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

NAFA MONEY MARKET FUND

QUARTERLY
REPORT September 30
2017




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.

NAFA MONEY MARKET FUND

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NAFA MONEY MARKET 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. Lui Mang Yin (Martin Lui)	Director
Mr Humayun Bashir	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

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
Mr. Lui Mang Yin (Martin Lui)	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

Askari Bank Limited
Bank Alfalah Limited
National Bank of Pakistan
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Habib Bank Limited
Bank Al Habib Limited
Allied Bank Limited
United Bank Limited
Summit Bank Limited
Sindh Bank Limited
Samba Bank Limited
Zarai Taraqiati Bank Limited
JS Bank Limited

NAFA MONEY MARKET FUND

Auditors

Deloitte Yousuf Adil
Chartered Accountants
Cavish Court,
A-35, Block 7 & 8,
KCHSU, Sharae Faisal
Karachi-75350 Pakistan

Legal Advisor

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 MONEY MARKET FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of **NAFA Money Market Fund** (NMMF) for the quarter ended September 30, 2017.

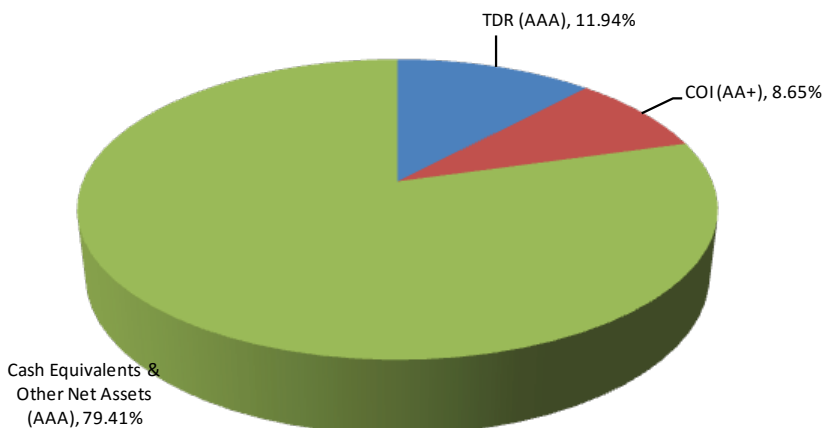
Fund's Performance

The size of NAFA Money Market Fund has increased from Rs. 14,845 million to Rs. 23,121 million during the quarter, i.e. a considerable growth of 56%. During the period under review, the unit price of the Fund has increased from Rs. 9.8513 (ex-Div) on June 30, 2017 to Rs. 9.9865 on September 30, 2017; thus posting a return of 5.5% as compared to its Benchmark return of 5.2%. The performance of the Fund is net of management fee and all other expenses.

NMMF's stability rating awarded by PACRA is 'AA (f)', which denotes a very strong capacity to maintain relative stability in returns and very low exposure to risks. Being a money market scheme, the Fund has stringent investment guidelines. The authorized investments of the Fund include T-Bills, Bank Deposits and Money Market instruments. Minimum rating requirement is AA, while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days.

During the period, State Bank of Pakistan (SBP) maintained the policy rate at 5.75%. SBP cited that macroeconomic environment remains conducive to growth without impacting headline inflation. Average CPI inflation eased to 3.4% in Jul-Sep FY18 compared to 3.9% during the same period last year. Given potential risks to inflation and interest rates from deteriorating Balance of Payment (BoP) position, investors' preference tilted towards short-term government securities as indicated by heavy participation in 03 month T-bills. T-bill yields remained almost unchanged during the quarter.

The Fund has earned total income of Rs.311.73 million during the period. After accounting for expenses of Rs.46.39 million, the net income is Rs.265.34 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NMMF.



NAFA MONEY MARKET 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 27, 2017
Place: Karachi.

NAFA MONEY MARKET FUND

ڈائریکٹر رپورٹ

این بی پی فلٹرن ایسٹٹ میئنجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NAFA منی مارکیٹ فنڈ (NMMF) کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے مئی تا ستمبر 2017 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

