



NAFA Government Securities Liquid Fund (NGSLF)

Unit Price (30/06/2010): Rs. 10.2742

June 2010

Performance

Performance (%)*	June 2010	Jan. - June 2010	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	10.24%	10.51%	10.68%

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

General Information

Launch Date:	May 16, 2009
Fund Size:	Rs. 5,805 million
Type:	Open-end – Money Market 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:	No entry or exit load
Management Fee:	1.25% per annum
Risk Profile:	Very Low
Fund Stability:	“AA+(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 and 30% average 3-Month deposit rates (AA and above rated banks)
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 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’s Commentary

The Fund earned an annualized return of 10.24% during the month. The Fund’s return may slightly improve in the coming months due to higher T-Bills rates and reduction in the management fee by NAFA by 25 basis points. The return on your Fund for FY 2010 is 10.53%.

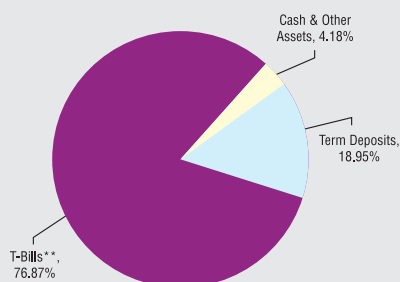
The internal risk guideline of NGSLF is to buy T-Bills of maximum 3-months remaining maturity. For the first quarter of FY 2011, the State Bank of Pakistan has announced T-Bills auction target of Rs 535 bln against maturities of Rs 502 bln, thus an excess target of Rs 33 bln. This indicates that short-term interest rates may not decline.

The investment value of NGSLF has not declined on any day since the launch of Fund in May, 2009. This is an indicator of the stability and safety of your Fund based on its investment policy of investing only in short-term Govt. T-Bills and AA & above rated Banks.

The average maturity of your Fund is 43 days and that of T-Bills asset class is 41 days. Credit split of Fund’s Assets is as follows:

Rating	% Allocation (June)	% Allocation (May)
AAA	76.91%	81.78%
AA+	6.97%	6.49%
AA	17.07%	11.61%
Accrued, deferred costs & unrealized sales/(Payables)	(0.95)%	0.12%

Asset Allocation (as on 30th June 2010)



* Includes Reverse Repo via Master Repurchase Agreement (MRA)

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.