



MONTHLY REPORT (MUFAP's Recommended Format)
Unit Price (31/05/2012): Rs.8.0719

May 2012

Performance

Performance % *	May 2012	Jul. 2011- May. 2012	Trailing 12 Months	Since Launch January 22, 2007
NAFA Stock Fund	(0.78%)	24.00%	21.50%	40.34%
Benchmark	(2.46%)	3.15%	0.51%	(10.76%)

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

General Information

Launch Date:	January 22, 2007
Fund Size:	Rs. 1,114 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:	Forward Pricing
Load:	Front end – 3%, Back end - 0%
Management Fee:	2% per annum (Effective Jan 22,2012)
Risk Profile:	Moderate-to-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:	Sajjad Anwar, CFA
Minimum Subscription:	Growth Unit: Rs. 10,000/- Income Unit: Rs. 100,000/-
Asset Manager Rating:	AM2-'Positive Outlook' 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, the benchmark decreased by 2.46% whereas NAFA Stock Fund's (NSF) Net Asset Value (NAV) decreased by 0.78%, thus an out-performance of 1.68% was recorded. Since inception on January 22, 2007 the NAV of NSF has increased by 40.34% while the benchmark has declined by 10.76%, thus to date out-performance is 51.10%. This out-performance is net of management fee and all other expenses.

The stock market depicted a lot of volatility during the month. NSF out-performed as the Fund's key holdings in the Construction & Material sector performed better than the market. Further, NSF was underweight in key Fertilizer sub-sector stocks that under-performed, which benefited the Fund. During the month, we enhanced the weightage of NSF in the Construction & Materials, Electricity and Oil & Gas sectors. On the contrary, the allocation in Banks was reduced. During May, NSF predominantly remained invested in equities and at the end of the month was around 89% invested in equities.

The Fund is invested in stocks with sanguine valuations and strong growth prospects. The portfolio of NSF is priced at forward earnings multiple of 5.6x, offering 7.3% dividend yield. We are striving to continue to perform well going forward.

Asset Allocation (% of Total Assets) 31-May-12 30-Apr-12

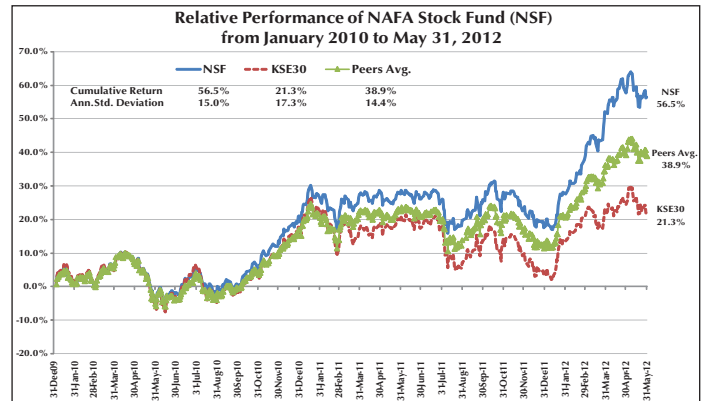
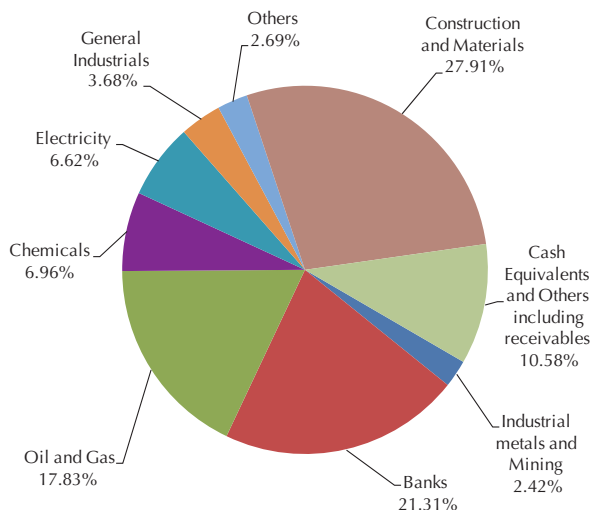
	31-May-12	30-Apr-12
Equities / Stock	89.42%	86.53%
Cash Equivalents	3.28%	2.53%
Others including receivables	7.30%	10.94%
Total	100.00%	100.00%
Leverage	Nil	Nil

Characteristics of Equity Portfolio**

	PER	PBV	DY
NSF	5.6	1.7	7.3%
KSE-30	7.4	3.4	7.9%

** Based on NAFA's estimates

Asset Allocation (as on 31st May, 2012)



Top Ten Equity Holdings (as on 31st May, 2012)

Name	% of Total Assets	Name	% of Total Assets
Pak Petroleum Ltd.	8.90%	MCB Bank Limited	5.33%
Lucky Cement Limited	8.76%	Meezan Bank Ltd.	4.88%
Pakistan Oilfields Ltd.	8.34%	Allied Bank Limited	4.88%
Cherat Cement Co. Ltd	7.41%	D. G. Khan Cement Co.	4.78%
Hub Power Co. Limited	6.62%	Attock Cem.Pak.Ltd	4.39%

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.