

AM2++
RATED BY S&P



**NBP Fullerton
Asset Management Ltd.**
A Subsidiary of
National Bank of Pakistan

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

**QUARTERLY
REPORT**
**September
30 2016**



Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

MISSION STATEMENT



To rank in the top quartile
in performance of
NAFA FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.

Contents

FUND'S INFORMATION	03
DIRECTORS' REPORT	05
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	09
CONDENSED INTERIM INCOME STATEMENT	10
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	11
CONDENSED INTERIM DISTRIBUTION STATEMENT	12
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	13
CONDENSED INTERIM CASH FLOW STATEMENT	14
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	15

Contents

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Nausherwan Adil	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Aamir Sattar	Director
Mr. Abdul Hadi Palekar	Director
Mr. Koh Boon San	Director
Mr. Lui Mang Yin (Martin Lui)	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Mr. Saiyed Hashim Ishaque	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Koh Boon San	Member
Mr. Aamir Sattar	Member

Human Resource and Remuneration Committee

Mr. Kamal Amir Chinoy	Chairman
Mr. Lui Mang Yin (Martin Lui)	Member
Mr. Abdul Hadi Palekar	Member

Trustee

Central Depository Company of Pakistan Limited (CDC)
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shakra-e-Faisal, Karachi.

Bankers to the Fund

Bank Islami Pakistan Limited
Burj Bank Limited
Habib Bank Limited
National Bank of Pakistan
United Bank Limited
Dubai Islamic Bank Limited
Silk Bank Limited

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road,
P.O.Box 4716
Karachi.

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 111-111NFA (111-111-632),
(Toll Free): 0800-20001,
Fax: (021) 35825329
Website: www.nafafunds.com

Lahore Office:

7-Noon Avenue, Canal Bank,
Muslim Town, Lahore.
UAN: 042-111-111-632
Fax: 92-42-35861095

Islamabad Office:

Plot No. 395, 396
Industrial Area, I-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

Opposite Gul Haji Plaza, 2nd Floor
National Bank Building
University Road Peshawar,
UAN: 091-111 111 632 (nfa)
Fax: 091-5703202

Multan Office:

NBP City Branch, Hussain-a-Gahi, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

DIRECTORS' REPORT

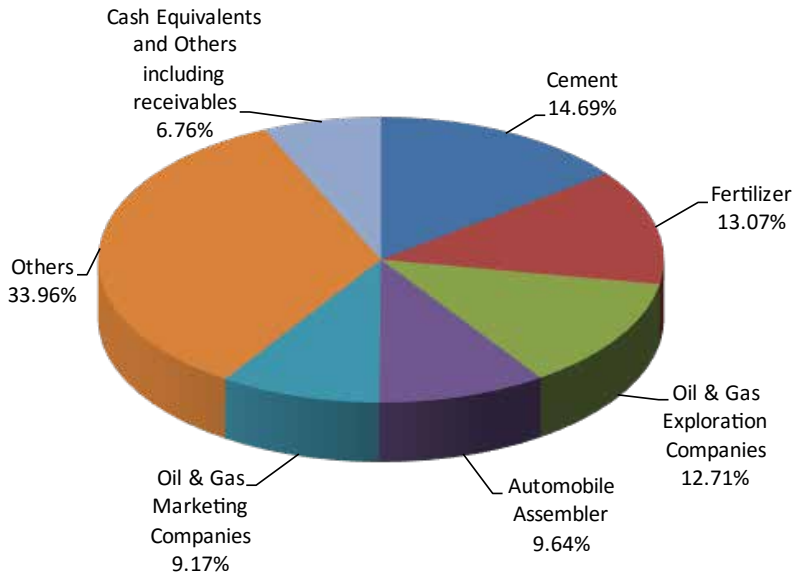
The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of NAFA Islamic Active Allocation Equity Fund (NIAAEF) for the quarter ended September 30, 2016.