فنڈ کی کارکردگی

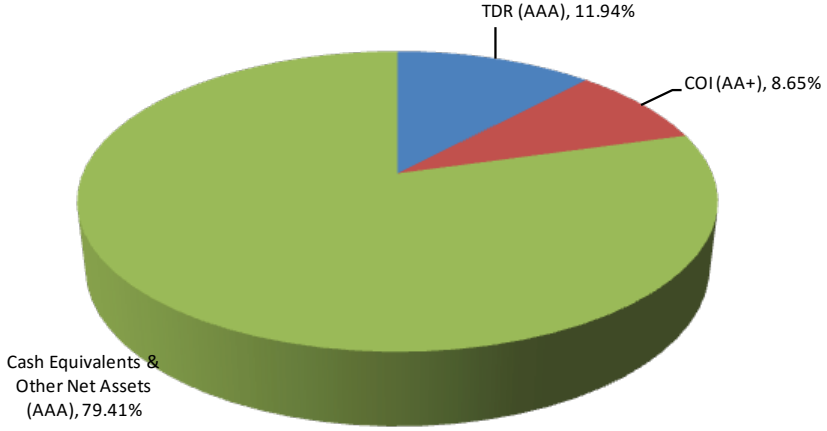
اس سہ ماہی کے دوران، نفع منی مارکیٹ فنڈ کا حجم 14,845 روپے سے بڑھ کر 23,121 ملین روپے ہو گیا جو کہ ایک 56 فیصد کی قابل ذکر نمو کو ظاہر کرتا ہے۔ جائزہ مدت کے دوران، فنڈ کے کے یونٹ کی قیمت 30 جون 2017 کو 9.8513 (Ex-Div) روپے سے بڑھ کر 30 ستمبر 2017 کو 9.9865 روپے ہو گئی، لہذا 5.21 فیصد شیئنگ مارک منافع کے مقابلے میں 5.5 منافع ہوا۔ فنڈ کی یہ کارکردگی انتظامیہ کے معاوضہ اور دیگر تمام اخراجات نکالنے کے بعد ہے۔

PACRA نے NMMF کو "AA (f)" کی مستحکم درجہ بندی سے نوازا ہے جس سے واضح طور پر پتا چلتا ہے کہ منافع میں اضافی استحکام کی بہت مضبوط گنجائش ہے اور اس میں خطرات بہت کم ہیں۔ بازار زر کی اسکیم ہونے کے ناتے، فنڈ سخت سرمایہ کاری شرائط کے تابع ہے۔ فنڈ کی مجاز سرمایہ کاریوں میں T-Bills، بینک میں جمع شدہ قومات اور بازار زر کی مصنوعات شامل ہیں۔ کم از کم درجہ بندی AA ہے جبکہ فنڈ کو چھ ماہ سے زیادہ میچورٹی والے تسمکات میں سرمایہ کاری کی اجازت نہیں ہے۔ فنڈ کی اوسط آوازانی میچورٹی کا دورانیہ 90 دن سے زیادہ نہیں ہو سکتا۔

اس مدت کے دوران، اسٹیٹ بینک آف پاکستان نے اپنے پالیسی نرخ 5.75% پر برقرار رکھے۔ SBP نے بڑے معاشی معاملات کو ترقی کے لئے موزوں قرار دیا اس بات کی پرواہ کئے بغیر کہ افراط زر کے کیا اثرات مرتب ہو گئے۔ جولائی سے ستمبر مالی سال 2018 کے دوران درمیانی CPI افراط زر میں قدرے کمی آئی جو کہ 3.4 فیصد رہی جبکہ پچھلے سال اسی مدت کے دوران 3.9 فیصد تھی۔ توازن ادائیگی کی بگڑتی ہوئی صورتحال کے پیش نظر افراط زر اور سودی نرخوں میں متوقع اضافے کی وجہ سے 3 ماہ کی مدت کی قلیل المیعاد حکومتی تسمکات کی طرف سرمایہ داروں کا رجحان رہا جس کی نشاندہی سہ ماہی T-Bills میں بھاری سرمایہ کاری سے ہوتی ہے۔ اس سہ ماہی کے دوران T-Bills پر منافع تقریباً غیر متزلزل رہا۔

فنڈ کو اس مدت کے دوران 311.73 ملین روپے کی کل آمدنی ہوئی۔ 46.39 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 265.34 ملین روپے ہو گئی۔ مندرجہ ذیل چارٹ NMMF کے اثاثوں کی تخصیص اور ذیلی اثاثوں کی اوسط آوازانیہ کریٹ درجہ بندی کو ظاہر کرتا ہے۔

