



NAMCO INCOME FUND

Managed by

National Asset Management Company Limited

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Fund Manager's Report for the month of January, 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

Average 1-Month KIBOR declined during the month as the market remained relatively liquid in the wake of banks having obtained massive deposits in the month of December 2008. 1-Month KIBOR averaged at 13.46% and closed the month at 12.80%. 6-month KIBOR has fallen from 15.70% on December 31, 2008 to 15.25% on January 29, 2009. The banks showed huge interest in T-bills as SBP raised PKR 158.86bn through two T-bill auctions held in January, 2009. On the monetary front, the SBP came up with its semi-annual monetary policy on January 31, 2009. The SBP kept the discount rate unchanged at 15%, as anticipated.

During the month, NAMCO Income Fund (NIF) generated a return of 10.75% while the return since inception is 10.71%. The investment activities remained focused on short to medium term high yield money market instruments. Our strategy will be to keep our placements mostly in shorter duration instruments in order to maintain liquidity and to remain resilient to the fast changing money market scenario. We shall continue to focus on providing the best returns in the market within our risk management parameters, without compromising on credit quality.

Please note all the figures in this report are as of January 29, 2009 as NIF books remained closed from January 30, 2009 to February 05, 2009, for the entitlement of second interim bonus dividend @3.10 units for every 100 units of NIF.

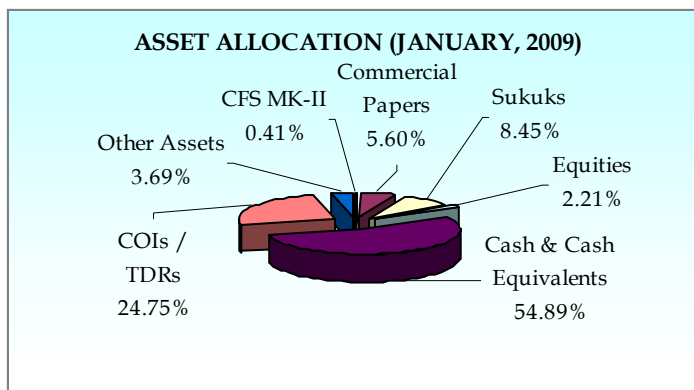
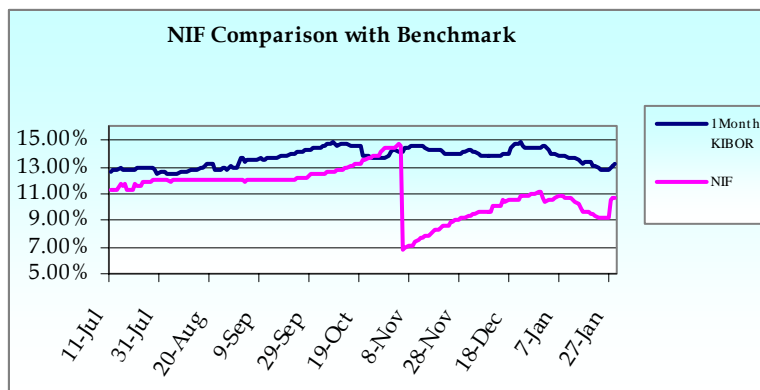
GENERAL INFORMATION

Fund Type	: Open End Income Fund
Currency	: Pak Rupee (PKR)
NAV	: Rs. 103.1421
Fund Size	: 270.700 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 January, 2009		NAMCO Income Fund
Annualized Returns	Monthly Return	10.25%
	Since Inception	10.47%
Morning Star**	Monthly Return	10.75%
	Since Inception	10.71%

* Returns are net of management fee & all other expenses
** The formula calculates the compounded annualized returns



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.