

NBP Fullerton Asset Management Ltd. A Subsidiary of National Bank of Pakistan

NAFA Income Fund (NIF)

MONTHLY REPORT (MUFAP's Recommended Format)

Unit Price (29/06/2012): Rs. 9.0393

June 2012

Performance			
Performance % *	June 2012	Trailing 12 Months Jul Jun 2011 - 2012	Since Launch March 29, 2008
NAFA Income Fund	4.97%	-6.92%	0.65%
Benchmark	12.03%	12.37%	12.42%

* Represent Annualized Return - (based on morning star formula)

March 29, 2008

(Returns are net of management fee & all other expenses)

General Information

Launch Date: Fund Size: Type: Dealing Days: Dealing Time:

Settlement: Pricing Mechanism: Load: Management Fee: Risk Profile: Fund Stability Rating Listing: Custodian & Trustee: Auditors:

Benchmark: Fund Manager: Minimum Subscription: Asset Manager Rating:

Rs. 417 million Open-end - Income Fund Daily – Monday to Friday (Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M 2-3 business days Forward Pricing Front end: 1.0%, Back end: 0% 2.0% per annum Low "A- (f)" by PACRA Lahore Stock Exchange MCB Financial Services Limited A. F. Ferguson & Co. Chartered Accountants 6-Month KIBOR Ahmad Nouman, CFA Growth Unit: Rs. 10,000/-Income Unit: Rs. 100,000/-AM2 by PACRA

Asset Allocation (% of Total Assets) 29-June-12 31-May-12

TFCs / Sukuks	62.53%	62.30%
T-Bills	31.80%	28.76%
PIBs	0.12%	0.12%
Islamic Commercial Paper	1.19%	1.19%
GOP Ijara Sukuks - Govt. Backed	0.83%	0.83%
Cash Équivalents	1.68%	4.10%
Other including receivables	1.85%	2.70%
Total	100.00%	100.00%
Leverage	Nil	Nil

Top TFC / Sukuk Holdings (as at June 29, 2012)

Top 10 TFC / Sukuk Holding			
Name of TFCs / Sukuks	% of Total Assets		
Engro Fertilizer Limited (PPTFC)	9.61%		
Eden Housing (Sukuk II)	9.00%		
Saudi Pak Leasing	7.81%		
Standard Chartered Bank (Pakistan) Limited IV	7.13%		
World Call Telecom Limited	7.13%		
Faysal Bank Limited	6.17%		
Pakistan Mobile Communication Limited	5.87%		
United Bank Limited IV	3.59%		
Bank Alfalah Limited (Floater)	2.51%		
Allied Bank Limited II	2.29%		
Total	61.11%		

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs. 1,709,485/-. If the same were not made the NAV per unit/ FY 2012 return of scheme would be higher by Rs. 0.0370/ 0.38% p.a. For details investors are advised to read note 6 of the Financial Statement of the Scheme for the period ended March 31, 2012.

Name of the Members of Investment Committee Dr. Amjad Waheed, CFA

Sajjad Anwar, CFA Ahmad Nouman, CFA Tanvir Abid, CFA, FRM

Investment Objective

To earn a competitive rate of return while preserving capital to the extent possible by investing in liquid assets.

Fund Manager Commentary

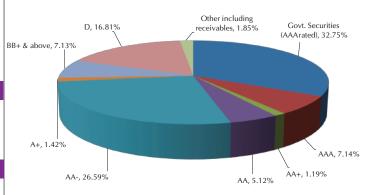
The Fund earned an annualized return of 4.97% during June 2012. The return for FY 2012 is (6.92)%. This is on account of provisioning for a Fertilizer sub-sector TFC and delayed payments from a TFC belonging to Telecom sector. As against a leasing sector non-performing TFC has started repaying its overdue principal payment during the month.

The Fund is invested in TFCs with 62.53% weightage and 31.80% in T-Bills. All TFCs in the Fund are floating rate instruments linked to KIBOR. The weighted average price of the TFC portfolio is around Rs.87.67 against the par value of Rs.100.

The weighted average Yield-to-Maturity of the Fund is around 15.21% p.a. while its weighted average time to maturity is 2.62 years. This yield does not include potential recovery in fully provided TFCs (Face Value of Rs 221 mln) which if materializes would increase the future returns. Thus, the Fund is expected to perform well over medium term horizon. However, TFCs prices may go up and/or down. Therefore, only long-term investors are advised to invest in this Fund.

Details of Non-Compliant Investments Value of Yield to Value of Type of Investments Provision Particulars Investments of Net of Gros Maturity before held . stmer fter Provision , per annui Assets Asset Provision Eden Housing (Sukuk II) SUKUK 58,125,000 20.263.014 37,861,986 9.089 9.00% 52.50% Saudi Pak Leasing TFC 49,728,675 16,895,467 32,833,208 7.87 7.81% 20.81% World Call Telecom Limited TFC 39,976,002 9,994,000 29,982,002 7.199 Agritech Limited II 149,875,800 149,875,800 TFC Agritech Limited V TFC 22,180,000 22,180,000 New Allied Electronics (Sukuk II) SUKUK 49,054,371 49,054,371 Total 368,939,848 268,262,652 100,677,196 24.14% 23.94%

Credit Quality of the Portfolio as of June 29, 2012 (% of Total Assets)



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 any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.