


MISSION STATEMENT



To rank in the top quartile
in performance of
NAFA FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.

NAFA STOCK FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Shahid Anwar Khan	Chairman
Mr. Amir Shehzad	Director
Mr. Wah Geok Sum	Director
Mr. Patrick Pang Chin Hwang	Director
Mr. Shehryar Faruque	Director
Mr. Kamal Amir Chinoy	Director
Dr. Asif A. Brohi	Director
Dr. Amjad Waheed	Chief Executive Officer

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Patrick Pang Chin Hwang	Chairman
Mr. Shehryar Faruque	Member
Mr. Amir Shehzad	Member

Trustee

Central Depository Company of Pakistan Limited (CDC)
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shakra-e-Faisal, Karachi.

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Summit Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Deutsche Bank
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
KASB Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Silk Bank Limited
Soneri Bank Limited
Standard Chartered Bank (PAK) Limited
The Bank of Punjab
United Bank Limited

Auditors

M. Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court,
A-35, Block 7 & 8,
KCHSU, Sharae Faisal
Karachi-75350 Pakistan

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

9th Floor, Adamjee House,
I.I. Chundrigar Road,
Karachi

Lahore Office:

House # 10 - A, Block -S, Gulberg - II, Lahore.
UAN: (+92-42) 111-111-NFA (632)
Fax No: (+92-42) 35760373

Islamabad Office:

Plot No. 395, 396
Industrial Area, 1-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

1st Floor, Haji Tehmas Centre,
Near KFC, Tehkal Payan
University Road, Peshawar.
Phone: 92-91-5711784, 5711782
Fax: 92-91-5211780

Multan Office:

NBP Corporate Branch
3rd Floor, Park Lane Tower, Near Shahjahan Banquet Hall,
Officers Colony, Khanewal Road. Multan.
Tel : 92-061-6214070
Fax: 92-061-6214062
UAN: 92-061-111-111-632

NAFA STOCK FUND

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NAFA STOCK FUND

DIRECTORS' REPORT

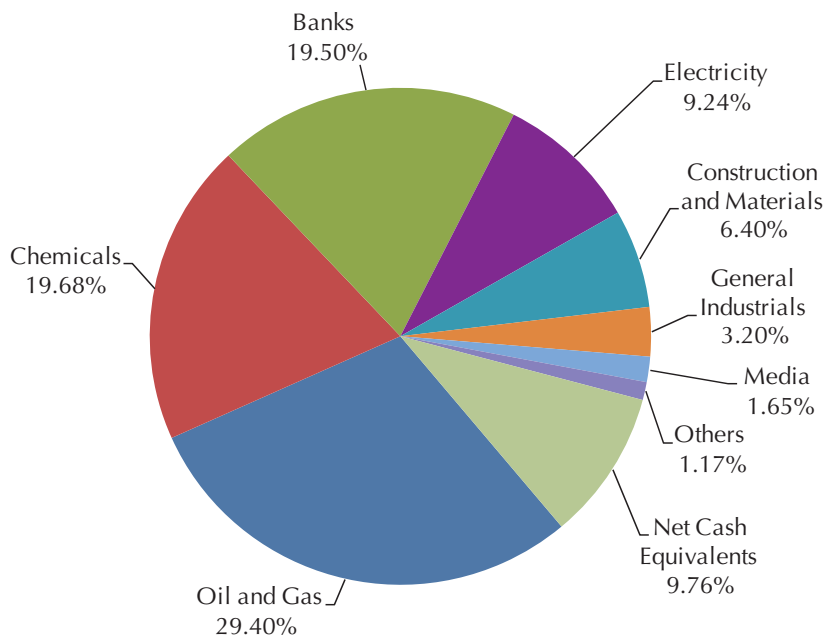
The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited (reviewed) financial statements of NAFA Stock Fund for the half year ended December 31, 2011.

Fund's Performance

During the first half, the unit price of NAFA Stock Fund (NSF) has decreased from Rs.6.5095 (Ex-Div) on June 30, 2011 to Rs.6.065 on December 31, 2011, thus showing a decline of 6.83%, as compared to its Benchmark's (KSE-30 Index) negative return of 12.15%, for the same period. Thus, the Fund has outperformed its Benchmark by 5.32% during the period under review. Since inception (January 22, 2007), the unit price of the Fund has shown a growth of 5.46% as compared to 24.00% decrease in its Benchmark. Thus, the Fund has outperformed its Benchmark by 29.46% since inception. This performance is net of management fee and all other expenses. The Fund size of NSF at the end of the period stood at Rs.837 million, i.e. a decline of 9.71% compared to the June 30, 2011.