Fund's Performance

The Fund size of NAFA Islamic Active Allocation Equity Fund (NIAAEF) at the end of the period stood at Rs.2,411 million. During the first quarter, the unit price of NIAAEF has increased from Rs.11.3756 (Ex-Div) on June 30, 2016 to Rs.12.5792 on September 30, 2016, thus showing an increase of 10.58%. The Benchmark, KMI-30 Index increased by 4.23% during the same period. Thus, the Fund has outperformed its Benchmark by 6.35% during the period under review. This performance is net of management fee and all other expenses

During Q1FY17, the stock market extended the rally that started from the lows hit at the end of February 2016, delivering a return of about 4.2%. Positives like improving economic prospects as captured in an all-time high foreign exchange reserves of US\$23.6bn, multi-year low inflation & interest rates, and pick-up in economic growth, albeit from low levels; attractive stock market valuations; and tepid returns on alternate investment avenues buoyed local investors' interest in the market. Better than expected corporate results announcements for the period ending June 30, 2016 provided the much needed confidence to the market participants. However, foreign investors remained sellers with outflows of US\$ 39.7 million recorded during the quarter. Automobile Assembler, Automobile Parts & Accessories, Engineering, and Textile Composite sectors performed better than the market whereas Cement and Fertilizer sectors lagged behind.

The Fund has earned total income of Rs.251.47 million during the period. After deducting expenses of Rs.15.41 million, the net income is Rs.236.06 million. The below chart presents the asset allocation of NIAAEF.



NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: October 28, 2016

Place: Karachi.

ڈائریکٹرز رپورٹ

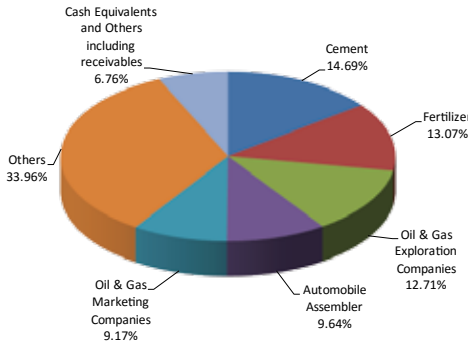
NBP فلٹرن ایسیٹ منجمنٹ لمیٹڈ، بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2016ء کو ختم ہونے والی سہ ماہی کے لیے NAFA اسلامک ایکٹیو ایلوکیشن ایسیٹ منجمنٹ (NIAAEF) کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتا ہے۔

فنڈ کی پرفارمنس

اس مدت کے اختتام پر NAFA اسلامک ایکٹیو ایلوکیشن ایسیٹ منجمنٹ (NIAAEF) کا حجم 2,411.2 ملین روپے رہا۔ یعنی 51% کمی۔ پہلی سہ ماہی کے دوران یونٹ کی قیمت 30 جون 2016 کو 11.3756 روپے سے بڑھ کر 30 ستمبر 2016 کو 12.5792 روپے تک پہنچ چکی ہے، لہذا 10.58% اضافہ ہوا۔ اسی مدت کے دوران بیچ مارک، KMI-30 بڑھ کر 4.23% ہو گیا۔ اس طرح فنڈ نے زیر جائزہ مدت کے دوران اپنے بیچ مارک کو 6.35% سے بہتر کارکردگی دکھائی۔ فنڈ کی یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مالی سال 2017 کی پہلی سہ ماہی کے دوران اسٹاک مارکیٹ نے تیزی کا وہ رجحان آگے بڑھایا جس کا آغاز فروری 2016 کے اختتام پر پست سطح سے ہوا تھا اور لگ بھگ 4.2% منافع پیش کیا۔ مثبت عوامل مثلاً بہتر ہوتے اقتصادی امکانات، جن کی نشاندہی 23.6 ارب امریکی ڈالر پر مشتمل ملکی تاریخ کے سب سے بلند زرمبادلہ کے ذخائر سے ہوتی ہے، کئی سال پر محیط ترقی پر زور اور شرح سود، اور معاشی نمونے میں تیزی، اسٹاک مارکیٹ میں پُرکشش آمدن اور سرمایہ کاری کے متبادل ذرائع سے بہتر نتائج کے باعث مقامی سرمایہ کاروں کی طرف سے اسٹاک مارکیٹ میں دل چسپی میں اضافہ ہوا۔ 30 جون 2016 کو ختم ہونے والی مدت کے لیے توقع سے بہتر کاروباری نتائج کے اعلانات نے مارکیٹ کے شرکاء کو درکار انتہائی ضروری اعتماد فراہم کیا۔ تاہم غیر ملکی سرمایہ کاروں کی طرف سے فروخت کا سلسلہ جاری رہا جس کے نتیجے میں سہ ماہی کے دوران 39.7 ملین ڈالر کا اخراج ریکارڈ کیا گیا۔ آٹوموبیل اسمبلرز، آٹوموبیل پارٹس اور ایسیریز، انجینئرنگ اور نیکیٹائل کمپوزٹ سیکٹرز نے مارکیٹ کے مقابلے میں بہتر کارکردگی کا مظاہرہ کیا جب کہ سینٹ اور فریٹلائزر سیکٹرز پسماندگی کا شکار رہے۔