NAFA MONEY MARKET FUND



اعتراف

اس موقع پر بورڈ اپنے تمام یونٹ ہولڈرز کا شکریہ ادا کرتے ہیں جنہوں نے انتظامی کمپنی پر اپنے بھروسے اور اعتماد کا اظہار کیا اور ہمیں اپنی خدمت کا موقع دیا۔ بورڈ اپنی مخلصانہ ستائش سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک کو ان کی سرپرستی اور رہنمائی پر پیش کرتا ہے۔ بورڈ بخوشی اس بات کا اعتراف کرتا ہے کہ ملازمین اور سٹیز نے انتھک محنت، جدوجہد اور لگن سے کام کیا۔

از طرف بورڈ

این بی پی فلرٹن ایسٹ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ: اکتوبر 27، 2017

بمقام کراچی

NAFA MONEY MARKET FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

	Note	(Un- Audited) September 30' 2017	Audited June 30, 2017
(Rupees in '000)			
ASSETS			
Balance with banks	4	19,098,122	13,618,825
Investment	5	4,100,000	1,400,000
Mark-up accrued	6	18,068	1,716
Receivable against transfer of units		23,659	1,896
Deposit and prepayment		206	278
Total assets		23,240,055	15,022,715
LIABILITIES			
Payable to NBP Fullerton Asset Management Limited - Management Company		27,664	19,310
Payable to Central Depository Company of Pakistan Limited - Trustee		1,469	1,037
Payable to the Securities and Exchange Commission of Pakistan		3,686	8,623
Payable against redemption of units		6,026	4,695
Accrued expenses and other liabilities	6	80,065	143,592
Total liabilities		118,910	177,257
NET ASSETS		23,121,145	14,845,458
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		23,121,145	14,845,458
CONTINGENCIES AND COMMITMENTS	9		
-----Number of units-----			
NUMBER OF UNITS IN ISSUE		2,315,243,541	1,505,846,441
------(Rupees)-----			
NET ASSET VALUE PER UNIT		9.9865	9.8585

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM INCOME STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (Un-audited)

	Note	(Un- Audited) Quarter Ended September 30' 2017	Quarter Ended September 30, 2016
(Rupees in '000)			
INCOME			
Net (loss) on sale of investment		(72)	-
Income from investment in government securities		10,663	-
Income from term deposits receipt		8,102	-
Income from certificates of investment		5,822	-
Profit on bank deposits		287,219	133,561
Total income		311,734	133,561
EXPENSES			
Remuneration of the Management Company		24,654	10,465
Sindh Sales Tax on Management Company's remuneration		3,205	1,360
Accounting and operational charges to the Management Company		4,915	1,920
Remuneration of Central Depository Company of Pakistan Limited - Trustee		3,516	1,629
Sindh Sales Tax on Remuneration of CDCPL - Trustee		457	212
Annual fee to the Securities and Exchange Commission of Pakistan		3,686	1,440
Bank charges		245	68
Annual listing fee		11	13
Auditors' remuneration		194	141
Amortisation of preliminary expenses and floatation costs		-	58
Legal and professional charges		8	3
Printing charges		-	38
Rating fee		89	82
Total expenses		40,980	17,429
Net income from operating activities		270,754	116,132
Element of income and capital gains included in the prices of units issued less those in units redeemed - net		-	16,121
Net income for the period		270,754	132,253
Provision for Sindh Workers' Welfare Fund	6.1	(5,415)	-
Net income for the period before taxation		265,339	132,253
Taxation	7	-	-
Net income for the period after taxation		265,339	132,253
Earnings per unit	9	-	-
Allocation of Net income for the period:			
Income already paid on units redeemed		(39,366)	-
Accounting income available for distribution:			
- Relating to Capital Gains		(61)	-
- Excluding Capital Gains		226,034	-
Accounting Income available for Distribution		225,973	132,253

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (Un-audited)

	Note	(Un- Audited) Quarter Ended September 30' 2017 (Rupees in '000)	Quarter Ended September 30, 2016
Accounting income available for distribution:		225,973	132,253
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>225,973</u>	<u>132,253</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (Un-audited)