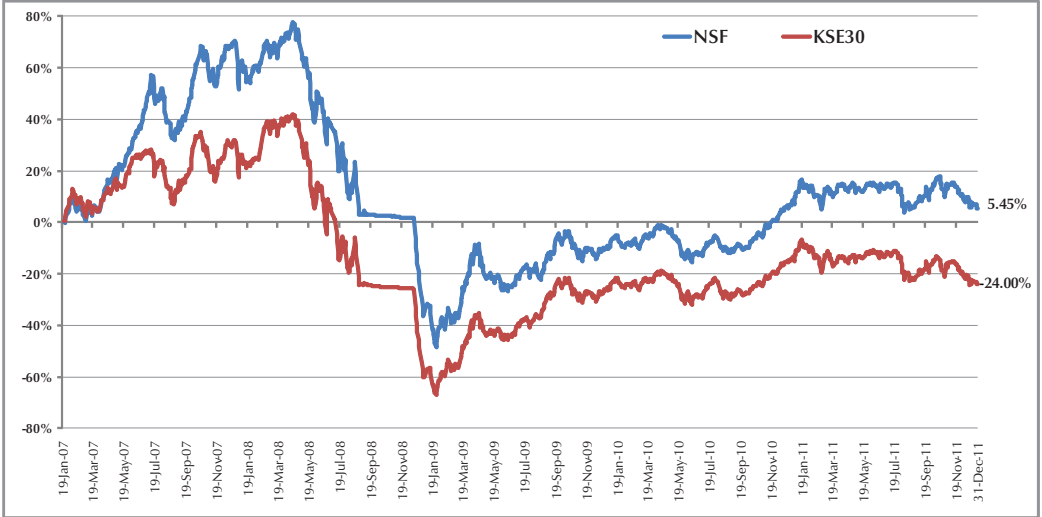
The stock market depicted a downward trend during 1HFY12 due to economic slowdown primarily stemming from shortfall in energy and subdued foreign investment activity. Among the out-performers for the period were Oil & Gas, Construction & Materials, Chemicals, Electricity and Financial Services sectors. On the other hand, Banking, Fixed Line Communication, Food Producers and Industrial Engineering sectors were among laggards. Investment activity remained subdued with daily traded volume of mere 60m shares.

The Fund incurred a loss of Rs.59.83 million during the period. After accounting for expenses of Rs.21.10 million, the total loss is Rs.80.93 million. The asset allocation of the Fund as on December 31, 2011 is as follows:



NAFA STOCK FUND

NSF Performance versus Benchmark (Since Inception)



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
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: February 17, 2012

Place: Karachi.

NAFA STOCK FUND

TRUSTEE REPORT TO THE UNIT HOLDERS

NAFA STOCK FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NAFA Stock Fund (the Fund) are of the opinion that NBP Fullerton Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2011 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Muhammad Hanif Jakhura

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: February 28, 2012

NAFA STOCK FUND

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of NAFA STOCK FUND (the Fund) as at December 31, 2011, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim distribution statement, condensed interim statement of changes in unit holders fund and notes to the accounts for the six month period ended December 31, 2011 (here-in-after referred to as the 'interim financial information'). NBP Fullerton Asset Management Limited (the management company) is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the three month period ended December 31, 2011 and 2010 have not been reviewed, as we are required to review only the cumulative figures for six months period ended December 31, 2011.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the six month period ended December 31, 2011 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The condensed interim financial information of the Fund for the half year ended December 31, 2010 and the financial statements of the Fund for the year ended June 30, 2011 were reviewed and audited by another firm of chartered accountants, who through their reports dated February 18, 2011 and October 3, 2011 expressed an unqualified conclusion and opinion thereon respectively.

