



**National Fullerton  
Asset Management Limited**  
(A Subsidiary of National Bank of Pakistan)

# NAFA Islamic Income Fund (NIIF)

Unit Price (30/06/2010): Rs. 8.9486

June 2010

## Performance

Performance (%)	June 2010 *	Jan. - June 2010 **	Since Launch October 29, 2007 **
<b>NAFA Islamic Income Fund</b>	<b>24.94%</b>	<b>61.65%</b>	<b>(1.52)%</b>

\* Represents Cumulative Return  
\*\* Represents Annualized Return  
(Returns are net of management fee & all other expenses)

## General Information

Launch Date: October 29, 2007  
Fund Size: Rs. 202 million  
Type: Open-end – Shariah Compliant Income Fund  
Dealing Days: Daily – Monday to Friday  
Dealing Time: 9:00 am – 4:30 pm  
Settlement: 2-3 business days  
Pricing Mechanism: Forward Pricing  
Load: Front end: 1.0%  
Management Fee: 1.5% per annum  
Risk Profile: Low to Medium  
Fund Stability Rating: In process  
Listing: Lahore Stock Exchange  
Custodian & Trustee: Central Depository Company (CDC)  
Auditors: A. F. Ferguson & Co. Chartered Accountants  
Benchmark: Average 1-month deposit rate of Islamic banks  
Fund Manager: Irfan Malik, CFA  
Minimum Subscription: Growth Unit: Rs. 10,000/-  
Income Unit: Rs. 100,000/-  
Asset Manager Rating: AM2- by PACRA  
Leverage: (Amount of leveraging /borrowing done by the Fund.) Nil

## Investment Objective

To seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in Shariah Compliant money market & debt securities having good credit rating and liquidity.

## Fund Manager's Commentary

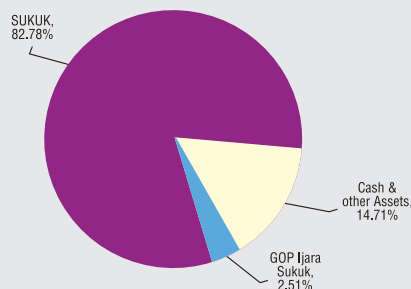
The Fund's unit price increased by 24.94% during the month of June. The return is exceptionally high because a previously non-performing Sukuk has become performing after being regular on its payments.

This recovery coupled with last few months' impressive performance has largely reduced the previous under performance of the Fund. We reiterate that the current Sukuk prices are attractive, and the Sukuk portfolio is expected to perform well over the next couple of years. For new investors who want to invest in Islamic avenues only, we believe that NIIF provides them an opportunity to out-perform the rates available with Islamic Banks over medium-term.

Credit split of Fund's Assets is as follows:

Rating Category	% of Fund Size
AAA	4.24%
AA	28.64%
A	18.77%
BBB	0.02%
Below Investment Grade	45.35%
Accruals, deferred costs & unrealized sales	2.98%

## Asset Allocation (as on 30th June 2010)



## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Irfan Malik, CFA  
Ahmad Nouman, CFA  
Sajjad Anwar, CFA  
Tanvir Abid, CFA

**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.