

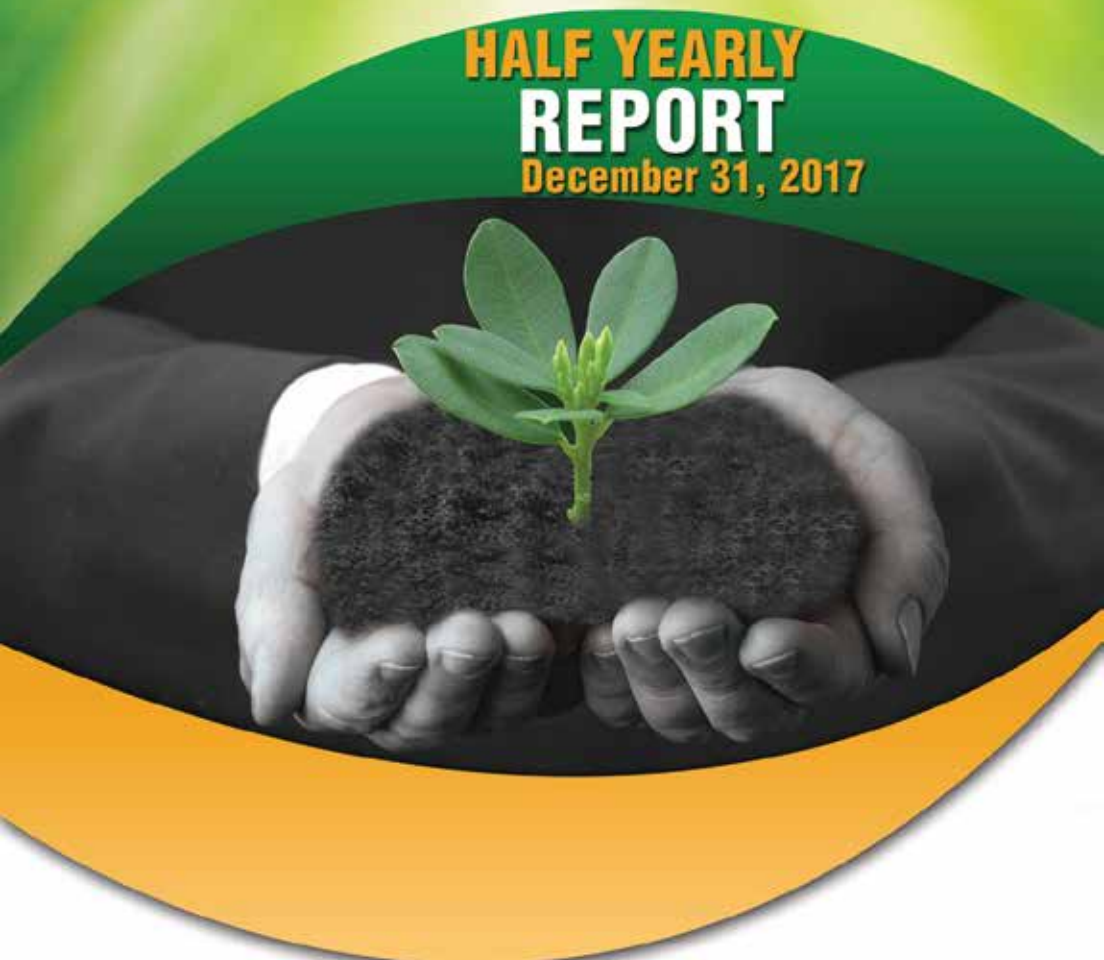
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Rated by PACRA



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

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

HALF YEARLY
REPORT
December 31, 2017




Your investments & "NAFA" grow together



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.

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NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Mudassir Husain Khan	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tariq Jamali	Director
Mr. Abdul Hadi Palekar	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Dr. Foo Chiah Shiung (Kelvin Foo)	Director
Mr. Humayun Bashir	Director
Ms. Anupama Sawhney*	Director

** SECP's approval is in process*

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmoood

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Tariq Jamali	Member
Dr. Foo Chiah Shiung (Kelvin Foo)	Member

Human Resource and Remuneration Committee

Mr. Kamal Amir Chinoy	Chairman
Mr. Abdul Hadi Palekar	Member
Ms. Anupama Sawhney*	Member

Trustee

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

Bankers to the Fund

Bank Alfalah Limited
Habib Bank Limited
United Bank Limited
Meezan Bank Limited
Sindh Bank Limited
Soneri Bank Limited
Bank Al Habib Limited
Allied Bank Limited
Habib Metropolitan Bank Limited

NAFA ISLAMIC PRINCIPAL PRESERVATION 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 PRINCIPAL PRESERVATION FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the reviewed financial statements of **NAFA Islamic Principal Preservation Fund (NIPPF)** for the half year ended December 31, 2017.