فنڈ نے اس مدت کے دوران 251.47 ملین روپے کی مجموعی آمدنی کمائی ہے۔ 15.41 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 236.06 ملین روپے ہے۔ درج ذیل چارٹ NIAAEF کی ایسیٹ ایلوکیشن پیش کرتا ہے:



اظہارِ تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجمنت کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابلِ قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ اینڈیکسنگ کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان سے بھی ان کی سرپرستی اور رہنمائی کے لیے پُر خلوص اظہارِ تشکر کرتا ہے۔ بورڈ اپنے اسٹاف اور ڈسٹری بیوٹرز کی طرف سے محنت، لگن اور عزم کے مظاہرے پر اپنا خراجِ تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز
NBP فلٹرن ایسیٹ منجمنت لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ

28 اکتوبر 2016

مقام: کراچی

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT SEPTEMBER 30, 2016

	Note	Un-Audited September 30, 2016	Audited June 30, 2016
(Rupees in '000)			
ASSETS			
Balances with banks		255,872	206,160
Investments	4	2,248,285	1,445,817
Dividend and profit receivable	5	22,333	2,393
Preliminary and floatation costs		860	910
Receivable against sale of investment		-	410,000
Advances, deposit, prepayments and other receivables		4,500	4,098
Total assets		2,531,850	2,069,378
LIABILITIES			
Payable to NBP Fullerton Asset Management Limited - Management Company		10,404	8,028
Payable to Central Depository Company of Pakistan Limited - Trustee		312	222
Payable to Securities and Exchange Commission of Pakistan		517	422
Payable against purchase of investments		107,987	424,397
Accrued expenses and other liabilities	6	1,266	785
Total liabilities		120,486	433,854
NET ASSETS		2,411,364	1,635,524
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		2,411,364	1,635,524
CONTINGENCIES AND COMMITMENTS	7	-	-
Number of units in issue		191,694,160	140,159,977
NET ASSET VALUE PER UNIT		12.5792	11.6690

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Note	Quarter Ended September 30, 2016 (Rupees in '000)
INCOME		
Net Gain on sale of investments		6,203
Dividend Income		20,942
Profit on bank deposits		4,728
Net unrealised appreciation on re-measurement as 'financial assets at fair value through profit or loss'		181,975
Total income		213,848
EXPENSES		
Remuneration of NBP Fullerton Asset Management Limited Management Company		10,890
Sindh sales tax on remuneration of the Management Company		1,416
Remuneration to Central Depository Company of Pakistan Limited- Trustee		796
Sindh Sales Tax on remuneration of the Trustee		104
Annual fee - Securities and Exchange Commission of Pakistan		517
Securities transaction cost		758
Settlement and bank charges		110
Legal & Professional charges		92
Auditors' remuneration		38
Accounting and operational charges to the Management Company		545
Shariah Advisor Fee		92
Amortization of Formation Cost		50
Total Expenses		15,408
Net Income from operating activities		198,440
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		37,620
Net Income for the period before taxation		236,060
Taxation	8	-
Net Income for the period after taxation		236,060
Earnings per unit	9	

