



NBP Fullerton  
Asset Management Limited  
(Formerly National Fullerton Asset Management Limited)

# NAFA Stock Fund (NSF)

MONTHLY REPORT (MUFAP's Recommended Format)  
Unit Price (31/01/2011): Rs.7.9178

January 2011

## Performance

Performance % *	January 2011	FYTD Jul. 2010 - Jan. 2011	Trailing 12 Months	Since Launch January 22, 2007
NAFA Stock Fund	4.14%	28.37 %	24.52%	13.17%
Benchmark	3.64%	25.67%	19.43%	(10.33%)

\* Cumulative returns are net of management fee & all other expenses

## General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 982 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
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- 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 3.64% whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) increased by 4.14%, thus an out-performance of 0.50% was recorded. Since inception on January 22, 2007 the NAV of NSF has increased by 13.17% while that of the benchmark has declined by 10.33%, thus to date out-performance is 23.50%. This out-performance is net of management fee and all other expenses.

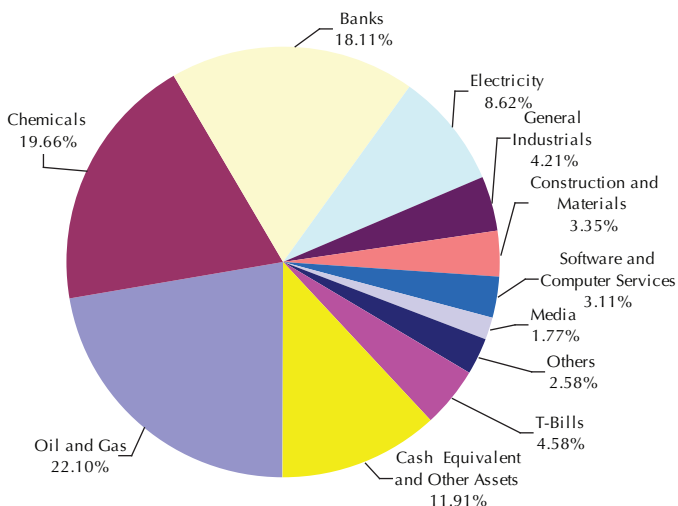
At the start of the month NSF was around 98% invested in equities. Overall the trend of the stock market was positive. However, we adjusted the portfolio of NSF and slightly reduced the weightage in equities as the market depicted signs of a correction. At the end of January 2011, NSF was around 84% invested in equities. During the month we significantly enhanced the weightage in the Chemical sector, which includes the Fertilizer sub-sector. Our over-weight stance in the Chemical sector contributed to the out-performance of the Fund. The Fertilizer sub-sector was driven by strong full year results announcements. We reduced the weightage of NSF in Banks, Oil & Gas and Electricity sectors. However, our key holdings in the aforementioned sectors performed better than the market, which also contributed to the out-performance of the Fund. We slightly increased the Fund's exposure in the Cement sub-sector as valuations have become attractive. At the end of the month, NSF was underweight in the Personal Goods, Financial Services and Industrial Engineering sectors.

We are closely monitoring the developments on the capital markets and will adjust the portfolio of NSF accordingly. The portfolio of NSF is comprised of stocks with attractive valuations. Developments on the leverage product and foreign flows are key triggers for the market."

## Asset Allocation % of NAV 31-Jan-11 31-Dec-10

Asset Allocation % of NAV	31-Jan-11	31-Dec-10
Equities / Stock	83.51%	97.95%
Cash Equivalents	9.53%	3.07%
T-Bills	4.58%	-
Other Net Assets / (Liabilities)	2.38%	-1.02%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>
Leverage	Nil	Nil

## Asset Allocation (as on 31st January 2011)



## Top Ten Equity Holdings (as on 31st January 2011)

Name	% of NAV	Name	% of NAV
Engro Corporation	9.65%	Fauji Fertilizer Ltd.	4.43%
Pakistan Oilfields Ltd.	7.85%	Pakistan Petroleum Ltd.	4.34%
MCB Bank Limited	5.58%	Thall Ltd.	4.21%
Lotte Pakistan PTA Ltd.	5.58%	Oil & Gas Development	3.35%
Hub Power Co. Ltd.	5.55%	National Refinery Ltd.	3.31%

## 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.