Fund's Performance

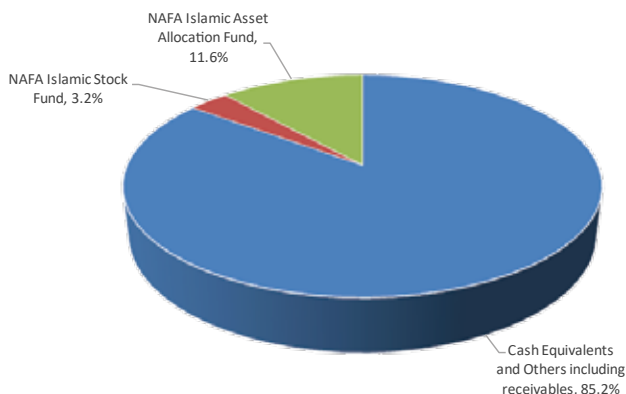
The size of NAFA Islamic Principal Preservation Fund has decreased from Rs.379 million to Rs.270 million during the period, i.e. a decrease of 29%. During the period, the unit price of NAFA Islamic Principal Preservation Fund has increased from Rs. 102.2235 on June 30, 2017 to Rs. 102.5418 on December 31, 2017, thus showing an increase of 0.31%. The Benchmark return during the same period was 0.13%. Thus, the Fund has outperformed its Benchmark by 0.18% during the period under review. Since Inception the NAV of Fund has increased from Rs. 81.3267 (Ex-Div) on January 09, 2015 to Rs. 102.5418 on December 31, 2017, thus showing an increase of 26.09%. The Benchmark return during the same period was 21.68%. Thus, the Fund has outperformed its Benchmark by 4.41%. This performance is net of management fee and all other expenses.

During 1HFY18, the stock market remained in a corrective mode. The euphoria surrounding the up-gradation of KSE-100 Index from MSCI Frontier Market to MSCI Emerging Market petered out and the ongoing heightened political noise took center stage. In addition to this, deteriorating external account position also weighed on investors' sentiments that resulted in a sizeable decline of 13% in the KSE-100 Index during the period under review. Political uncertainty, rising current account deficit, and tension in the US – Pakistan relationship were key reasons for the stock market decline.

To augment the precarious external account position the government issued international bond of USD2.5bn in addition to the measured PKR devaluation of around 5% against the US Dollar, which allayed the concerns of the market to some extent. Foreign investors remained net sellers during the period with net foreign portfolio outflow of USD155 million while Companies, Insurance, and Banks/DFIs remained net buyers in the market. In terms of sector performance, Oil & Gas Exploration, Fertilizer, Commercial Banks, and Textile sectors fared better compared with the market, while Cement, Refinery, Engineering, and Chemical sectors lagged behind.

State Bank of Pakistan (SBP) pursued accommodative monetary policy stance and left the policy rate unchanged at 5.75% during the period under review. SBP cited the following reasons to support its policy: a) strong economic activity corroborated by pick up in industrial output; b) gains in production of major crops; c) growth in private sector credit off-take; d) improvement in export growth; e) notable increase in foreign direct investments; and f) CPEC related investment activity gathering pace. SBP also highlighted gathering risks to the external account emanating from expected increase in commodity/global oil prices, confluence of declining remittances and mounting external debt levels (that may imperil the near to medium-term sustainability of the BoP position). Owing to stable policy rate and significant liquidity injections by the SBP, sovereign yields remained flat during the period with investors' preference tilted towards short tenors considering upside risks to inflation and interest rates.

The Fund has earned total income of Rs.2.84 million during the period. After accounting for expenses of Rs.2.35 million, the net income is Rs. 0.49 million. The below chart presents the asset allocation of NIPPF.



