



NAFA Cash Fund (NCF)

**NBP Fullerton
Asset Management Limited**

(Formerly National Fullerton Asset Management Limited)

Unit Price (31/10/2010): Rs. 9.9248

October 2010

Performance

Performance % *	October 2010	Jul. - Oct. 2010	Jan. - Dec. 2009	Since Launch April 22, 2006
NAFA Cash Fund	3.08%	1.68%	12.54%	7.57%
Benchmark	12.77%	12.65%	12.78%	11.36%

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

General Information

Launch Date:	April 22, 2006
Fund Size:	Rs. 3,528 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:	No entry or exit load
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:	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 3.08% during October, 2010. The return is low due to distressed selling of TFCs by some players and marking down the prices of some Sukuks of the Cement sector. The annual Yield to Maturity of your Fund is currently around 18.01% while that of TFC portfolio is around 22%. The weighted average maturity of your Fund is 2.47 years.

Going forward, we expect healthy returns on your Fund with a two to three year investment horizon because most TFCs are trading at a discount to their fair values, hence offering attractive yields.

Asset Allocation %	31-Oct-10	30-Sep-10
TFC / Sukuk	73.22%	76.83%
Cash Equivalents	22.76%	18.34%
Other Assets	4.02%	4.83%
Total	100.00%	100.00%
Leverage	Nil	Nil

TFC/SUKUK Top Ten Holdings (% of Net Assets)

Pakistan Mobile Comm (L2)	9.57%
Orix Leasing Pakistan PPTFC	9.16%
Engro Chemical (Perpetual)	7.87%
Maple Leaf Cement	7.11%
World Call Telecom Ltd	5.04%
Kohat Cement	4.56%
Azgard Nine PPTFC	4.08%
Avari Hotels Limited	3.85%
Century Paper & Board	3.02%
Pace Pakistan Limited	2.93%

Name of the Members of Investment Committee

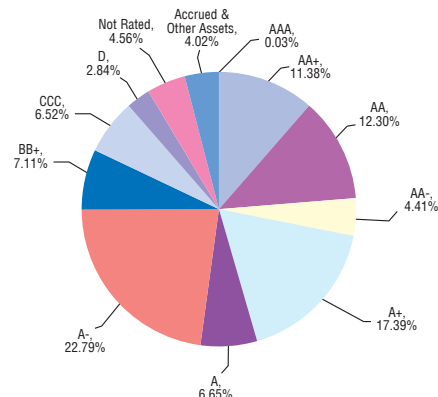
Dr. Amjad Waheed, CFA
Ahmad Nouman, CFA
Sajjad Anwar, CFA
Tanvir Abid, CFA, FRM
Usman Khan

Details of Non-Compliant Investments

Name of Non Compliant Investment	Type of Investment	Value of Investments before Provision	Provision held	Value of Investments after Provision	% of Net Assets	Yield to Maturity per Annum
Agritech Limited	TFC	149,880,000	63,699,000	86,181,000	2.44%	34.54%
Azgard Nine Limited PPTFC	TFC	249,800,000	105,805,000	143,995,000	4.08%	31.61%
Kohat Cement Limited	Sukuk	241,500,000	80,474,079	**161,025,921	4.56%	30.20%
Maple Leaf Cement Sukuk 1	Sukuk	399,745,000	149,046,922	**250,698,078	7.11%	27.63%
BRR Guardian Modaraba Sukuk	Sukuk	50,000,000	12,500,000	**37,500,000	1.06%	33.53%
Saudi Pak Leasing	TFC	55,574,700	14,650,807	40,923,893	1.16%	18.65%
First Dawood Inv Bank	TFC	34,500,000	12,782,250	21,717,750	0.62%	46.38%
Total		1,180,999,700	438,958,058	742,041,642	21.03%	

** Book value, performing but below investment grade

Credit Quality of the Portfolio (% of Net Assets)



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.