

NAFA CASH FUND



NAFA CASH FUND
QUARTERLY REPORT
FOR THE PERIOD ENDED MARCH 31, 2009
(UN-AUDITED)





NAFA CASH FUND

TABLE OF CONTENTS

DIRECTORS' REPORT	07
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	09
CONDENSED INTERIM INCOME STATEMENT	10
CONDENSED INTERIM DISTRIBUTION STATEMENT	11
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS	12
CONDENSED INTERIM CASH FLOW STATEMENT	13
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	14

NAFA CASH FUND

DIRECTORS' REPORT

The Board of Directors of National Fullerton Asset Management Limited is pleased to present the unaudited financial statements of NAFA Cash Fund for the period ended March 31, 2009.

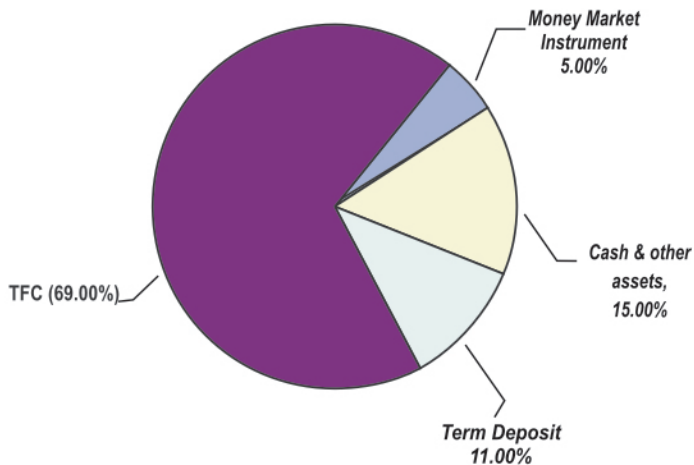
Fund's Performance

The size of NAFA Cash Fund dropped to its lowest at Rs.7.6 billion during the period. This was due to an overall run on the mutual funds industry as a result of a liquidity crunch in the financial markets, the resultant drop in value of all assets classes, and general uncertainty among investors. However, due to attractive annualized returns of 17.61% during the quarter Jan-Mar 2009, fresh investments were experienced into the Fund, resulting in an increase in the Fund size to Rs.8.3 billion as of March 31, 2009. This translates into a growth of 9% from its bottom. During the said quarter, NAFA Cash Fund has also outperformed its benchmark (1-Month KIBOR) by 4.1%.

NAFA Cash Fund has earned a total income of Rs.674.16 million during the period from July 01, 2008 to March 31, 2009. After deducting total expenses of Rs.589.45 million, the net income is Rs.84.71 million. During the period, the unit price of NAFA Cash Fund has increased from Rs.9.7650 on June 30, 2008 (Ex-Div) to Rs.9.9809 on March 31, 2009. The resultant per unit gain is Rs.0.2159.

The asset allocation of NAFA Cash Fund as on March 31, 2009 is as follows:

Asset Allocation as on March 31, 2009





NAFA CASH FUND

Income Distribution

The Board of Directors of the Management Company has approved an interim distribution of 2.00%. After interim distribution, the net asset value per unit will be Rs.9.7809 On March 31, 2009.

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance .

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee .

On behalf of the Board of
National Fullerton Asset Management Limited

Masood Karim Shaikh, FCA
Chairman

Dr. Amjad Waheed, CFA
Chief Executive

Date: April 17, 2009
Place: Karachi.

NAFA CASH FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2009

	Note	Unaudited March 31, 2009	Audited June 30, 2008
----- Rupees in '000 -----			
Assets			
Balances with banks		940,947	4,551,072
Receivable against Continuous Funding System (CFS) transactions		-	3,993,216
Investments	4	5,709,739	8,410,167
Loans and receivables	5	1,350,000	6,429,802
Receivable against sale of investment		-	254,258
Advances, deposits, prepayments and other receivables		1,729,985	51,048
Dividend and profit receivable	6	403,208	506,066
Preliminary expenses and floatation costs		1,028	1,403
Total assets		10,134,907	24,197,032
Liabilities			
Accrued expenses and other liabilities	7	13,472	25,649
Borrowings from financial institutions	8	-	-
Payable on redemption of units		1,796,264	75,581
Payable to National Fullerton Asset Management Limited - Management Company		9,860	27,694
Payable to Central Depository Company of Pakistan Limited - Trustee		776	1,928
Payable to Securities and Exchange Commission of Pakistan		10,546	22,381
Total liabilities		1,830,918	153,233
Net assets		8,303,989	24,043,799
Unit holders funds (as per statement attached)		8,303,989	24,043,799
Commitments	10		
		Number of units	
Number of units in issue		831,989,330	2,231,047,818
		Rupees	
Net asset value per unit		9.9809	10.7769