NAFA ISLAMIC PRINCIPAL PRESERVATION 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: February 22, 2018
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فلٹرن ایسیٹ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بعد مسرت 31 دسمبر 2017ء کو ختم ہونے والی ششماہی کے لیے NAFA اسلامک پرنسپل پریزرویشن فنڈ (NIPPF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NAFA اسلامک پرنسپل پریزرویشن فنڈ (NIPPF) کا فنڈ سائز اس مدت کے دوران 379 ملین روپے سے کم ہو کر 270 ملین روپے ہو گیا ہے، یعنی 29% کمی۔ اس مدت کے دوران NAFA اسلامک پرنسپل پریزرویشن فنڈ کے یونٹ کی قیمت 30 جون 2017 کو 102.2235 روپے سے بڑھ کر 31 دسمبر 2017 پر 102.5418 روپے ہو چکی ہے، لہذا 0.31% کا اضافہ ہوا ہے۔ اسی مدت کے دوران بیچ مارک منافع میں 0.13% کا اضافہ دیکھنے میں آیا۔ لہذا فنڈ نے زیر جائزہ مدت کے دوران بیچ مارک سے 0.18% بہتر کارکردگی دکھائی۔ 9 جنوری 2015 کو اپنے قیام پر فنڈ کی NAV 81.3267 روپے (Ex-Div) تھی جو بڑھ کر 31 دسمبر 2017 تک 102.5418 روپے ہو چکی ہے، لہذا 26.09% کا اضافہ ہوا۔ اس مدت کے دوران بیچ مارک منافع 21.68% تھا، اس طرح فنڈ کی کارکردگی اپنے بیچ مارک کے مقابلے میں 4.41% بہتر رہی۔ یہ کارکردگی منجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مالیاتی سال 18 کی پہلی ششماہی میں مارکیٹ میں مندی کا رجحان برقرار رہا۔ KSE 100 انڈیکس کی MSCI فرنیچر مارکیٹ سے MSCI ایرجنگ مارکیٹ میں درجہ بندی کی خبر کا اثر مارکیٹ سے ختم ہو گیا اور اس کی جگہ زبردست سیاسی گرما گرمی نے مرکزی حیثیت اختیار کر لی۔ اس کے علاوہ بیرونی اکاؤنٹس کی گڑبڑ ہوئی صورتحال سے سرمایہ کاروں پر فتنی دباؤ پڑا جس کے نتیجے میں زیر جائزہ مدت میں KSE 100 انڈیکس نمایاں طور پر 13% نیچے آ گیا۔ سیاسی غیر یقینی کیفیت، بڑھتا ہوا کرنٹ اکاؤنٹ کا خسارہ اور امریکہ - پاکستان کے تعلقات میں کچھوا شک مارکیٹ میں انحطاط کی بنیادی وجوہات تھیں۔

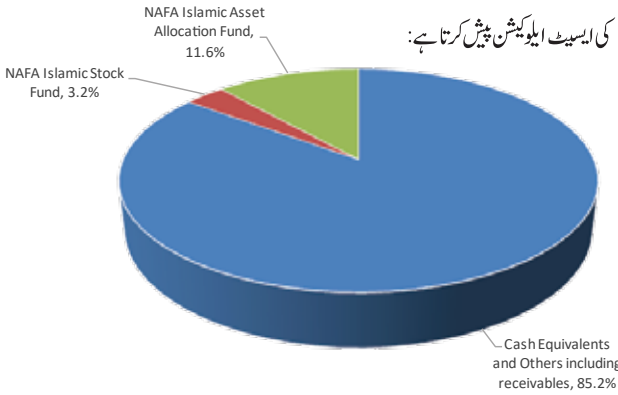
بیرونی اکاؤنٹس کی غیر یقینی صورت حال کو تقویت دینے کیلئے امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں 5% کمی کی گئی اور ساتھ ہی حکومت نے 2.5 ملین امریکی ڈالر کے انٹرنیشنل بانڈ جاری کئے جس سے مارکیٹ میں کافی حد تک خدشات دور کرنے میں مدد ملی۔ اس عرصہ میں بیرونی سرمایہ کار بدستور خالص فروخت کنندہ رہے جس سے 155 ملین ڈالر کا سرمایہ بیرون ملک چلا گیا۔ جب کہ بیمہ کار کمپنیاں اور بینک DFIs خالص خریدار رہے۔ شعبہ جات کی کارکردگی کے لحاظ سے آئل اینڈ گیس ایکسپلوریشن، فریٹلائزر، کمرشل بینکس اور ٹیکسٹائل بہتر رہے جبکہ سیمنٹ، ریفا نیچری، انجینئرنگ اور کیمیکل کے شعبہ جات کی کارکردگی نسبتاً اتر رہی۔

