



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

NAFA Income Fund (NIF)

Unit Price (31/05/2010): Rs. 10.5492

May 2010

Performance

Performance (%)*	May 2010	Jan. - May 2010	Jan. - Dec. 2009	Since Launch March 29, 2008
NAFA Income Fund	60.65%	1.54%	13.50%	5.54%

* Represents Annualized Return
(Returns are net of management fee & all other expenses)

General Information

Launch Date:	March 29, 2008
Fund Size:	Rs. 582 million
Type:	Open-end – Income Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	9:00 am – 4:30 pm
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:	Front end: 1.0%
Management Fee:	1.5% per annum
Risk Profile:	Low
Fund Stability Rating:	“A(f)” by PACRA
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	3-Month T-Bills
Fund Manager:	Ahmad Nouman, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA
Leverage: (Amount of leveraging /borrowing done by the Fund.)	Nil

Investment Objective

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

Fund Manager's Commentary

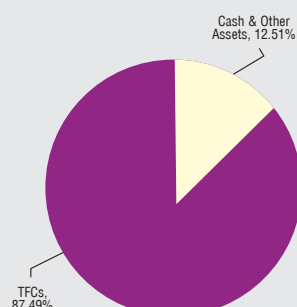
During the month of May 2010, NAFA Income Fund earned an annualized return of 60.65%. This is due to substantial unrealized capital gain on one of its TFCs. We expect some further recoveries in TFCs prices over the medium-term.

The weighted average yield to maturity of NAFA Income Fund is around 18.32% p.a. The weighted average maturity of NAFA Income Fund is 2.94 years. Thus the Fund is expected to perform well over a 3-year horizon.

Name of the Members of Investment Committee

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

Asset Allocation (as on 31st May 2010)



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.