



NAMCO BALANCED FUND

Quarterly Report
March 31, 2009



NAMCO BALANCED FUND

Condensed Interim Financial Statements
For the Period Ended March 31, 2009



Contents

VISION AND MISSION	1
FUND'S INFORMATION	2
REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY	3
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	5
CONDENSED INTERIM INCOME STATEMENT	6
CONDENSED INTERIM DISTRIBUTION STATEMENT	7
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	8
CONDENSED INTERIM CASH FLOW STATEMENT	9
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	10
STATEMENT OF INCOME AND EXPENDITURE IN RELATION TO THE INVESTMENT	





VISION

To be preferred choice of investors seeking long term safety, growth and consistent returns.

MISSION

To serve our valued clients in realizing their investment objectives through offering efficient, transparent and reliable range of investment management alternatives and to maximize their satisfaction by combining pragmatic application of risk management techniques, state of the art technology and dedicated team of professionals committed to achieve excellence.



FUND'S INFORMATION

Investment Adviser

National Asset Management Company Limited
19-C, Sunset Lane-6, South Park Avenue,
Phase-II, Extension, D.H.A., Karachi
PABX: 0092-21-5889762, 5312416-19
FAX: 0092-21-5889743, 5395924
Website: www.namco.com.pk

Board of Directors

Mr. Ali Aslam Malik	Chairman
Mr. Etrat Hussain Rizvi	Director / Chief Executive
Mr. Ali Raza Jaffery	Director
Mr. Shafiq Ahmed Khan	Director
Mr. Imtiaz Ahmed Pervez	Director

CFO & Company Secretary

Mr. Mutahir N. Pasha

Audit Committee

Mr. Ali Aslam Malik	Chairman
Mr. Ali Raza Jaffery	Member
Mr. Shafiq Ahmed Khan	Member

Auditors

A.F. Ferguson & Co. – Chartered Accountants
State Life Building 1-C, Off: I.I. Chundrigar Road,
P.O. Box 4716, Karachi

Legal Advisors

KMS Law Associates
207, Beaumont Plaza,
Beaumont Road, Civil Lines,
Karachi

Bankers

KASB Bank Limited
Atlas Bank Limited
Bank Alfalah Limited

Registrar

Technology Trade (Pvt) Ltd.
241-C, Block-2, P.E.C.H.S.,
Off: Main Shahrah-e-Quaideen
Karachi.



REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of National Asset Management Company Limited, the Management Company of **NAMCO Balanced Fund**, is pleased to present the accounts of NAMCO Balanced Fund (NBF) for the nine-months ended March 31, 2009.

Market Review

The local stock market, taking cue from the global liquidity crunch, was also flooded by negative developments throughout CY08 including persistent rise in inflation leading to monetary tightening through increase in discount rate by State Bank totaling 500bps, 28% fall YOY in PKR, political uncertainty, worsening law & order situation, tension on borders, macro-economic imbalances leading to adoption of IMF program, and flight of foreign investment. At the KSE, closing prices of 27th August were used to apply floor from August 28 to December 15, 2008. Market remained virtually closed for over 100 days. Trading volumes eroded and so did investor confidence.

Lack of liquidity coupled with already shattered investor confidence provided fuel for the investor stampede that crushed the good stocks as badly as the bad ones during the period under review. This phenomenon continued unabated till January 26, 2009 when the KSE100 Index touched a low of 4,815.34. As investors began to weigh the investment opportunities logically in terms of attractive yields and multiples, the market bounced from the lows to close the quarter ending March 31, 2009 with a gain of 995 points or 16.97%. The gain from the low of 4,815.34, made on January 26, 2009, amounted to 2,045 points or 42.47%. Favorable corporate results / announcements, particularly for banks, oil and fertilizer sector companies played a pivotal role in the market rally in the last two months.

The sharp rally of the last two months only helped the KSE100 Index to recover some of its year to date losses that had gone up to 60.81% on January 26, 2009. For the nine months ended March 31, 2009, the market closed at 6860.22 points with a loss of 5,428.81 points or 44.18%.

Fund Performance

For the Nine months ending March 31, 2009, the gross revenue of your Fund amounted to Rs. 53.64 million, (consisting of dividend income Rs. 21.66 million, profit on deposit with banks Rs. 7.47 million and from other sources Rs. 24.51 million) was reduced by a realized loss of Rs. 89.38 million. The steep market decline led to a diminution of Rs. 200.55 million in Held for Trading (HFT) investments while the impairment in Available for Sale (AFS) investments routed through the profit and loss account amounted to Rs. 47.25 million, thereby paving way for a gross loss of Rs. 278.56 million.

Operating expenses during the same period were Rs 21.14 million. Loss per certificate for the period under review worked out to Rs. 1.04 *without* unrealized diminution and Rs. (3.00) *with* unrealized diminution. Net asset value per certificate on March 31, 2009 was Rs. 7.13.

In the period under review, the NAV dropped from Rs. 10.19 on June 30, 2008 to Rs. 7.13 as on March 31, 2009 registering a reduction of Rs. 3.06 or 30%. In the last quarter ending March 31, 2009, the NAV gained Rs.1.04 or 17.08%. The gain from the lowest NAV of Rs. 5.59 recorded on January 26, 2009 to March 31, 2009 worked out to Rs. 1.54 or 27.55%.



For the most part of the period under review, we remained focused on the stocks that offer value, however, the extreme bearish spell continued unabated. Going forward, we shall concentrate on high yield stocks and shall remain focused on fertilizer and energy sectors on the back of growth potential and good payout history.

Future Outlook

The corporate results for the quarter ended March 31, 2009 are encouraging. The stock valuations are still attractive and the investor confidence is revived to great extent. Positive developments on the domestic political and economic front can lead to better valuations of the stock market. We therefore, remain cautiously positive on the stock market.

Acknowledgements

The Board wishes to express its appreciation for the continued cooperation, support and the guidance of Securities & Exchange Commission of Pakistan, Karachi Stock Exchange, National Clearing Company Limited, Trustee of the Fund as well as the brokers of the company.

The Board also appreciates the management team and the staff members for their commitment and dedicated efforts.