اسٹیٹ بینک آف پاکستان (SBP) نے مفاہمتی مانیٹری پالیسی جاری رکھی اور زیر جائزہ مدت کے دوران پالیسی کی شرح کو 5.75% برقرار رکھا۔ SBP نے اپنی پالیسی کی حمایت میں درج ذیل وجوہات بیان کیں: (ا) مضبوط معاشی سرگرمی، جس کی تصدیق صنعتی پیداوار میں اضافہ سے ہوتی ہے (ب) بڑی فصلوں کی بھرپور پیداوار (ج) نجی شعبہ کے قرضے جات میں اضافہ (د) برآمدات کے اضافے میں بہتری (ر) غیر ملکی براہ راست سرمایہ کاری میں نمایاں اضافہ اور (س) چین پاکستان اقتصادی راہداری (CPEC) سے متعلق سرمایہ کاری کی سرگرمیوں کا مسلسل فروغ۔ SBP نے بیرونی اکاؤنٹس

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

کے بارے میں ان خدشات کی بھی نشاندہی کی جو کموڈیٹی / آئل کی قیمتوں میں عالمی سطح پر اضافہ اور اس کے ساتھ ساتھ زرمبادلہ کی ترسیلات میں کمی اور بیرونی قرضہ جات کے بڑھتے ہوئے حجم کے باعث پیدا ہو رہے ہیں (جس سے توازن ادائیگی کی مستقبل قریب سے وسط مدت کیلئے صورتحال غیر مستحکم ہو سکتی ہے)۔ چنانچہ مستحکم پالیسی اور SBP کی جانب سے نمایاں طور پر لیکویڈیٹی داخل کرنے سے اس مدت میں بالائی نتائج میں کوئی کمی بیشی نہیں ہوئی اور سرمایہ کاروں نے افراط زر اور شرح سود میں بڑھتے ہوئے خدشات کے پیش نظر قلیل المدت سرمایہ کاری کو ترجیح دی۔

اس مدت کے دوران فنڈ نے 2.84 ملین روپے کی مجموعی آمدنی کمائی۔ اخراجات کی مدت میں 2.35 ملین روپے منہا کرنے کے بعد خالص آمدنی 0.49 ملین روپے ہے۔



اظہار تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجھٹ کمپنی پر اعتماد اور اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابل قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سکیورٹیز اینڈ انویسٹمنٹ کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان سے بھی ان کی سرپرستی اور رہنمائی کے لیے پُر خلوص اظہار تشکر کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹرسٹی کی طرف سے محنت، لگن اور عزم کے مظاہرے پر اپنا خراج تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فلٹرین ایسیٹ منجھٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ

22 فروری 2018ء

مقام: کراچی

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NAFA Islamic Principal Preservation Fund (the Fund) are of the opinion that NBP Fullerton Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2017 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Aftab Ahmed Diwan
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 26, 2018

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of NAFA Islamic Principal Preservation Fund (the Fund) as at December 31, 2017 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2017. The Management Company (NBP Fullerton Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2017 and December 31, 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: Noman Abbas Sheikh
Dated: February 22, 2018
Karachi

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2017

	Note	(Un-audited) December 31, 2017	Audited June 30, 2017
(Rupees in '000)			
ASSETS			
Balances with banks	4	243,012	347,059
Investments	5	40,094	53,176
Profit receivable		1,123	1,834
Prepayments and other receivable		16	-
Total assets		284,245	402,069
LIABILITIES			
Payable to NBP Fullerton Asset Management Limited - Management Company	6	8,662	9,445
Payable to the Central Depository Company of Pakistan Limited -Trustee	7	26	37
Payable to the Securities and Exchange Commission of Pakistan	8	153	805
Payable against redemption of units		-	3,210
Accrued expenses and other liabilities	9	5,096	9,383
Total liabilities		13,937	22,880
NET ASSETS		270,308	379,189
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		270,308	379,189
CONTINGENCIES AND COMMITMENTS	10	-----Number of units-----	
NUMBER OF UNITS IN ISSUE		2,636,077	3,709,408
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT	11	102.5418	102.2235

