

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

# NAFA Income Fund (NIF)

Unit Price (30/06/2010): Rs. 10.8190

June 2010

## Performance

Performance (%) *	June 2010	Jan. - June 2010	Jan. - Dec. 2009	Since Launch March 29, 2008
<b>NAFA Income Fund</b>	<b>35.97%</b>	<b>6.57%</b>	<b>13.50%</b>	<b>6.52%</b>

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

## General Information

Launch Date: March 29, 2008  
 Fund Size: Rs. 582 million  
 Type: Open-end – 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  
 Fund Stability Rating: "A(f)" by PACRA  
 Listing: Lahore Stock Exchange  
 Custodian & Trustee: Central Depository Company (CDC)  
 Auditors: A. F. Ferguson & Co. Chartered Accountants  
 Benchmark: 3-Month T-Bills  
 Fund Manager: Ahmad Nouman, 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 earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.

## Fund Manager's Commentary

During the month of June 2010, NAFA Income Fund earned an annualized return of 35.97%. This is due to substantial unrealized capital gain on one of its TFCs. We expect further recoveries in TFCs prices over the medium-term.

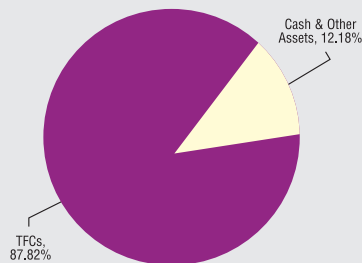
We would like to share with our investors that your Fund's return of 8.69% during the Fiscal Year that just ended, has been considerably better than its peer group average.

The weighted average yield to maturity of NAFA Income Fund is around 16.48% p.a. The weighted average maturity of NAFA Income Fund is 2.88 years. Thus, the Fund is expected to perform well over a 3-year horizon.

Credit split of Fund's Assets is as follows:

Rating Category	% of Fund Size
AAA	0.03%
AA	31.54%
A	47.61%
BBB	0.03%
Below Investment Grade	16.92%
Accruals, deferred costs & unrealized sales	3.87%

## 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.