,326
Others	14,963	668
	<u>54,113</u>	<u>37,675</u>

7 TAXATION

The Fund is exempt from income tax under clause 99 of part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains whether realized or unrealized, is distributed among its unit holders. The management intends to avail the tax benefit at the year end. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

8 COMMITMENTS

Continuous Funding System (CFS) transactions (including transactions to be rolled over) entered into by the Fund in respect of which the purchase transactions have not been settled as at period end	<u>1,635,106</u>	<u>4,320,785</u>
Spread Transactions (including transactions to be rolled over) entered into by the Fund in respect of which the sale transactions have not been settled as at period end	<u>113,736</u>	<u>-</u>

NAFA Cash Fund

9 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

10 TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include National Fullerton Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, other collective investment schemes being managed by National Fullerton Asset Management Limited, directors and officers of the Management Company and National Bank of Pakistan, NIB Bank Limited and Alexandra Fund Management Pte. Limited being the Sponsors.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market norms.

10.1 Transactions during the period

	(Unaudited) Nine months ended March 31, 2008	(Unaudited) Quarter ended March 31, 2007	(Unaudited) Quarter ended March 31, 2008	(Unaudited) Quarter ended March 31, 2007
----- (Rupees in '000') -----				
National Fullerton Asset Management Limited - Management Company				
Management fee expense for the period	244,998	67,262	90,619	26,462
Bonus units issued (527,242 units; 2007: Nil units)	5,287	-	-	-
Units Issued (1,925,947 units; 2007: Nil units)	20,000	-	-	-
Units Redeemed (7,488,252 units; 2007: Nil units)	80,011	-	80,011	-
National Bank of Pakistan - Sponsor				
Bonus units issued (785,356 units; 2007: 237,500 units)	7,875	2,375	-	-
NIB Bank Limited - Sponsor				
Bonus units issued (2,134,074 units; 2007: 380,000 units)	21,399	3,800	-	-
Units redeemed (2,514,074 units; 2007: Nil units)	25,782	-	-	-
Income from bank deposits	30,424	25,116	16,215	7,485
Alexandra Fund Management Pte. Limited - Sponsor				
Bonus units issued (1,067,037 units; 2007: 190,000 units)	10,700	1,900	-	-
NAFA Multi Asset Fund				
Units Issued (53,029,743 units; 2007: Nil units)	550,000	-	200,000	-
Units Redeemed (37,825,333 units; 2007: Nil units)	391,757	-	40,000	-
NAFA Islamic Income Fund				
Sale of Sukuk Bonds (192,000 bonds; 2007: Nil bonds)	60,461	-	-	-
NAFA Provident Fund				
Bonus units issued (8,778 units; 2007: Nil units)	88	-	-	-
Units issued (78,792 units; 2007: Nil units)	800	-	-	-

NAFA Cash Fund

	(Unaudited) Nine months ended March 31, 2008	(Unaudited) March 31, 2007	(Unaudited) Quarter ended March 31, 2008	(Unaudited) Quarter ended March 31, 2007
(Rupees in '000')				
Chief Executive Officer				
Bonus units issued (11,352 units; 2007: 15,684 units)	114	157	-	-
Units Issued (14,297,756 units; 2007: Nil units)	148,609	-	61,192	-
Units Redeemed (14,417,519 units; 2007: Nil units)	150,611	-	61,365	-
Spouse of Chief Executive Officer				
Bonus units issued (1,910 units; 2007: Nil units)	19	-	-	-
Units Issued (Nil units; 2007: 164,449 units)	-	1,700	-	1,200
Units Redeemed (1,381 units; 2007: 145,794 units)	15	1,533	5	-
Other Executives of the Management Company				
Bonus units issued (20,018 units; 2007: Nil units)	201	-	-	-
Units issued (1,896,062 units; 2007: 155,058 units)	19,678	1,631	4,699	1,381
Units redeemed (1,830,151 units; 2007: Nil units)	19,086	-	7,194	-
Central Depository Company of Pakistan Limited				
Remuneration	17,085	5,235	6,290	2,011
Bonus units issued (243,830 units; 2007: Nil units)	2,445	-	2,445	-
Units issued (8,271,141 units; 2007: 2,328,527 units)	85,204	25,000	15,204	-
Units redeemed (3,777,244 units; 2007: Nil units)	40,000	-	25,000	-
			(Un-audited) March 31, 2008	(Audited) June 30, 2007
			(Rupees in '000')	

10.2 Balances outstanding as at period / year end

National Fullerton Asset Management Limited - Management Company

Investment held by the Management Co. in the Fund (Nil units; June 30, 2007: 5,035,062 units)	-	55,775
Management fee payable	30,277	20,017
Others	-	270

National Bank of Pakistan - Sponsor

Investment held by the Sponsor in the Fund (8,285,356 units; June 30, 2007: 7,500,000 units)	89,107	83,080
Deposit held by the Fund with the Sponsor	1,391	5,246

NIB Bank Ltd. - Sponsor

Investment held by the Sponsor in the Fund (20,000,000 units; June 30, 2007: 20,380,000 units)	215,094	225,755
Deposit held by the Fund with the Sponsor	1,026,228	510,410
Profit receivable on bank deposits	186	264

NAFA Cash Fund

	(Un-audited) March 31, 2008	(Audited) June 30, 2007
	(Rupees in '000')	
TDR Balance	500,000	300,000
Profit receivable on TDR	14,959	4,574
Alexandra Fund Management Pte. Limited - Sponsor		
Investment held by the Sponsor in the Fund (11,257,037 units; June 30, 2007: 10,190,000 units)	121,066	112,878
NAFA Provident Fund Trust		
Investment held in the Fund Trust (171,394 units; June 30, 2007: 83,824 units)	1,843	929
Chief Executive Officer		
Investment held by the CEO (Nil units; June 30, 2007: 108,411 units)	-	1,201
Spouse of Chief Executive Officer		
Investment held in the Fund (18,765 units; June 30, 2007: 18,237 units)	202	202
Other Executives of the Management Company		
Investment held in the Fund (238,928 units; June 30, 2007: 199,297 units)	2,570	2,207
CDC Trustee NAFA Multi Asset Fund		
Investment held in the Fund (15,204,409 units; June 30, 2007: Nil units)	163,519	-
Central Depository Company of Pakistan Limited		
Investment held in the Fund (7,066,254 units; June 30, 2007: 2,328,527 units)	75,995	25,161
Payable to Central Depository Company of Pakistan Limited	2,171	1,417

11 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 16, 2008 by the Board of Directors of the Management Company.

12 GENERAL

Figures have been rounded off to the nearest thousand rupees.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed
Chief Executive

Masood Karim Shaikh
Chairman