



National Fullerton  
Asset Management Limited

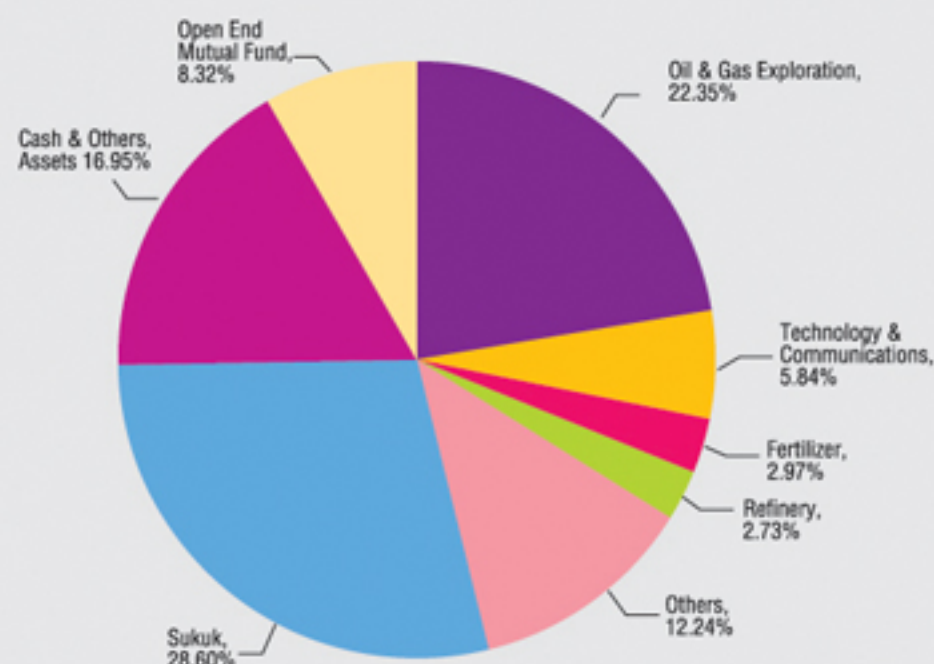
# NAFA Islamic Multi Asset Fund (NIMF)

October 2008

Investment Objective	Performance					
	Return (%)*	Jan - Jul 2008	Jul - Sep 2008	Aug 2008	Sep 2008	Since Launch Oct 29, 2007 to Sept 30, 2008
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.	<b>NAFA Islamic Multi Asset Fund</b>	<b>-6.96%</b>	<b>-10.63%</b>	<b>-5.69%</b>	<b>-0.23%</b>	<b>-14.78%</b>
	*Returns are net of management fee & all other expenses					

General Information	Fund Manager's Commentary
<p>Launch Date: October 29, 2007 Fund Size: Rs. 544 million Type: Shariah Compliant - Open-end Balanced Fund</p> <p>Dealing: Daily Settlement: 2-3 business days Load: Front end - 3%, Back end - 0% Management Fee: 3% per annum</p> <p>Listing: Lahore Stock Exchange Trustee: Central Depository Company Auditors: A. F. Ferguson &amp; Co. Chartered Accountants</p> <p>Fund Manager: Abdul Rehman Warraich Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	<p>The Securities &amp; Exchange Commission of Pakistan put a freeze on sales and redemptions in all open end mutual funds which take direct exposure in the Stock Market. The freeze will continue until three days after the price floor is removed and the Stock Market becomes fully functional. The announcement of Net Asset Value (NAV) of such Funds has also been suspended till that time.</p> <p>The Stock Market remained dull and illiquid during the month. The macroeconomic situation remains very challenging in the near term. Balance of payments crisis, weakening currency, high budget deficit, huge debt repayment burden and high inflation have confounded the policy makers. Domestic demand has been hit hard by higher prices and interest rates. However, there is a silver lining. Significant reduction in domestic demand combined with falling international prices should result in lower budget and trade deficits and lower inflation going forward. The Rs. 50 billion package announced by the government should help restore some confidence among investors.</p> <p>The first quarter of the current fiscal year saw a liquidity crunch. There was a reduction in the deposit base of the banking sector due to a combination of seasonal withdrawals, financing of external account deficit through domestic liquidity and the panic buying of dollars. We expect this situation to ease once the money from IMF flows in and the exchange rate stabilizes.</p> <p>Profit rates on Shariah Compliant debt instruments (including sukuks and mudarabah placements) remained high during the month. Our portfolio is underweight in equities and overweight in debt instruments. We intend to maintain this strategy until the stock market stabilizes and economic data suggests lower inflation and an easing of monetary policy going forward.</p>

Asset Allocation (as on 31st October 2008)



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