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

**For National Fullerton Asset Management Limited
(Management Company)**

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

Note	Nine months ended		Quarter ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Income				
Profit on bank deposits	516,835	547,348	(42,035)	201,676
Income from Continuous Funding System (CFS) transactions	103,934	657,411	133	230,131
Gain / (loss) on sale of investments - net	(200,758)	16,350	(127,435)	2,260
Income from spread transactions	5,387	33,830	-	11,622
Income from term finance certificates, sukuk bonds and commercial papers	838,651	523,648	227,289	214,905
Income on certificates of deposit and clean placements	15,269	27,859	182	6,075
Other income	91,189	-	91,189	-
Net unrealised appreciation / (diminution) in the value of investments at fair value through profit or loss	(173,488)	47,013	253,293	5,339
Total income	1,197,019	1,853,459	402,616	672,008
Expenses				
Remuneration of National Fullerton Asset Management Limited - Management Company	170,601	244,998	31,691	90,619
Remuneration of Central Depository Company of Pakistan Limited - Trustee	12,124	17,085	2,359	6,290
Annual fee - Securities and Exchange Commission of Pakistan	10,546	16,333	1,585	6,041
Annual listing fee	25	22	10	7
Brokerage and other transaction costs	2,853	46,515	13	11,682
Settlement charges and bank charges	8,634	8,941	2,189	2,876
Financial charges	61,364	-	27,376	-
Auditors' remuneration	351	289	93	64
Impairment loss on investments classified as 'available for sale'	314,631	-	164,931	-
Provision against impairment in loans and receivables	4,877	1,031	(7,352)	(771)
Fund rating fee	110	-	39	-
Legal charges	270	-	254	-
Other expenses	2,686	-	237	-
Amortisation of preliminary expenses and floatation costs	375	377	125	125
Total expenses	589,447	335,591	223,550	116,933
Net income / (loss) from operating activities	607,572	1,517,868	179,066	555,075
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	(522,860)	182,969	(160,803)	82,645
Net income / (loss) for the period	84,712	1,700,837	18,263	637,720

Earnings / (loss) per unit

11

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

	Nine months ended		Quarter ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Undistributed income brought forward	1,684,637	1,775,971	(84,653)	1,119,615
Final distribution for the year ended June 30, 2008: 7.34% (2007:10.50%)				
- Bonus units	(1,252,063)	(1,729,719)	-	-
- Cash distribution	(389,760)	-	-	-
Interim distribution for the quarter ended September 30, 2008: 2.85% (2007:Nil)				
- Bonus units	(268,945)		-	
- Cash distribution	(206,556)		-	
Net element of income and capital gains included in prices of units sold less those in units repurchased - amount representing income that forms part of the unitholders' funds	529,742	14,148	248,157	3,902
Net income / (loss) for the period	84,712	1,700,837	18,263	637,720
Undistributed income / (loss) carried forward	<u>181,767</u>	<u>1,761,237</u>	<u>181,767</u>	<u>1,761,237</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

	Nine months ended		Quarter ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Net assets at the beginning of the period	24,043,799	18,248,177	10,373,531	23,074,608
Issue of 1,252,830,550 units including 151,357,438 bonus units (2008: 4,344,645,491 units including 172,500,943 bonus units)	10,976,631	43,280,423	2,149,750	9,282,867
Redemption of 2,651,889,038 units (2008: 3,653,920,599 units)	(26,473,909) (15,497,278)	(37,901,068) 5,379,355	(4,560,088) (2,410,338)	(7,767,150) 1,515,717
Final Distribution for the year ended June 30, 2008:7.34% (2007:10.50%)	1,252,063	-	-	-
Interim distribution: Issue of bonus units	268,945	-	-	-
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
-amount representing accrued (income) / loss and capital (gains) / losses - transferred to Income Statement	522,860	(182,969)	160,803	(82,645)
-amount representing (income) / loss that form part of unit holders' fund - transferred to Distribution Statement	(529,742) (6,882)	(14,148) (197,117)	(248,157) (87,354)	(3,902) (86,547)
Net unrealised diminution in the value of investments classified as 'available for sale'	(253,788)	-	161,730	-
Net income / (loss) for the period	84,712	1,700,837	18,263	637,720
Distribution:				
Final distribution for the year ended June 30, 2008:7.34% (2007:10.50%)				
- Bonus distribution	(1,252,063)	-	-	-
- Cash distribution	(389,760)	-	-	-
Interim Distribution				
- Bonus distribution	(268,945)	-	-	-
- Cash distribution	(206,556)	-	-	-
Net element of income and capital gains included in prices of units sold less those in units repurchased - amount representing income that forms part of the unit holders' funds	529,742	14,148	248,157	3,902
Net assets as at the end of the period	<u>8,303,989</u>	<u>25,145,400</u>	<u>8,303,989</u>	<u>25,145,400</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited
(Management Company)