	Note	(Un- Audited) Quarter Ended September 30' 2017 (Rupees in '000)	Quarter Ended September 30, 2016
Net assets at the beginning of the period		14,845,458	7,109,729
Issue of 1,622,827,998 units (Sep 2016: Issued : 994,626,148 units)		16,105,756	9,860,535
Redemption of 813,430,898 units (Sep 2016: 732,765,729 units)		(8,078,447)	(7,251,998)
		8,027,309	2,608,537
Element of (loss) and capital (losses) included in the prices of units issued less those in units redeemed - net - Transferred to Income Statement		-	(16,121)
Accounting income for the period		225,973	132,253
Income already paid on units redeemed		39,365	-
Final Distribution			
- Re 0.0073 per unit distribution for the year ended June 30, 2017 (2016: 0.0031)		(16,961)	(2,886)
Net assets at the end of the period		<u>23,121,145</u>	<u>9,831,512</u>
Net Assets value per unit as at beginning of the period		<u>9.8585</u>	<u>9.8377</u>
Net Assets value per unit as at end of the period		<u>9.9865</u>	<u>9.9856</u>
Distribution during for the period:			
Undistributed income brought forward comprises of:			
- Realised Gain		114,918	81,775
- Unrealised Gain		-	-
		114,918	81,775
Accounting income available for distribution:			
-Relating to capital gains		(61)	-
-Excluding capital gains		226,034	-
		225,973	132,253
Final Distributions during the period:			
- Re 0.0073 per unit distribution for the year ended June 30, 2017 (2016: 0.0031)		(16,961)	(2,886)
Undistributed income carried forward		<u>323,930</u>	<u>211,141</u>
Undistributed income carried forward comprises of:			
-Excluding capital gains		323,930	211,141
		323,930	211,141

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (Un-audited)

	Note	(Un- Audited) Quarter Ended September 30' 2017 (Rupees in '000)	Quarter Ended September 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period		265,339	132,253
Adjustments for:			
Element of (income) and capital (gains) included in prices of units issued less those in units redeemed - net		-	(16,121)
Amortisation of preliminary expenses and floatation costs		-	58
		265,339	116,190
(Increase) / Decrease in assets			
Investments		(2,700,000)	-
Profit receivable		(16,352)	291
Deposits & prepayments		72	39
		(2,716,280)	330
Increase / (decrease) in liabilities			
Payable to the Management Company		8,354	3,676
Payable to Central Depository Company of Pakistan Limited - Trustee		432	270
Payable to Securities and Exchange Commission of Pakistan		(4,937)	(2,010)
Accrued expenses and other liabilities		(63,527)	2,539
		(59,678)	4,475
Net cash (used) / generated from operating activities		(2,510,619)	120,995
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issuance of Units		16,083,993	12,511,074
Amount paid on redemption of Units		(8,077,116)	(7,249,390)
Distributions Paid		(16,961)	(2,886)
Net cash generated from financing activities		7,989,916	5,258,798
Net increase in cash and cash equivalents during the period		5,479,297	5,379,793
Cash and cash equivalents at the beginning of the period		13,618,825	4,603,574
Cash and cash equivalents at the end of the period	4	19,098,122	9,983,367

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MONEY MARKET FUND

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION (UN- AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (Un-audited)

1. LEGAL STATUS AND NATURE OF BUSINESS

NAFA Money Market Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 4, 2011 and was approved by Securities and Exchange Commission of Pakistan (SECP) on April 14, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the 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 SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi.

The Fund is an open-ended mutual fund categorised as "money market scheme" and its units are listed on Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

The objective of the Fund is to generate optimal return with minimum risk, to provide easy liquidity and reasonable income to its unit holders by investing primarily in short-term government securities.

The investment objective of the Fund is to generate stable income stream for its unit holders while ensuring capital preservation by investing in AA and above rated banks and money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company and a stability rating of 'AA(f)' to the Fund.

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

2. STATEMENT OF COMPLIANCE

These financial statements have 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, provisions of and directives issued under the Companies Ordinance, 1984, Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). Whenever the requirements of the NBFC Rules, the NBFC Regulations or provisions of and directives issued under the Companies Ordinance, 1984 differ with the requirements of IFRS, the requirements of the NBFC Rules, the NBFC Regulations or the provisions of and directives issued under the Companies Ordinance, 1984 shall prevail.

The disclosure 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 asset management company declare that these condensed interim financial statements give a true and fair view of the fund

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed financial statements for the quarter ended September 30, 2017 are same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2017 except for element of income. Pursuant to SRO 756(I)/2017, management has changed its accounting policy whereby element of income / loss and capital gains / losses in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAF, therefore the comparative information have not been restated.

NAFA MONEY MARKET FUND

	Note	(Un-Audited) September 30, 2017	Audited June 30, 2017
4	BANK BALANCES	----- Rupees in '000 -----	
	Current accounts	10,016,353	15,548
	Savings accounts	4.1 8,420,769	13,603,277
	Term Deposits with original maturity of less than three months	4.2 661,000	-
		<u>19,098,122</u>	<u>13,618,825</u>

4.1 These accounts carry rate of return ranging from 3.75% to 6.77% per annum (2016: 3.75% to 7.43% p.a).

4.2 This represents term deposit receipts of Rs. 161 million with Zarai Taraqiati Bank Limited & Rs. 500 million with Allied Bank Limited respectively. They carry interest at the rate of 6.55% and 6.25 % will mature on Dec 27, 2017 & October 07, 2017 respectively.

