



NAFA Savings Plus Fund (NSPF)

National Fullerton
Asset Management Limited

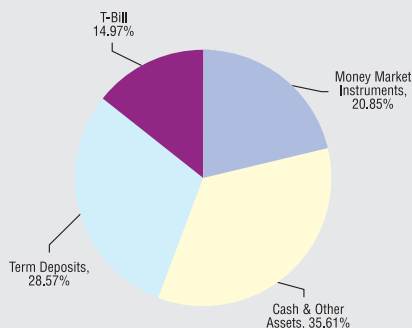
Unit Price (28/02/2010): Rs. 10.2738

February 2010

Investment Objective	Performance				
To minimize risk, preserve capital and generate a reasonable return along with a high degree of liquidity from a portfolio of primarily constituted of bank deposits and money market instruments.	Performance (%)*	December 2009	January 2010	February 2010	Since Launch Nov 21, 2009
	NAFA Savings Plus Fund	10.07%	10.03%	9.80%	10.47%
	Benchmark	7.91%	8.32%	7.81%	8.40%
* Represents Annualized Return (Returns are net of management fee & all other expenses)					

General Information	Fund Manager's Commentary																					
<p>Launch Date: Nov 21, 2009 Fund Size: Rs. 647 million Type: Open-end – Income Fund Dealing days: Daily – Monday to Saturday Settlement: 2-3 business days Pricing Mechanism: Forward Pricing Load: No entry or exit load Management Fee: 2.0% per annum Risk Profile: Very Low Fund Stability Rating: "AA-(f)" by PACRA</p> <p>Listing: Lahore Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Co. Chartered Accountants</p> <p>Benchmark: Average 6-Month deposit rates (A and above rated banks)</p> <p>Fund Manager: Irfan Malik, CFA Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- Asset Manager Rating: AM2- by PACRA</p>	<p>During February, the Fund earned an annualized return of 9.80%, thereby outperforming the benchmark return by 1.99%.</p> <p>Current distribution of assets on the basis of credit quality is as given below:</p> <table border="1"> <thead> <tr> <th>Rating</th> <th>% Allocation (February)</th> <th>% Allocation (January)</th> </tr> </thead> <tbody> <tr> <td>AAA</td> <td>15.06%</td> <td>0.15%</td> </tr> <tr> <td>AA+</td> <td>13.43%</td> <td>16.45%</td> </tr> <tr> <td>AA</td> <td>30.20%</td> <td>51.19%</td> </tr> <tr> <td>AA-</td> <td>39.96%</td> <td>31.72%</td> </tr> <tr> <td>A</td> <td>0.06%</td> <td>0.04%</td> </tr> <tr> <td>Accruals, & deferred costs & unrealized sales</td> <td>1.29%</td> <td>0.45%</td> </tr> </tbody> </table>	Rating	% Allocation (February)	% Allocation (January)	AAA	15.06%	0.15%	AA+	13.43%	16.45%	AA	30.20%	51.19%	AA-	39.96%	31.72%	A	0.06%	0.04%	Accruals, & deferred costs & unrealized sales	1.29%	0.45%
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Asset Allocation (as on 28th February 2010)



Leverage: (Amount of leveraging / borrowing done by the Fund.)	Nil
Name of the Members of Investment Committee:	Dr. Amjad Waheed, CFA Irfan Malik, CFA Ahmad Nouman, CFA Sajjad Anwar, CFA Tanvir Abid, CFA

Your Fund invested around 15% of net assets in T-bills due to the non-availability of attractive returns in term deposits. Commercial Banks and DFIs have slowed down their deposit raising efforts since January 2010 which had peaked at year end 2009.

In January, the State Bank of Pakistan kept the policy rate unchanged at 12.5% in its Monetary Policy Statement. Next monetary policy statement is due in March 2010. Lower current account deficit and trade deficit coupled with higher remittances have gradually improved the forex reserves. Furthermore, government borrowing from the State Bank remained in check. These among other macro economic indicators suggest the country is on the path of gradual economic recovery, with challenges in few areas. Inflation stood at 10.30% from July to December 2009 and is expected to be around 12% annualized during the current fiscal year. Due to gradual removal of subsidies, Month on Month (CPI) during January 2010 was 2.40%. However, recent improvements in weekly data of Sensitive Price Indicator (SPI) indicate that inflation is expected to ease during February.

6-Month KIBOR increased by 20bps during the month to close at 12.43% on February-end. The major reason was the spike in rates towards the end of the month due to a large size T-bill auction which has had a temporary impact on T-bill rates.

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.