M. Yousuf Adil Saleem & Co.
Chartered Accountants

Engagement Partner
Nadeem Yousuf Adil

Karachi
Date: February 17, 2012

NAFA STOCK FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2011

		(Un-audited) December 31, 2011	(Audited) June 30, 2011
	Note	-----Rupees in '000-----	
Assets			
Balances with banks		65,014	97,434
Investments	5	754,996	870,297
Receivable against sale of investments		23,343	9,291
Dividend and profit receivable	6	2,098	2,538
Deposits, prepayments and other receivables		2,814	2,740
Preliminary expenses and floatation costs		24	278
Total assets		848,289	982,578
Liabilities			
Payable to the Management Company		2,391	2,437
Payable to the Trustee		155	160
Payable to the Securities and Exchange Commission of Pakistan		447	907
Payable against purchase of investments		-	43,732
Payable against redemption of units		-	222
Accrued expenses and other liabilities	7	8,638	8,325
Total liabilities		11,631	55,783
Net assets		836,658	926,795
Unit holders' funds (As per Statement attached)		836,658	926,795
Contingencies and commitments			
	9	-----Number of units-----	
Number of units in issue		137,947,470	122,872,467
		-----Rupees-----	
Net asset value per unit		6.0650	7.5427

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2011

	Half year ended		Quarter ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Note -----Rupees in '000-----				
Income				
Net (Loss) / gain on sale of investments	(47,380)	48,069	(19,855)	40,688
Dividend Income	35,344	32,222	25,478	21,400
Profit on bank deposits	3,734	2,895	1,823	1,013
Income from government securities	1,036	1,575	548	50
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(52,567)	135,468	(71,506)	126,097
Total income	(59,833)	220,229	(63,512)	189,248
Expenses				
Remuneration of the Management Company	14,124	14,289	7,619	7,114
Sales tax on remuneration to the Management Company	2,260	-	1,220	-
Remuneration of the Trustee	929	952	495	474
Annual fee - Securities and Exchange Commission of Pakistan	447	452	241	225
Securities transaction costs	2,509	2,817	1,446	1,450
Settlement and bank charges	167	195	104	1
Amortisation of preliminary expenses and floatation costs	252	253	126	126
Auditors' remuneration	256	253	116	157
Fund rating fee	55	50	30	25
Legal and professional charges	-	25	-	10
Annual listing fee	20	20	10	10
Printing charges	76	44	30	(51)
Total expenses	21,096	19,350	11,438	9,541
Net (Loss) / income from operating activities	(80,929)	200,879	(74,950)	179,707
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed	-	(9,843)	-	(8,886)
Provision for Worker's Welfare Fund	-	(3,821)	-	(3,417)
Net (Loss) / income for the period before taxation	(80,929)	187,215	(74,950)	167,404
Taxation	10	-	-	-
Net (Loss) / income for the period after taxation	(80,929)	187,215	(74,950)	167,404
(Loss) / earnings per unit	11			

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2011

	Half year ended		Quarter ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
	-----Rupees in '000-----			
Net (loss) / income for the period after taxation	(80,929)	187,215	(74,950)	167,404
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(80,929)</u>	<u>187,215</u>	<u>(74,950)</u>	<u>167,404</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2011

	Half year ended		Quarter ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
	-----Rupees in '000-----			
Accumulated loss brought forward	(287,976)	(455,186)	(417,348)	(551,086)
Final distribution for the year ended - June 30, 2011: 14.032% (2010: 9.163%)				
- Bonus units: 15,601,886 (2010: 16,343,482)	(101,560)	(100,808)	-	-
- Cash Distribution	(25,392)	(23,246)	-	-
Element of income and capital gains included in prices of units sold less those in units redeemed amount representing income that forms part of the units holders' fund	19,633	81,411	16,074	73,068
Net (loss) / income for the period	(80,929)	187,215	(74,950)	167,404
	<u>(188,248)</u>	<u>144,572</u>	<u>(58,876)</u>	<u>240,472</u>
Accumulated loss carried forward	<u>(476,224)</u>	<u>(310,614)</u>	<u>(476,224)</u>	<u>(310,614)</u>