27 April, 2009

ALI A. MALIK
Chairman



NAMCO BALANCED FUND

NAMCO BALANCED FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT MARCH 31, 2009

	Note	(Un-audited) March 31, 2008	(Audited) June 30, 2008
----- Rupees -----			
ASSETS			
Bank balances	5	67,732,144	33,924,239
Investments	6	638,101,627	837,373,543
Receivable against sale of Investments		4,969,883	38,196,234
Receivable against Continuous Funding System		-	113,259,104
Dividend and other receivables	7	6,564,643	8,187,469
Prepayments and security deposits	8	4,553,921	5,211,007
Total assets		721,922,218	1,036,151,596
LIABILITIES			
Current liabilities			
Current portion of amount payable to Management Company in respect of preliminary expenses and floatation costs		1,801,986	1,801,986
Fee payable to Management Company		1,675,820	2,542,288
Fee payable to Trustee		53,410	67,028
Fee payable to Securities and Exchange Commission of Pakistan (SECP)		541,958	1,087,247
Payable against purchase of investments		21,174	5,095,590
Accrued expenses	9	527,569	1,088,271
Unclaimed dividend		261,450	261,450
		4,883,367	11,943,860
Long - term liability			
Long-term portion of amount payable to the Management Company in respect of preliminary expenses and flotation costs		3,603,972	5,405,958
Total liabilities		8,487,339	17,349,818
NET ASSETS		713,434,879	1,018,801,778
CERTIFICATE CAPITAL AND RESERVES			
Capital (100,000,000 ordinary certificates of Rs. 10 each issued as fully paid-up in cash)		1,000,000,000	1,000,000,000
Unrealised appreciation on re-measurement of investments classified as 'available for sale' - net		1,775,988	7,438,358
Undistributed income		(288,341,109)	11,363,420
TOTAL CERTIFICATE HOLDERS' FUNDS		713,434,879	1,018,801,778
NET ASSETS VALUE PER CERTIFICATE - RUPEES		7.13	10.19
COMMITMENTS			

The annexed notes from 1 to 13 form an integral part of these financial statements.

For National Asset Management Company Limited
(Management Company)

Chief Executive

Director

Director



NAMCO BALANCED FUND

NAMCO BALANCED FUND CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

Note	Nine months ended		Quarter ended	
	March 31		March 31	
	2009	2008	2009	2008
	-----Rupees-----			
INCOME				
Dividend income	21,656,557	25,059,975	5,261,687	7,287,875
Income from Continuous Funding System	8,765,849	3,432,825	28,818	2,725,950
Profit on bank deposits	7,467,086	13,385,754	1,998,834	2,859,097
Income from term finance certificates	-	9,535,098	-	2,817,617
Income from term deposit receipt	1,402,397	-	1,402,397	-
Income from certificates of musharika / investment	13,116,674	3,217,116	5,076,301	1,065,199
Income on Clean placement	206,812	-	-	-
Income from Sukuk Bonds	941,077	-	414,707	-
Profit on commercial papers	34,170	3,709,688	-	1,297,349
Other income	47,261	3,597	22,625	3,597
Capital gain/loss on sale of investments - net	(89,376,895)	73,207,914	(69,900,987)	21,475,413
	(35,739,012)	131,551,967	(55,695,618)	39,532,097
Impairment of financial assets classified as 'available for sale'	(47,246,702)	-	(19,559,143)	-
Unrealised appreciation / (Diminution) on re-measurement of securities classified as 'financial assets at fair value through profit or loss'	(200,545,394)	(5,143,468)	180,494,154	32,684,629
Unrealised gain / (loss) - letter of rights	4,969,981	997,630	4,953,312	997,630
	(278,561,127)	127,406,129	110,192,705	73,214,356
OPERATING EXPENSES				
Fee to Management Company	17,348,284	24,363,938	4,641,138	8,207,159
Remuneration to Central Depository Company of Pakistan Limited (CDC)	97,088	266,193	33,110	134,215
Fee to Trustee	514,344	632,093	151,325	211,581
Annual fee to SECP	541,957	812,131	131,499	273,572
Securities transaction cost	1,293,703	2,822,972	510,446	1,006,785
Auditors' remuneration	321,251	268,918	102,609	81,027
Annual Listing fee	127,500	60,000	-	-
Bank charges	5,110	57,385	3,505	455
Legal and professional charges	82,575	82,876	27,123	27,425
Amortization of preliminary expenses and floatation costs	-	1,900,725	-	-
Other expenses	811,590	40,150	258,757	27,653
	21,143,402	31,307,381	5,859,512	9,969,872
Income before taxation	(299,704,529)	96,098,748	104,333,193	63,244,484
Taxation	-	-	-	-
Income after taxation	<u>(299,704,529)</u>	<u>96,098,748</u>	<u>104,333,193</u>	<u>63,244,484</u>
Earnings per certificate (Rupees)				
With net unrealised appreciation / Diminution on remeasurement of investments	(3.00)	0.96	1.04	0.63
Without net unrealised appreciation / Diminution on remeasurement of investments	(1.04)	1.00	(0.81)	0.30

The annexed notes from 1 to 13 form an integral part of these financial statements.

For National Asset Management Company Limited
(Management Company)

Chief Executive

Director

Director



NAMCO BALANCED FUND

NAMCO BALANCED FUND CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

	<u>Nine months ended</u>		<u>Quarter ended</u>	
	<u>March 31</u>		<u>March 31</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	<u>-----Rupees-----</u>			
Undistributed income brought forward	11,363,420	136,571,108	(392,674,302)	69,425,372
(Loss) / income after taxation for the year / period	(299,704,529)	96,098,748	104,333,193	63,244,484
Final cash dividend paid at the rate of Re. 1.00 per certificate	-	(100,000,000)	-	-
Undistributed income carried forward	<u>(288,341,109)</u>	<u>132,669,856</u>	<u>(288,341,109)</u>	<u>132,669,856</u>

The annexed notes from 1 to 13 form an integral part of these financial statements.

