



# NAFA Stock Fund (NSF)

**National Fullerton  
Asset Management Limited**  
(A Subsidiary of National Bank of Pakistan)

Unit Price (30/06/2010): Rs. 7.0844

June 2010

## Performance

Performance (%)*	June 2010	CYTD Jan. - June 2010	Since Launch January 22, 2007
<b>NAFA Stock Fund</b>	<b>2.54%</b>	<b>(1.71)%</b>	<b>(11.84)%</b>
<b>Benchmark</b>	<b>3.39%</b>	<b>(2.98)%</b>	<b>(28.64)%</b>

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

## General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 959 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's Commentary

During the month under review, KSE-30 Index increased by 3.39%, whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) increased by 2.54%, thus an under-performance of 0.85% was recorded. Since inception on January 22, 2007 the NAV of NSF has declined by 11.84% while that of the benchmark has declined by 28.64%, thus to-date, out-performance is 16.80%.

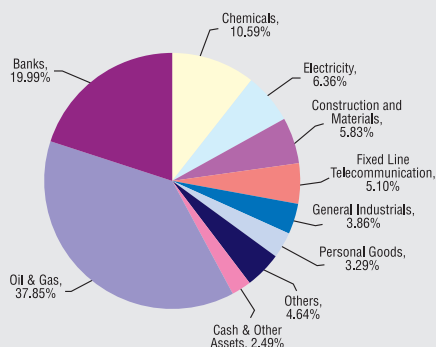
At the start of the month NSF was 83.9% invested in equities. Despite imposition of Capital Gains Tax, the budget announcement reduced overall concerns and uncertainties. Consequently, the Stock Market recovered despite low investor confidence and trading volumes. In line with the market trend, NSF gradually enhanced its weight in equities, mainly in Banks, Oil & Gas and Cement sectors. No new taxes were imposed on the banking sector in the budget. Consequently, we increased our exposure in this sector. However, the weight of NSF in banks remained below the market weight, which contributed to the underperformance of the Fund. In the Oil & Gas sector, the weightage was enhanced to the market weight. We also increased our exposure to the Cement sub sector following recovery in cement prices in the North and reports of price agreements among cement manufacturers. Similarly, in the Textile sub sector, the weightage of NSF was slightly increased. On the other hand, the weightage of sub sector Power Generation was marginally decreased on the weak performance of the sector during the month. At the end of the month, NSF was 97.5% invested in equities.

The market is trading at attractive valuations and NSF is invested in stocks that offer significant upside potential and growth prospects.

## Asset Allocation %

	June-10	May-10
Equities / Stock	97.51%	83.92%
Cash & Other Assets	2.49%	16.08%
Leverage	Nil	Nil

## Asset Allocation (as on 30th June 2010)



## Top Five Holding (Alphabetical)

MCB Bank Ltd.  
Oil & Gas Development Co. Ltd.  
Pakistan Oilfields Ltd.  
Pakistan Petroleum Ltd.  
The Hub Power Co. Ltd.

## Name of the Members of Investment Committee

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

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