



**NBP Fullerton
Asset Management Limited**
(Formerly National Fullerton Asset Management Limited)

NAFA Income Opportunity Fund (NIOF)

Formerly NAFA Cash Fund

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (29/04/2011): Rs. 10.1806 *

April 2011

Performance

Performance % **	April 2011	FYTD Jul. 2010 - Apr. 2011	Trailing 12 Months	Since Launch April 22, 2006
NAFA Income Opportunity Fund <i>Formerly NAFA Cash Fund</i>	33.10%	8.84%	7.74%	8.19%
Benchmark	13.74%	13.17%	13.01%	11.57%

* Ex-Dividend Price

** Represent Annualized Return - (based on morning star formula)
(Returns are net of management fee & all other expenses)

General Information

Launch Date:	April 22, 2006
Fund Size:	Rs. 2,677 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	9:00 A.M to 4:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 0%, Back end: 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:	KPMG Taseer Hadi & Co. Chartered Accountants
Benchmark:	6-Month KIBOR (Benchmark changed with effect from 15-12-2010. Previous Benchmark was 1-Month KIBOR)
Fund Manager:	Usman Khan
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA

Investment Objective

To seek preservation of Capital and earn a reasonable rate of return via investing in money market and debt securities with investment-grade rating, CFS and spread transactions.

Fund Manager Commentary

The Fund earned an annualized return of 33.10% during April 2011 against the benchmark return of 13.74%, thus an outperformance of 19.36%. The return improvement is owing to recovery in prices of some of the TFCs. Your Fund has high allocation in TFCs of around 89% of the Fund size. All the TFCs in your Fund are floating rate instruments linked to KIBOR. During Jan-April 2011 average of 6-Months KIBOR is 13.74% as against 12.35% for the same period last year, and is expected to remain high. Hence, your Fund is expected to benefit from stable coupon income on these TFCs. Further, the weighted average price of the TFC portfolio is Rs. 83 against the par value of Rs100, which suggests improved returns going forward.

The annual Yield to Maturity of your Fund is around 22.67% while that of the TFC portfolio is 24.77%. The weighted average maturity of your Fund is 2.83 years. The Fund's sector allocation is fairly diversified with exposure to Telecom, Fertilizer, Cement, Textile, Leasing, Real Estate, Banking, Paper & Board and Leisure (Hotel) sub-sectors. However, since there are TFCs in the portfolio and their prices may go up and down, only long-term investors are advised to invest in this Fund.

Asset Allocation (% of NAV) 29-Apr-11 31-Mar-11

TFC / Sukuk	89.09%	83.53%
Cash Equivalents	22.63%	25.68%
Other Liabilities	-11.72%	-9.21%
Total	100.00%	100.00%
Leverage	Nil	Nil

TFC/SUKUK Holdings (as at April 29, 2011)

Name of TFCs / Sukuks	% of Net Assets
Pakistan Mobile Comm (Listed 2)	13.00%
Engro Fertilizer (PPTFC)	10.77%
Orix Leasing Pakistan (PPTFC)	9.70%
Maple Leaf Cement (Sukuk)	9.36%
Kohat Cement Limited Sukuk	6.03%
World Call Telecom Limited	5.49%
Avari Hotels Limited	5.02%
Azgard Nine (PPTFC)	4.76%
Pace Pakistan Limited	3.76%
Century Paper & Board (Sukuk)	3.55%
Total	71.44%

Name of the Members of Investment Committee

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

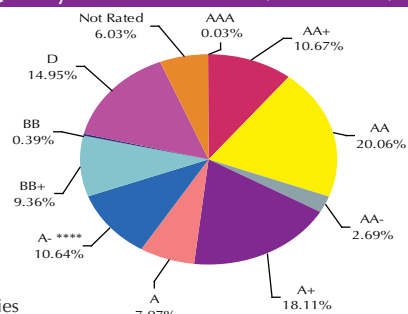
Details of Non-Compliant Investments

Particulars	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	% of Gross Assets	Yield to Maturity per annum
Agritech Limited	TFC	149,880,000	73,441,200	76,438,800	2.86%	1.97%	42.85%
Azgard Nine Limited PPTFC	TFC	249,800,000	122,402,000	127,398,000	4.76%	3.28%	41.03%
Kohat Cement Limited	Sukuk	241,500,000	80,172,204	***161,327,796	6.03%	4.16%	32.54%
Maple Leaf Cement Sukuk 1	Sukuk	399,575,000	148,983,537	***250,591,463	9.36%	6.46%	29.17%
BRR Guardian Modaraba Sukuk	Sukuk	50,000,000	12,500,000	37,500,000	1.40%	0.97%	22.25%
Saudi Pak Leasing	TFC	53,616,300	18,216,299	***35,400,001	1.32%	0.91%	25.39%
Eden Housing Sukuk 2	Sukuk	32,775,000	10,008,108	***22,766,892	0.85%	0.59%	39.60%
PACE Pakistan Limited	TFC	149,820,000	49,064,402	***100,755,598	3.76%	2.60%	32.77%
Maple Leaf Cement Sukuk 2	Sukuk	15,000,000	4,439,115	***10,560,885	0.39%	0.27%	58.09%
Total		1,341,966,300	519,226,865	822,739,435	30.73%	21.21%	

*** Book Value, performing but below investment grade

Excess / (Short) exposures	Particulars	Exposure Type	% of Net Assets	Limit	Excess / (Short)
	Cash and Cash Equivalent	Cash Balance	22.63%	25%	(2.37%)

Credit Quality of the Portfolio (% of NAV)



**** Net of other Liabilities

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 any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.