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

	Nine months ended		Quarter ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	----- Rupees in '000 -----		----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES				
Net income / (loss) for the period	84,712	1,700,837	18,263	637,720
Adjustments				
Net unrealised (appreciation) / diminution on investments at fair value through profit or loss - net	173,488	(47,013)	(253,293)	(5,339)
Amortization of preliminary expenses and floatation costs	375	377	125	125
Loss on sale of investments	200,758	-	127,435	-
Impairment loss on investments classified as 'available for sale'	314,631	1,031	164,931	(771)
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	522,860	(182,969)	160,803	(82,645)
	1,296,824	1,472,263	218,264	549,090
(Increase) / decrease in assets				
Receivable against Continuous Funding System (CFS) transactions	3,993,216	1,123,049	104,055	(536,672)
Investments	1,757,763	(5,039,152)	930,750	(1,499,363)
Loans and receivables	5,079,802	100,000	2,050,000	(1,449,999)
Receivable against sale of investment	254,258	(484,154)	287,463	(170,880)
Advances, deposits, prepayments and other receivables	(1,678,937)	(4,241)	(1,721,118)	537,819
Dividend and profit receivable	102,858	(203,817)	295,738	26,285
	9,508,960	(4,508,315)	1,946,888	(3,092,810)
Increase / (decrease) in liabilities				
Accrued expenses and other liabilities	(12,177)	16,438	(6,004)	(12,924)
Payable on redemption of units	1,720,683	-	1,758,486	-
Payable to National Fullerton Asset Management Limited - Management Company	(17,834)	9,990	(20,115)	3,105
Payable to Central Depository Company of Pakistan Limited - Trustee	(1,152)	754	(298)	208
Payable to Securities and Exchange Commission of Pakistan	(11,835)	8,400	1,585	6,041
	1,677,685	35,582	1,733,654	(3,570)
Net cash inflow / (outflow) on operating activities	12,483,469	(3,000,470)	3,898,806	(2,547,290)
CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings from financial institutions	-	-	(1,300,000)	-
Receipts from issue of units	10,976,631	43,280,423	2,149,750	9,282,867
Redemption of units	(26,473,909)	(37,480,699)	(4,560,088)	(7,554,255)
Distribution paid	(596,316)	-	-	-
Net cash inflow / (outflow) on financing activities	(16,093,594)	5,799,724	(3,710,338)	1,728,612
Net increase / (decrease) in cash and cash equivalents during the period				
	(3,610,125)	2,799,254	188,468	(818,678)
Cash and cash equivalents at the beginning of the period	4,551,072	3,111,277	752,479	6,729,209
Cash and cash equivalents as at the end of the period	940,947	5,910,531	940,947	5,910,531

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For National Fullerton Asset Management Limited (Management Company)

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman

NAFA CASH FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

1 LEGAL STATUS AND NATURE OF BUSINESS

The NAFA Cash Fund (NCF) was established under a Trust Deed executed between National Fullerton Asset Management Limited (NAFA) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on February 11, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 30, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

NCF is an open-ended mutual fund and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The core objective of the Fund is to seek maximum preservation of capital and a reasonable rate of return by investing primarily in money market and debt securities having a good credit rating and liquidity.

JCR-VIS Credit Rating Company Limited (JCR-VIS) has revised the rating of the Management Company to AM2 from AM2 on February 12, 2009 and of the Fund to 'Rating Watch-Developing' Status from A(f) on December 29, 2008. The fund has two year performance rating of 'five star' dated June 30, 2007.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulation or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended June 30, 2008:

	Note	Unaudited March 31, 2009	Audited June 30, 2008
----- Rupees in '000 -----			
4 INVESTMENTS			
At fair value through profit or loss	4.1	2,318,005	3,547,051
Available for sale	4.2	<u>3,391,734</u>	<u>4,863,116</u>
		<u>5,709,739</u>	<u>8,410,167</u>
4.1 Investments at fair value through profit or loss			
Equity securities - listed	4.1.2	16	-
Equity securities purchased under future sale contracts	4.1.4	-	92,174
Units of open end mutual funds	4.1.3	-	75,473
Term finance certificates - listed	4.1.5	<u>2,317,989</u>	<u>3,379,404</u>
		<u>2,318,005</u>	<u>3,547,051</u>

NAFA CASH FUND

- 4.1.1 NAFA Cash Fund has entered into a Voluntary Continuous Funding System Mark-II Square Up Program (the Program) with National Clearing Company of Pakistan Limited for squaring up of its outstanding exposure in CFS. The need for this program developed due to the large number of suspension of members in December 2008 following eight days of continuous market lower locks in the underlying CFS shares posing great difficulty in squaring up and the likelihood of systemic risk emanating therein. The aim of this program is to ensure the full repayment of financier funds and prevent mass scale broker defaults enabling a vast majority of them to return from suspension.

Under the terms of the Program, CFS shares and their associated margins in the form of exposure shares (i.e those shares which were deposited as collateral against the specific shares financed in the CFS market by the relevant finance broker) were sold to the financiers at a discount of 12.5% and 15% respectively to their closing prices prevailing as at December 24, 2008. The financiers opting into the program have purchased shares of an amount equal to the 30% of the total value they had financed in the CFS market at the aforementioned price. The remaining 70% that they had financed in the CFS market along with the mark-up accrued thereon was to be settled in cash.

Consequent to the announcement of the Program, NAFA Cash Fund has purchased shares of an amount equal to approximately 30% of the total value that they had financed in the CFS market which have been classified in the short-term investments. The remaining 70% CFS balance along with the entire mark-up accrued thereon has been received subsequent to the period ended December 31, 2008.

The SECP vide its circular no. NBFC-1/MUFAP/01/2009 dated January 1, 2009, has permitted all income / money market funds to keep the shares acquired under the Program for a period of three months extendable to another three months upon application to SECP. However, in case the price of these shares attains the level determined in the program i.e. 12.5% discount to the closing price as of December 24, 2008, the Fund is required to dispose of these shares immediately.

4.1.2 Equity securities - listed

Name of the investee company	Number of shares				As at March 31, 2009	Market value as at March 31, 2009	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period			

(Rupees in '000)

All the holding are in shares of Rs. 10/- each unless otherwise stated.