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

Chief Executive

Director

Director



NAMCO BALANCED FUND

NAMCO BALANCED FUND CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009

	Certificate Capital	Subscription money	Unrealised appreciation / (diminution) on re-measurement of investments classified as available for sale - net	Un-distributed income	Total
	Rupees				
Balance as at July 1, 2007	1,000,000,000	-	-	136,571,108	1,136,571,108
Final cash dividend for the period ended June 30, 2007 declared subsequent to period end - Re 1 per certificate	-	-	-	(100,000,000)	(100,000,000)
Income for the Half year ended December 31, 2007	-	-	-	96,098,748	96,098,748
Unrealised depreciation on remeasurement of investment classified as 'available for sale' - net	-	-	9,222,947	-	9,222,947
Balance as at March 31, 2008	1,000,000,000	-	9,222,947	132,669,856	1,141,892,803
Balance as at July 01, 2008	1,000,000,000	-	7,438,358	11,363,420	1,018,801,778
Unrealised depreciation on remeasurement of investment classified as 'available for sale' - net	-	-	(52,909,072)	-	(52,909,072)
Loss for the Half year ended December 31, 2008	-	-	-	(299,704,529)	(299,704,529)
Impairment losses on investment classified as 'available for sale' - transferred to income statement	-	-	47,246,702	-	47,246,702
Balance as at March 31, 2009	1,000,000,000	-	1,775,988	(288,341,109)	713,434,879

The annexed notes from 1 to 13 form an integral part of these financial

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

Chief Executive

Director

Director



NAMCO BALANCED FUND

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

Note	Nine months ended		Quarter ended	
	March 31		March 31	
	2009	2008	2009	2008
	-----Rupees-----			
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before taxation	(299,704,529)	96,098,748	104,333,193	63,244,484
Adjustments for non-cash charges and other items:				
Fee to Management Company	17,348,284	24,363,938	4,641,138	8,207,159
Fee to Trustee	514,344	632,093	151,325	211,581
Fee to SECP	541,957	812,131	-	-
Dividend income	(21,656,557)	(25,059,975)	(5,261,687)	(7,287,875)
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	200,545,394	5,143,468	(180,494,154)	(32,684,629)
Impairment of financial assets classified as available for sale	47,246,702	-	19,559,143	-
Unrealised gain - letters of rights	(4,969,981)	(997,630)	(4,953,312)	(997,630)
Amortisation of preliminary expenses and floatation costs	-	1,900,725	-	-
Operating cash inflow before working capital changes	(60,134,386)	102,893,498	(62,024,354)	30,693,090
(Increase) / decrease in assets				
Investments - net	(49,212,569)	(5,227,860)	15,518,358	(4,987,789)
Receivable against sale of investments	33,226,351	25,156,730	(4,959,383)	(3,438,998)
Receivable against continuous funding system	113,259,104	(65,386,410)	44,931,011	(10,572,575)
Prepayments and security deposits	657,086	(2,500,000)	254,957	-
Other receivables	2,601,143	(2,592,181)	2,116,668	(1,780,527)
	40,396,729	52,343,777	(4,162,743)	9,913,201
Increase / (decrease) in liabilities				
Fee payable to SECP	-	-	131,499	273,572
Fee payable to Management Company	-	-	-	-
Fee Payable to Trustee	-	-	-	-
Payable against purchase of investments	(5,074,416)	(35,130,719)	(5,239,714)	(9,168,917)
Accrued expenses	(560,702)	393,747	156,929	484,972
	34,761,611	17,606,805	(9,114,029)	1,502,828
Fee paid to the Management Company	(18,214,752)	(43,579,039)	(4,902,573)	(21,465,254)
Fee paid to the SECP	(1,087,246)	(758,008)	-	-
Fee paid to the Trustee	(527,962)	(612,864)	(155,682)	(208,967)
Preliminary expenses and floatation costs paid	(1,801,986)	(1,801,986)	-	-
Net cash used in operating activities	13,129,665	(29,145,092)	(14,172,284)	(20,171,393)
CASH FLOW FROM INVESTING ACTIVITIES				
Dividend received	20,678,240	21,449,610	3,088,237	4,026,704
Net cash inflow from investing activities	20,678,240	21,449,610	3,088,237	4,026,704
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of certificates	-	-	-	-
Dividend paid	-	(99,743,900)	-	(2,700)
Net cash (used in) / generated from financing activities	-	(99,743,900)	-	(2,700)
Net (decrease) / increase in cash and cash equivalents	33,807,905	(107,439,382)	(11,084,047)	(16,147,389)
Cash and cash equivalents at the beginning of the year / period	33,924,239	228,480,941	78,816,191	137,188,948
Cash and cash equivalents at the end of the year / period	67,732,144	121,041,559	67,732,144	121,041,559

The annexed notes from 1 to 13 form an integral part of

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

Chief Executive

Director

Director



**NAMCO BALANCED FUND
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2009**

1 STATUS AND NATURE OF BUSINESS

1.1 NAMCO Balanced Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and has been authorised as a closed end scheme by the Securities and Exchange Commission of Pakistan (SECP) on May 03, 2006. It was constituted under a Trust Deed, dated April 17, 2006, between National Asset Management Company Limited as Management Company and First Dawood Investment Bank Limited as the Trustee.

The Fund is a closed end balanced mutual fund and its certificates are listed on the Karachi Stock Exchange. The principal activity of the Fund is to make investments in equity market and fixed income securities including money market instruments.

1.2 On November 21, 2008 the Securities and Exchange Commission of Pakistan (SECP) notified the revised NBFC Regulations. Regulation 65 of these Regulations requires that an Asset Management Company managing a closed-end fund shall, upon expiry of five years from 21st November 2007 or the date of launch of the Fund whichever is later, hold within one month of such period a meeting of the certificate holders of the Fund to seek approval of the certificate holders (by special resolution) to continue as a closed-end fund or convert into an open-ended scheme or wind up the closed-end fund.

2 STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements have been prepared in accordance with the 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 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 Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Regulations or the directives issued by SECP shall prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'.

3 BASIS OF PREPARATION

3.1 These financial statements have been prepared under the historical cost convention except for certain investments which are carried at fair value.

3.2 The financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2008.

	Note	(Un-audited) March 31 2009	(Audited) June 30 2008
5 BANK BALANCES		----- Rupees -----	
Balance in PLS accounts		17,732,144	33,924,239
Term deposit receipt		50,000,000	-
		<u>67,732,144</u>	<u>33,924,239</u>
6 INVESTMENTS			
Financial assets at fair value through profit and loss - held for trading			
- Quoted equity securities - regular market trade	6.1	468,929,521	612,732,186
- Quoted equity securities - spread transactions		-	5,827,745
- Derivative financial instruments		4,969,981	125,135
Available for sale			
- Equity securities	6.2	29,202,125	78,722,647
Loans and receivables			
- Fixed income and other debt securities	6.3	125,000,000	110,000,000
Held to maturity			
- Fixed income and other debt securities	6.4	10,000,000	29,965,830
		<u>638,101,627</u>	<u>837,373,543</u>



NAMCO BALANCED FUND

6.1 Investments - financial assets at fair value through profit or loss - held for trading

Unless stated otherwise, the holdings are in ordinary shares / certificates of Rs.10/- each.