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

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2011

	Half year ended		Quarter ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
	-----Rupees in '000-----			
Net assets at the beginning of the period	926,795	959,138	894,395	942,274
Issue of 91,541,782 units (including 15,601,886 bonus units) (2010: 30,874,940 units)	498,600	208,443	329,611	118,456
Redemption of 76,466,779 units (2010: 52,120,578 units)	(482,416) 16,184	(349,331) (140,888)	(312,398) 17,213	(244,958) (126,502)
Final distribution (bonus) for the year ended June 30, 2011 : 15,601,886 units (June 30, 2010 : 16,343,482 Units)	101,560	100,808	-	-
Net element of income and capital gains included in prices of units issued less those in units redeemed				
- amount representing accrued loss and capital losses - transferred to income statement	-	9,843	-	8,886
- amount representing income and capital gains - transferred to distribution statement	(19,633) (19,633)	(81,411) (71,568)	(16,074) (16,074)	(73,068) (64,182)
Net unrealised (diminution) / appreciation on remeasurement on investments classified as 'fair value through profit or loss'	(52,567)	135,468	(71,506)	126,097
(Loss) / gain on sale of investments - net	(47,380)	48,069	(19,855)	40,688
Other operating income	19,018 (80,929)	3,678 187,215	16,411 (74,950)	619 167,404
Final distribution for the year ended June 30, 2011 (2010: 9.163%)				
- Bonus units: 15,601,886 (2010: 16,343,482 units)	(101,560)	(100,808)	-	-
- Cash distribution	(25,392)	(23,246)	-	-
	(207,881)	63,161	(74,950)	167,404
Other comprehensive income				
Element of income and capital gains included in prices of units issued less those in units redeemed	19,633	81,411	16,074	73,068
Net assets as at the end of the period	836,658	992,062	836,658	992,062

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

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2011

	Half year ended		Quarter ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
-----Rupees in '000-----				
CASH FLOW FROM OPERATING ACTIVITIES				
Net (loss) / income for the period before taxation	(80,929)	187,215	(75,384)	167,404
Adjustments				
Net unrealised diminution / (appreciation) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	52,567	(135,468)	71,506	(126,097)
Amortisation of preliminary expenses and floatation costs	253	253	127	126
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed	-	9,843	-	8,886
	(28,109)	61,843	(3,751)	50,319
(Increase) / decrease in assets				
Receivable from sale of investments	(14,052)	(8,444)	(23,343)	(8,444)
Investments - net	62,735	99,044	41,266	29,772
Dividend and profit receivable	440	4,060	624	8,837
Deposits, prepayments & other receivables	(74)	931	357	1,459
	49,049	95,591	18,904	31,624
Increase / (decrease) in liabilities				
Payable to the Management Company	(46)	(174)	242	(231)
Payable to the Trustee	(5)	8	15	11
Payable to Securities and Exchange Commission of Pakistan	(460)	(757)	242	225
Payable against purchase of investments	(43,732)	11,460	(9,182)	(11,838)
Accrued expenses and other liabilities	313	4,066	(195)	4,150
	(43,930)	14,603	(8,878)	(7,683)
	(22,990)	172,037	6,275	74,260
Net cash used in / generated from operating activities				
CASH FLOW FROM FINANCING ACTIVITIES				
Net receipts from issue of units	498,600	208,443	329,611	118,456
Net payments on redemption of units	(482,638)	(348,304)	(312,398)	(245,239)
Distribution paid	(25,392)	(23,246)	-	-
	(9,430)	(163,107)	17,213	(126,783)
Net cash flow from financing activities	(32,420)	8,930	23,488	(52,523)
Net (decrease) / increase in cash and cash equivalents during the period				
	97,434	22,404	41,526	83,857
Cash and cash equivalents at the beginning of the period				
	65,014	31,334	65,014	31,334
Cash and cash equivalents at the end of the period				

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

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2011

1. LEGAL STATUS AND NATURE OF BUSINESS

NAFA Stock Fund (NSF) ('the Fund') was established under a Trust Deed executed between NBP Fullerton Asset Management Limited (NAFA) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on December 06, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 20, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 9th Floor, Adamjee House, I.I.Chundrigar Road, Karachi. The Management Company is a member of Mutual Funds Association of Pakistan (MUFAP).

The Fund is an open-ended equity scheme and its units are 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 provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of AM2- to the Management Company and has assigned short term performance ranking of "Four Star" to the Fund.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of IAS 34: 'Interim Financial Reporting' (IAS 34), the Trust Deed, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). In cases where requirements differ, the requirements of the Trust Deed, NBFC Rules, NBFC Regulations or the said directive takes precedence.

2.2 These condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with financial statements of the fund for the year ended June 30, 2011.

2.3 These condensed interim financial information are unaudited. However, a limited scope review has been performed by the statutory auditors in accordance with the requirements of the Code of Corporate Governance.

2.4 The directors of the asset management company declare that these condensed interim financial statements give a true and fair view of the Fund.

