



National Fullerton
Asset Management Limited

NAFA Stock Fund (NSF)

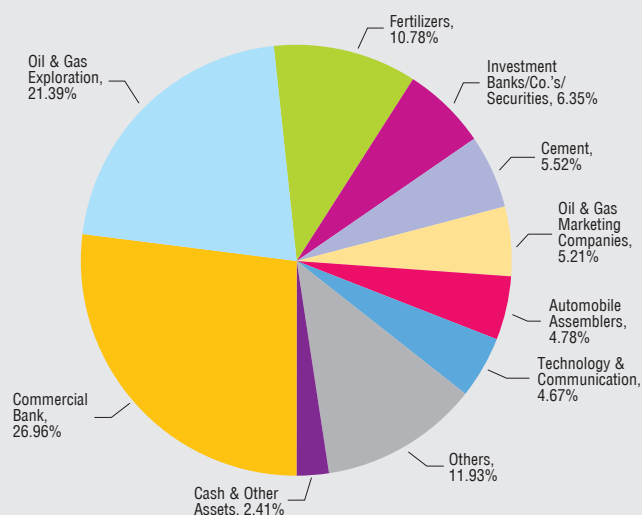
Unit Price (30/09/2009): Rs. 7.4097

September 2009

Investment Objective	Performance					
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.	Performance (%)	Jan - Dec 2007	Jan - Dec 2008	Jul - Aug 2008 - 09	Sep 2009	Since Launch January 22, 2007
	NAFA Stock Fund	61.59%	(60.21)%	(38.77)%	8.41%	(7.79)%
	Benchmark	24.82%	(67.19)%	(34.94)%	7.62%	(25.10)%
Returns are net of management fee & all other expenses						

General Information	Fund Manager's Commentary
Launch Date: January 22, 2007 Fund Size: Rs. 1,426 million Type: Open-end - Equity Fund Dealing: Daily - Monday to Friday Settlement: 2-3 business days Load: Front end - 3%, Back end - 0% Management Fee: 3% per annum	During the month under review, KSE-30 Index increased by 7.62%, whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) increased by 8.41%, thus an out-performance of 0.79% was recorded. Since inception on January 22, 2007 the NAV of NSF has declined by 7.79% and the benchmark has declined by 25.10%, thus to date out-performance is 17.31%.
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 Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	

Asset Allocation (as on 30th September 2009)



The euphoric trend in the market continued on the back of sizeable foreign inflows, issue of PKR 85 bn TFC that has considerably eased the circular debt issue and good corporate earnings announced. During the month, positive sector specific developments were seen, particularly in the energy and fertilizer sector. Net foreign inflows during September stood at USD 126 mn outpacing USD 94 mn inflows during August. Market Average Daily Traded Value during September further increased to PKR 14.78 bn as against PKR 9.25 bn in August. Approval of the Kerry-Lugar bill assistance package for Pakistan by the United States also improved the investor sentiment.

NSF had high concentration in selected energy, fertilizer, banking and automobile stocks. Outperformance of these stocks enabled the Fund to perform better than the Benchmark. The energy exploration rallied on several notable oil and gas discoveries while the fertilizer sector was driven by higher sales. The automobile sector depicted good financial results on improved sales and margins. In banks, the Fund had exposure in selected index stocks that outperformed on easing concerns over NPL's and impairment losses.

Towards the end of the month, as the KSE-100 Index rallied towards the 10000 level, the market took a breather. In the September review, SBP has decided to keep the monetary stance unchanged on concerns over inflation and the external account. The Fund is shifting exposure from stocks that have recently outperformed to undervalued and growth stocks. Gradual improvement of liquidity in the financial system, improved security situation in the country and prospects of foreign inflows are expected to support the market in the coming months.

Disclaimer: The price of units may go down as well as up. Please refer to the respective offering document(s).