



NAFA Multi Asset Fund (NMF)

**NBP Fullerton
Asset Management Limited**

(Formerly National Fullerton Asset Management Limited)

Unit Price (31/10/2010): Rs. 9.6837

October 2010

Performance

Performance % *	October 2010	FYTD Jul. - Oct. 2010	Since Launch January 22, 2007
NAFA Multi Asset Fund	2.32%	7.62%	26.96%
Benchmark	2.99%	5.29%	11.39%

* Cumulative returns are net of management fee & all other expenses

General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 826 million
Type:	Open-end – Balanced 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 – 3%, Back end - 0%
Management Fee:	2.5% per annum
Risk Profile:	Moderate
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	50% KSE-30 Index & 50% 1-month KIBOR
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA

Investment Objective

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.

Fund Manager Commentary

During the month under review, NAFA Multi Asset Fund's (NMF) Net Asset Value (NAV) increased by 2.32% while the benchmark (50% KSE-30 index & 50% 1-month KIBOR) increased by 2.99%. Thus, your Fund under-performed the benchmark by 0.67%. Since inception on January 22, 2007 your Fund has increased by 26.96%, while the benchmark has increased by 11.39%. Thus, to-date, the out-performance of your Fund stands at 15.57%. This out-performance is net of management fee and all other expenses.

NMF is a Balanced Fund and market weight implies 50% weight in equities and 50% in fixed income asset class. The Fund under-performed during the month due to the impact of depressed TFC / Sukuk prices. At the start of the month, NMF was around 50% invested in equities. The stock market sentiment was positive mainly resulting from the healthy results season. We enhanced the weightage of NMF in fundamentally attractive and high dividend yielding stocks. Towards the end of the month, NMF was around 59% invested in equities.

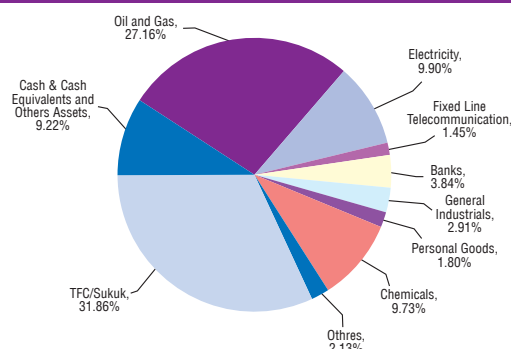
We significantly enhanced the weightage in the Oil & Gas sector. This sector is in the limelight of investors ensuing from good results announcements, healthy dividend payouts and expectations of strong earnings growth. Similarly, we slightly increased the weightage in the Electricity and Banking sectors. Selected stocks in the Electricity sector offer lucrative dividend yields and the Banking sector portrayed better than expected profitability. The weighted average Yield-to-Maturity (YTM) of the TFC / Sukuk portfolio of NMF is around 22%.

NMF is invested in high dividend yielding stocks in defensive sectors. We remain vigilant to developments in the capital market and will alter the portfolio accordingly.

Asset Allocation %

	31-Oct-10	30-Sep-10
Equities / Stock	58.92%	49.93%
TFC / Sukuk	31.86%	34.45%
Cash Equivalents	6.66%	7.03%
T-Bills	-	8.18%
Other Net Assets	2.56%	0.41%
Leverage	Nil	Nil

Asset Allocation (as on 31st October 2010)



Name of the Members of Investment Committee

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

Top Ten Holdings

Name	Asset Class	% of NAV	Name	Asset Class	% of NAV
PPL	Equity	9.35%	FFBL	Equity	5.36%
POL	Equity	9.31%	APL	Equity	4.64%
HUBC	Equity	7.61%	FFC	Equity	4.18%
Maple Leaf Cement	Sukuk	6.71%	Saudi Pak Leasing	TFC	3.30%
Orix Leasing	PPTFC	6.02%	Eden Housing	Sukuk	3.13%

Details of Non-Complaint 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
Maple Leaf Cement Sukuk 1	Sukuk	88,383,620	32,954,275	**55,429,345	6.71%	27.63%
Saudi Pak Leasing	TFC	37,049,800	9,767,205	27,282,595	3.30%	8.60%
Eden Housing Sukuk 2	Sukuk	37,500,000	11,664,675	**25,835,325	3.13%	36.25%
Total		162,933,420	54,386,155	108,547,265	13.14%	

** Book Value, performing but below investment grade

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.