Investment Banks/Companies

Arif Habib Limited	-	9,071	-	9,071	-	-	-
Arif Habib Securities Limited	-	330,869	-	330,869	-	-	-
Dawood Equities Limited	-	61	-	61	-	-	-
First National Equities Limited	-	10	-	10	-	-	-
Investment & Finance Securities Limited	-	3	-	3	-	-	-
Jahangir Siddiqui Company Limited	-	25,725	-	25,725	-	-	-
Jahangir Siddiqui Investment Company Limited	-	693	-	693	-	-	-
J.O.V. & Company	-	9,244	-	9,244	-	-	-
Pervez Ahmed Securities Limited	-	8,389	-	8,389	-	-	-

Commercial Banks

Allied Bank Limited	-	573	-	573	-	-	-
Askari Bank Limited	-	158,672	-	158,672	-	-	-
Arif Habib Bank	-	113,813	-	113,813	-	-	-
Bank Al-Falah Limited	-	145,179	-	145,179	-	-	-
The Bank of Punjab	-	2,877	-	2,877	-	-	-
Bank Al Habib Limited	-	90	-	90	-	-	-
Bank Islami Pakistan Limited	-	69,587	-	69,587	-	-	-
Faysal Bank Limited	-	1,490	-	1,490	-	-	-
Habib Bank Limited	-	9,321	-	9,321	-	-	-
MCB Bank Limited	-	24,903	-	24,903	-	-	-
Meezan Bank Limited	-	113	-	113	-	-	-
National Bank of Pakistan	-	116,049	-	116,049	-	-	-
NIB Bank Limited	-	120,366	-	120,366	-	-	-
J. S. Bank Limited	-	81,520	-	81,520	-	-	-
Soneri Bank Limited	-	193	-	193	-	-	-
Saudi Pak Commercial Bank Limited	-	58,503	-	58,503	-	-	-
United Bank Limited	-	28,730	-	28,730	-	-	-

Balance carried forward

NAFA CASH FUND

Name of the investee company	Number of shares				As at March 31, 2009	Market value as at March 31, 2009	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period			
(Rupees in '000)							
Balance brought forward						-	-
Insurance							
Adamjee Insurance Company Limited	-	453	-	453	-	-	-
EFU General Insurance Limited	-	3,390	-	3,390	-	-	-
Pakistan Reinsurance Limited	-	1,658	-	1,658	-	-	-
Textile Spinning							
D.S Industries Limited	-	3,819	-	3,819	-	-	-
Textile Composite							
Azgard Nine Limited (Non-voting)	-	257	-		257	16	0.00
Azgard Nine Limited	-	24,825	-	24,825	-	-	-
Dawood Lawrencepur Limited	-	232	-	232	-	-	-
Nishat (Chunian) Mills Limited	-	1,763	-	1,763	-	-	-
Nishat Mills Limited	-	131,711	-	131,711	-	-	-
Synthetic & Rayon							
Dewan Salman Fibre Limited	-	34,214	-	34,214	-	-	-
Cement							
Al Abbas Cement Company Limited	-	508	-	508	-	-	-
Deewan Cement Limited	-	1,868	-	1,868	-	-	-
D.G Khan Cement Company Limited	-	14,499	-	14,499	-	-	-
Lucky Cement Limited	-	32,056	-	32,056	-	-	-
Fauji Cement Company Limited	-	6,371	-	6,371	-	-	-
Maple Leaf Cement Limited	-	3,142	-	3,142	-	-	-
Pakistan Cement Limited	-	10,116	-	10,116	-	-	-
Pioneer Cement Limited	-	1,701	-	1,701	-	-	-
Thatta Cement Limited	-	1	-	1	-	-	-
Refinery							
Attock Refinery Limited	-	3,632	-	3,632	-	-	-
Bosicor Pakistan Limited	-	16,667	-	16,667	-	-	-
National Refinery Limited	-	288	-	288	-	-	-
Pakistan Refinery Limited	-	1,540	-	1,540	-	-	-
Power & Generation & Distribution							
The Hub Power Company Limited	-	14,680	-	14,680	-	-	-
Kot Addu Power Company Limited	-	234	-	234	-	-	-
Oil & Gas Marketing Companies							
Attock Petroleum Limited	-	1,675	-	1,675	-	-	-
Pakistan State Oil Company Limited	-	87,550	-	87,550	-	-	-
Sui Southern Gas Company Limited	-	6,784	-	6,784	-	-	-
Sui Northern Gas pipelines Company Limited	-	36,011	-	36,011	-	-	-
Oil & Gas Exploration Companies							
Mari Gas Company Limited	-	959	-	959	-	-	-
Oil and Gas Development Company Limited	-	52,007	-	52,007	-	-	-
Pakistan Oilfields Limited	-	42,046	-	42,046	-	-	-
Pakistan Petroleum Limited	-	1,993	-	1,993	-	-	-
Engineering							
Crescent Steel and Allied Products Limited	-	1,877	-	1,877	-	-	-
Dost Steel Limited	-	1,554	-	1,554	-	-	-
Automobile Assemblers							
Honda Atlas Cars (Pakistan) Limited	-	4,773	-	4,773	-	-	-
Indus Motor Company Limited	-	135	-	135	-	-	-
Balance carried forward						16	0.00

