



National Fullerton
Asset Management Limited

NAFA Islamic Multi Asset Fund (NIMF)

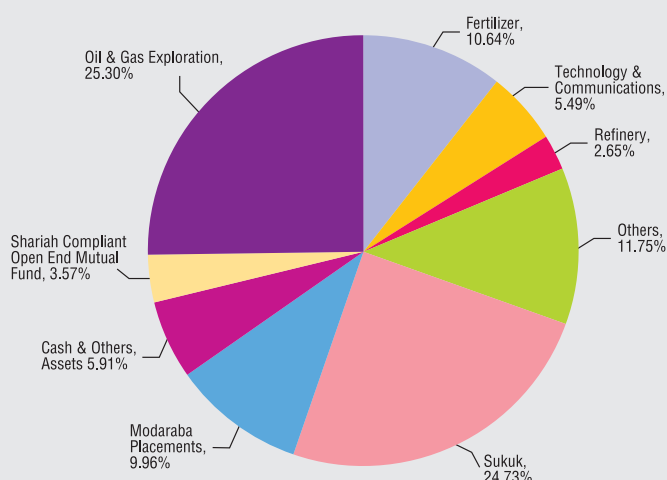
NAV per unit (31/08/2008): Rs. 8.5429

August 2008

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.	Return (%)*	Jan - Mar 2008	Apr - Jun 2008	Jul 2008	Aug 2008	Since Launch October 29, 2007
	NAFA Islamic Multi Asset Fund:	4.63%	-6.39%	-5.01%	-5.69%	-14.57%
	*Returns are net of management fee & all other expenses					

General Information		Fund Manager's Commentary
Launch Date: Fund Size: Type:	October 29, 2007 Rs. 602 million Shariah Compliant - Open-end Balanced Fund Daily	During the month under review, NAFA Islamic Multi Asset Fund's NAV decreased by 5.69%. NAFA's universe of Shariah Compliant Companies declined by 6.87% during the month. The cumulative return of the Fund since inception now stands at -14.57%.
Dealing: Settlement: Load: Management Fee:	2-3 business days Front end - 3%, Back end - 0% 3% per annum	
Listing: Trustee: Auditors:	Lahore Stock Exchange Central Depository Company A. F. Ferguson & Co. Chartered Accountants	The stock market remained very volatile throughout the month. The month of August began with a significant selling pressure in the aftermath of the monetary tightening announced by the State Bank of Pakistan. However, a renewed solidarity in the ruling coalition, resignation of the President, and hopes of a quick restoration of the judiciary sent positive signals to the markets that the government was getting serious about resolving the political and economic issues confronting the country. The optimism remained very short lived though. The coalition collapsed and the fears regarding political instability, law & order situation and economic problems again took over. The market fell very sharply during the last week of the month.
Fund Manager: Min. Subscription:	Abdul Rehman Warraich Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	

Asset Allocation (as on 31st August 2008)



We think that the political and economic situation of the country has been discounted by the stock market. In our opinion, the market is attractive at these prices. The price-to-earnings ratio is very low compared with its historical trend. Some of the sectors (e.g. Oil & Gas and Fertilizer) which were supposed to benefit from the current situation have also struggled as nervous investors shunned equities across the board.

Some economic adjustments seem to be taking place around the world. International commodity prices have been falling over the past few weeks. Softening of commodity prices and lowering of inflationary pressures over the next few months may provide a justification for lower interest rates. We expect the market to consolidate around current levels and show a recovery as inflation and the interest rate situation improves. Considering the low valuations of stocks, we have increased our exposure to equities.

Our income generating portfolio is invested mainly in sukuk and is currently yielding a handsome return of 15% p.a. We continue to look for better opportunities in terms of mudarabah placements as well as spread transactions.

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