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2017

		Half year ended		Quarter ended	
	Note	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
		Rupees in '000			
INCOME					
(Loss) / gain on sale of investments - net		(412)	114,110	(441)	111,548
Profit on balances with banks		8,025	18,611	3,606	7,211
Dividend income		245	-	-	-
Income from back end load		-	1,522	-	426
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		(5,023)	15,653	(1,096)	(28,656)
Total income		2,835	149,896	2,069	90,529
EXPENSES					
Remuneration of NBP Fullerton Asset Management Limited - Management Company	6.1	1,364	3,820	618	1,619
Sindh Sales Tax on remuneration of the Management Company	6.2	177	497	80	211
Accounting and operational charges	6.4	161	593	67	287
Remuneration of the Central Depository Company of Pakistan Limited -Trustee		161	571	72	279
Sindh Sales Tax on remuneration of the Trustee	7.1	21	74	9	36
Annual fee of the Securities and Exchange Commission of Pakistan		153	563	69	272
Amortisation of preliminary expenses and floatation costs		-	599	-	299
Auditors' remuneration		50	249	-	157
Annual listing fee		11	27	5	17
Printing charges		-	37	-	19
Legal and professional charges		-	10	-	10
Settlement and bank charges		9	5	4	5
Shariah advisor fee		230	147	32	72
Total operating expense		2,337	7,192	956	3,283
Net income from operating activities		498	142,704	1,113	87,246
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net		-	(9,752)	-	(5,390)
Provision for Sindh Workers' Welfare Fund		(10)	-	(10)	-
Net income for the period before taxation		488	132,952	1,103	81,856
Taxation	12	-	-	-	-
Net income for the period after taxation		488	132,952	1,103	81,856
Earnings per unit	13				
Allocation of net income for the period:					
Net income for the period after taxation		488	132,952	1,103	81,856
Income already paid on units redeemed		(17)	-	(10)	-
		471	132,952	1,093	81,856
Accounting income available for distribution:					
-Relating to capital gains		-	-	-	-
-Excluding capital gains		471	-	1,093	-
		471	-	1,093	-

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2017

	Half year ended		Quarter ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	Rupees in '000			
Net income for the period after taxation	488	132,952	1,103	81,856
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>488</u>	<u>132,952</u>	<u>1,103</u>	<u>81,856</u>

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	For the half year ended December 31, 2017 (Rupees in '000)				For the half year ended December 31, 2016 (Rupees in '000)			
	Capital Value	Undistribut ed income / (loss)	Unrealised appreciation / (diminution) 'available for sale' investments	Total	Capital Value	Undistribut ed income / (loss)	Unrealised appreciation / (diminution) 'available for sale' investments	Total
Net assets at beginning of the period (audited)	342,159	37,030	-	379,189	1,287,294	36,803	-	1,324,097
Redemption of 1,073,330 units (December 31, 2016: 2,862,773 units)								
- Capital value (at net asset value per unit at beginning of the period)	(109,720)	-	-	(109,720)				
- Element of income	368	(17)	-	351				
Total payments on redemption of units	(109,352)	(17)	-	(109,369)	(292,469)	(9,752)	-	(302,221)
Element of (loss) / income and capital losses included in prices of units issued less those in units redeemed - net	-	-	-	-	-	9,752	-	9,752
Income already paid on units redeemed	-	488	-	488	-	132,952	-	132,952
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	-	-
Distribution during the period								
Net income for the period less distribution	-	488	-	488	-	132,952	-	132,952
Net assets at end of the period (un-audited)	232,807	37,501	-	270,308	994,825	169,755	-	1,164,580
Undistributed income brought forward								
- Realised		35,433				35,709		
- Unrealised		1,597				1,094		
		37,030				36,803		
Accounting income available for distribution								
- Relating to capital gains		-						
- Excluding capital gains		471						
		471						
Net income for the period less distribution		-				132,952		
Distribution during the period		-				-		
Undistributed income carried forward		37,501				169,755		
Undistributed income carried forward								
- Realised income		42,524				154,102		
- Unrealised (loss) / income		(5,023)				15,653		
		37,501				169,755		
			(Rupees)				(Rupees)	
Net assets value per unit at beginning of the period			102,235				102,162	
Net assets value per unit at end of the period			102,5418				115,3288	