NAFA STOCK FUND

3. 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 of the Fund for the year ended June 30, 2011.

4 CHANGE IN ACCOUNTING ESTIMATE

During the current period, the Fund has revised its methodology for determination of element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed. As per the revised methodology, element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed is determined based on the income earned during the period and unrealised appreciation / (diminution) arising during the period on available for sale securities and is taken directly to the distribution statement. Previously, the element was recognised based on cumulative values of undistributed income and unrealised gain / loss on available for sale securities present in the net asset value of units. The element represented by income earned during the period was recognised in the income statement and the remaining amount was taken directly to the distribution statement.

The revised methodology, in the opinion of the management, reflects a more appropriate manner for determination of element. The change in the presentation of element in the financial statements has been based on the recommendation of the Institute of Chartered Accountants of Pakistan (ICAP) to the Securities and Exchange Commission of Pakistan (SECP). As per ICAP's recommendation to the SECP, element of income, being in the nature of "equalization account" does not qualify for recognition either as expense or income as per International Financial Reporting Standards (IFRSs). Therefore, in order to enhance harmonization of mutual fund accounting with the primary accounting framework, the net balance of element of income at the end of the reporting period has been recognised directly in the distribution statement.

The change did not have any impact on the net assets value (NAV) of the Fund. Had the management not revised its methodology:

- loss for the year would have been lower by Rs. 19.6 million
- amount taken to distribution statement would have been lower by Rs. 52.6 million

		(Un-audited) December 31, 2011	(Audited) June 30, 2011
	Note	Rupees in '000	
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Investments in shares of listed companies	5.1	754,996	870,297
Investment in government securities - Market Treasury Bills	5.3	-	-
		<u>754,996</u>	<u>870,297</u>

