



NAFA Stock Fund (NSF)

NBP Fullerton
Asset Management Limited

MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (29/07/2011): Rs.6.4551*

July 2011

Performance

Performance % **	July 2011	Jan. - Jul. 2011	Trailing 12 Months	Since Launch January 22, 2007
NAFA Stock Fund	(0.84%)	3.27%	18.98%	12.23%
Benchmark	(0.23%)	(0.24%)	10.97%	(13.68%)

* Ex-Dividend Price

** 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. 892 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 (Retired as of June 30, 2011)
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 decreased by 0.23% whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) decreased by 0.84%, thus an under-performance of 0.61% was recorded. Since inception on January 22, 2007 the NAV of NSF has increased by 12.23% while the benchmark has declined by 13.68%, thus to date out-performance is 25.91%. This out-performance is net of management fee and all other expenses.

At the start of the month, NSF was around 94% invested in equities. Ahead of the results season, the stock market remained sideways to slightly positive during most of July 2011. However, towards the end of the month the market weakened on the back of foreign selling. Among others, NSF's key holding in the Cement sub-sector lagged the market that contributed to the under-performance of the Fund. In addition, the Fund was under-weight in selected companies in the banking sector, which out-performed the market. NSF's key holding in the Electricity sector performed better than the market, which contributed to the performance of the Fund. Our strategy to remain overweight in the selected high dividend yielding companies in the Fertilizer sub-sector, which out-performed the market, benefited NSF. Moreover, our underweight stance in the key fertilizer stock that lagged the market also benefited the Fund. NSF's under-weight stance in the Fixed Line Telecommunication sector, which lagged the market, also contributed to its performance during the month.

Asset Allocation (% of NAV) 29-Jul-11 30-Jun-11

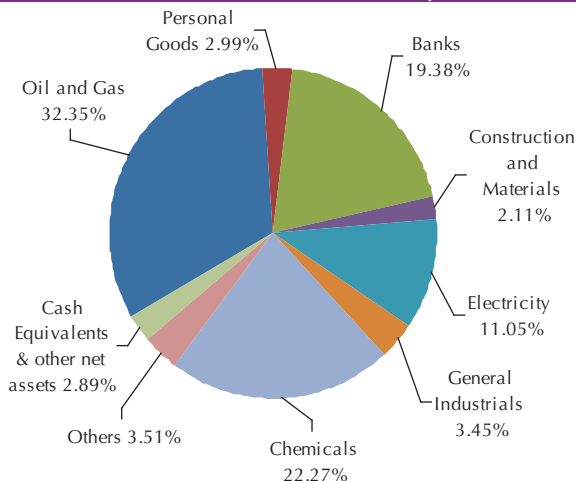
Equities / Stock	97.11%	93.90%
Cash Equivalents	1.27%	10.51%
Other Net Assets / (Liabilities)	1.62%	-4.41%
Total	100.00%	100.00%
Leverage	Nil	Nil

Characteristics of Equity Portfolio***

	PER	PBV	DY
NSF	6.3	1.3	7.4%
KSE-30	7.3	3.3	7.1%

*** Based on NAFA's estimates

Asset Allocation (as on 29th July 2011)



We enhanced the weightage of NSF in the Banking sector and Refineries and Textile sub-sectors. We reduced the weightage of the Fund in the Construction & Materials sector and Oil Marketing Companies sub-sector. On the other hand, the allocation of NSF was almost maintained in the Electricity sectors and Fertilizer sub-sector. At the end of the month, NSF was around 97% invested in equities.

We are cognizant to the events and happenings in the capital markets and will proactively rebalance the portfolio of NSF.

Top Ten Equity Holdings (as on 29th July 2011)

Name	% of NAV	Name	% of NAV
Fauji Fertilizer Co. Ltd.	10.63%	MCB Bank Limited	6.23%
Hub Power Co. Ltd.	9.16%	Fauji Fertilizer Bin Qasim	4.98%
Pakistan Oilfields Ltd.	8.68%	National Refinery Ltd.	3.92%
Oil & Gas Dev.Co	6.84%	Attock Refinery Ltd.	3.83%
Pak Petroleum Ltd.	6.31%	Engro Corporation Ltd.	3.60%

Name of the Members of Investment Committee

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

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. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.