NAFA Multi Asset Fund (NMF)

National Fullerton Asset Management Limited

November 2008

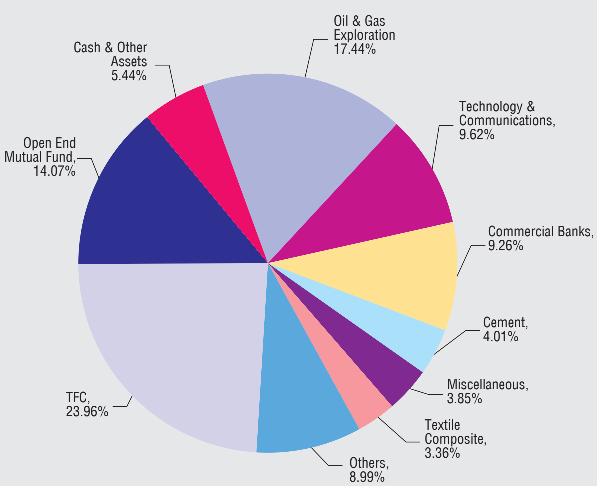
Investment Objective	Performance					
To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.	**Return (%)***	**Jan - Dec 2007**	**Jan - Jun 2008**	**Jul - Sep 2008**	**Sep 2008**	**Since Launch** till Sept 30, 2008
	NAFA Multi Asset Fund	**44.06%**	**-5.90%**	**-13.13%**	**-0.02%**	**17.76%**
	Benchmark (50% KSE-30 Index & 50% 1-month KIBOR)	17.50%	-4.38%	-14.37%	-0.05%	-3.79%

*Returns are net of management fee & all other expenses

General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 2,075 million
Type:	Open-end – Balance Fund
Dealing:	Daily
Settlement:	2-3 business days
Load:	Front end – 3%, Back end - 0%
Management Fee:	2.5% per annum
Listing:	Lahore Stock Exchange
Trustee:	Central Depository Company
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	50% KSE-30 Index & 50% 1-month KIBOR
Fund Manager:	Adnan Faisal, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-

Asset Allocation (as on 30th November 2008)



Fund Manager's Commentary

Stock Market remained closed for the third consecutive month as the efforts for putting in place a bailout plan remained fruitless. The risk of a system failure in case of Floor removal without adequate buying support aggravated further. This aggravation was mainly on account of loosening domestic economic fundamentals due to further tightening of monetary and fiscal policies.

The fixed income market showed some easing out as the State Bank of Pakistan (SBP) pumped in liquidity through MCR, CRR and SLR adjustments. Moreover, the IMF facility eased the pressure on exchange rate and dollarisation of the economy halted to a great extent. As a result, the over-night lending rates have dropped to single digits.

The long-term debt market (i.e. TFC market) still remained illiquid as the investors stayed away from long-term commitments. On 5th November 2008, SECP instructed the asset management companies to apply a discount on TFC prices for the calculation of Net Asset Values. We believe that this is a temporary phenomenon and as the liquidity position improves, the prices of TFCs would be readjusted upwards.

It is expected that with the downward adjustment in commodity prices and the impact of base effect from January 2009 onwards, the inflation numbers would start showing significant improvement. On the back of this expectation, we feel that by the third quarter of fiscal year 2008-2009, SBP might lower its policy rate.

The downward adjustment in policy rate is the key to overall revival of domestic economy, the debt markets and the Stock Market. With a downwards adjustment in interest rate, the cost of doing business goes down and the asset prices will appreciate.

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