NAFA CASH FUND

Name of the investee company	Number of shares					Market value as at March 31, 2009	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at March 31, 2009		
						(Rupees in '000)	
Balance brought forward						16	-
Cable & Electrical Goods							
Pak Electron Limited	-	3,741	-	3,741	-	-	-
Transport							
Pakistan International Container Terminal Limited	-	305	-	305	-	-	-
Technology & Communications							
Eye Television Network Limited	-	9	-	9	-	-	-
Pakistan Telecommunication Company Limited	-	24,322	-	24,322	-	-	-
Netsol Technologies Limited	-	355,575	-	355,575	-	-	-
TRG Pakistan Limited	-	31,587	-	31,587	-	-	-
Telecard Limited	-	4,493	-	4,493	-	-	-
World Call Telecommunication Limited	-	122,506	-	122,506	-	-	-
Fertilizers							
Engro Chemicals Pakistan Limited	-	894	-	894	-	-	-
Fauji Fertilizer Company Limited	-	19,287	-	19,287	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	75,893	-	75,893	-	-	-
Pharmaceuticals							
Searle Pakistan Limited	-	22	-	22	-	-	-
Chemicals							
BOC Pakitan Limited	-	73	-	73	-	-	-
ICI Pakistan Limited	-	156,892	-	156,892	-	-	-
Pakistan PTA Limited	-	20,463	-	20,463	-	-	-
Sitara Peroxide Limited	-	2,748	-	2,748	-	-	-
Paper & Board							
Packages Limited	-	691	-	691	-	-	-
Closed end Mutual Fund							
JS Value Fund	-	2,089	-	2,089	-	-	-
PICIC Growth Fund	-	1,765	-	1,765	-	-	-
Pakistan Premier Fund Limited	-	1,928	-	1,928	-	-	-
Miscellaneous							
Pace (Pakistan) Limited	-	51,752	-	51,752	-	-	-
Tri Pack Films Limited	-	1,198	-	1,198	-	-	-
						<u>16</u>	<u>-</u>
Cost as at March 31, 2009						<u>13</u>	<u>-</u>

NAFA CASH FUND

4.1.3 Units of open-end mutual funds

Name of the investee fund	Number of units					Market value as at March 31, 2009	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at March 31, 2009		
NAFA Income Fund	7,391,566	-	154,910	7,546,476	-	-	-

(Rupees in '000)

4.1.4 Equity securities purchased under future sale contracts

These securities are held under Ready-Future transactions. These securities are purchased in the ready "T+2" market and simultaneously sold in the future Market. NCF has no open exposure to the stock market. The details are as follows:

Name of the investee company	Number of shares					Market value as at March 31, 2009	Percentage of investments in relation to net assets
	As at July 1, 2008	Purchases during the period	Bonus	Sales during the period	As at March 31, 2009		
Commercial Banks							
The Bank of Punjab	20,000	-	-	20,000	-	-	-
National Bank of Pakistan	220,000	-	-	220,000	-	-	-
Investment Banks/Companies							
Arif Habib Limited	20,500	-	-	20,500	-	-	-
Jahangir Siddiqui & Company Limited		100,000	-	100,000	-	-	-
Cement							
Lucky Cement Limited	25,000	-	-	25,000	-	-	-
Oil and Gas Marketing Companies							
Pakistan State Oil Company Limited	13,000	-	-	13,000	-	-	-
Oil and Gas Exploration Companies							
Oil and Gas Development Company Limited	3,000	-	-	3,000	-	-	-
Pakistan Oilfields Limited	10,000	22,500	-	32,500	-	-	-
Pakistan Petroleum Limited	166,500	17,500	-	184,000	-	-	-
Chemicals							
Sitara Peroxide Limited	31,500	-	-	31,500	-	-	-
Power and Generation and Distribution							
The Hub Power Company Limited	36,500	-	-	36,500	-	-	-
Textile Composite							
Azgard Nine Limited	-	3,100,000	-	3,100,000	-	-	-
Nishat Mills Limited	2,000	-	-	2,000	-	-	-

NAFA CASH FUND

4.1.5 Term finance certificates - listed

Name of the investee company	Number of certificates				Market value as at March 31, 2009	Percentage of investments in relation to net assets of the Fund
	As at July 1, 2008	Purchases during the period	Sales during the period	As at March 31, 2009		
						(Rupees in '000)
Allied Bank Limited	27,950	-	27,950	-	-	-
Askari Bank Limited - I	13,400	-	13,400	-	-	-
Askari Bank Limited - II	8,000	-	8,000	-	-	-
Azgard Nine Limited	30,000	-	-	30,000	106,745	1.29
Bank Al Habib Limited	27,000	-	27,000	-	-	-
Bank Alfalah Limited - II	5,128	-	5,000	128	590	0.01
Bank Alfalah Limited - III	9,727	-	9,727	-	-	-
Engro Chemical Pakistan Limited	80,000	-	55,000	25,000	122,451	1.47
Escort Investment Bank Limited	10,000	-	-	10,000	47,885	0.58
Faysal Bank Limited	12,000	-	12,000	-	-	-
Gharibwal Cement Limited	5,000	-	-	5,000	22,150	0.27
Jahangir Siddiqui & Co. Limited	18,000	-	-	18,000	83,633	1.01
Naimat Basal Oil & Gas Securitization Co. Limited	4,000	-	4,000	-	-	-
NIB Bank Limited	72,000	5,000	40,000	37,000	176,688	2.13
Orix Leasing Pakistan Limited	50,000	-	-	50,000	253,423	3.05
Pace (Pakistan) Limited	30,000	-	-	30,000	141,064	1.70
Pak Arab Fertilizers Limited	100,000	-	20,000	80,000	382,572	4.61
Pak Electron Limited	10,000	-	10,000	-	-	-
Pakistan Mobile Communications (Pvt) Limited	15,000	-	15,000	-	-	-
Pakistan Mobile Communications (Pvt) Limited	120,000	-	35,000	85,000	395,675	4.76
Saudi Pak Leasing Company Limited	15,000	-	-	15,000	55,478	0.67
Standard Chartered Bank (Pakistan) Limited	6,400	-	6,400	-	-	-
World Telecom Limited	45,000	-	-	45,000	208,073	2.51
United Bank Limited IV	120,000	-	50,000	70,000	321,562	3.87
					2,317,989	27.91
Cost as at March 31, 2009					2,491,480	

