



NAFA Government Securities Liquid Fund (NGSLF)

**NBP Fullerton
Asset Management Limited**

(Formerly National Fullerton Asset Management Limited)

Unit Price (31/08/2010): Rs. 10.1966

August 2010

Performance

Performance % *	August 2010	Jan. - Aug. 2010	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	10.54%	10.53%	10.67%
Benchmark	11.08%	10.72%	10.86%

* Represent Annualized Return
(Returns are net of management fee & other expenses)

General Information

Launch Date: May 16, 2009
 Fund Size: Rs. 7,426 million
 Type: Open-end – Money Market Fund
 Dealing Days: Daily – Monday to Friday
 Dealing Time: 9:00 A.M to 4:30 P.M
 Dealing Time: (Ramadan) 9:00 A.M to 2:00 P.M
 8:30 A.M to 12:30 P.M (Friday)
 Settlement: 2-3 business days
 Pricing Mechanism: Forward Pricing
 Load: No entry or exit load
 Management Fee: 1.25% per annum
 Risk Profile: Very Low
 Fund Stability Rating: "AAA (f)" by PACRA
 Listing: Lahore Stock Exchange
 Custodian & Trustee: Central Depository Company (CDC)
 Auditors: A. F. Ferguson & Co.
 Chartered Accountants
 Benchmark: 70% 3-Month T-Bills & 30% average
 3-Month deposit rates (AA & above
 rated banks)
 Fund Manager: Ahmad Nouman, CFA
 Minimum Subscription: Growth Unit: Rs. 10,000/-
 Income Unit: Rs. 100,000/-
 Asset Manager Rating: AM2- by PACRA

Investment Objective

To generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

Fund Manager Commentary

The Fund earned an annualized return of 10.54% during the month. Going forward we expect this to improve on back of higher current T-Bills rates. Allocation in short-term Government Securities has been increased to 90.40% during the month.

We are pleased to share with our investors that during the month, NGSLF fund stability rating has been upgraded to 'AAA(f)' by PACRA. This rating is usually associated with Government paper only. The rating reflects exceptionally strong credit and liquidity profile of your Fund. Also, NGSLF will maintain its maturity below 45 days to minimize any interest rate risk. The investment value of NGSLF has not declined on any day since the launch of Fund in May 2009.

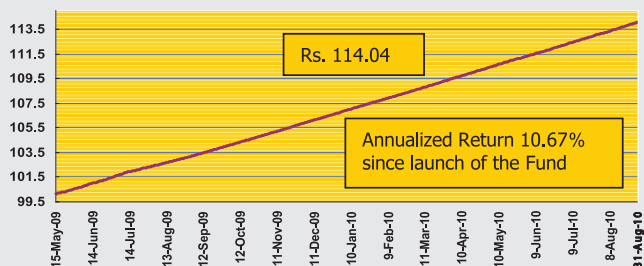
Due to persistent Government borrowings we expect T-Bills rates to remain high or further creep up slightly. This shall keep the return on your Fund very attractive. Pakistan's domestic debt increased by Rs 792 billion to Rs 4.65 trillion during FY 2010. More than half of this increase was funded through T-Bills as outstanding T-Bills at June 30, 2010 stood at Rs 1,227 bln against Rs 796 bln a year ago. To maintain this source for funding fiscal operations, the rates on T-Bills are likely to remain on higher levels. Expected rise in inflation due to floods and removal of subsidies also suggest the same.

The average maturity of your Fund is 34 days.

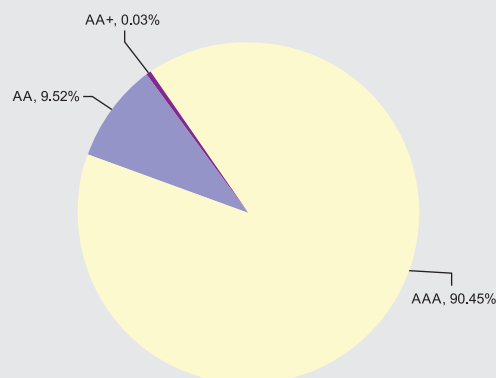
Asset Allocation %

	31-Aug-10	31-Jul-10
T-Bills (Includes Reverse Repo via Master Repurchase Agreement)	90.40%	81.03%
TDR	2.69%	14.77%
Cash Equivalents & Other Assets	6.91%	4.20%
Total	100.00%	100.00%
Leverage	Nil	Nil

Value of Rs. 100 invested in NAFA Government Securities Liquid Fund at launch (May 16, 2009)



Credit Quality of the Portfolio (% of Net Assets)



Name of the Members of Investment Committee

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

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.