



National Fullerton
Asset Management Limited

NAFA Multi Asset Fund (NMF)

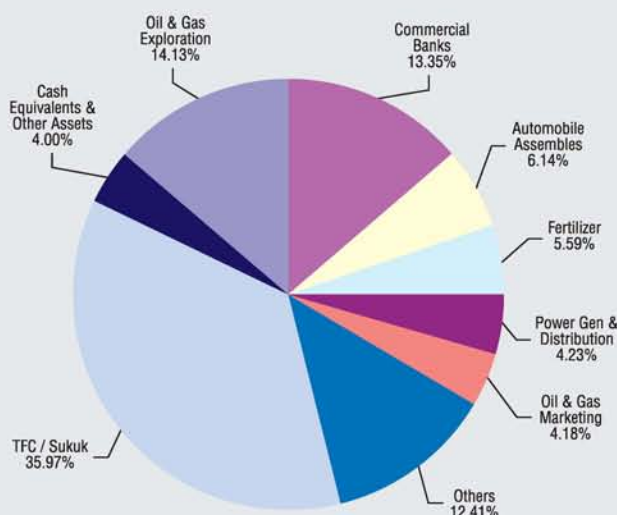
Unit Price (31/12/2009): Rs. 9.3023

December 2009

Investment Objective	Performance						
To provide investors with a combination of capital growth and income. NMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments, CFS etc.	Performance (%)*	Jan - Jun 2007	Jul - Jun 2007 - 08	Jul - Jun 2008 - 09	Jul - Dec 2009	December 2009	Since Launch January 22, 2007
	NAFA Multi Asset Fund	28.96%	5.12%	(22.56)%	9.60%	(2.33)%	15.05%
	Benchmark (50% KSE-30 Index & 50% 1-month KIBOR)	15.22%	(2.49)%	(20.83)%	18.17%	1.31%	5.10%
*Returns are net of management fee & all other expenses							

General Information	Fund Manager's Commentary
<p>Launch Date: January 22, 2007</p> <p>Fund Size: Rs. 1,159 million</p> <p>Type: Open-end – Balanced Fund</p> <p>Dealing: Daily – Monday to Friday</p> <p>Settlement: 2-3 business days</p> <p>Load: Front end – 3%, Back end - 0%</p> <p>Management Fee: 2.5% per annum</p>	<p>During the month under review, NAFA Multi Asset Fund's (NMF) Net Asset Value (NAV) decreased by 2.33% while the benchmark (50% KSE-30 index & 50% 1-month KIBOR) increased by 1.31%. Thus your Fund under-performed the benchmark by 3.64% during the month. Since inception on January 22, 2007 your Fund has increased by 15.05%, while the benchmark has increased by 5.10%. Thus, to-date the out-performance of your Fund stands at 9.95%. Since January 2009 your Fund has increased by 29.56%.</p>
<p>Listing: Lahore Stock Exchange</p> <p>Custodian & Trustee: Central Depository Company (CDC)</p> <p>Auditors: A. F. Ferguson & Co. Chartered Accountants</p> <p>Benchmark: 50% KSE-30 Index & 50% 1-month KIBOR</p> <p>Fund Manager: Sajjad Anwar, CFA</p> <p>Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	

Asset Allocation (as on 31st December 2009)



In the beginning of the month we were over-weight in equity and under-weight in the fixed income asset class. During the month, we reduced our allocation in equity below the market weight. However, expecting a short-term recovery in the Stock Market, we again over-weighted equities and under-weighted fixed income asset class.

The month started with subdued Stock Market performance and as a result, KSE-30 Index declined by around 2.5% during the 1st week. Investor sentiment was jittery due to concern over domestic political front linked to uncertainty over the controversial National Reconciliation Ordinance (NRO) issue. The apex court's decision on NRO, receipt of 4th Tranche of US \$ 1.2 billion, successful progress on the military operation in the northern areas, and consensus among provinces over NFC award helped improve investor confidence.

Going forward, inflation remains a key concern. Key triggers for the Stock Market are improvement in the political situation, foreign portfolio inflows, and improvement in the law and order situation.

Disclaimer: The price of units may go down as well as up. Please refer to the respective offering document(s).