



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (30/09/2013): Rs.8.9652

September 2013

Performance

| Performance % | September 2013* | FYTD Jul 2013 - Sep 2013 * | Trailing 12 Months Oct. 2012 - Sep. 2013* | Since Launch January 22, 2007** |
|-----------------|-----------------|----------------------------|---|---------------------------------|
| NAFA Stock Fund | (1.37%) | 3.75% | 39.25% | 12.63% |
| Benchmark | (3.88%) | 2.30% | 27.25% | 3.24% |

* Cumulative Returns
** Annualized Return [Net of management fee & all other expenses]

General Information

| | |
|-------------------------|---|
| Launch Date: | January 22, 2007 |
| Fund Size: | Rs. 1,082 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 Load: | Forward Pricing Front end – 3% (Nil on investment above Rs 16 million) Back end - 0% |
| Management Fee: | 2% per annum |
| Risk Profile: | 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: | Asim Wahab khan, CFA |
| Minimum Subscription: | Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/- |
| Asset Manager Rating: | AM2 by PACRA (very 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, the benchmark decreased by 3.9% whereas NAFA Stock Fund's (NSF) unit price (NAV) decreased by 1.4%, thus an outperformance of 2.5% was recorded. Since inception on January 22, 2007 your Fund has posted 121.9% return, versus 23.8% by the Benchmark. Thus, to-date the cumulative outperformance of your Fund stands at 98.1%. This outperformance is net of management fee and all other expenses.

The stock market rallied during the first half of the month on the perception of a benign IMF program, though the realization of tough quantitative targets set by the IMF and subsequent fall in PKR vs USD coupled with increase in Minimum Deposit Rate (MDR) led to around 8% decline in the market in the last 5 trading sessions. Overall, KSE-100 Index declined by 1.48% during September 2013. NSF started off the month with an allocation of around 81% in equities, which was reduced to around 73% towards the end of the month on the expectation of correction in the stock market driven by depreciation in PKR, further hike in interest rates and the liquidity tightening post the IMF program. The Fund outperformed the benchmark in September due to timely reduction in allocation to equities. During the month, allocation was reduced in all the sectors barring Banks, Fixed Line Telecommunication, and Personal Goods, where the allocation was increased.

Asset Allocation (% of Total Assets) 30-Sep-13 30-Aug-13

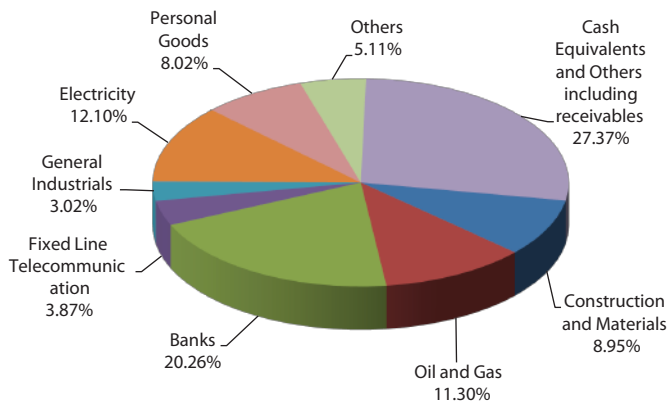
| | 30-Sep-13 | 30-Aug-13 |
|------------------------------|-----------|-----------|
| Equities / Stock | 72.63% | 80.58% |
| Cash Equivalents | 25.10% | 16.74% |
| Others including receivables | 2.27% | 2.68% |
| Total | 100.00% | 100.00% |
| Leverage | Nil | Nil |

Characteristics of Equity Portfolio***

| | PER | PBV | DY |
|--------|-----|-----|------|
| NSF | 6.8 | 1.7 | 7.9% |
| KSE-30 | 7.5 | 1.9 | 7.4% |

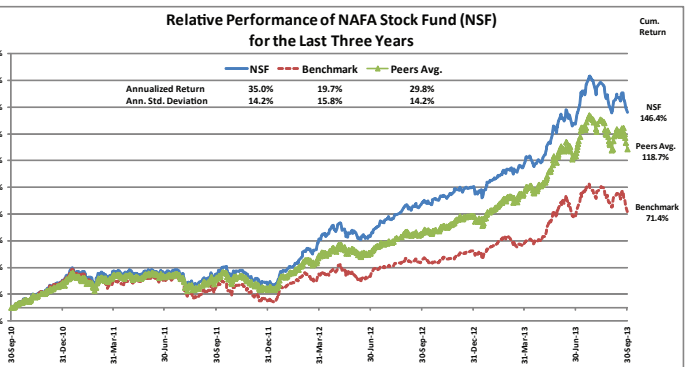
*** Based on NAFA's estimates

Asset Allocation (% of Total Assets) (as on 30th September, 2013)



WORKERS' WELFARE FUND (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of Rs 22,362,646 /-. If the same were not made the NAV per unit/ last one year return of scheme would be higher by Rs 0.1853 / 2.88%. For details investors are advised to read the Note 5 of the Financial Statements of the Scheme for the period ended March 31, 2013.



Top Ten Equity Holdings (as on 30th September, 2013)

| Name | % of Total Assets | Name | % of Total Assets |
|------------------------|-------------------|--------------------------------|-------------------|
| Bank Al-Falah Ltd | 6.23% | Nishat Mills Ltd | 3.95% |
| Meezan Bank Ltd | 6.08% | Pakistan Telecommunication Ltd | 3.87% |
| Kot Addu Power Co Ltd | 5.08% | Hub Power Company Ltd | 3.75% |
| Bank AL-Habib Ltd | 4.72% | Pakistan Oilfields Ltd | 3.74% |
| Pakistan Petroleum Ltd | 4.44% | Nishat (Chunian) Ltd | 3.57% |

Name of the Members of Investment Committee

Dr. Amjad Waheed, CFA
Sajjad Anwar, CFA
Syed Suleman Akhtar, CFA
Asim Wahab khan, CFA
Muhammad Imran, CFA, ACCA

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