



NAMCO INCOME FUND

Managed by

National Asset Management Company Limited

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Fund Manager's Report for the month of April, 2009

INVESTMENT OBJECTIVE:

To provide stable stream of income with moderate level of risk by investing in fixed income securities.

INVESTMENT STRATEGY:

NAMCO Income Fund will primarily invest in a mix of short, medium and long term debt and fixed income securities in order to optimize the risk-return profile of the overall portfolio.

FUND MANAGER'S REVIEW

During the month Average 1-Month KIBOR increased as the market remained volatile due to tight liquidity position. 1-Month KIBOR averaged at 13.32% and closed the month at 13.37%. 6-month KIBOR rose from 12.85% on March 31, 2009 to 13.35% on April 30, 2009. SBP conducted two fortnightly auctions of T-Bills; with the first auction (April 8th, 2009) having a target of PKR 75 bn. Participations remained PKR 3.82 bn., PKR 13.35bn. and PKR 63.03 bn. in 3-months, 6-months and 1-year tenor respectively. The target of the second auction (April 22nd, 2009) was PKR 70 bn. while the participations remained PKR 1.6 bn., PKR 5.2 bn. and PKR 125.57 bn. in 3-months, 6-months and 1-year tenor respectively. Moreover, in line with our expectations, cut off yield of 1-year T-Bill increased and participation, too, remained high.

Ministerial meeting of the Friends of Democratic Pakistan and Donors Conference co-hosted by Government of Japan and the World Bank were held in Tokyo on April 17, 2009. Various donors pledged a total of US\$ 5.28 billion to help stabilize the troubled economy of Pakistan. Major donors, included the United States, Japan, Saudi Arabia and the European Union. Macroeconomic front also showed some positive sign such as the slash in the policy rate and improvement in the current account deficit. The SBP announced a cut in the policy rate by 100 bps to 14% from earlier 15% on April 20, in its Monetary policy.

During the month, NAMCO Income Fund (NIF) generated a return of 17.05% while the return since inception worked out to 13.92%. The Fund is relatively liquid maintaining its focus on high yielding assets with superior credit quality. We shall continue to focus on providing the best returns in the market within our risk management parameters, without compromising on credit quality.

GENERAL INFORMATION

Fund Type	: Open End Income Fund
Currency	: Pak Rupee (PKR)
Date Of Inception	: July 11, 2008
NAV	: Rs. 101.7800
Fund Size	: 281.355 Million.
Trustee	: First Dawood Investment Bank Ltd.
Registrar	: Technology Trade (Pvt.) Ltd.
Auditors	: A.F. Ferguson & Co
Fund Manager	: Faisal Merchant
Management Fee	: 1.25% of NAV per annum
Back-End Load	: 1.00%
Minimum Investment Amount	: Rs.5,000
Listing	: Karachi Stock Exchange
Benchmark	: 1 Month KIBOR

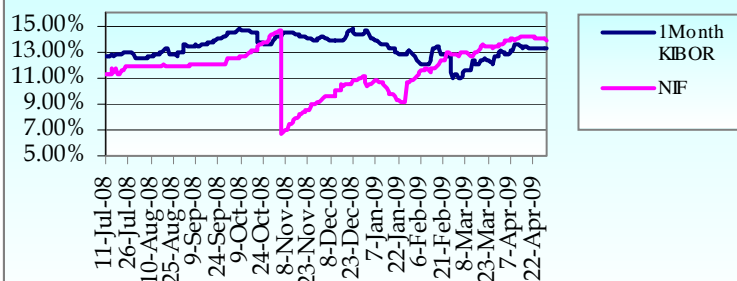
FUND'S PERFORMANCE

Monthly Overview		Returns %*
for April, 2009		NAMCO Income Fund
Annualized Returns	Monthly Return	15.84%
	Since Inception	13.74%
Morning Star**	Monthly Return	17.05%
	Since Inception	13.92%

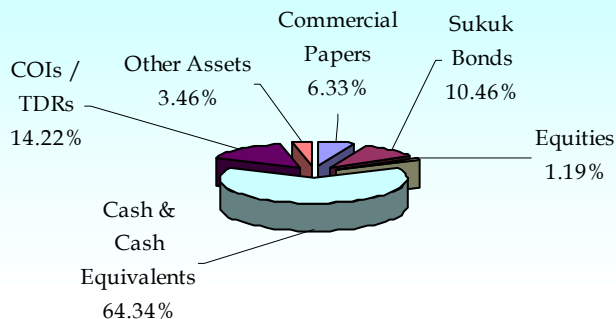
* Returns are net of management fee & all other expenses

** The formula calculates the compounded annualized returns

NIF Comparison with Benchmark



ASSET ALLOCATION AS AT APRIL, 2009



All Investments in Mutual Funds and Securities are subject to market risk. Therefore, the NAV based prices of units cannot be guaranteed. Price of unit and any dividends and returns there on may go up or down on market conditions & past performance of the funds is not necessarily indicative of future results. Investors are advised to read the relevant sections of the Trust Deed and Offering Document for further understanding of the investor policies and risk involved.