



**National Fullerton  
Asset Management Limited**

# NAFA Stock Fund (NSF)

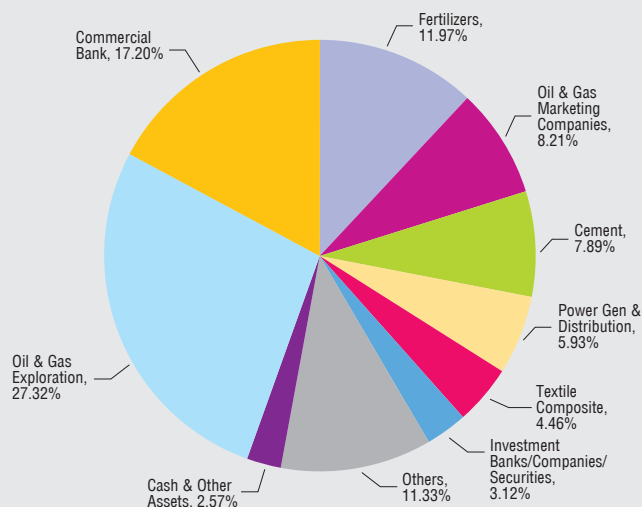
Unit Price (30/06/2009): Rs. 6.0685

June 2009

Investment Objective	Performance					
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.	<b>Performance (%)*</b>	<b>Jan - Dec 2007</b>	<b>Jan - Dec 2008</b>	<b>Jul - Jun 2008 - 09</b>	<b>Jun 2009</b>	<b>Since Launch January 22, 2007</b>
	<b>NAFA Stock Fund</b>	<b>61.59%</b>	<b>(60.21)%</b>	<b>(45.63)%</b>	<b>(4.69)%</b>	<b>(24.48)%</b>
	<b>Benchmark</b>	24.82%	(67.19)%	(47.15)%	(3.71)%	(43.47)%
* Returns are net of management fee & all other expenses						

General Information	Fund Manager's Commentary
Launch Date: January 22, 2007 Fund Size: Rs. 1,331 million Type: Open-end - Equity Fund Dealing: Daily - Monday to Friday Settlement: 2-3 business days Load: Front end - 3%, Back end - 0% Management Fee: 3% per annum	During the month under review, KSE-30 Index decreased by 3.71%, whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) decreased by 4.69%, thus an under-performance of 0.98% was recorded. Since inception on January 22, 2007 the NAV of NSF has declined by 24.48% and the benchmark has declined by 43.47%, thus to date out-performance is 18.99%.
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 Min. Subscription: Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-	

**Asset Allocation (as on 30th June 2009)**



The Stock Market remained subdued throughout the month. A lower inflation number and a gradual decline in interest rates were unable to prop up the market in the absence of a product for stock market financing that could replace CFS. Liquidity also remained tight in the month of June, which affected the market.

Despite the lack of buying interest, the Market showed resilience on the downside and traded within a range. This is a sign of strength. A few positive triggers like a continuing decline in inflation & interest rates, foreign inflows improving the Government's capacity for fiscal spending, introduction of a substitute to CFS and lowering of policy rate by SBP are expected to lead to a rally in the near future.

We have tilted our portfolio more towards stocks with stable earnings & higher dividend yield. These stocks mainly belong to defensive sectors like oil & gas, fertilizer and power. We have also increased our exposure to cement sector which seems poised for a recovery on account of buoyant exports and improving domestic demand (because of falling interest rates and higher development spending planned by the Government).

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