



NAMCO INCOME FUND

Managed by

National Asset Management Company Limited

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Fund Manager's Report for the month of APRIL, 2010

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.

ACHIEVEMENTS:

NAMCO Income Fund (NIF) has declared an interim bonus distribution of 1% on April 20, 2010. NIF in second year of its operations declared four interim dividends in just Nine months period. The earlier interim distribution announced on August 10, 2009, October 20, 2009 and February 18, 2010 amounted to 2.00%, 2.00% and 3.00% respectively.

FUND MANAGER'S REVIEW:

During the month, average 1-Month KIBOR decreased and the market was liquid enough to ease the pressure of long term liquidity. 1-Month KIBOR averaged at 12.37% and closed the month at 12.13%. 6-month KIBOR slightly decreased from 12.33% on April 30, 2010 to 12.41% on March 31, 2010.

State Bank of Pakistan reduced the yields on Treasury bills, as banks were desperate to invest their funds in the government papers. Three-month T-bill yield was brought down to 12.0973 percent from 12.1954 percent, six-month to 12.2577 percent from 12.3481 percent, and one-year to 12.3302 percent at 12.4062 percent.

CPI inflation swelled by 11.29 percent during July-March 2009-10 against the budgetary target of 9.5 percent and it is likely that it will go up further. CPI is likely to rise 12.50 per cent on year-on-year because of higher energy and food prices.

We expect consolidation will continue during 2010 leading to a real GDP growth rate of 3.0% that will continue to rise gradually over a couple of years amid risks such as security and political uncertainty remain a concerned that may affect the macroeconomic scenario in the short to medium term

During the month, NAMCO Income Fund (NIF) generated a return of -4.68%, while the year to-date return worked out to 10.29%. 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

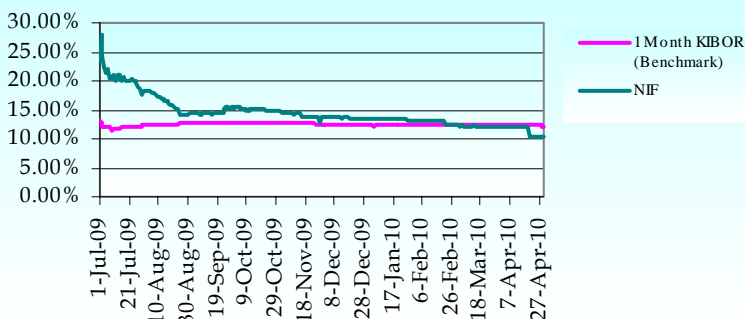
Fund Type	: Open End Income Fund
Currency	: Pak Rupee (PKR)
Date Of Inception	: July 11, 2008
NAV	: Rs. 100.6506
Fund Size	: 287.28 Million.
Trustee	: First Dawood Investment Bank Ltd.
Registrar	: Technology Trade (Pvt.) Ltd.
Auditors	: KPMG Taseer Hadi & Co.
Fund Manager	: Asif Iqbal
Management Fee	: 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

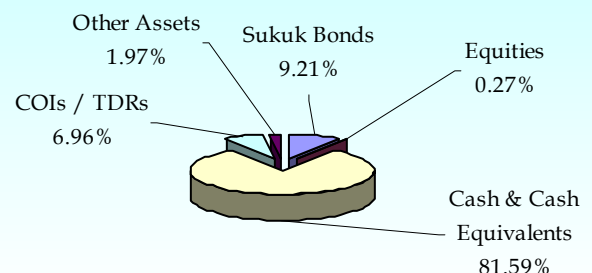
Monthly Overview for APRIL, 2010		Returns %* NAMCO Income Fund
Annualized Returns	Monthly Return	-4.78%
	Year to-date	10.20%
	Since Inception	13.59%
Morning Star**	Monthly Return	-4.68%
	Year to-date	10.29%
	Since Inception	12.93%

* 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, 2010



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.