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Quarter Ended September 30, 2016 (Rupees in '000)
Net Income for the period after taxation	236,060
Other Comprehensive Income	-
Total comprehensive Income for the period	<u>236,060</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Quarter Ended September 30, 2016 (Rupees in '000)
Undistributed income brought forward	
Realised income	132,271
Unrealised Gain	<u>101,654</u> 233,925
Net Income for the period after taxation	236,060
Final distribution for the year ended June 30, 2016 : 3.21% -Cash Distribution	(60,008)
Undistributed Income carried forward	<u>409,977</u>
Undistributed income comprising of:	
Realised income	228,002
Unrealised Gain	<u>181,975</u> <u>409,977</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Quarter Ended September 30, 2016 (Rupees in '000)
Net assets at the beginning of the period	1,635,524
Issue of units 51,534,183	637,408
Redemption of units - NIL	-
	637,408
Element of (income) / loss and capital gains / (losses) included in the prices of units issued less those in units redeemed-Transferred to income statement	(37,620)
Net unrealised appreciation / (diminution) on re-measurement as 'financial assets at fair value through profit or loss'	181,975
Capital Gain on sale of investments - net	6,203
Other income (net of expenses) for period	47,882
	236,060
Final distribution for the year ended June 30, 2016 : 3.21% - Cash distribution	(60,008)
	(60,008)
Net assets at the end of the period	2,411,364

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

Quarter ended
September 30,
2016
(Rupees in '000)

CASH FLOW FROM OPERATING ACTIVITIES

Net Income for the period before taxation	236,060
Adjustments	
Amortization of Formation Cost	50
Net unrealised (appreciation)/ diminution on re-measurement as 'financial assets at fair value through profit or loss'	(181,975)
Element of (income) / loss and capital (gain) / losses included in prices of units issued less those in units redeemed - net	(37,620)
	<u>16,515</u>
(Increase) / decrease in assets	
Investments	(620,493)
Dividend and profit receivable	(19,940)
Receivable against sale of investment	410,000
Advances, deposit, prepayments and other receivables	(402)
	<u>(230,835)</u>
Increase / (decrease) in liabilities	
Payable to NBP Fullerton Asset Management Limited - Management Company	2,376
Payable to Central Depository Company of Pakistan Limited - Trustee	90
Payable to Securities and Exchange Commission of Pakistan	95
Payable against purchase of investments	(316,410)
Accrued expenses and other liabilities	481
	<u>(313,368)</u>
Net cash generated from operating activities	<u>(527,688)</u>
CASH FLOW FROM FINANCING ACTIVITIES	
Net receipts from issue of units	637,408
Net payments on redemption of units	-
Distributions Paid	(60,008)
Net cash used in financing activities	<u>577,400</u>
Net increase in cash and cash equivalents during the period	<u>49,712</u>
Cash and cash equivalents at the beginning of the period	206,160
Cash and cash equivalents at the end of the period	<u><u>255,872</u></u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS (Un-Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 03, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 03, 2015. under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block 4, Scheme No. 5, Clifton, Karachi. Due to a fire incident in the month of June 2016 at the registered office of the Management Company, its office has been temporarily shifted to 2nd floor, Ex - NDFC Building, Tariq Road, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shari'ah Compliant listed equities.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of AM2++ to the Management Company.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

The directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2016

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Principal accounting policies adopted for the preparation of these condensed interim financial statements for the quarter ended September 30, 2016 are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2016.