Name of investee	Number of shares*					Balance as at Mar 31, 2009							Percentage in relation to			
	As at July 01, 2008	Purchases during the period	Bonus / rights issue	Sales during the period	Holding as at Mar 31, 2009	Cost	Carrying cost	Market value	Appreciation / (diminution)	Market value as a percentage of net assets	Investee paid-up capital*	Total investments				
6.1.1 COLLECTIVE INVESTMENT SCHEMES																
CLOSE END MUTUAL FUNDS																
US Value Fund Limited	-	616	-	616	-	-	-	-	-	0.000%	0.000%	0.000%				
PICIC Growth Fund Limited	-	606	-	606	-	-	-	-	-	0.000%	0.000%	0.000%				
Pakistan Premier Fund Limited	-	559	-	559	-	-	-	-	-	0.000%	0.000%	0.000%				
	-	1,781	-	1,781	-	-	-	-	-	0.000%	0.000%	0.000%				
6.1.2 OTHER EQUITY SECURITIES																
MODARABAS																
Al-Zamin Leasing Modaraba	86,500	13,500	-	-	100,000	857,630	780,685	301,000	(479,685)	0.042%	0.324%	0.047%				
B.R.R Guardian Modaraba	1,200,000	9,500	-	-	1,209,500	8,229,952	8,589,115	3,386,600	(5,202,515)	0.475%	1.550%	0.531%				
	1,286,500	23,000	-	-	1,309,500	9,087,582	9,369,800	3,687,600	(5,682,200)	0.517%	1.874%	0.578%				
LEASING COMPANIES																
Al-Zamin Leasing Corporation	23,214	1,000	-	-	24,214	174,262	88,767	48,912	(39,855)	0.007%	0.049%	0.008%				
Orix Leasing Pakistan Limited	268,000	24,500	41,250	-	333,750	7,619,250	7,017,125	2,469,750	(4,541,375)	0.346%	0.418%	0.387%				
	291,214	25,500	41,250	-	357,964	7,793,512	7,105,892	2,518,662	(4,587,230)	0.353%	0.467%	0.395%				
INVESTMENT BANKS/COMPANIES/SECURITIES																
Arif Habib Limited	32,000	19,525	9,375	4,000	56,900	10,365,740	8,853,877	3,246,714	(5,607,163)	0.455%	0.190%	0.509%				
Arif Habib Securities Limited	20,000	231,450	11,750	140,300	122,900	4,477,323	4,491,424	3,291,262	(1,190,162)	0.033%	0.461%	0.516%				
Escorts Investment Bank Limited	594,000	4,500	-	-	598,500	9,067,064	7,580,095	3,142,125	(4,437,970)	0.440%	1.357%	0.492%				
First National Equities Limited	108,000	10,000	-	-	118,000	7,972,645	9,848,555	2,547,620	(7,300,935)	0.357%	0.205%	0.399%				
Jahangir Siddiqui & Company Limited	11,500	118,047	29,253	34,600	124,200	6,330,609	6,377,356	4,194,234	(2,183,122)	0.588%	0.016%	0.657%				
Javed Omer Vohra & Company Limited	6,000	9,100	1,300	2,000	14,400	707,676	493,021	177,264	(315,757)	0.025%	0.028%	0.028%				
JS Global Capital	-	12,600	-	-	12,600	1,505,608	1,505,608	1,143,576	(362,032)	0.160%	0.025%	0.179%				
JS Investments Limited	7,500	16,900	-	7,900	16,500	914,929	916,449	322,905	(593,544)	0.045%	0.017%	0.051%				
Pervez Ahmed Securities Limited	-	115,500	-	-	115,500	701,731	701,731	483,945	(217,786)	0.068%	0.149%	0.076%				
	779,000	537,622	51,678	188,800	1,179,500	42,043,325	40,758,116	18,549,645	(22,208,471)	2.600%	2.020%	2.907%				
COMMERCIAL BANKS																
Allied Bank Limited	7,000	84,824	2,502	83,400	10,926	342,473	341,787	423,273	81,486	0.059%	0.002%	0.066%				
Arif Habib Bank Limited	25,000	354,168	8,332	92,000	295,500	2,283,848	2,282,944	1,554,330	(728,614)	0.218%	0.059%	0.244%				
Askari Commercial Bank Limited	205,800	100,200	60,350	61,400	304,950	12,216,350	7,708,967	4,973,735	(2,735,233)	0.697%	0.060%	0.779%				
Bank Al-Falah Limited	110,000	90,800	46,895	63,000	184,695	4,684,753	4,391,693	2,587,577	(1,804,116)	0.363%	0.023%	0.408%				
Bank Al-Habib Limited	-	10,400	-	10,400	-	-	-	-	-	0.000%	0.000%	0.000%				
Bank Islami Pakistan Limited	100,000	105,000	-	48,000	157,000	1,922,620	1,881,141	931,010	(950,131)	0.130%	0.030%	0.146%				
Bank of Khyber	-	65,000	-	65,000	-	-	-	-	-	0.000%	0.000%	0.000%				
Bank of Punjab Limited	523,900	397,700	-	374,900	546,700	16,330,548	11,372,462	6,062,903	(5,309,559)	0.850%	0.103%	0.950%				
Faysal Bank Limited	55,000	38,140	10,821	9,000	94,961	3,083,493	2,142,523	1,379,783	(762,740)	0.193%	0.016%	0.216%				
Habib Bank Limited	-	100,800	1,600	100,800	1,600	172,600	172,600	185,104	12,504	0.026%	0.000%	0.029%				
Habib Metropolitan Bank Limited	36,000	5,000	9,575	2,700	47,875	2,900,454	1,537,717	1,178,683	(359,035)	0.165%	0.006%	0.185%				
JS Bank Limited	210,000	303,000	-	123,500	389,500	3,465,025	3,257,181	2,200,675	(1,056,506)	0.308%	0.064%	0.345%				
MCB Bank Limited	21,000	230,800	6,680	193,000	65,480	8,305,101	8,305,101	9,245,776	940,675	1.296%	0.009%	1.449%				
Meezan Bank Limited	-	12	-	12	-	-	-	-	-	0.000%	0.000%	0.000%				
National Bank of Pakistan limited	276,900	261,900	-	174,000	364,800	49,352,812	42,037,332	32,138,880	(9,898,452)	4.505%	0.041%	5.037%				