NAFA STOCK FUND

5.1 Investments in shares of listed companies at fair value through profit or loss

Name of the investee company	As at July 1, 2011	Purchases during the period	Bonus / right shares	Sales during the period	As at December 31, 2011	Market value as at December 31, 2011	Investment as a percentage of		
							Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of investee company held
----- Number of shares -----						(Rupees in '000)	----- % -----		
SHARES OF LISTED COMPANIES - Fully paid ordinary shares of Rs.10 each unless stated otherwise									
OIL AND GAS									
Attock Petroleum Limited	45,799	50,800	-	96,599	-	-	0.00%	0.00%	0.00%
Attock Refinery Limited	50,800	312,500	-	363,300	-	-	0.00%	0.00%	0.00%
National Refinery Limited	77,908	88,800	-	166,708	-	-	0.00%	0.00%	0.00%
Oil & Gas Development Company Limited	435,383	714,203	-	363,447	786,139	119,194	14.25%	15.79%	0.18%
Pakistan Oilfields Limited	267,100	194,305	-	234,605	226,800	78,575	9.39%	10.41%	0.96%
Pakistan Petroleum Limited	281,803	475,500	22,265	493,155	286,413	48,209	5.76%	6.39%	0.29%
Pakistan State Oil Company Limited	148,600	322,350	-	470,950	-	-	0.00%	0.00%	0.00%
CHEMICALS									
Engro Corporation Limited	237,269	1,147,500	-	804,800	579,969	53,763	6.43%	7.12%	1.77%
Fatima Fertilizer Company Limited	1,685,000	765,000	-	1,873,000	577,000	13,225	1.58%	1.75%	0.29%
Fauji Fertilizer Company Limited	658,245	718,500	-	723,500	653,245	97,686	11.68%	12.94%	0.96%
Fauji Fertilizer Bin Qasim Limited	900,100	1,324,000	-	2,224,100	-	-	0.00%	0.00%	0.00%
Lotte Pakistan PTA Limited	598,000	-	-	598,000	-	-	0.00%	0.00%	0.00%
CONSTRUCTION AND MATERIALS									
Lucky Cement Limited	137,886	866,500	-	686,301	318,085	23,869	2.85%	3.16%	0.10%
Thatta Cement Company Limited	1,250,000	-	-	-	1,250,000	29,688	3.55%	3.93%	1.57%
GENERAL INDUSTRIALS									
Thal Limited*	319,057	13,909	52,286	57,625	327,627	26,800	3.20%	3.55%	1.28%
INDUSTRIAL ENGINEERING									
Millat Tractors Limited*	24,100	22,738	-	46,838	-	-	0.00%	0.00%	0.00%
FOOD PRODUCERS									
Engro Foods	-	400,000	-	378,877	21,123	477	0.06%	0.06%	2.82%
PERSONAL GOODS									
Azgard Nine Limited (Non-voting)	806,400	-	-	-	806,400	5,645	0.67%	0.75%	1.24%
Nishat Chunian Limited	2,000	-	-	2,000	-	-	0.00%	0.00%	0.00%
Nishat Mills Limited	1,024	525,000	-	526,024	-	-	0.00%	0.00%	0.00%
MEDIA									
Hum Television Network Limited	860,779	-	-	-	860,779	13,772	1.65%	1.82%	1.72%
FIXED LINE TELECOMMUNICATION									
Pakistan Telecommunication Company Limited	-	552,500	-	552,500	-	-	-	-	-
Wateen Telecom Limited	1,500,000	-	-	-	1,500,000	2,685	0.32%	0.36%	0.24%
ELECTRICITY									
The Hulo Power Company Limited	2,199,099	1,830,000	-	1,769,588	2,259,511	77,275	9.24%	10.24%	0.20%
Nishat Power Limited	1,137,869	700,000	-	1,837,869	-	-	0.00%	0.00%	0.00%
COMMERCIAL BANKS									
Allied Bank Limited	467,648	124,000	-	89,526	502,122	27,049	3.23%	3.58%	0.06%
Bank Alifalah Limited	50,000	-	-	50,000	-	-	0.00%	0.00%	0.00%
Bank Al-Habib Limited	559,267	-	-	368,598	190,669	5,440	0.65%	0.72%	0.03%
MCB Bank Limited	231,569	800,800	-	589,104	443,265	59,663	7.13%	7.90%	0.06%
Meezan Bank Limited	1,626,292	-	-	1,626,292	28,265	28,265	3.38%	3.74%	0.23%
National Bank of Pakistan	321	1,978,192	-	1,675,239	303,274	12,449	1.49%	1.65%	0.02%
United Bank Limited	359,758	566,382	-	347,966	578,174	30,291	3.62%	4.01%	0.05%
NON LIFE INSURANCE									
TPL Direct Insurance	-	96,626	-	-	96,626	974	0.12%	0.13%	0.31%
FINANCIAL SERVICES									
Jahangir Siddiqui Company Limited	20,000	-	-	20,000	-	-	0.00%	0.00%	0.00%
SOFTWARE AND COMPUTER SERVICES									
Netsol Technologies Limited	3,880	-	-	3,880	-	-	0.00%	0.00%	0.00%
						754,996	90.24%	100%	
Carrying value as at December 31, 2011						807,561			

* The Face Value of shared held of Thal Limited & Millat Tractor is Rs.5

NAFA STOCK FUND

5.2 Investments include shares with market value of Rs 212.88 million which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the SECP

5.3 Investment in government securities - 'At fair value through profit or loss'

Issue Date	Tenor	Face Value				Market value as at December 31, 2011		
		As at July 1, 2011	Purchases during the period	Sales/ matured during the period	As at December 31, 2011	Market value as at December 31, 2011	Market value as a percentage of net assets	Market value as a percentage of total investment
----- (Rupees in '000) -----								
February 24, 2011	6 Months	-	50,000	50,000	-	-	-	-
March 10, 2011	6 Months	-	60,000	60,000	-	-	-	-
July 14, 2011	6 Months	-	60,000	60,000	-	-	-	-
						-	-	-

Carrying value as at December 31, 2011

6 DIVIDEND AND PROFIT RECEIVABLE

Dividend receivable on equity shares
Profit receivable on savings and term deposits

(Un-audited)
December 31,
2011

(Audited)
June 30,
2011

1,364 2,110
734 428

2,098 2,538

7 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable
Settlement charges payable
Bank Charges
Workers' Welfare Fund Payable
Others

8

252 285
24 81
34 40
7,041 7,041
1,287 878

8,638 8,325

8 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the year ended June 30, 2011.

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. This clarification was forwarded by Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) to its members for necessary action. Based on this clarification, the FBR also withdrew notice of demand which it had earlier issued to one of the mutual funds for collection of WWF. Notices of demand have also been issued to several other mutual funds and the matter has been taken up by the respective mutual funds with the FBR for their withdrawal on the basis of the above referred clarification of the Ministry.

