

NAFA Stock Fund (NSF)



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/12/2016): Rs.17.5103

December 2016

Performance %

Performance Period	Dec 2016	FYTD 2017	Rolling 12 Months Jan 16-Dec 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch January 19, 2007*
NAFA Stock Fund	10.8%	32.6%	51.5%	11.4%	36.9%	36.3%	55.0%	22.0%	19.5%
Benchmark**	14.0%	22.8%	42.7%	7.1%	12.3%	29.6%	36.0%	2.9%	8.8%

* Annualized Return
All Other returns are Cumulative

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.
**From January 01, 2014, KSE-30 Total Return Index

General Information

Launch Date:	January 19, 2007
Fund Size:	Rs. 15,080 million
Type:	Open-end – Equity Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	(Mon - Thr) 9:00 A.M to 5:00 P.M (Friday) 9:00 A.M to 5:30 P.M
Settlement:	2-3 business days
Pricing Mechanism:	Forward Pricing
Load:***	Front End Load (Individual): 3% (Nil on investment above Rs. 101 million) Front End Load (Other): 3% (Nil on investment above Rs. 50 million) Back End Load: NIL
Management Fee:	2% per annum
Total Expense Ratio (%)	2.70% p.a.(including 0.37% government levies)
Risk Profile:	High
Listing:	Pakistan Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	KPMG Taseer Hadi & Co, Chartered Accountants
Benchmark:	KSE-30 Total Return Index
Fund Manager:	Asim Wahab Khan, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2++ by PACRA (High Investment Management Standards)

*** effective from January 02, 2017

Asset Allocation (% of Total Assets) 30-Dec-16 30-Nov-16

Equities / Stock	89.9%	86.7%
Cash	9.7%	12.1%
Others including receivables	0.4%	1.2%
Total	100.0%	100.0%
Leverage	Nil	Nil

Characteristics of Equity Portfolio****

	PER	PBV	DY
NSF	10.2	3.2	4.0%
KSE-30	11.2	2.8	4.9%

**** Based on NAFA's estimates

Top Five Sectors (% of Total Assets) (as on 30 Dec, 2016)

Commercial Banks	16.0%
Cement	15.7%
Oil & Gas Exploration Companies	12.6%
Fertilizer	9.2%
Textile Composite	9.0%
Others	27.4%

WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 47,574,549/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0552/0.51%. For details investors are advised to read the Note 11 of the Financial Statements of the Scheme for the period ended September 30, 2016. From July 01, 2015 Workers Welfare Fund (WWF) is not being charged.

Notes: 1) The calculation of performance does not include cost of front end load.
2) Taxes apply. Further, tax credit also available as per section 62 of the Income Tax Ordinance, 2001.

Disclaimer: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Documents to understand the investment policies and the risks involved.

Investment Objective

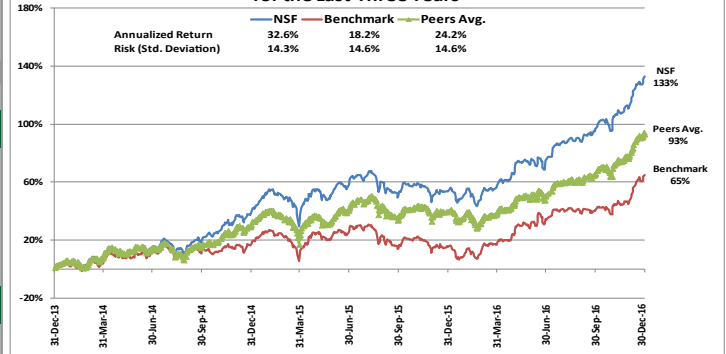
To provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan. The risk profile of the Fund will be moderate to high.

Fund Manager's Commentary

During the month under review, NAFA Stock Fund's (NSF) unit price (NAV) increased by 10.8%, whereas the Benchmark increased by 14.0%, thus an underperformance of 3.2% was recorded. Since inception on January 19, 2007 your Fund has posted 19.5% p.a return, versus 8.8% p.a by the Benchmark. Thus, to-date the outperformance of your Fund stands at 10.7% p.a. This outperformance is net of management fee and all other expenses.

NSF started off the month with an allocation of around 87% in equities, which increased to around 90% towards the end of the month. NSF underperformed the Benchmark in December as the Fund was underweight in select Commercial Banks, Oil & Gas Exploration Companies, Oil & Gas Marketing Companies, Power Generation & Distribution Companies, and Pharmaceuticals sectors stocks which outperformed the market and overweight in select Textile Composite, Engineering, Technology & Communication, Automobile Assembler, and Transport sectors stocks which underperformed the market. During the month, the allocation was increased primarily in Commercial Banks, Oil & Gas Exploration Companies, and Cements sectors, whereas it was reduced primarily in Food & Personal Care Products, Engineering, Glass & Ceramics, and Technology & Communication sectors.

Relative Performance of NAFA Stock Fund (NSF) for the Last Three Years



Top Ten Equity Holdings (as on 30 Dec, 2016)

Name	% of Total Assets	Name	% of Total Assets
Engro Corporation Ltd	5.1%	MCB Bank Ltd	3.4%
Pakistan State Oil Co Ltd	4.2%	Lucky Cement Ltd	3.3%
Mari Petroleum Co Ltd	3.9%	Nishat Mills Ltd	3.2%
D G Khan Cement Co Ltd	3.8%	United Bank Ltd	3.1%
Habib Bank Ltd	3.7%	Pak Petroleum Ltd	3.0%

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Syed Suleman Akhtar, CFA
Asim Wahab Khan, CFA