* Calculated as the fund's shareholding divided by the paid up capital of the Investee



NAMCO BALANCED FUND

Name of investee	Number of shares						Balance as at Mar 31, 2009						Percentage in relation to				
	As at July 01, 2008	Purchases during the period	Bonus / rights issue	Sales during the period	Holding as at Mar 31, 2009	Cost	Carrying cost	Market value	Appreciation / (diminution)	Market value as a percentage of net assets	Investee paid-up capital*	Total investments					
Rupees																	
INSURANCE																	
NIB Bank Limited	425,000	908,000	-	116,000	1,217,000	10,789,324	9,229,612	6,681,330	(2,548,282)	0.937%	0.030%	1.047%					
Saudi Pak Commercial Bank limited	70,000	195,000	-	55,000	210,000	1,366,448	1,390,380	867,300	(523,080)	0.122%	0.023%	0.136%					
Sonari Bank Limited	75,000	44	15,409	5,000	85,453	3,323,416	1,739,223	1,110,034	(629,189)	0.156%	0.017%	0.174%					
Standard Chartered Bank Pakistan Limited	61,000	5,200	-	1,600	64,600	3,036,737	1,452,562	549,100	(903,462)	0.077%	0.002%	0.086%					
United Bank Limited	176,000	176,000	-	161,000	191,000	14,199,415	11,093,974	9,804,030	(1,289,944)	1.374%	0.019%	1.536%					
	2,377,600	3,431,988	162,164	1,739,712	4,232,040	137,175,417	110,337,199	81,873,523	(28,463,676)	11.476%	0.504%	12.831%					
INSURANCE																	
Adanjee Insurance Company Limited	91,000	139,000	14,910	74,400	170,510	22,264,713	21,392,555	11,386,658	(10,005,897)	1.596%	0.152%	1.784%					
Askari General Insurance Company Limited	60,300	-	-	-	60,300	3,540,167	2,489,787	741,087	(1,748,700)	0.104%	0.296%	0.116%					
EFU General Insurance Limited	4,000	27,600	-	10,000	21,600	3,681,137	3,677,321	1,920,024	(1,757,297)	0.269%	0.019%	0.301%					
Habb Insurance Company Limited	56,000	2,700	-	-	58,700	3,033,947	3,910,240	1,401,756	(2,508,484)	0.196%	0.082%	0.220%					
New Jubilee Life Insurance	-	4,000	-	4,000	-	-	-	-	-	0.000%	-	0.000%					
Pakistan Reinsurance Limited	94,002	113,398	-	60,500	146,900	6,431,821	7,874,054	5,730,569	(2,143,485)	0.803%	0.049%	0.898%					
	305,302	286,698	14,910	148,900	458,010	38,951,785	39,343,957	21,180,094	(18,163,863)	2.969%	0.588%	3.319%					
TEXTILE SPINNING																	
D.S Industries Limited	-	500	-	500	-	-	-	-	-	0.000%	0.000%	0.000%					
TEXTILE WEAVING																	
Samim Textile Mills limited	6,500	19,000	-	-	25,500	367,130	368,280	232,560	(135,720)	0.033%	0.191%	0.036%					
TEXTILE COMPOSITE																	
Azgard Nine Limited	10,000	236,000	-	246,000	-	-	-	-	-	0.000%	0.000%	0.000%					
Dawood Lawrence	-	52	-	52	-	-	-	-	-	0.000%	0.000%	0.000%					
Kohinoor Textile Mills Limited	132,000	18,000	-	2,500	147,500	2,511,985	1,915,354	741,925	(1,173,429)	0.104%	0.101%	0.116%					
Nishat (Chunian) Limited	250,000	75,161	27,500	9,500	343,161	9,369,635	6,648,711	3,187,966	(3,460,745)	0.447%	0.415%	0.500%					
Nishat Mills Limited	97,000	210,100	56,750	81,500	282,350	11,744,075	11,397,740	8,560,852	(2,836,888)	1.200%	0.118%	1.342%					
Nishat Mills Limited Right	-	50,000	-	50,000	-	-	-	-	-	-	-	-					
	489,000	589,313	84,250	389,552	773,011	23,625,685	19,961,805	12,490,743	(7,471,062)	1.751%	0.634%	1.957%					
SYNTHETIC & RAYON																	
Dewan Salman Fiber Limited	-	5,545	-	5,545	-	-	-	-	-	0.000%	0.000%	0.000%					
SUGAR & ALLIED INDUSTRIES																	
Shakarganj Mills Limited	55,000	60,000	-	15,000	100,000	1,891,028	1,182,409	758,000	(424,409)	0.106%	0.144%	0.119%					
CEMENT																	
Al- Abbas Cement Industries Limited	-	74	-	74	-	-	-	-	-	0.000%	0.000%	0.000%					
Attock Cement Pakistan Limited	89,400	3,100	-	-	92,500	10,010,459	7,063,056	6,240,050	(823,006)	0.875%	0.128%	0.978%					
D.G. Khan Cement Limited	160,300	234,300	-	118,500	276,100	12,810,825	10,268,256	6,021,741	(4,246,515)	0.844%	0.109%	0.944%					
Dewan Cement Limited	-	79,055	-	79,055	-	-	-	-	-	0.000%	0.000%	0.000%					
Fauji Cement Company limited	317,500	241,514	-	45,000	514,014	6,536,819	4,269,892	3,217,728	(1,052,164)	0.451%	0.074%	0.504%					
Lucky Cement Limited	35,000	120,800	-	87,800	68,000	3,490,936	3,460,393	3,358,520	(101,873)	0.471%	0.021%	0.526%					

* Calculated as the fund's shareholding divided by the paid up capital of the Investee