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

	Note	(Un-Audited) As at September 30, 2016 (Rupees in '000)	(Audited) As at June 30, 2016 (Rupees in '000)
4 INVESTMENTS IN SHARES			
Financial assets 'at fair value through profit or loss' - Listed equity securities	4.1	<u>2,248,285</u>	<u>1,445,817</u>

4.1 Investments in shares of companies at fair value through profit or loss

Name of the investee company	As at July 1, 2016	Number of shares				Market value as at September 30, 2016	Market value as a percentage of		Paid up capital as a % of investee company held
		Purchased during the period	Bonus / Right shares issued during the period	Sold during the period	As at September 30, 2016		Net assets	Total investments	
						Rupees in '000'	-----%-----		
REFINERY									
Attock Refinery Limited	74,000	17,000	-	13,200	77,800	25,354	1.05	1.13	0.09
National Refinery Limited	25,200	-	-	9,700	15,500	8,767	0.36	0.39	0.02
OIL AND GAS EXPLORATION COMPANIES									
Mari Petroleum Limited	67,800	33,550	-	-	101,350	96,742	4.01	4.30	0.09
Oil and Gas Development Company Limited	296,700	135,600	-	-	432,300	61,053	2.53	2.72	0.01
Pakistan Oilfields Limited	185,500	45,500	-	8,000	223,000	89,492	3.71	3.98	0.09
Pakistan Petroleum Limited	300,900	75,500	-	15,000	361,400	59,150	2.45	2.63	0.02
OIL AND GAS MARKETING COMPANIES									
Attock Petroleum Limited	35,100	9,400	-	-	44,500	23,140	0.96	1.03	0.05
Pakistan State Oil Company Limited	261,200	79,200	-	13,100	327,300	135,548	5.62	6.03	0.12
Shell Pakistan Limited	134,100	18,000	-	-	152,100	62,370	2.59	2.77	0.14
FERTILIZER									
Dawood Hercules Corporation Limited	284,900	57,000	-	-	341,900	45,459	1.89	2.02	0.07
Engro Fertilizers Limited	672,500	694,000	-	-	1,366,500	84,257	3.49	3.75	0.10
Engro Corporation Limited	360,600	148,500	-	-	509,100	148,275	6.15	6.60	0.10
Fauji Fertilizer Bin Qasim Limited	160,000	564,000	-	-	724,000	37,199	1.54	1.65	0.08
AUTOMOBILE ASSEMBLER									
Honda Atlas Cars (Pakistan) Limited	77,600	68,200	-	-	145,800	89,203	3.70	3.97	0.10
Indus Motor Company Limited	39,750	24,450	-	1,200	63,000	94,524	3.92	4.20	0.08
Pak Suzuki Motor Company Limited	-	42,500	-	42,500	-	-	-	-	-
Sazgar Engineering Works Limited	176,500	24,000	-	-	200,500	11,633	0.48	0.52	1.12
Millat Tractors Limited	-	54,600	-	-	54,600	37,072	1.54	1.65	0.12
ENGINEERING									
Amreli Steels Limited	143,500	350,000	-	45,000	448,500	31,974	1.33	1.42	0.15
Crescent Steel and Allied Products Limited	138,500	34,000	-	-	172,500	21,737	0.90	0.97	0.22
Mughal Iron and Steel Industries Limited	220,500	214,000	-	-	434,500	37,154	1.54	1.65	0.35
International Industries Limited	-	151,000	-	-	151,000	20,352	0.84	0.91	0.13
International Steels Limited	-	76,500	-	-	76,500	4,647	0.19	0.21	0.02
CEMENT									
Attock Cement Pakistan Limited	265,400	47,200	-	5,000	307,600	77,248	3.20	3.44	0.27
D.G. Khan Cement Company Limited	342,100	103,000	-	51,000	394,100	73,255	3.04	3.26	0.09
Fauji Cement Company Limited	1,530,500	111,500	-	113,000	1,529,000	53,928	2.24	2.40	0.11
Lucky Cement Limited	110,500	8,150	-	11,900	106,750	72,298	3.00	3.22	0.03
Maple Leaf Cement Limited	265,000	112,000	-	38,000	339,000	32,476	1.35	1.44	0.06
Pioneer Cement Limited	184,000	248,700	-	36,500	396,200	41,874	1.74	1.86	0.17
Cherat Cement Company Limited	-	24,000	-	-	24,000	3,088	0.13	0.14	0.01
AUTOMOBILE PARTS AND ACCESSORIES									
Thal Limited *	43,600	-	-	-	43,600	17,686	0.73	0.79	0.05
Agriautos Industries Limited	-	3,600	-	-	3,600	1,045	0.04	0.05	0.01
TEXTILE COMPOSITE									
Kohinoor Textile Mills Limited	549,925	434,500	-	-	984,425	83,676	3.47	3.72	0.35
Nishat Mills Limited	644,500	199,500	-	-	844,000	118,920	4.93	5.29	0.24
POWER GENERATION & DISTRIBUTION									
Kot Addu Power Company Limited	503,000	164,500	-	-	667,500	55,863	2.32	2.48	0.08
K-Electric Limited *	4,592,500	1,037,000	-	540,000	5,089,500	46,874	1.94	2.08	0.22
The Hub Power Company Limited	484,000	65,000	-	1,500	547,500	65,246	2.71	2.90	0.05
COMMERCIAL BANKS									
Meezan Bank Limited	180,000	-	-	-	180,000	9,902	0.41	0.44	0.02

