



National Fullerton
Asset Management Limited

NAFA Stock Fund (NSF)

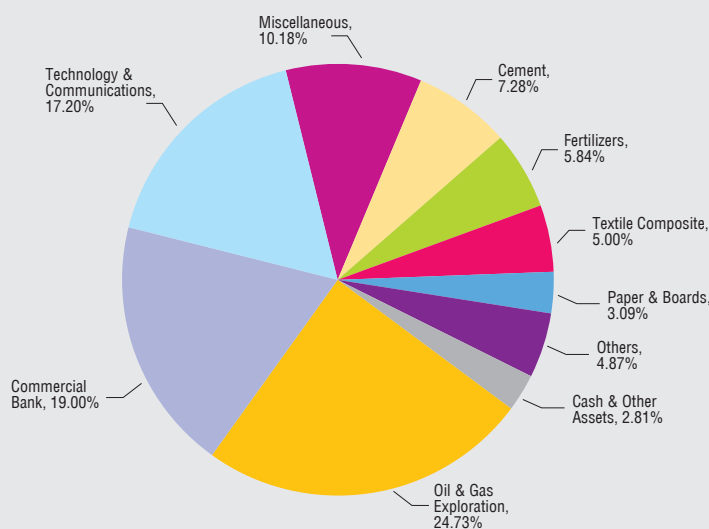
NAV Unit Price (31/01/2009): Rs. 4.7645

January 2009

Investment Objective	Performance					
	Return (%)*	Jan - Dec 2007	Jan - Jun 2008	Jul - Dec 2008	Jan 2009	Since Launch
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.	NAFA Stock Fund	61.59%	-14.04%	-53.72%	-7.78%	-40.71%
	Benchmark	24.82%	-14.30%	-61.71%	-5.28%	-61.20%
	* Returns are net of management fee & all other expenses					

General Information	Fund Manager's Commentary
<p>Launch Date: January 22, 2007</p> <p>Fund Size: Rs. 958 million</p> <p>Type: Open-end - Equity Fund</p> <p>Dealing: Daily</p> <p>Settlement: 2-3 business days</p> <p>Load: Front end - 3%, Back end - 0%</p> <p>Management Fee: 3% per annum</p>	<p>During the month under review, KSE-30 Index decreased by 5.28%, whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) decreased by 7.78%, thus an under-performance of 2.50% was recorded. Since inception on Jan. 22, 2007, the NAV of NSF has declined by 40.71% and the benchmark has declined by 61.20%, thus to date out-performance is 20.49%.</p> <p>As the trading volume improved from 2nd January 2009, NSF also resumed normal dealing in its units from 5th January 2009. After every massive fall, the initial investor interest always pours in high dividend yielding stocks followed by growth stocks.</p> <p>In line with its investment objective, NSF invests in growth stock which could not out-perform in this initial rally and an under-performance was reported. We firmly believe that as the dividend yield play subsides, the investor focus will shift towards growth stocks resulting in NSF's out-performance.</p> <p>The market PER is still hovering around 5x and NSF's PER is close to 3.8x. Therefore, the potential for out-performance is substantial. The key ingredients for continued performance of stock market are stability in macro-economic balance and improvement in liquidity situation. We believe that a declining inflation scenario bodes well for the economy. Furthermore, inflow of foreign assistance along with improvement in external balance will help ease the liquidity situation.</p> <p>NSF will maintain its focus to keep on exploring extremely undervalued stocks and implementing a buy and hold strategy for out-performance. We expect 2009 to be a very good year for the stock market and NSF.</p>
<p>Listing: Lahore Stock Exchange</p> <p>Custodian & Trustee: Central Depository Company</p> <p>Auditors: A. F. Ferguson & Co. Chartered Accountants</p> <p>Benchmark: KSE-30 Index</p> <p>Fund Manager: Khurram Shehzad, CFA</p> <p>Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-</p>	

Asset Allocation (on 31st January 2009)



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