



National Fullerton
Asset Management Limited

NAFA Cash Fund (NCF)

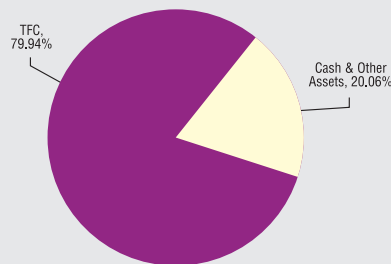
Unit Price (28/02/2010): Rs. 9.9630 ***

February 2010

Investment Objective	Performance						
	Performance (%)	Jan - Dec 2007*	Jan - Dec 2008*	Jan - Dec 2009*	January 2010**	February 2010*	Since Launch April 22, 2006*
To seek preservation of capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.	NAFA Cash Fund	10.28%	2.92%	12.54%	(0.79)%	10.18%	8.50%
	Benchmark	10.07%	12.95%	13.63%	1.06%	13.23%	11.83%
	* Represents Annualized Return ** Represents cumulative Return (Returns are net of management fee & all other expenses) *** Ex. Dividend Price						

General Information	Fund Manager's Commentary
Launch Date: April 22, 2006 Fund Size: Rs. 4,534 million Type: Open-end – Income Fund Dealing Days: Daily - Monday to Friday Settlement: 2-3 business days Pricing Mechanism: Forward Pricing Load: No entry or exit load Management Fee: 1.5% per annum Risk Profile: Low Fund Stability Rating: "A+ (f)" by PACRA	<p>During the month of February, 2010, your Fund earned an annualized return of 10.18%. Trading in TFC market during the month improved and prices have started showing signs of recovery. Liquidity as well as appetite for TFCs is expected to improve further in the coming month. Positives on the liquidity front include partial disbursement of coalition support fund of US\$ 349 Million during February and further assistance of around US\$ 2.0 billion is expected in current fiscal year.</p> <p>In January the State Bank of Pakistan kept the policy rate unchanged at 12.5% in its Monetary Policy Statement. Next monetary policy statement is due in March 2010. Lower current account deficit and trade deficit coupled with higher remittances have gradually improved the forex reserves. Furthermore, government borrowing from the State Bank remained in check. These among other macro economic indicators suggest the country is on the path of gradual economic recovery, with challenges in few areas. Inflation stood at 10.30% from July to December 2009 and is expected to be around 12% annualized during the current fiscal year. Due to gradual removal of subsidies, Month on Month (CPI) during January 2010 was 2.40%. However, recent improvements in weekly data of Sensitive Price Indicator (SPI) indicate that inflation is expected to ease during February.</p> <p>6-Month KIBOR increased by 20bps during the month to close at 12.43% on February-end. The major reason was the spike in rates towards the end of the month due to a large size T-bill auction which has had a temporary impact on T-bill rates.</p>
Listing: Lahore Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Co. Chartered Accountants Benchmark: 1-Month KIBOR Fund Manager: Irfan Malik, CFA Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- Asset Manager Rating: AM2- by PACRA	

Asset Allocation (as on 28th February 2010)



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

The weighted average yield to maturity on the TFCs held in NAFA Cash Fund is around 15.98% p.a. The weighted average maturity of the TFC portfolio is 2.23 years and the weighted average rating of the TFC portfolio is A.

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.