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

Name of the investee company	As at July 1, 2016	Number of shares				Market value as at September 30, 2016	Market value as a percentage of		Paid up capital as a % of investee company held
		Purchased during the period	Bonus / Right shares issued during the period	Sold during the period	As at September 30, 2016		Net assets	Total investments	
						Rupees in '000'	-----%-----		
PHARMACEUTICALS									
Abbot Laboratories (Pakistan) Limited	13,600	-	-	-	13,600	11,540	0.48	0.51	0.01
GlaxoSmithKline (Pakistan) Limited	72,400	-	-	-	72,400	15,631	0.65	0.70	0.02
GlaxoSmithKline Health care	16,500	-	-	-	16,500	1,023	0.04	0.05	0.01
The Searle Company Limited	29,310	-	-	-	29,310	16,809	0.70	0.75	0.02
TECHNOLOGY & COMMUNICATION									
Avanceon Limited	135,500	-	-	-	135,500	4,405	0.18	0.20	0.13
NetSol Technologies Limited	262,500	-	-	-	262,500	15,897	0.66	0.71	0.29
CABLE AND ELECTRICAL GOODS									
Pak Elektron Limited	281,750	617,500	-	56,000	843,250	59,678	2.47	2.65	0.17
FOOD & PERSONAL CARE PRODUCTS									
Al-Shaheer Corporation Limited	390,000	492,500	-	-	882,500	56,295	2.33	2.50	0.71
GLASS & CERAMICS									
Tariq Glass Industries Limited	410,000	500	-	-	410,500	39,314	1.63	1.75	0.56
PAPER & BOARD									
Cherat Packaging Limited. Packages Limited	- 6,200	-	-	-	- 6,200	- 4,150	- 0.17	- 0.18	- 0.01
MISCELLANEOUS									
Synthetic Products Limited	351,500	287,500	-	-	639,000	45,062	1.87	2.00	0.83
Total as at September 30, 2016					21,191,685	2,248,285	93	100	
Carrying value as at September 30, 2016						2,066,310			

* All shares have a nominal face value of Rs 10 each except for shares of Thal Limited and K-Electric Limited which have a face value of Rs 5 and Rs. 3.5 each respectively.