NAMCO BALANCED FUND

Name of investee	Number of shares*					Balance as at Mar 31, 2009					Percentage in relation to		
	As at July 01, 2008	Purchases during the period	Bonus / rights issue	Sales during the period	Holding as at Mar 31, 2009	Cost	Carrying cost	Market value	Appreciation / (diminution)	Market value as a percentage of net assets	Investee paid-up capital*	Total investments	
----- Rupees -----													
Maple Leaf Cement limited	125,000	105,007	-	50,000	180,007	2,201,938	1,369,092	874,834	(494,268)	0.123%	0.048%	0.137%	
Lalarge Cement limited	368,000	250,000	-	52,000	566,000	4,683,372	3,005,298	1,760,260	(1,245,038)	0.247%	0.043%	0.276%	
Pioneer Cement limited	-	13,500	-	-	13,500	126,103	126,103	168,615	42,512	0.024%	0.007%	0.026%	
	1,095,200	1,047,350	-	432,429	1,710,121	39,860,452	29,562,090	21,641,748	(7,920,342)	3.033%	0.423%	3.392%	
TOBACCO													
Pakistan Tobacco Company Limited	14,400	10,100	-	19,400	5,100	339,329	339,329	353,379	14,050	-	-	-	
REFINERY													
Attock Refinery Limited	-	2,000	-	2,000	-	-	-	-	-	0.000%	0.000%	0.000%	
Boscor Pakistan Limited	250,000	164,000	-	54,500	369,500	4,392,411	3,680,132	2,322,370	(1,357,762)	0.326%	0.092%	0.364%	
National Refinery Limited	45,900	3,300	-	-	49,200	17,863,805	14,189,460	7,943,832	(6,245,628)	1.113%	0.062%	1.245%	
Pakistan Refinery limited	9,500	4,200	-	2,600	11,100	2,022,471	1,405,471	759,573	(645,898)	0.106%	0.032%	0.119%	
	305,400	173,500	-	59,100	419,800	24,278,687	19,275,063	11,025,775	(6,249,288)	1.545%	0.166%	1.728%	
POWER GENERATION & DISTRIBUTION													
Hub Power Company	427,500	333,000	-	70,500	690,000	18,278,807	16,334,514	14,227,800	(2,106,714)	1.994%	0.060%	2.230%	
Japan Power Generation	-	50,000	-	50,000	-	-	-	-	-	0.000%	0.000%	0.000%	
Kor Addu Power Company	128,500	123,309	-	48,100	203,709	8,475,157	8,378,701	7,392,600	(986,101)	1.036%	0.023%	1.159%	
	556,000	506,309	-	168,600	893,709	26,753,964	24,713,215	21,620,400	(3,092,815)	3.030%	0.083%	3.388%	
OIL & GAS MARKETING COMPANIES													
Attock Petroleum Limited	22,600	4,200	4,400	600	30,600	11,554,926	10,161,838	8,436,726	(1,725,112)	1.183%	0.053%	1.322%	
Pakistan State Oil Company Limited	99,000	189,700	-	94,100	194,600	53,265,937	50,953,566	38,129,924	(12,823,642)	5.345%	0.113%	5.976%	
Shell (Pakistan) Limited	-	8,800	1,000	1,800	8,000	2,251,217	2,251,217	1,948,560	(302,657)	0.273%	0.012%	0.305%	
Sui Northern Gas Pakistan Limited	60,000	72,000	-	27,200	104,800	4,728,328	3,547,806	3,167,066	(380,750)	0.444%	0.019%	0.496%	
Sui Southern Gas Co. Limited	-	243,500	-	124,000	119,500	1,628,398	1,628,398	1,577,400	(50,998)	0.221%	0.018%	0.247%	
	181,600	518,200	5,400	247,700	457,500	73,428,806	68,542,825	53,259,666	(15,283,159)	7.465%	0.215%	8.347%	
OIL & GAS EXPLORATION COMPANIES													
Mari Gas Company	5,000	22,300	-	12,300	15,000	2,049,578	2,040,830	2,026,950	(13,880)	0.284%	0.041%	0.318%	
Oil & Gas Development Corporation Limited	250,000	406,200	-	161,200	495,000	44,039,373	43,634,455	35,674,650	(7,959,805)	5.000%	0.012%	5.591%	
Pakistan Oilfields Limited	198,200	209,960	46,840	131,600	323,400	73,954,555	73,441,867	55,320,804	(18,121,063)	7.754%	0.137%	8.670%	
Pakistan Petroleum Limited	211,000	124,000	20,100	111,100	244,000	49,995,504	48,729,411	42,277,880	(6,451,531)	5.925%	0.029%	6.626%	
	664,200	762,460	66,940	416,200	1,077,400	170,042,010	167,846,563	135,300,284	(32,546,279)	18.965%	0.219%	21.204%	
ENGINEERING													
Crescent Steel and Allied Products Limited	50,100	45,043	4,950	25,600	74,493	3,859,830	2,929,794	1,094,302	(1,835,492)	0.153%	0.132%	0.171%	
Dast Steels Limited	50,000	352	-	3,000	47,352	1,656,136	1,029,344	295,950	(733,394)	0.041%	0.070%	0.046%	
International Industries	-	14,000	-	14,000	-	-	-	-	-	-	-	-	
	100,100	59,395	4,950	42,600	121,845	5,515,966	3,959,138	1,390,252	(2,566,886)	0.195%	0.202%	0.218%	
AUTOMOBILE ASSEMBLER													
Honda Atlas Cars Limited	-	6	-	6	-	-	-	-	-	0.000%	0.000%	0.000%	
Indus Motor Company Limited	2,000	23,803	-	20,803	5,000	334,748	334,748	369,250	34,502	0.052%	0.006%	0.058%	
Pak Suzuki Motor Company Limited	115,600	3,600	-	3,000	116,200	27,833,715	13,680,810	6,336,386	(7,344,424)	0.888%	0.141%	0.993%	
	117,600	27,409	-	23,809	121,200	28,168,463	14,015,558	6,705,636	(7,309,922)	0.940%	0.147%	1.051%	
AUTOMOBILE PARTS & ACCESSORIES													
Agri Autos Industries Limited (Rs 5 each)	-	11,100	1,400	2,500	10,000	357,880	357,880	279,600	(78,280)	0.039%	0.035%	0.044%	

* Calculated as the fund's shareholding divided by the paid up capital of the Investee