4.1.6 All term finance certificates have a face value of Rs 5,000 each.

	Note	Unaudited March 31, 2009	Audited June 30, 2008
		----- Rupees in '000 -----	
Term finance certificates - unlisted	4.2.1	2,078,073	3,043,315
Sukuk bonds	4.2.2	1,313,721	1,686,387
Commercial papers	4.2.3	-	133,414
		3,391,734	4,863,116

4.2 Available for sale investments

Name of the investee company	Number of certificates				Market value as at March 31, 2009	Percentage of investments in relation to net assets of the Fund
	As at July 1, 2008	Purchases during the period	Sales during the period	As at March 31, 2009		
						(Rupees in '000)

4.2.1 Term finance certificate - unlisted

Avari Hotels International	35,040	-	-	35,040	156,666	1.89
Azgard Nine Limited	50,000	-	-	50,000	234,890	2.83
Dewan Cement Limited - Pre IPO (note 4.2.6.1)	30,000	-	-	30,000	-	-
Engro Chemical Pakistan Limited	80,000	-	-	80,000	352,000	4.24
First Dawood Investment Bank Limited	6,900	-	-	6,900	25,875	0.31
Jahangir Siddiqui & Company Limited - V	21,000	-	-	21,000	92,869	1.12
New Allied Electronics Industries (Private) Limited (note 4.2.6.2)	15,000	-	-	15,000	29,178	0.35
Orix Leasing Pakistan Limited	5,000	-	-	5,000	500,500	6.03
Pak American Fertilizers Limited	30,000	-	-	30,000	139,083	1.67
Pakistan Mobile Communication (Private) Limited	90,000	-	20,000	70,000	320,555	3.86
Allied Bank Limited - Pre IPO	-	53,400	-	53,400	226,397	2.73
					2,078,013	25.02

NAFA CASH FUND

Name of the investee company	Number of certificates				Market value as at March 31, 2009	Percentage of investments in relation to net assets of the Fund
	As at July 1, 2008	Purchases during the period	Sales during the period	As at March 31, 2009		

(Rupees in '000)

4.2.2 Sukuk bonds

Century Paper and Board Mills Limited	43,000	-	-	43,000	159,225	1.92
Kohat Cement Company Limited (note 4.2.6.3)	50,000	-	-	50,000	156,495	1.88
Engro Chemical Pakistan Limited	60,000	-	-	60,000	304,350	3.67
Maple Leaf Cement Factory Limited	80,000	-	-	80,000	368,277	4.43
Orix Leasing Pakistan Limited	10,000	-	-	10,000	49,126	0.59
Pak Electron Limited	19,000	5,000	-	24,000	114,518	1.38
New Allied Electronics Industries (Private) Limited (note 4.2.6.4)	4,000	5,000	-	9,000	4,946	0.06
National Industrial Parks	40,000	-	40,000	-	-	-
BRR Guardian Modaraba	10,000	-	-	10,000	44,892	0.54
House Building Finance Corporation Limited	20,000	-	-	20,000	90,710	1.09
Eden Builders Limited	-	4,638	-	4,638	21,182	0.26
					1,313,721	15.82

4.2.3 Commercial papers

Pak Electron Limited	3,000	3,000	6,000	-	-	-
Azgard Nine Limited	15,000	-	15,000	-	-	-
IGI Insurance Limited	10,000	-	10,000	-	-	-
					3,391,734	40.84

Cost of investments as at March 31, 2009

3,960,153

Impairment losses

314,631

4.2.4 All term finance certificates have a face value of Rs 5,000 each.

4.2.5 All open-ended mutual funds are to value term finance certificates as per the requirement of SECP circular No. 01/2009 dated January 06, 2009.

4.2.6 During the period ended March 31, 2009, the Fund did not receive redemption of principal and / or profit amounts on some of its investments, the details of which are as follows:

4.2.6.1 The Fund had advanced an amount of Rs 150 million in respect of Pre-IPO placement of Dewan Cement Limited (DCL) under an agreement, which required public offering to be completed within 270 days of the date of agreement (which was January 9, 2008). During the current period, DCL failed to complete the public offering within the said time period and has also defaulted in payment of principal and profit. The Fund has outstanding suspended income of Rs. 17,469 thousand as at March 31, 2009. 100% Impairment losses amounting to Rs. 150,000 thousand have been charged to the income statement in this respect. Out of this amount Rs. 109,167 thousand is in excess of the requirement of Circular No. 01/2009.

4.2.6.2 This represents investment in privately placed term finance certificates. On November 15, 2008 i.e. the scheduled redemption date, principal redemption of Rs 6,250 thousand and profit redemption of Rs. 2,774 thousand were not received by the Fund. The Fund has outstanding suspended income of Rs. 4,510 thousand as at March 31, 2009. Impairment losses amounting to Rs. 39,572 thousand have been charged to the income statement in this respect. Out of this amount Rs. 25,058 thousand is in excess of the requirement of Circular No. 01/2009.