4.1.1 Investments include shares with market value of Rs 143.22 million which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the SECP.

	(Un-audited) As at September 30, 2016	(Audited) As at June 30, 2016
5 DIVIDEND AND PROFIT RECEIVABLE		
	(Rupees in '000)	
Profit receivable on balances with banks	1,827	657
Dividend receivable	20,506	1,736
	<u>22,333</u>	<u>2,393</u>
6 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	188	150
Settlement charges	20	69
Shariah advisory fee	287	195
Haram portion of dividend	505	262
Others	266	109
	<u>1,266</u>	<u>785</u>
7 CONTINGENCIES AND COMMITMENTS		
There were no contingencies outstanding as at September 30, 2016 and June 30, 2016.		

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

8 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management intends to distribute atleast 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision for taxation has been made in this condensed interim financial information.

The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

9 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

10 Total Expense Ratio

Total expense ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 2.82% p.a. including 0.37% representing government levies on collective Investment scheme such as Sales tax, Worker's Welfare Fund and Securities & Exchange Commission of Pakistan fee for the same period.

11 TRANSACTIONS WITH CONNECTED PERSONS

- 11.1 Connected persons include NBP Fullerton Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan and Alexandra Fund Management Pte. Limited being the sponsors, NAFA provident Trust Fund being the employee contribution plan of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company.
- 11.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 11.3 Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 11.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC regulation and the Trust Deed.

11.5 Details of the transactions with connected persons are as follows:

	Un-audited Quarter Ended September 30, 2016 (Rupees in '000)
NBP Fullerton Asset Management Limited - Management Company	
Remuneration of the Management Company	10,890
Sindh sales tax on remuneration of the Management Company	1,416
Accounting and operational charges to the Management Company	545
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN I)	
Units issued during the period 1,538,538 Units	18,953
Units redeemed during the period Nil Units	-
Cash Dividend	18,953
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN II)	
Units issued during the period 1,198,684 Units	14,767
Units redeemed during the period - NIL Units	-
Cash Dividend	14,767
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN III)	
Units issued during the period 48,796,961 Units	603,688
Units redeemed during the period - NIL Units	-
Cash Dividend	26,288
Central Depository Company of Pakistan Limited - Trustee	
Remuneration	796
Sales Tax	104

NAFA ISLAMIC ACTIVE ALLOCATION EQUITY FUND

	Un-audited September 30, 2016	Audited June 30, 2016
	------(Rupees in '000)-----	
11.6 Amounts outstanding as at period end		
NBP Fullerton Asset Management Limited - Management Company		
Management remuneration payable	3,869	2,270
Sindh sales tax on remuneration	503	369
Federal excise duty on remuneration	1,420	1,420
Preliminary expenses and floatation cost payable	1,000	1,000
Other payable	2,624	2,525
Accounting and operational charges payable to the Management Company	988	444
NAFA Islamic Active Allocation Fund (Plan I)		
Units held 60,546,183 units (June 30,2016 units 59,007,644)	761,623	688,559
NAFA Islamic Active Allocation Fund (Plan II)		
Units held 47,171,859 units (June 30,2016 units 45,973,176)	593,384	536,460
NAFA ISLAMIC ACTIVE ALLOCATION FUND (PLAN III)		
Units Held 83,976,118 units (June 30,2016 units 35,179,156)	1,056,352	410,505
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	276	195
Sales Tax	36	27

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 28, 2016.

13 GENERAL

13.1 Figures have been rounded off to the nearest thousand rupees.

13.2 Comparative information is not available as the Fund commenced its operations on January 18, 2016.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director



NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

Head Office

7th Floor, Clifton Diamond Building, Block No.4,
Scheme No.5, Clifton, Karachi.

UAN: 021-111-111-632

Toll Free: 0800-20002

Sms: NAFA INVEST to 8080

Fax: 021-35825335

Email: info@nafafunds.com

Website: www.nafafunds.com

 /nafafunds