



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/10/2011): Rs. 10.2020

October 2011

Performance

Performance % *	October 2011	Jul. - Oct. 2011	Jan. - Oct. 2011	Trailing 12 Months	Since Launch May 16, 2009
NAFA Government Securities Liquid Fund	12.80%	12.10%	11.98%	11.87%	11.19%
Benchmark	10.68%	11.37%	11.49%	11.47%	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. 15,456 million
Type:	Open-end – Money Market Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 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 12.80% during October 2011, which is better than the benchmark return by 212 basis points (bps). The annualized return for the 10 months of CY 2011 is 11.98% against the benchmark return of 11.49%, hence an out-performance of 49 bps. The management is announcing monthly dividends since July 2011 and intends to continue this policy in the future as well.

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; and (ii) maintains maximum maturity of a single T-Bill to three months. In the first 10 months of the calendar year 2011, average daily allocation in short-term Government Securities was 88.39%. The investment value of NGSLF has not declined on any day since the launch of the Fund in May 2009.

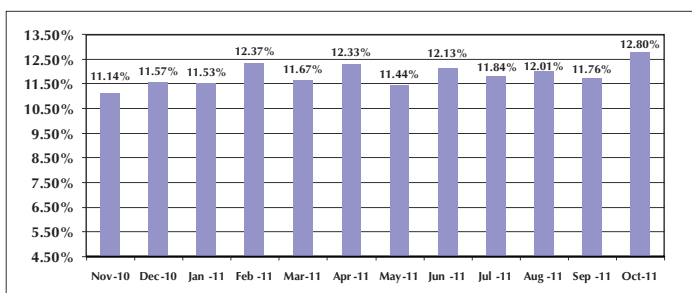
The highlight of the month was historic 150 basis points reduction in the Discount Rate by State Bank of Pakistan in its Monetary Policy Announcement on October 8, 2011. SBP's rationale for this big adjustment was positive real interest rates on back of lower year-on-year inflation numbers. In the second half of the current fiscal year, high base effect of CPI index is expected to subside, which may restrict further policy easing. However, the market is prepared for any further adjustments in the next MPS due at November-end.

As of October 31, 2011 average maturity of your Fund is around 23 days. We intend to increase this by mid of next month.

Asset Allocation (% of NAV) 31-Oct-11 30-Sep-11

	31-Oct-11	30-Sep-11
T-Bills (Including Reverse Repo via Master Repurchase Agreement)	58.78%	86.11%
Placements with Banks	3.56%	11.15%
Placements with DFLs (Rated AAA)	3.23%	-
Cash Equivalents	34.54%	2.34%
Other (Liabilities) / Assets	(0.11)%	0.40%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

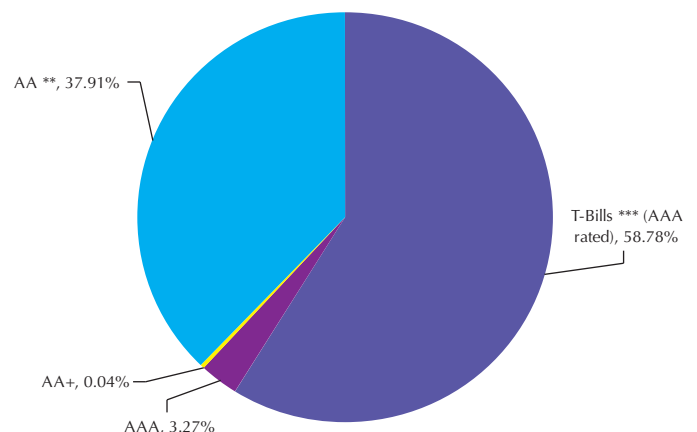
Month-wise Annualized Returns of NGSLF for last 12 months



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 October 31, 2011 (% of NAV)



\*\* Net of Other Liabilities

\*\*\* Including Reverse Repo via Master Repurchase Agreement