

# NAFA Stock Fund (NSF)



MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/10/2016): Rs.14.7135

October 2016

## Performance %

Performance Period	Oct 2016	FYTD 2017	Rolling 12 Months Nov 15 - Oct 16	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	Since Launch January 19, 2007*
NAFA Stock Fund	(0.4%)	11.4%	23.7%	11.4%	36.9%	36.3%	55.0%	22.0%	17.8%
Benchmark**	(1.9%)	2.8%	13.8%	7.1%	12.3%	29.6%	36.0%	2.9%	7.0%

\* 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. 11,420 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: 3% (Nil on investment above Rs. 50 million), Back end: 0%
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)

## 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) decreased by 0.4%, whereas the Benchmark decreased by 1.9%, thus an outperformance of 1.5% was recorded. Since inception on January 19, 2007 your Fund has posted 395.7% cumulative return, versus 93.9% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 301.8%. This outperformance is net of management fee and all other expenses.

NSF started off the month with an allocation of around 90% in equities which decreased to around 87% towards the end of the month. NSF outperformed the Benchmark in October as the Fund was underweight in select Power Generation & Distribution Companies, Oil & Gas Exploration Companies, Technology & Communication, and Automobile Assembler sectors stocks which underperformed the market and overweight in select Textile Composite, Oil & Gas Marketing Companies, Cement, and Transport sectors stocks which outperformed the market. During the month, the allocation was primarily increased in Cement, Oil & Gas Exploration, and Fertilizer sectors, whereas it was reduced primarily in Engineering, Glass & Ceramics, and Automobile Parts & Accessories sectors.

## Asset Allocation (% of Total Assets) 31-Oct-16 30-Sep-16

	31-Oct-16	30-Sep-16
Equities / Stock	87.3%	89.8%
Cash	11.5%	9.0%
Others including receivables	1.2%	1.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*\*

	PER	PBV	DY
NSF	9.3	2.7	4.7%
KSE-30	9.4	2.2	5.5%

\*\*\* Based on NAFA's estimates

## Top Five Sectors (% of Total Assets) (as on 31 Oct, 2016)

Commercial Banks	15.7%
Cement	13.4%
Oil & Gas Exploration Companies	12.4%
Fertilizer	9.4%
Oil & Gas Marketing Companies	7.5%
Others	28.9%

## WORKERS' WELFARE FUND (WWF)

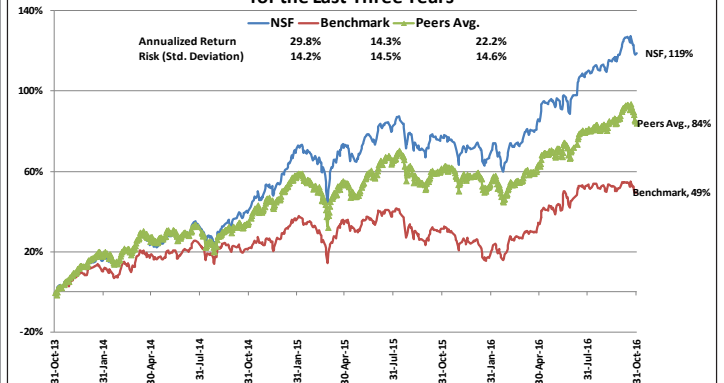
The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 47,574,549/-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.0613/0.53%. For details investors are advised to read the Note 11 of the Financial Statements 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.

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



## Top Ten Equity Holdings (as on 31 Oct, 2016)

Name	% of Total Assets	Name	% of Total Assets
Engro Corporation Ltd	4.9%	United Bank Ltd	3.3%
Pakistan State Oil Co. Ltd	4.9%	Oil & Gas Dev Co Ltd	3.3%
Nishat Mills Ltd	3.8%	MCB Bank Ltd	3.2%
Mari Petroleum Co Ltd	3.6%	Indus Motor Company Ltd	3.2%
Habib Bank Ltd	3.4%	Engro Fertilizer Ltd	2.9%

## Name of the Members of Investment Committee

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