

NAFA Multi Asset Fund (NMF)

National Fullerton
Asset Management Limited

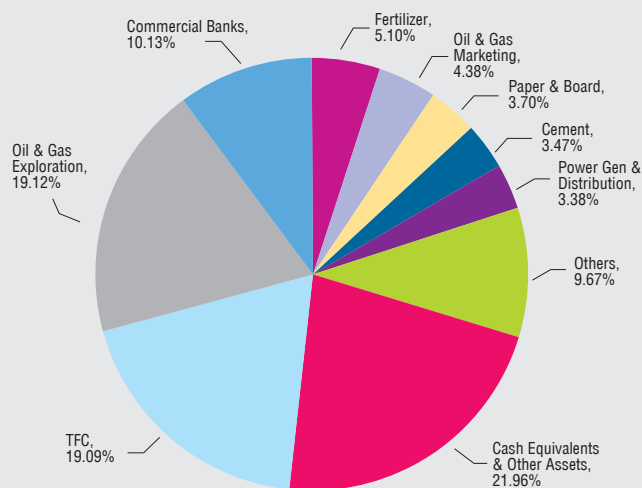
NAV Unit Price (28/02/2009): Rs. 7.4008

February 2009

Investment Objective	Performance					
	Return (%)*	Jan - Dec 2007	Jan - Jun 2008	Jul - Dec 2008	Feb 2009	Since Launch
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.	NAFA Multi Asset Fund	44.06%	-5.90%	-36.04%	5.88%	-9.68%
	Benchmark (50% KSE-30 Index & 50% 1-month KIBOR)	17.50%	-4.38%	-35.39%	7.22%	-23.61%
*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. 1,603 million</p> <p>Type: Open-end – Balance 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) increased by 5.88% while the benchmark (50% KSE-30 Index & 50% 1-month KIBOR) increased by 7.22%. Thus your Fund under-performed the benchmark by 1.34% during the month. Since inception on January 22, 2007, your Fund has declined by 9.68%, while the benchmark has declined by 23.61%. Thus, to date the out performance of your Fund stands at 13.93%. The under-performance is on account of some large cap index stocks jumping significantly during the month.</p> <p>The fixed income market witnessed significant improvement in terms of liquidity and TFC price appreciation. The trend in T-Bill rates, inflation and PIBs clearly reflect that the discount rate is expected to be reduced. On the economic front also the only worrisome factor is slowdown in exports due to global economic situation. However, this slowdown can be mitigated by the inflow of additional aid from The World Bank, US and Europe.</p>
<p>Listing: Lahore Stock Exchange</p> <p>Trustee: Central Depository Company</p> <p>Auditors: A. F. Ferguson & Co. Chartered Accountants</p> <p>Benchmark: 50% KSE-30 Index & 50% 1-month KIBOR</p> <p>Fund Manager: Khurram Shehzad, CFA</p> <p>Minimum Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	

Asset Allocation (on 28th February 2009)



Equity markets remained volatile with an upward trend. The political developments towards the end of the month brought a panic reaction, which might keep the market range bound for a while. However, we expect that this will be a temporary phenomenon and in the long run the market has greater upside potential as compared to downside risk.

We plan to maintain greater than policy allocation in equities till the market valuations remain attractive. Our fixed income portfolio has performed well and going forward we also expect the TFC prices to move up further. In the equity portion, we have focused more on stable stocks which are providing significantly higher dividend yields. We expect the Fund to perform well during 2009 due to our positive outlook on capital markets.

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