



# NAFA Asset Allocation Fund (NAAF)

**NBP Fullerton  
Asset Management Limited**

(Formerly National Fullerton Asset Management Limited)

Unit Price (31/08/2010): Rs. 10.0272

August 2010

## Performance

Performance % *	August 2010	Since Launch August 21, 2010
NAFA Asset Allocation Fund	0.27%	0.27%
Benchmark	(0.14%)	(0.14%)

\* Cumulative returns are net of management fee & all other expenses

## General Information

Launch Date:	August 21, 2010
Fund Size:	Rs. 103 million
Type:	Open-end – Asset Allocation Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	9:00 A.M to 4:30 P.M
Dealing Time: (Ramadan)	9:00 A.M to 2:00 P.M 8:30 A.M to 12:30 P.M (Friday)
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end – 2%, Back end - 0%
Management Fee:	2% per annum
Risk Profile:	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	1/3 of average 3-month bank deposit rate; 1/3 of 6-months KIBOR; 1/3 of KSE 30 Index
Fund Manager:	Hussain Yasar
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA

## Investment Objective

To generate income by investing in Debt & Money Market securities and to generate capital appreciation by investing in equity and equity related securities.

## Fund Manager Commentary

This is first monthly report of NAFA Asset Allocation Fund (NAAF). The IPO (Initial Public Offering) of the Fund was held during August 16-20, 2010. The Fund investment activity started as soon as the IPO close was achieved on August 20, 2010. During the month under review, NAFA Asset Allocation Fund's (NAAF) Net Asset Value (NAV) increased by 0.27% while the benchmark (1/3 of average 3-month bank deposit rate; 1/3 of 6-months KIBOR; 1/3 of KSE 30 Index) decreased by 0.14%. Thus your Fund out-performed the benchmark by 0.41% during the month. This out-performance is net of management fee and all other expenses.

The advantage of NAAF is that it has no limit on the exposure in any asset class (money market, debt and equity) unlike stock and balanced funds. The market weight for NAAF implies 1/3 weight in each of the three asset classes i.e. money market, fixed income and equities.

NAAF has invested in money market instruments and high quality fixed income securities. Currently, the Fund is around 71% invested in Treasury bills with an average maturity of less than 60 days. The Fund is around 10% invested in "AA-" rated Term Finance Certificate. The Fund invested the major portion of portfolio in money market instruments maintaining a weighted average maturity below 60 days reflecting a conservative stance, keeping in view the economic uncertainty and concerns of rise in interest rates.

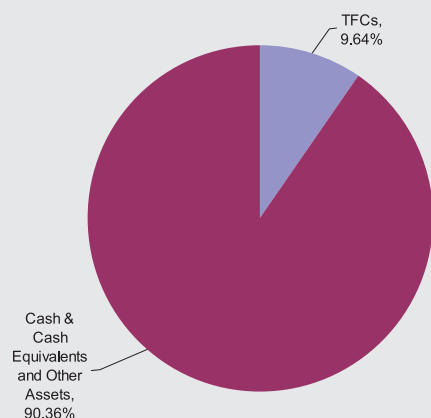
The stock market depicted an extremely bearish trend during the month due to low activity during Ramadan combined with the potential damages caused by floods and delay in the launch of the leverage product. Therefore, NAAF has not made any investment in equities as yet.

## Asset Allocation %

31-Aug-10

Equities / Stock	-
TFC / Sukuk	9.64%
Cash Equivalents	14.79%
T-Bills	71.39%
Other Net Assets	4.18%
Leverage	Nil

## Asset Allocation (as on 31st August 2010)



## Top Holdings

Name	Asset Class	% of Net Assets
Allied Bank Limited TFC 1	TFC	9.64%

## Details of Non-Complaint Investments

Nil

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Tanvir Abid, CFA, FRM  
Irfan Malik, CFA  
Hussain Yasar

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