NAMCO BALANCED FUND

Name of investee	Number of shares					Balance as at Mar 31, 2009				Percentage in relation to		
	As at July 01, 2008	Purchases during the period	Bonus / rights issue	Sales during the period	Holding as at Mar 31, 2009	Cost	Carrying cost	Market value	Appreciation / (diminution)	Market value as a percentage of net assets	Investee paid-up capital*	Total investments
Ruppes												
CABLE & ELECTRICAL GOODS												
Pak Elektron Limited	-	100	-	100	-	-	-	-	-	0.000%	0.000%	0.000%
TRANSPORT												
Pakistan International Airlines Corporation	487,000	127,000	-	1,000	613,000	4,123,592	2,935,217	2,758,500	(176,717)	0.387%	0.029%	0.432%
Pakistan Inter. Container Ltd	-	3	-	3	-	-	-	-	-	0.000%	0.000%	0.000%
	487,000	127,003	-	1,003	613,000	4,123,592	2,935,217	2,758,500	(176,717)	0.387%	0.029%	0.432%
TECHNOLOGY & COMMUNICATION												
Neisol Technologies	71,000	178,800	18,000	25,800	242,000	10,740,984	10,297,852	4,097,060	(6,200,792)	0.574%	0.338%	0.642%
Pakistan Telecommunication Company Limited	482,000	316,960	-	128,000	670,960	22,770,489	19,252,389	11,191,613	(8,060,776)	1.569%	0.018%	1.754%
Tele Card Limited	-	829	-	829	-	-	-	-	-	0.000%	0.000%	0.000%
TRG Pakistan	335,000	334,000	-	19,000	650,000	4,159,379	2,620,150	871,000	(1,749,150)	0.122%	0.169%	0.136%
WorldCall Telecom Limited	201,000	119,500	-	17,000	303,500	4,064,072	3,553,493	852,835	(2,700,658)	0.120%	0.035%	0.134%
	1,089,000	950,089	18,000	190,629	1,866,460	41,734,924	35,723,884	17,012,508	(18,711,376)	2.385%	0.560%	2.666%
FERTILIZER												
Engro Chemical Pakistan Limited	94,000	113,400	-	80,000	127,400	24,289,186	24,384,243	18,428,410	(5,955,833)	2.583%	0.060%	2.888%
Fauji Fertilizer Bin Qasim Limited	503,000	278,500	-	66,500	715,000	23,691,555	20,880,200	12,240,800	(8,639,400)	1.716%	0.077%	1.918%
Fauji Fertilizer Company	52,000	163,200	34,375	72,100	177,475	14,378,506	14,173,809	15,426,127	1,252,318	2.162%	0.029%	2.418%
	649,000	555,100	34,375	218,600	1,019,875	62,359,247	59,438,252	46,085,337	(13,342,915)	6.461%	0.166%	7.224%
CHEMICALS												
BOC Pakistan Limited	-	7	-	7	-	-	-	-	-	0.000%	0.000%	0.000%
ICI Pakistan Limited	-	3	-	3	-	-	-	-	-	0.000%	0.000%	0.000%
Pakistan PTA Limited	-	2,317	-	2,317	-	-	-	-	-	0.000%	0.000%	0.000%
Sitara Peroxide Limited	25,000	9,257	-	4,000	30,257	1,371,370	1,308,064	613,309	(694,755)	0.086%	0.055%	0.096%
	25,000	11,584	-	6,327	30,257	1,371,370	1,308,064	613,309	(694,755)	0.086%	0.055%	0.096%
PAPER & BOARD												
Packages Limited	49,100	11,800	-	6,400	54,500	17,186,897	12,869,656	9,433,405	(3,436,251)	1.322%	0.065%	1.478%
MISCELLANEOUS												
Pace (Pakistan)	-	35,121	-	15,000	20,121	160,723	160,723	148,895	(11,828)	0.021%	0.009%	0.023%
TOTAL INVESTMENTS	10,923,716	9,787,567	485,317	4,340,187	16,856,413	756,617,784	669,474,915	463,929,521	(200,545,394)	65.728%	8.826%	73.488%

* Calculated as the fund's shareholding divided by the paid up capital of the investee



NAMCO BALANCED FUND

6.1.4 NAMCO Balanced 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 8 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% to their closing prices prevailing as at December 24, 2008. The financiers opting into the program have purchased shares of an amount equal to approximately 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, NAMCO Balanced 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 CFS balance of 70% along with the entire mark-up accrued thereon has been received subsequent to the period ended December 31, 2008.

6.2 Available for sale - Quoted equity securities

Name of investee	No of shares*					Balance as at March 31, 2009			Percentage in relation to		
	As at July 01, 2008	Purchases during the period	Bonus / rights issue	Sales during the period	Holding as at March 31, 2009	Carrying cost	Market value	Appreciation / (diminution)	Market value as a percentage of net assets	Investee paid-up capital	Total investments
-----Rupees-----											
LEASING COMPANIES											
SME Leasing Limited	456,675	500	-	500	456,675	5,074,137	6,850,125	1,775,988	0.960%	0.794%	1.074%
INVESTMENT BANKS / COMPANIES / SECURITIES											
First National Equities Limited	594,500	-	-	-	594,500	37,532,794	12,835,255	(24,697,539)	1.799%	1.034%	2.011%
Jahangir Siddiqui & Company Limited	26,500	3,086	71,914	-	101,500	17,048,729	3,427,655	(13,621,074)	0.480%	0.013%	0.537%
JS Global Capital Limited	4,600	61	1,839	-	6,500	1,957,699	589,940	(1,367,759)	0.083%	0.013%	0.092%
	625,600	3,147	73,753	-	702,500	56,539,222	16,852,850	(39,686,372)	2.362%	1.060%	2.641%
COMMERCIAL BANKS											
United Bank Limited	48,500	26,500	-	-	75,000	9,835,855	3,849,750	(5,986,105)	0.540%	0.007%	0.603%
CEMENT											
Pioneer Cement Limited	60,000	-	-	-	60,000	1,855,400	749,400	(1,106,000)	0.105%	0.030%	0.117%
TRANSPORT											
Pakistan International Airlines Corporation	200,000	-	-	-	200,000	1,368,225	900,000	(468,225)	0.126%	0.010%	0.141%
TOTAL INVESTMENTS	1,390,775	30,147	73,753	500	1,494,175	74,672,839	29,202,125	(45,470,714)	4.083%	1.901%	4.576%

* Calculated as the fund's shareholding divided by the paid up capital of the investee

6.2.1 The Fund has a gross amount of Rs 47,247 million as deficit on revaluation of its equity portfolio classified as available for sale. The deficit has been computed based on the market value of the equity securities as at March 31, 2009 in accordance with the requirements laid down in SECP Circular No. Enf/D-III/Misc/1/2008 dated January 29, 2009. The Fund has carried out a scrip wise analysis of the above deficit and has determined that the above deficit represents a significant decline in the fair value of such equity securities with reference to their cost and has accordingly fully recognized this amount in the condensed income statement for the period ended March 31, 2009.



