



**National Fullerton
Asset Management Limited**

NAFA Islamic Multi Asset Fund (NIMF)

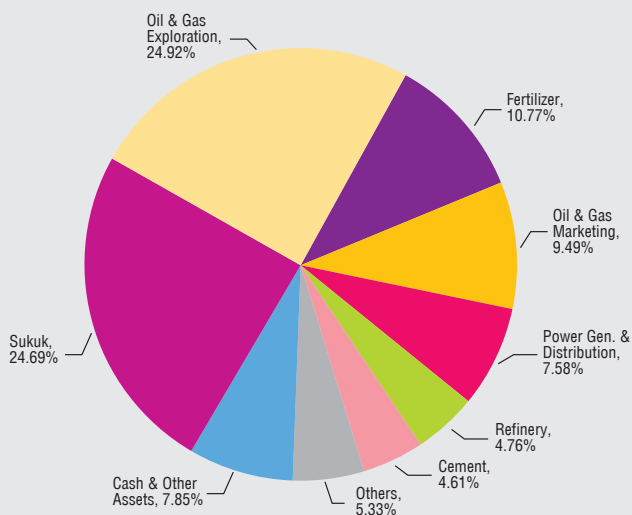
Unit Price (30/06/2009): Rs. 8.5736

June 2009

Investment Objective	Performance					
To provide investors with a combination of capital growth and income by investing in Shariah compliant investments. NIMF aims to achieve attractive returns at moderate levels of risk by investing in a variety of Shariah compliant securities, instruments and avenues such as Equities, Musharakah, Murabahah, Ijarah etc.	Performance (%)*	Nov - Dec 2007	Jan - Dec 2008	Jul - Jun 2008 - 09	Jun 2009	Since Launch October 29, 2007
	NAFA Islamic Multi Asset Fund	(2.42)%	(35.94)%	(10.09)%	1.10%	(14.26)%
	Benchmark**	-	-	-	0.53%	-
	* Returns are net of management fee & all other expenses ** KMI - 30 Index was launched on 1st Sep, 2008					

General Information	Fund Manager's Commentary
<p>Launch Date: October 29, 2007 Fund Size: Rs. 535 million Type: Shariah Compliant - Open-end Balanced Fund Dealing: Daily - Monday to Friday Settlement: 2-3 business days Load: Front end - 3%, Back end - 0% Management Fee: 3% per annum</p> <p>Listing: Lahore Stock Exchange Custodian & Trustee: Central Depository Company (CDC) Auditors: A. F. Ferguson & Co. Chartered Accountants Benchmark: 50% KMI - 30 Index & 50% average 1-month profit rate of Islamic banks Fund Manager: Sajjad Anwar, CFA Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	<p>During the month of June 2009, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) increased by 1.10%, whereas the benchmark increased by 0.53%, thus an out-performance of 0.57% was recorded.</p> <p>NIMF is a balanced fund and market weight implies 50% in equities and 50% in fixed income. Anticipating a post budget rally in the Stock Market, we were overweight in equities and under weight in fixed income during June 2009. The rumors of new taxes on the Stock Market in the budget for the year 2009-10 kept the investors nervous during the first half of the month. As a result, the Stock Market showed range bound activity during the month. However, towards the end of the month we have seen some positive activity in the Stock Market. The month started with KMI 30 Index at 10,609 and closed the month at 10,647, thus showing an increase of 0.36%.</p>

Asset Allocation (as on 30th June 2009)



As expected, interest rates showed a decline during the month in anticipation of cut in the discount rate by State Bank of Pakistan in their upcoming monetary policy statement in July 2009. As a result, 6-month KIBOR decreased by 99 basis points to close the month at 12.76% as against 13.75% at the beginning of the month. Moreover, yield on 6-month T-bills decreased by 70 basis points to 12.44% from 13.14% at the start of the month. Federal Budget for the FY 2009-10 has announced total outlays of Pak Rs. 2.5 trillion and an estimated fiscal deficit of 4.9% of the GDP. Government target for inflation for FY 2010 is set at 9.5%. PSDP allocation in the budget is set at around Rs. 646 billion. This would support growth in FY 2010. However, financing the fiscal deficit is the key risk factor, as it may keep interest rate high.

We expect the Stock Market to perform well due to policy rate cuts by the SBP, further decrease in inflation in the coming months and expected improvement in liquidity situation with foreign inflows.

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