



NAFA Islamic Multi Asset Fund (NIMF)

**National Fullerton
Asset Management Limited**
(A Subsidiary of National Bank of Pakistan)

Unit Price (31/05/2010): Rs. 9.5640

May 2010

Performance

Performance (%)*	May 2010	CYTD Jan. - May 2010	Since Launch October 29, 2007
NAFA Islamic Multi Asset Fund	(2.77)%	2.57%	(4.36)%

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

General Information

Launch Date: October 29, 2007
 Fund Size: Rs. 381 million
 Type: Shariah Compliant - 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: 3% per annum
 Risk Profile: Moderate
 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
 Minimum Growth Unit: Rs. 10,000/-
 Subscription: Income Unit: Rs. 100,000/-
 Asset Manager Rating: AM2- by PACRA

Investment Objective

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.

Fund Manager's Commentary

During the month of May 2010, Net Asset Value (NAV) of NAFA Islamic Multi Asset Fund (NIMF) decreased by 2.77%, whereas the benchmark decreased by 4.46%, thus your Fund out-performed the benchmark by 1.69%.

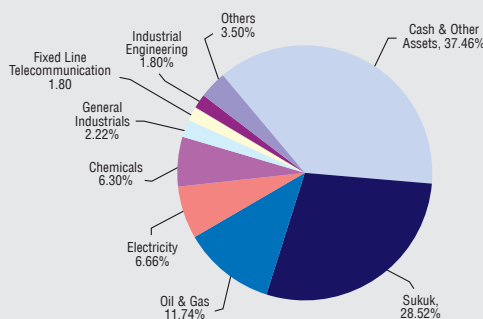
NIMF is a balanced Fund and market weight implies 50% weight in equities and 50% in fixed income asset class. We started the month with around 45% weight in equities. Anticipating a declining trend in the market, we further reduced our allocation in the equities during the month. We reduced allocation in the Cement sector during the month due to decrease in the cement prices and news of increase in the taxes in the upcoming budget. Our underweight strategy in the key Oil and Gas Marketing companies and over weight in Power and Fertilizer companies contributed to the outperformance of the Fund. Towards the end of the month NIMF is around 34% invested in the equities.

We are monitoring the market closely and rebalancing the portfolio accordingly. We stick to our strategy of holding positions in high dividend yielding stocks with stable earnings stream, low business risk, and sanguine valuations.

Asset Allocation %

	May-10	Apr.-10
Equities / Stock	34.02%	45.42%
Sukuk	28.52%	27.04%
Cash Equivalents & Other Assets	37.46%	27.54%
Leverage	Nil	Nil

Asset Allocation (as on 31st May 2010)



Top Five Holding (Alphabetical)

Fauji Fertilizer Co. Ltd.
 Oil & Gas Development Co. Ltd.
 Pakistan Oil Fields Ltd.
 Pakistan Petroleum Ltd.
 The Hub Power Co. Ltd.

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
 Sajjad Anwar, CFA
 Tanvir Abid, CFA
 Irfan Malik, CFA

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.