NAMCO BALANCED FUND

	(Un-audited) March 31, 2009	(Audited) June 30, 2008
	----- Rupees -----	
6.3 Net unrealised (diminution) on re-measurement of investments classified as 'financial assets through profit or loss' - net		
Market value of securities	468,929,521	612,732,186
Less: carrying value of securities	<u>(669,474,915)</u>	<u>(739,669,757)</u>
	<u>(200,545,394)</u>	<u>(126,937,571)</u>
6.4 Net unrealised (diminution)/appreciation on re-measurement of investments classified as 'available for sale' - net		
Market value of securities	29,202,125	78,722,647
Less: carrying value of securities	<u>(74,672,839)</u>	<u>(71,284,289)</u>
	<u>(45,470,714)</u>	<u>7,438,358</u>
6.5 Loans and receivables		
Certificates of musharika	20,000,000	35,000,000
Certificates of investment	<u>105,000,000</u>	<u>75,000,000</u>
	<u>125,000,000</u>	<u>110,000,000</u>
6.6 Held to maturity		
Sukuk Bonds	10,000,000	-
Commercial papers	-	29,965,830
	<u>10,000,000</u>	<u>29,965,830</u>
7 DIVIDEND AND OTHER RECEIVABLES		
Dividend receivable	3,944,342	2,966,025
Income accrued on lending in continuous funding system transactions	-	688,342
Income receivable on certificates of musharika	229,041	2,103,028
Income receivable on investment in certificates of investments	1,572,330	1,428,288
Income receivable on Sukuk bonds	381,019	-
Income from term deposits receipts	129,451	-
Profit receivable on bank deposits	<u>308,460</u>	<u>1,001,786</u>
	<u>6,564,643</u>	<u>8,187,469</u>
8 PREPAYMENTS AND SECURITY DEPOSITS		
Prepayments		
- Annual Fee to National Clearing Company of Pakistan Limited (NCCPL)	70,822	847,028
Security Deposits		
- National Clearing Company of Pakistan Limited	3,500,000	3,500,000
- Central Depository Company of Pakistan Limited	175,000	175,000
- Margin against CFS MK-II	<u>808,099</u>	<u>688,979</u>
	<u>4,553,921</u>	<u>5,211,007</u>
9 ACCRUED EXPENSES		
Brokerage payable on continuous funding system	36,646	61,368
Brokerage payable on regular market trade	146,912	608,466
Auditors' remuneration	296,134	318,760
Legal and professional charges	47,877	60,302
Payable to CDC	-	39,375
	<u>527,569</u>	<u>1,088,271</u>
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 year end	<u>-</u>	<u>646,380</u>
Spread transactions (including transactions to be rolled over) entered into by the Fund in respect of which the sale transactions have not been settled as at year end	<u>-</u>	<u>6,041,980</u>



11 TAXATION

The Fund is exempt from 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% of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its certificate holders. The management intends to avail the tax benefit at the year end.

12 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include National Asset Management Company Limited being the Management Company and First Dawood Investment Bank Limited being the trustee of the Fund.

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

Details of transactions and balances with connected persons are as follows:

	(Un-audited) March 31, 2009	(Audited) June 30, 2008
	----- Rupees -----	
12.1 Transactions during the period		
National Asset Management Company Limited - Management Company		
Management Company fee	17,348,284	32,617,431
Preliminary expenses and floatation costs incurred	-	-
Certificates issued (No. of certificates 10,000,000)	-	-
First National Equities Limited		
Brokerage	178,097	433,364
Purchase transactions of marketable securities	100,912,840	488,583,703
Sale transactions of marketable securities	68,702,401	484,771,552
Certificates issued (No. of certificates 2,000,000)	-	-
First Pakistan Securities		
Brokerage	1,660	900
Purchase transactions of marketable securities	1,631,422	1,344,500
Sale transactions of marketable securities	-	-
Certificates issued (No. of certificates 1,500,000)	-	-
Switch Securities Limited		
Brokerage	60	26,199
Purchase transactions of marketable securities	7,350	13,378,650
Sale transactions of marketable securities	7,500	6,049,225
The Bank of Khyber		
Certificates issued (No. of certificates 6,867,333)	-	-
First Dawood Investment Bank Limited - Trustee		
Fee charged	514,344	844,446
Executives of the Management Company		
Certificates issued (No. of certificates 7,500)	-	-



NAMCO BALANCED FUND

	(Un-audited) March 31, 2009	(Audited) June 30, 2008
	----- Rupees -----	
12.2 Transactions outstanding at the period end		
National Asset Management Company Limited - Management Company		
Fee payable	1,675,820	2,542,288
Balance payable in respect of preliminary expenses and floatation costs	5,405,958	7,207,944
Certificates in issue (No. of certificates 10,000,000)	100,000,000	100,000,000
First National Equities Limited		
Brokerage payable	43,131	86,407
Certificates in issue (No. of certificates 2,000,000)	20,000,000	20,000,000
First Pakistan Securities		
Brokerage payable	1,169	1,169
Certificates in issue (No. of certificates 1,500,000)	15,000,000	15,000,000
Switch Securities Limited		
Brokerage payable	3,299	3,237
The Bank of Khyber		
Certificates in issue (No. of certificates 6,867,333)	68,673,330	68,673,330
First Dawood Investment Bank Limited - Trustee		
Fee payable	57,767	67,028
Executives of the Management Company		
Certificates in issue (No. of certificates 7,500)	75,000	75,000

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 27, 2009 by the Board of Directors of the Management Company.

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

Chief Executive

Director

Director



NAMCO BALANCED FUND

STATEMENT OF INCOME & EXPENDITURE IN RELATION TO THE INVESTMENT COMPANY FOR THE NINE MONTHS ENDED MARCH 31, 2009

	2009	2008
	-----Rupees-----	
INCOME		
Investment adviser's remuneration from NAMCO Balanced Fund	17,348,284	24,363,938
OPERATING EXPENSES		
Personnel cost	8,827,617	9,184,450
Office premises rent	323,118	450,000
Technical and professional services	759,246	1,381,916
Printing, stationery & other supplies	171,408	268,679
Travelling & conveyance	86,410	319,999
Staff training	51,086	19,500
Communication cost	593,824	299,310
Depreciation	533,671	982,289
Business promotion and Advertisement	110,616	132,900
Repair and maintenance	50,967	221,002
Fees and subscription	693,936	790,087
	<u>12,201,899</u>	<u>14,050,132</u>
Net Income for the period	<u>5,146,385</u>	<u>10,313,806</u>

Note: Other revenue and expenses not directly relating to the Fund have not been included in the above statement.