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

**For NBP Fullerton Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Half year ended	
	December 31, 2017	December 31, 2016
	----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation	488	132,952
Adjustments for:		
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5,023	(15,653)
Dividend Income	(245)	-
Profit on balances with banks - savings accounts	(8,025)	(18,611)
Amortisation of preliminary expenses and floatation costs	-	599
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed - net	-	9,752
	(2,759)	109,039
Decrease / (increase) in assets		
Investments	8,059	305,079
Prepayments	(16)	(28)
	8,043	305,051
(Decrease) / increase in liabilities		
Payable to NBP Fullerton Asset Management Limited - Management Company	(783)	161
Payable to the Central Depository Company of Pakistan Limited -Trustee	(11)	(12)
Payable to the Securities and Exchange Commission of Pakistan	(652)	(982)
Accrued expenses and other liabilities	(4,287)	(6,485)
	(5,733)	(7,318)
Dividends received	245	-
Profit received	8,736	22,131
Net cash generated from operating activities	8,532	428,903
CASH FLOW FROM FINANCING ACTIVITIES		
Payments on redemption of units	(112,579)	(309,593)
Net cash used in financing activities	(112,579)	(309,593)
Net (decrease) / increase in cash and cash equivalents during the period	(104,047)	119,310
Cash and cash equivalents at the beginning of the period	347,059	949,880
Cash and cash equivalents at the end of the period	243,012	1,069,190

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Islamic Principal Preservation Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited as Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 16, 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 29, 2014 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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 principal office of the Management Company is situated at 7th Floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an Open-End "Shariah Compliant Capital Protected Fund Scheme" as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS) and is listed on the Pakistan Stock Exchange.

The objective of NAFA Islamic Principal Preservation Fund is to earn a potentially high return through dynamic asset allocation between shariah compliant equity related and shariah compliant income / money market Collective Investment Schemes, while providing principal preservation. Principal preservation means that the net realisable value of the Fund shall not fall below the initial investment value (adjusted for distributions / redemptions during the life of the Fund), provided that the units are held till the completion of the initial maturity of the Fund.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of AM1 to the Management Company. The Fund has not yet been rated.

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

The Fund commenced its operations from January 9, 2015. As per the offering document, the duration of the Fund is perpetual and the initial maturity of the Fund is two (2) years from the commencement of the life of the Fund. Principal preservation will not be available if units are encashed before the expiry of the initial maturity term. However, SECP or the Management Company may wind it up on the occurrence of certain events as specified in the offering document of the Fund.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the 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 this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2017.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

This condensed interim financial information is unaudited. However, a limited scope review has been performed by the statutory auditors in accordance with the requirements of the Code of Corporate Governance. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund as at December 31, 2017.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS AND CHANGES THEREIN

- 3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2017 except the for the change in accounting policy as stated in note 3.2.
- 3.2 The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was set up, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting period which pertains to unrealised appreciation / (diminution) was held in the Unit Holder's Fund in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period was recognised in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 based on the clarification issued by the SECP. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the income of the Fund would have been higher by Rs 0.344 million net off charge for SWWF in respect of element of income and consequently NAV per unit would have been lower by Re 0.002. However, the change in accounting policy does not have any impact on the 'Cash flow Statement'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

3.3 The preparation of the condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial information, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2017. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2017.

3.4 Amendments to published approved accounting standards that are effective in the current period

There are certain amendments to the approved accounting standards that are mandatory for accounting periods beginning on or after July 1, 2017 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are, therefore, not detailed in this condensed interim financial information.

3.5 Standards and amendments to published approved accounting standards that are not yet effective

During the current period the SECP has adopted IFRS 9: 'Financial Instruments' and IFRS 15: 'Revenue from Customers', which are applicable with effect from July 1, 2018. The management is currently assessing the impacts of these standards on the Fund's future financial statements. There are certain other new standards, interpretations and amendments to the approved accounting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2018. However, these are not expected to have any significant impact on the Fund's operations and are, therefore, not detailed in this condensed interim financial information.