Subsequent to the year ended June 30, 2011, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the LHC will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said constitutional petition, the Management Company, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs. 7.041 million in these financial information. No provision for WWF has been made during the period as the Fund has incurred a loss during the period.

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the period end.

10 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund intends to distribute such accounting income, if any, for the year ending June 30, 2012 to its unit holders. Accordingly, no tax liability has been recorded in the current period.

11 EARNINGS / (LOSS) PER UNIT

Earnings per unit (EPU) for the half year ended December 31, 2011 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

12.1 Connected persons of the Fund include NBP Fullerton Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited being the sponsors, NAFA Provident Fund Trust, other collective investment schemes managed by the Management Company and directors and officers of the Management Company.

12.2 The transactions with connected persons are at contracted rates.

12.3 Remuneration and front - end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively. Similarly, remuneration payable to Trustee is determined in accordance with the provisions of the Trust Deed.

NAFA STOCK FUND

12.4 Transactions during the period

	----- (Unaudited) -----			
	Half year ended		Quarter ended	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
-----Rupees in '000-----				
NBP Fullerton Asset Management Limited - Management Company				
Remuneration of Management Company	14,124	14,289	7,620	7,114
Front-end Load	6	215	1	104
National Bank of Pakistan - Sponsor				
Cash dividend	7,749	6,872	-	-
Alexandra Fund Management Pte. Limited - Sponsor				
Bonus units issued (1,392,347 units; December 31, 2010: 1,848,741 units;)	-	-	-	-
Units redeemed / transferred out (Nil units; December 31, 2010: 5,937,096 units)	-	40,000	-	40,000
Employees of the Management Company				
Units issued / transfered in (1,302,548 units ; December 31, 2010 :2,678,341 units)	8,464	-	5,453	-
Units redeemed / transferred out (958,804 units; December 31, 2010: 2,749,753 units)	6,213	-	3,270	-
Bonus units issued (4,670 units; December 31,2010 : 34,583 units)	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of trustee	929	952	495	474
CDS Charges	44	89	(33)	65
NAFA Provident Fund Trust - Provident Fund				
Units Issued / transfered in (2,823,053 units; December 31,2010: 2,474,306 units)	18,336	16,528	6,792	7,565
Units redeemed / transferred out (2,267,335 units; December 31 2010: Nil units)	17,331	15,021	6,777	6,734
Bonus units issued (81,397 units; December 31, 2010 77,088 units;)	-	-	-	-
NBP Employees Pension Fund				
Bouns units issued (4,077,451 units; December 31, 2010 3,165,194 units;)	-	-	-	-
Taurus Securities Limited				
Brokerage	128	-	50	-

NAFA STOCK FUND

	(Un-audited) December 31, 2011	(Audited) June 30, 2011
	(Rupees in '000)	
12.5 Balances outstanding as at period / year end		
NBP Fullerton Asset Management Limited - Management Company		
Management fee payable	2,343	2,404
Others	48	33
National Bank of Pakistan - Sponsor		
Investment held by the Sponsor in the Fund (7,500,000 units; June 30, 2011: 7,500,000 units)	45,488	56,570
Deposit held by the Fund with the Sponsor	647	783
Alexandra Fund Management Pte. Limited - Sponsor		
Investment held by the Sponsor in the Fund (10,164,592 units; June 30, 2011: 8,772,245 units)	61,648	66,166
Employees of the Management Company		
Investment held by the Fund (377,839 units; June 30, 2011: 29,426 units)	2,292	222
Central Depository Company of Pakistan Limited - Trustee		
Payable to Trustee	155	160
CDS charges payable	44	81
Security Deposit	100	100
NAFA Provident Fund Trust - Provident Fund		
Investment held in the Fund (684,188 units; June 30, 2011: 512,824 units)	4,150	3,868
NBP Employees Pension Fund		
Investment held in the Fund (29,766,738 units; June 30, 2011: 21,306,598 units)	180,535	193,767
Taurus Securites Limited		
Brokerage payable	-	67

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue on 17 Feb, 2012 by the Board of Directors of the Management Company.

14 GENERAL

14.1 Figures have been rounded off to the nearest thousand rupees.

14.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of comparison.

14.3 The bifurcation of undistributed income into realised and unrealised income at the beginning and end of the period as required by the NBFC Regulations has not been disclosed as such bifurcation is not practicable.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director