4.2.6.3 This represents investment in privately placed sukuk bonds issue with a term of five years. On December 20, 2008 i.e. the scheduled redemption date, principal redemption of Rs 17,000 thousand and profit redemption of Rs. 18,126 thousand were not received by the Fund. The Fund has outstanding suspended income of Rs. 10,859 thousand as at March 31, 2009. Impairment losses amounting to Rs. 85,005 thousand have been charged to the income statement in this respect. Out of this amount Rs. 42,599 thousand is in excess of the requirement of Circular No. 01/2009.

4.2.6.4 This represents investment in privately placed sukuk bonds. On December 3, 2008 i.e. The scheduled redemption date, profit redemption of Rs. 3,415 thousand was not received by the Fund. The Fund has outstanding suspended income of Rs. 3,467 thousand as at March 31, 2009. Impairment losses amounting to Rs 40,054 thousand have been charged to the income statement in this respect. Out of this amount Rs. 30,404 thousand is in excess of the requirement of Circular No. 01/2009.

NAFA CASH FUND



5 LOANS AND RECEIVABLES

	Unaudited March 31, 2009	Audited June 30, 2008
	----- Rupees in '000 -----	
Loans and receivables	<u>1,350,000</u>	<u>6,429,802</u>

- 5.1 Loans and receivables include term deposit receipts from various financial institutions. These term deposit receipts Would mature on various dates up to October 07, 2009 and carry mark-up ranging from 13.92% to 14.75%.

6 DIVIDEND AND PROFIT RECEIVABLE

Dividend receivable on shares held under spread transactions	-	2,804
Income accrued on Continuous Funding System (CFS) transactions	-	25,204
Profit on savings and term deposits	164,556	239,415
Income accrued on term finance certificates and sukuk bonds	274,775	234,196
Less: suspended income	(36,305)	-
	238,470	234,196
Income accrued on clean placements	182	149
Income accrued on certificates of investment	-	4,298
	<u>403,208</u>	<u>506,066</u>

7 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	206	264
Settlement charges payable	274	1,405
Brokerage	319	3,514
Dividend payable to brokers	1,111	4,026
Others	11,562	16,440
	<u>13,472</u>	<u>25,649</u>

8 BORROWINGS FROM FINANCIAL INSTITUTIONS

Borrowings from financial institutions	8.1	<u>-</u>	<u>-</u>
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- 8.1 These represent financing facilities amounting to Rs 1,500 million (2007: Nil) availed from various financial institutions to meet redemption requests. The markup on these facilities ranges from KIBOR (1 month) plus 250 to 400 basis points.

9 TAXATION

The Fund is exempt from income tax under clause 99 of part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed among the unitholders.

10 COMMITMENTS

Continuous Funding System (CFS) transactions (including transactions to be rolled over) entered into by the Fund in respect of which the purchase transactions have not been settled as at period end	<u>-</u>	<u>4,320,785</u>
Spread Transactions (including transactions to be rolled over) entered into by the Fund in respect of which the purchase transactions have not been settled as at period end	<u>-</u>	<u>-</u>

NAFA CASH FUND

11 EARNINGS PER UNIT

Earnings per unit (EPU) for the period ended March 31, 2009 has not been disclosed as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

12 TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include National Fullerton Asset Management Limited being the Management Company, Central Depository Company Of Pakistan Limited, being the Trustee and National Bank of Pakistan, NIB Bank Limited and Alexandra Fund Management Pte. Limited being the Sponsors, other collective investment schemes managed by the Management Company and the Directors and officers of the Management Company.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market norms.

12.1 Transactions during the period

	Un-audited Nine months ended		Un-audited Quarter ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
----- Rupees in '000 -----				
National Fullerton Asset Management Limited - Management Company				
Management fee expense for the period	170,601	244,998	31,691	90,619
Bonus units issued (Nil units; 2008: 527,242 units)	-	-	-	-
Units Issued (Nil units; 2008: 1,925,947 units)	-	20,000	-	-
Units Redeemed (Nil units; 2008: 7,488,252 units)	-	80,011	-	80,011
National Bank of Pakistan - Sponsor				
Bonus units issued (Nil units; 2008: 785,356 units)	-	-	-	-
Units issued / Transferred in (48,214,148 units; 2008: Nil Units)	500,000	-	-	-
Units redeemed / Transferred out (48,214,148 units; 2008: Nil Units)	486,910	-	-	-
Cash Dividend	17,418	-	-	-
Borrowing Charges	47,052	-	22,783	-
NIB Bank Limited - Sponsor				
Cash Dividend	20,418	-	-	-
Bonus units issued (Nil Units; 2008: 2,134,074 units)	-	-	-	-
Units redeemed (Nil Units; 2008: 2,514,074 units)	-	25,782	-	-
Income from bank deposits	21,579	30,424	4,249	16,215
Borrowing Charges	13,679	-	4,623	-
Alexandra Fund Management Pte. Limited - Sponsor				
Bonus units issued (1,192,475 units; 2008: 1,067,037 units)	-	-	-	-
NAFA Multi Asset Fund				
Bonus units issued (1,962,029 units; 2008: Nil units)	-	-	-	-
Units issued/Transferred in (20,752,095 units; 2008: 53,029,743 units)	215,000	550,000	-	200,000
Units redeemed/Transferred out (41,683,556 units; 2008: 37,825,333 units)	409,170	391,757	106,690	40,000
NAFA Islamic Income Fund				
Sale of sukuk bonds (Nil bonds : 2008 : 192,000 bonds)	-	60,461	-	-
Payment for purchase of sukuk bonds	25,881	-	-	-
NAFA Employees Provident Fund				
Bonus units issued (43,697 units; 2008: 8,778 units)	-	-	-	-
Units issued (Nil units; 2008: 78,792 units)	-	800	-	-
Units redeemed/Transferred out (208,249 units; 2008: Nil units)	2,000	-	2,000	-