	Note	(Un-audited) December 31, 2017	Audited June 30, 2017
4		----- Rupees in '000 -----	
BALANCE WITH BANKS			
Profit and loss savings accounts	4.1	<u>243,012</u>	<u>347,059</u>

4.1 These saving accounts carry mark-up at rates ranging from 3.75% to 6.70% (June 30, 2017: 2.40% to 6.05%) per annum.

	Note	(Un-audited) December 31, 2017	Audited June 30, 2017
5		----- Rupees in '000 -----	
INVESTMENTS			
Financial assets at fair value through profit or loss'			
- Units of mutual funds	5.1	<u>40,094</u>	<u>53,176</u>

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

5.1 Investment in mutual funds - related parties

Name of the investee company	Number of units				Market value as at December 31, 2017	Investment as a percentage of	
	As at July 01, 2017	Purchases during the period	Sales / matured during the period	As at December 31, 2017		Net assets	Total investments
					Rupees in '000	-----%	
NAFA Islamic Asset Allocation Fund	2,514,865	13,735	486,292	2,042,308	31,366	11.60%	78.23%
NAFA Islamic Stock Fund	779,630	2,196	-	781,826	8,728	3.23%	21.77%
					<u>40,094</u>	<u>14.83%</u>	<u>100.00%</u>

Carrying value as at December 31, 2017

45,117

Market value as at June 30, 2017

53,176

Carrying value as at June 30, 2017

51,579

5.2 Unrealised (diminution) / appreciation on re-measurement of investments classified as financial asset 'at fair value through profit or loss'

Note	(Un-audited) December 31, 2017	Audited June 30, 2017
	----- Rupees in '000 -----	
Market value of securities	40,094	53,176
Less: Carrying amount of securities	<u>(45,117)</u>	<u>(51,579)</u>
	<u>(5,023)</u>	<u>1,597</u>

6 PAYABLE TO NBP FULLERTON ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Remuneration of the Management Company	6.1	209	293
Sindh Sales Tax payable on remuneration of the Management Company	6.2	27	39
Federal Excise Duty on the remuneration of the Management Company	6.3	3,007	3,007
Allocation of operational expenses from the Management Company	6.4	161	848
Federal Excise Duty on Sales load payable		<u>5,258</u>	<u>5,258</u>
		<u>8,662</u>	<u>9,445</u>

- 6.1 The Management Company has charged remuneration at a rate of 2% on equity component and 12% of net income excluding equity component, subject to a minimum of 0.5% of net assets and maximum of 1% of net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.
- 6.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2017: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 6.3 As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company and sales load was applied effective from June 13, 2013. The Management Company was of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Funds Association of Pakistan with the Sindh High Court (SHC) on September 4, 2013.

The SHC while disposing of the Constitutional Petition No. D-3184 of 2014 relating to levy of FED on Mutual Funds had declared the said provisions to be ultra vires and as a result no FED was payable with effect from July 1, 2011, (i.e., the date on which Sindh Sales Tax on Services Act, 2011 came into force). However, the tax authorities subsequently filed an appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for decision.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

Effective July 1, 2016, mutual funds have been excluded from levy of FED vide Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 3.007 million (June 30, 2017: Rs 3.007 million) is being retained in this condensed interim financial information of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2017 would have been higher by Rs. 1.1407 (June 30, 2017: Rs. 0.8105) per unit.

- 6.4 In accordance with Regulation 60 of the NBFC Regulations the Management Company has charged expenses at the rate of 0.1% of the average net assets of the Fund being lower than actual expenses chargeable to the Fund for the period.

	Note	(Un-audited) December 31, 2017	Audited June 30, 2017
		----- Rupees in '000 -----	
7	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE		
	Remuneration payable to the Trustee	23	33
	Sindh Sales Tax on Trustee remuneration	3	4
		<u>26</u>	<u>37</u>

- 7.1 Sindh Sales Tax at 13% (June 30, 2017: 13%) has been charged on Trustee fee.

	Note	(Un-audited) December 31, 2017	Audited June 30, 2017
		----- Rupees in '000 -----	
8	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	Annual fee	153	805

- 8.1 Under the provisions of the NBFC Regulations, a collective investment scheme categorised as Shariah Compliant Capital Protected scheme is required to pay an annual fee to SECP. During the period the Fund has paid an amount equal to 0.095 percent of average annual net assets of the Fund.

	Note	(Un-audited) December 31, 2017	Audited June 30, 2017
		----- Rupees in '000 -----	
9	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Auditors' remuneration	71	243
	Shariah advisory fee	220	409
	Legal fee	6	6
	Withholding tax and capital gain tax	788	963
	Bank charges	43	58
	Payable against printing charges	4	50
	Payable to NAFA Islamic Asset Allocation Fund	-	3,700
	Provision for Sindh Workers' Welfare Fund	3,964	3,954
		<u>5,096</u>	<u>9,383</u>

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

- 9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in this condensed interim financial information, the net asset value of the Fund as at December 31, 2017 would have been higher by Rs. 1.5037 per unit (June 30, 2017: Rs. 1.0659).

