



National Fullerton
Asset Management Limited

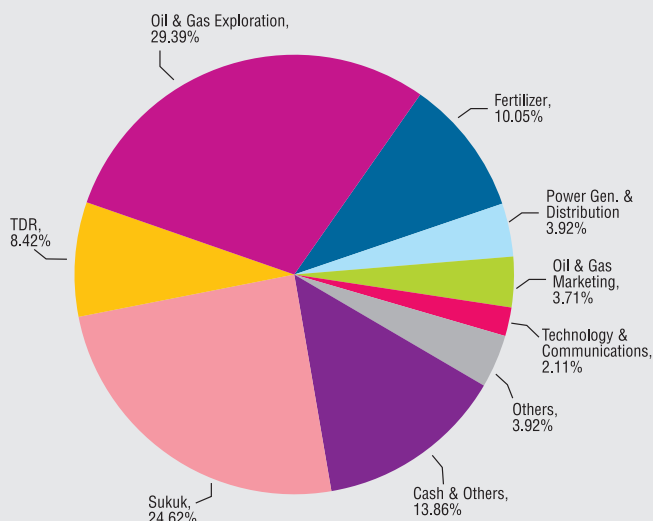
NAFA Islamic Multi Asset Fund (NIMF)

NAV per unit (31/05/2008): Rs. 9.4757

Investment Objective	Performance					
	Return (%)*	Nov-Dec 2007	Jan-Mar 2008	April 2008	May 2008	Since Launch Oct 29, 2007
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.	NAFA Islamic Multi Asset Fund:	-2.42%	4.63%	0.32%	-7.28%	-5.24%
	Benchmark: NAFA is working on a representative benchmark for the Fund. This will be available shortly.					
* Returns are net of management fee & all other expenses						

General Information		Fund Manager's Commentary
Launch Date: October 29, 2007 Fund Size: as at 31st May 2008 Rs. 712 million Type: Shariah Compliant - Open-end Balanced Fund Dealing: Daily Settlement: 2-3 business days Load: Front end - 3%, Back end - 0% Management Fee: 3% per annum	Listing: Lahore Stock Exchange Trustee: Central Depository Company Auditors: A. F. Ferguson & Co. Chartered Accountants Benchmark: 50% Dow Jones Islamic Pakistan Index – 50% Average 1-month deposit rate of 4 Islamic Banks Fund Manager(s): Abdul Rehman Warraich Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	<p>During the month under review, NAFA Islamic Multi Asset Fund's NAV decreased by 7.28%. The cumulative return of the Fund since inception now stands at -5.24%.</p> <p>Mounting economic problems finally took their toll and the investor sentiment turned extremely bearish during the month. As a result, stock prices fell drastically across the board. The decision of the State Bank of Pakistan (SBP) to tighten the monetary policy and the concern shown by the Governor SBP over the fiscal and trade imbalances acted as a sharp reminder to the investors about the economic challenges ahead.</p> <p>We expect that the economy will remain under pressure for a while. The fiscal deficit, trade deficit, inflationary pressures and high interest rates will take some time to correct. However, it seems that the Stock Market has readjusted its expectations very quickly. Almost all the sectors (e.g. manufacturing, banking) which are more vulnerable to the current economic trends have already seen a steep decline in the stock prices. Stocks in a few other sectors (e.g. Oil & Gas, Fertilizer) are, in our opinion, less vulnerable to these economic hardships.</p> <p>Our strategy is to invest the equity portion of our portfolio primarily in Oil & Gas, Fertilizer and Power sectors. We believe that these sectors will benefit from the underlying economic themes of rising commodity prices and power shortages. We continue to look for such Shariah compliant stocks which have the potential to outperform the market over the next twelve months.</p> <p>We are also seeking opportunities for Shariah compliant spread transactions. Such investments are more suitable in a rising interest rate environment because they are of a short-term nature (they mature in less than a month).</p>

Asset Allocation (as on 31st May 2008)



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