NAFA CASH FUND

	Un-audited Nine months ended		Un-audited Quarter ended	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
	----- Rupees in '000 -----			
Chief Executive Officer				
Bonus units issued (232,417 units; 2008: 11,352 units)	-	-	-	-
Units Issued (Nil units; 2008: 14,297,756 units)	-	148,609	-	61,192
Units redeemed / Transferred out (3,403,635 units; 2008: 14,417,519 units)	34,524	150,611	-	61,365
Spouse of Chief Executive Officer				
Bonus units issued (1,928 units; 2008: 1,910 units)	-	-	-	-
Units redeemed / Transferred out (546 units; 2008: 1,381 units)	6	15	-	5
Other Executives of the Management Company				
Bonus units issued (49,223 units; 2008: 20,018 units)	-	-	-	-
Units issued / Transferred in (2,559,773 units; 2008: 1,896,062 units)	25,684	19,678	-	4,699
Units redeemed / Transferred out (2,866,312 units; 2008: 1,830,151 units)	28,823	19,086	-	7,194
NAFA Stock Fund				
Bonus units issued (375,925 units; 2008: Nil units)	-	-	-	-
Units Issued / Transferred in (7,239,102 units; 2008: Nil units)	75,000	-	-	-
Units redeemed / Transferred out (9,953,121 units; 2008: Nil Units)	96,587	-	1,364	-
NAFA Income Fund				
Bonus units issued (245,244 units; 2008: Nil units)	-	-	-	-
Units Issued / Transferred in (13,615,161 units; 2008: Nil units)	140,000	-	-	-
Units redeemed / Transferred out (13,860,405 units; 2008: Nil units)	133,954	-	53,954	-
NAFA Islamic Multi Asset Fund				
Payment for purchase of sukuk bonds	25,892	-	-	-
Central Depository Company of Pakistan Limited				
Trustee Remuneration	12,124	17,085	2,359	6,290
Bonus units issued (795,494 units; 2008: 243,830 units)	-	-	-	-
Units Issued / Transferred in (Nil units; 2008: 8,271,141 units)	-	85,204	-	15,204
Units redeemed / Transferred out (8,998,612 units; 2008: 3,777,244 units)	91,571	40,000	-	25,000
CDC charges	367	-	15	-
			Unaudited March 31, 2009	Audited June 30, 2008
			----- Rupees in '000 -----	
12.2 Balances outstanding as at period / year end				
National Fullerton Asset Management Limited - Management Company				
Management fee payable			10,369	27,694
Other (receivable) / payable to the management company			(509)	(268)
National Bank of Pakistan - Sponsor				
Investment held by the Sponsor in the Fund (3,601,691 units; June 30, 2008: 3,601,691 units)			35,948	38,815
Deposit held by the Fund with the Sponsor			6,358	1,632
Borrowing Charges Payable			2,250	-

NAFA CASH FUND

	Unaudited March 31, 2009	Audited June 30, 2008
	----- Rupees in '000 -----	
NIB Bank Limited - Sponsor		
Investment held by the Sponsor in the Fund (20,000,000 units; June 30, 2008: 20,000,000 units)	199,618	215,538
Deposit held by the Fund with the Sponsor	257,362	403,499
Profit receivable on bank deposits	39	1,052
Alexandra Fund Management Pte. Limited - Sponsor		
Investment held by the Sponsor in the Fund (12,700,711 units; June 30, 2008: 11,508,236 units)	126,765	124,023
NAFA Employees Provident Fund Trust		
Investment held in the Fund Trust (257,151 units; June 30, 2008: 421,703 units)	2,567	4,545
Chief Executive Officer		
Investment held by the CEO (Nil units; June 30, 2008: 3,171,218 units)	-	34,176
Spouse of Chief Executive Officer		
Investment held in the Fund (20,135 units; June 30, 2008: 18,237 units)	201	202
Other Executives of the Management Company		
Investment held in the Fund (244,284 units; June 30, 2008: 210,536 units)	2,438	2,269
NAFA Multi Asset Fund		
Investment held in the Fund (Nil units; June 30, 2008: 18,769,434 units)	-	202,276
NAFA Stock Fund		
Investment held by the Fund (Nil units; June 30, 2008: 2,338,092 units)	-	25,197
NAFA Income Fund		
Investment held in the Fund Trust (Nil units : 2008: 7,391,566 units)	-	75,473
Central Depository Company of Pakistan Limited		
Remuneration payable	776	1,928
Investment held in the Fund (Nil units : 2008: 8,203,118 units)	-	88,404
CDC Charges	1	1,405
Security deposit	100	100

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 17, 2009 by the Board of Directors of the Management Company.

14 GENERAL

Figures have been rounded off to the nearest thousand rupees.

**For National Fullerton Asset Management Limited
(Management Company)**

Dr. Amjad Waheed, CFA
Chief Executive

Masood Karim Shaikh, FCA
Chairman