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2017 and June 30, 2017.

11 NET ASSET VALUE PER UNIT

The net asset value (NAV) per unit, as disclosed in the condensed interim statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the period / year end.

12 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2018 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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

13 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.

14 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 1.46% p.a. including 0.22% representing government levies such as Sales tax, Worker's Welfare Fund and Securities & Exchange Commission of Pakistan fee for the period.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

15 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 15.1 Related Parties / Connected persons include NBP Fullerton Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP), and Alexandra Fund Management Pte. Limited being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and officers of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.
- 15.2 The transactions with connected persons are in the normal course of business, at contracted rates and the terms determined in accordance with the market rates.
- 15.3 Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 15.4 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

------(Un-audited)-----	
Half year ended	
December	December
31, 2017	31, 2016
------(Rupees in '000)-----	

15.6 Details of the transactions with related parties / connected persons are as follows:

NBP Fullerton Asset Management Limited - (Management Company)

Remuneration of the Management Company	1,364	3,820
Sindh Sales Tax on remuneration of the Management Company	177	497
Allocation of operational expenses from the Management Company	161	593

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period	161	571
Sindh Sales Tax on remuneration of the Trustee	21	74

NAFA Islamic Stock Fund

Units purchased: 2,196 units (December 31, 2016: 13,634,387 units)	26	176,677
Units Sold: Nil units (December 31, 2016: 34,051,041 units)	-	489,278
Cash distribution	25	-

NAFA Islamic Asset Allocation Fund

Units purchased: 13,735 units (December 31, 2016: 18,453,552 units)	220	311,663
Units Sold: 486,292 units (December 31, 2016: 23,386,644 units)	7,893	418,250
Cash distribution	220	-

State Petroleum Refining & Petrochemical Corporation (Pvt Limited (Unit Holder with more than 10% holding)

Units Redeemed: 533,396 (December 31, 2016: Nil)	54,300	-
--	--------	---

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

	(Un-audited) December 31, 2017	Audited June 30, 2017
	----- Rupees in '000 -----	
15.6 Balances outstanding as at period / year end		
NBP Fullerton Asset Management Limited - (Management Company)		
Management remuneration payable	209	293
Sindh Sales Tax (SST) payable on remuneration of the Management Company	27	39
Federal Excise Duty (FED) payable on remuneration of the Management Company	3,007	3,007
Accounting and operational charges	161	848
Federal Excise Duty on Sales load payable	5,258	5,258
Central Depository Company of Pakistan Limited - (Trustee)		
Remuneration payable	23	33
Sindh Sales Tax payable on remuneration of the Trustee	3	4
State Petroleum Refining & Petrochemical Corporation (Pvt) Limited (Unit Holder with more than 10% holding)		
Units held: 1,773,277 (June 30, 2017: 2,306,673 units)	181,835	235,796
Employees of the Management Company		
Units held: 1,837 units (June 30, 2017: 1,837 Units)	188	188
NAFA Islamic Stock Fund		
Units held: 781,826 units (June 30, 2017: 779,630 Units)	8,728	10,217
NAFA Islamic Asset Allocation Fund		
Units held: 2,042,308 units (June 30, 2017: 2,514,865 Units)	31,366	42,959
Payable to NAFA Islamic Asset Allocation Fund	-	3,700

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments is determined as follows:

- Fair value of units of mutual funds is valued by reference to the net asset values prices quoted on the respective (redemption price) declared by the respective funds.
- The fair value of all other financial assets and financial liabilities of the Fund approximate their carrying amounts due to short term maturities of these instruments.

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities (Level 1).
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2).
- Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (Level 3).

As at December 31, 2017 and June 30, 2017, the Fund held the following financial instruments measured at fair value:

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

	(Un-audited)			
	As at December 31, 2017			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
ASSETS				
Investments - financial assets 'at fair value through profit or loss'				
- Units of mutual funds	40,094	-	-	40,094
	(Audited)			
	As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
ASSETS				
Investments - financial assets 'at fair value through profit or loss'				
- Units of mutual fund	53,176	-	-	53,176

17 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on February 22, 2018.

18 GENERAL

18.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise is specified.

18.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure. There have been no significant reclassification during the period except for the impact of change in accounting policy as more fully disclosed in note 3.2 to the condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

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 9995

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Website: www.nafafunds.com

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