

Performance

| Performance % * | August 2011 | Jan. - Aug. 2011 | Trailing 12 Months | Since Launch May 16, 2009 |
|--|-------------|------------------|--------------------|---------------------------|
| NAFA Government Securities Liquid Fund | 12.01% | 11.90% | 11.69% | 11.11% |
| Benchmark | 11.50% | 11.58% | 11.46% | 11.12% |

* Represent Annualized Return - (based on morning star formula)
(Returns are net of management fee, Workers' Welfare Fund (WWF) provisioning & all other expenses)

General Information

| | |
|------------------------|--|
| Launch Date: | May 16, 2009 |
| Fund Size: | Rs. 12,202 million |
| Type: | Open-end – Money Market Fund |
| Dealing Days: | Daily – Monday to Saturday |
| Dealing Time: | (Mon - Fri) 9:00 A.M to 4:30 P.M (Saturday) 9:00 A.M to 1:00 P.M |
| Settlement: | 2-3 business days |
| Pricing Mechanism: | Forward Pricing |
| Load: | Front end: 0%, Back end: 0% |
| Management Fee: | 1.25% per annum |
| Risk Profile: | Exceptionally Low |
| Fund Stability Rating: | "AAA (f)" by PACRA |
| Listing: | Lahore Stock Exchange |
| Custodian & Trustee: | Central Depository Company (CDC) |
| Auditors: | A. F. Ferguson & Co. Chartered Accountants |
| Benchmark: | 70% 3-Month T-Bills & 30% average 3-Month deposit rates (AA & above rated banks) |
| Fund Manager: | Ahmad Nouman, CFA |
| Minimum Subscription: | Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- |
| Asset Manager Rating: | AM2- 'Positive Outlook' by PACRA |

Investment Objective

To generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term Government Securities.

Fund Manager Commentary

The Fund earned an annualized return of 12.01% during August 2011, which is better than the benchmark return by 51 basis points (bps). The annualized return for first eight months of CY 2011 is 11.90% against the benchmark return of 11.58%, hence an out-performance of 32 bps. The management is announcing monthly dividends since July, 2011.

NGSLF's stability rating is 'AAA (f)' awarded by PACRA. The rating reflects exceptionally strong credit and liquidity profile of your Fund. NGSLF (i) allocates a minimum of 85% to Government Securities; (ii) maintains T-Bill portfolio maturity / duration below 45 days to minimize any interest rate risk; and (iii) maintains maximum maturity of a single T-Bill to three months. The investment value of NGSLF has not declined on any day since the launch of the Fund in May 2009.

Over the last three years Government has been relying heavily on scheduled banks to finance its fiscal deficit. As a result, outstanding stock of T-Bills is now over Rs 2.07 trillion. Continuation of this trend suggests that interest rates may not decline. This is likely to keep the return of your Fund attractive.

The inter-bank money market remained very tight as indicated by very high over night REPO rates, during the month because of Eid related outflows from banking system and banks preference of holding longer term securities. SBP regularly injected in the market through Open Market Operations with hefty amounts.

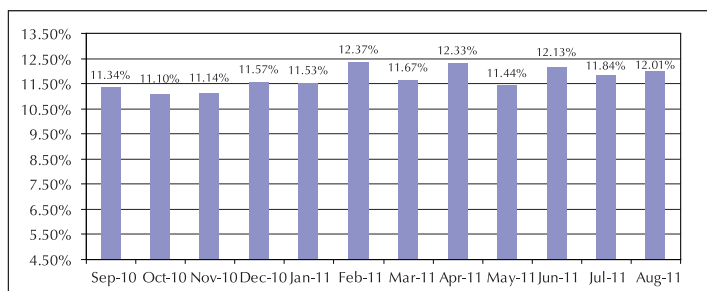
In the first eight months of the calendar year 2011, average daily allocation in short-term Government Securities was 87.66%. In the same period, T-Bills asset class maturity ranged from a minimum of 24 days to a maximum of 45 days, with the daily average at 39 days.

The average maturity of your Fund is around 43 days.

Asset Allocation (% of NAV) 30-Aug-11 30-Jul-11

| Asset Allocation (% of NAV) | 30-Aug-11 | 30-Jul-11 |
|--|----------------|----------------|
| T-Bills (Including Reverse Repo via Master Repurchase Agreement) | 88.11% | 92.73% |
| Placements with Banks | 9.42% | 4.86% |
| Cash Equivalents | 2.69% | 2.53% |
| Other Liabilities | -0.22% | -0.12% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

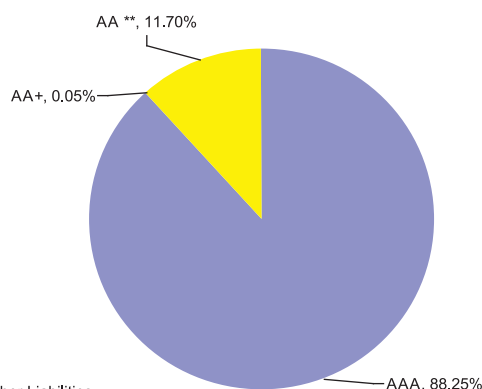
Month-Wise Annualized Returns of NGSLF for last 12 months



Name of the Members of Investment Committee

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

Credit Quality of the Portfolio as of August 30, 2011 (% of NAV)



** Net of Other Liabilities