



# NAFA Stock Fund (NSF)

NBP Fullerton  
Asset Management Limited

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (30/09/2011): Rs. 6.4920

September 2011

## Performance

Performance % *	September 2011	Jan. - Sep. 2011	Trailing 12 Months	Since Launch January 22, 2007
NAFA Stock Fund	5.10%	3.86%	25.33%	12.87%
Benchmark	6.40%	(3.17%)	15.99%	(16.22%)

\* Cumulative returns are net of management fee, Workers' Welfare Fund (WWF) provisioning & all other expenses

## General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 894 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:	M. Yousuf Adil Saleem & 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-'Positive Outlook' 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 Commentary

During the month under review, KSE-30 Index increased by 6.40% whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) increased by 5.10%, thus an under-performance of 1.30% was recorded. Since inception on January 22, 2007 the NAV of NSF has increased by 12.87% while the benchmark has declined by 16.22%, thus to date out-performance is 29.09%. This out-performance is net of management fee and all other expenses.

During the month, the stock market recovered on lower CPI inflation numbers of August and prospects of further cut in the Discount Rate by the SBP in its Monetary Policy review in October. NSF under-performed as the Fund was under-weight in selected stocks in the Chemicals and Banking sectors that performed better than the market. Further, some of NSF's holdings in the Oil & Gas sector under-performed the market. At the start of the month NSF was around 81% invested in equities. During the month we significantly enhanced the allocation of the Fund in the Fertilizer sub-sector and the Banking sector.

The weightage in the Oil & Gas Exploration and Oil Marketing Companies sub-sectors was also increased. On the other hand, the allocation of the Fund in the Refineries and Jute sub-sectors was reduced. The weightage in the high dividend yielding Electricity sector was maintained. At the end of the month, NSF was around 97% invested in equities. During the month, NSF's key holdings in the Fertilizer sub-sector out-performed the market, which benefited the Fund. Moreover, during the beginning of the month NSF was under-weight in the Industrial Engineering sector that under-performed, thereby benefiting the Fund.

We are vigilant to the developments in the capital markets and will adjust the portfolio allocations of NSF accordingly.

## Asset Allocation (% of NAV) 30-Sep-11 30-Aug-11

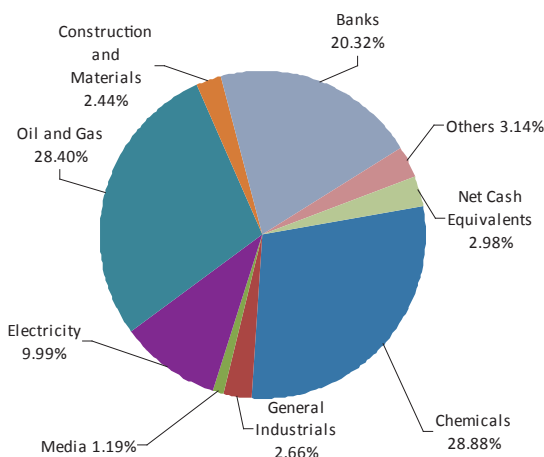
Asset Allocation (% of NAV)	30-Sep-11	30-Aug-11
Equities / Stock	97.02%	80.80%
Cash Equivalents	4.20%	12.15%
T-Bills	-	7.48%
Other Net (Liabilities)	-1.22%	-0.43%
Total	100.00%	100.00%
Leverage	Nil	Nil

## Characteristics of Equity Portfolio\*\*

	PER	PBV	DY
NSF	6.2	1.4	7.5%
KSE-30	7.0	3.2	7.2%

\*\* Based on NAFA's estimates

## Asset Allocation (as on 30th September 2011)



## Top Ten Equity Holdings (as on 30th September 2011)

Name	% of NAV	Name	% of NAV
Fauji Fertilizer Co. Ltd.	12.36%	Pak Petroleum Ltd.	6.44%
Hub Power Co. Ltd.	9.06%	Fauji Fertilizer Bin Qasim	5.88%
Pakistan Oilfields Ltd.	9.03%	Oil & Gas Dev.Co	5.21%
Engro Corp. Limited	7.09%	Meezan Bank Ltd.	3.65%
MCB Bank Limited	6.85%	Fatima Fertilizer Co.	3.55%

## Name of the Members of Investment Committee

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

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