



# NAFA Stock Fund (NSF)

**NBP Fullerton  
Asset Management Limited**

(Formerly National Fullerton Asset Management Limited)

Unit Price (31/07/2010): Rs. 6.6527 \*

July 2010

## Performance

Performance % **	July 2010	CYTD Jan. - July, 2010	Since Launch January 22, 2007
<b>NAFA Stock Fund</b>	<b>7.86%</b>	<b>6.01%</b>	<b>(4.91%)</b>
<b>Benchmark</b>	<b>9.70%</b>	<b>6.43%</b>	<b>(21.72%)</b>

\* Ex. Distribution Price

\*\* Cumulative returns are net of management fee & all other expenses

## General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 1,018 million
Type:	Open-end – Equity Fund
Dealing Days:	Daily – Monday to Friday
Dealing Time:	9:00 A.M to 4:30 P.M
Settlement:	2-3 business days
Pricing Mechanism	Forward Pricing
Load:	Front end – 3%, Back end - 0%
Management Fee:	3% per annum
Risk Profile	Moderate-to-High
Listing:	Lahore Stock Exchange
Custodian & Trustee:	Central Depository Company (CDC)
Auditors:	A. F. Ferguson & Co. Chartered Accountants
Benchmark:	KSE-30 Index
Fund Manager:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2- by PACRA

## 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, KSE-30 Index increased by 9.70%, whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) increased by 7.86%. Since inception on January 22, 2007, the NAV of NSF has declined by 4.91% while that of the benchmark (KSE-30 Index) has declined by 21.72%, thus to date out-performance is 16.81%.

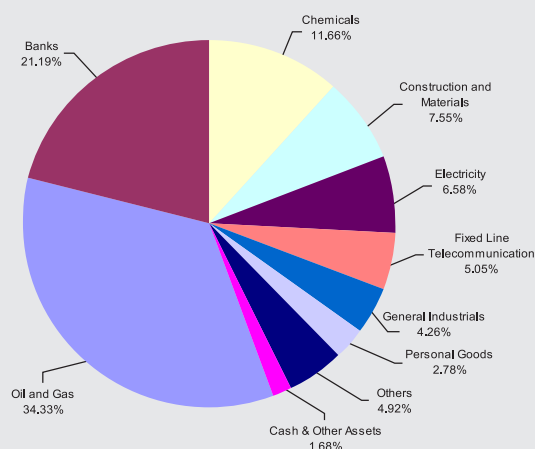
NSF underperformed during the month. This is attributable to under performance of some holdings mainly in the Textile sub sector as well as Media, Fixed Line Telecommunication and Banking sectors. We expect some of these stocks to do well in the coming months.

At the start of the month NSF was 97.51% invested in equities. During the month the stock market maintained a rising trend. Therefore, NSF remained fully invested and at the end of the month was 98.32% invested in equities. The market remained positive on clarification of Capital Gains Tax modalities, good corporate earnings expectations and forthcoming launch of the new leverage product i.e. Margin Trading System. We made no significant adjustments in the sector and stock allocations of NSF during the month. However, we further enhanced the weightage of the Cement sub sector as cement prices further firmed up and profitability prospects improved. On the other hand, we marginally reduced the weightage of the Oil and Gas sector. The investment of NSF in stocks in the General Industrials, Oil and Gas and Power sectors performed better than the market.

Valuations of the market remain attractive with the results season likely to maintain investor interest. Going forward, NSF will make proactive adjustments to the portfolio in light of the changing market conditions.

Asset Allocation %	July-10	June-10
Equities / Stock	98.32%	97.51%
Cash Equivalents	4.34%	2.36%
Other Net Assets / (Liabilities)	-2.66%	0.13%
Leverage	Nil	Nil

## Asset Allocation (as on 31st July 2010)



## Top Ten Holdings

MCB	Equity	10.38%	ENGRO	Equity	6.03%
OGDC	Equity	9.97%	FFC	Equity	5.60%
PPL	Equity	9.86%	NBP	Equity	4.31%
POL	Equity	6.64%	THALL	Equity	4.26%
HUBC	Equity	6.58%	PTC	Equity	4.18%

## Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA  
Sajjad Anwar, CFA  
Tanvir Abid, CFA

**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 the fund. All investments in mutual funds are subject to market risks. The price of units may go up as well as down. Past performance is not necessarily indicative of future results.