	Note	(Un-Audited) September 30, 2017	Audited June 30, 2017
5	INVESTMENTS	----- Rupees in '000 -----	
	At fair value through profit or loss - held for trading		
	Government securities - Market Treasury Bills	5.1 -	-
		<u>-</u>	<u>-</u>
	Loans & Receivable		
	Term Deposits	5.2 2,100,000	-
	Certificate of Investments	5.3 2,000,000	-
		<u>4,100,000</u>	<u>-</u>

5.1 Investment in government securities - 'at fair value through profit or loss'

Issue date	Tenor	Face value				Market value as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2017	Purchases during the year	Sales / matured during the year	As at September 30, 2017			
-----Rupees in '000-----								
2-Mar-17	06 Months	-	500,000	500,000	-	-	-	-
31-Aug-17	03 Months	-	4,600,000	4,600,000	-	-	-	-
Total as at September 30, 2017					-	-	-	

5.2 This represents term deposit receipts of Rs 2,100 million with Zarai Taraqiati Bank Limited. They carry interest at the rate of 6.55% and will mature on Dec 14, 2017 respectively.

5.3 This represents Certificate of Investments of Rs 2,000 million with Pak Brunei Investment Company Limited. They carry interest at the rate of 6.25% and will mature on Dec 14, 2017 respectively.

NAFA MONEY MARKET FUND

	Note	(Un-Audited) September 30, 2017	Audited June 30, 2017
		----- Rupees in '000 -----	
6 PROFIT RECEIVABLE			
Mark-up accrued on bank balances		5,582	1,477
Mark-up accrued on term deposits		6,664	239
Mark-up accrued on Certificate of Investments		5,822	-
		<u>18,068</u>	<u>1,716</u>
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		651	456
Provision for Sindh Workers' Welfare Fund	7.1	10,590	5,175
Federal Excise Duty on Management Company's remuneration		44,146	44,146
Withholding Tax		19,143	14,288
Capital Gain Tax		2,902	77,113
Legal and professional charges		16	8
Bank charges		104	18
Printing charges		162	162
Dividend payable		291	164
Others		2,060	2,062
		<u>80,065</u>	<u>143,592</u>

- 7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWWF 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 (SWWWF) 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 SWWWF 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 SWWWF under the SWWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWWF.

In view of the above developments regarding the applicability of SWWWF on CISs / mutual funds, MUFAP on January 12, 2017 recommended all its members that as a matter of abundant caution the provision in respect of SWWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision not being made, the net asset value per unit as at September 30, 2017 would have been higher by Rs.0.0046 per unit (June 2017: Re 0.0034 per unit) .

8 TAXATION

The income of the Fund 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. The management intends to distribute 90 percent of the Fund's net accounting income earned by the year end as cash dividend to the unit holders. Accordingly, no provision in respect of 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 TOTAL EXPENSE RATIO

Total Expense Ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 0.94 % per annum including 0.26 % representing government levies on collective investment scheme such as sales tax, worker's welfare fund and Securities and Exchange Commission of Pakistan fee for the period.

NAFA MONEY MARKET FUND

10 EARNING PER UNIT

Earning per unit (EPU) for the quarter ended September 30, 2017 has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

11 TRANSACTIONS WITH CONNECTED PERSONS

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, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group of companies, directors and officers of the Management Company and any person or company beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.

11.1 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

11.2 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.

11.3 Remuneration payable to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

	'Quarter Ended Sep 30, 2017 Un - Audited	'Quarter Ended Sep 30, 2016 Un - Audited
	(Rupees in '000)	

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

NBP Fullerton Asset Management Limited - Management Company		
Remuneration for the period	24,654	10,465
Sindh Sales Tax on Management Company's remuneration	3,205	1,360
Front-end load paid to the Management Company	-	-
Accounting & Operational charges payable to Management Company	4,915	1,920
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	3,516	1,629
Sindh Sales Tax on Trustee's remuneration	457	212
National Bank of Pakistan - Sponsor		
Bank Profit - Saving A/c	19	12
**Askari Bank Limited (Common Directorship with the Management Company)		
Bank Profit - Saving A/c	61	-
Employee of the Management Company		
Issue of 22,696 units (2016: 77,825 units)	9,906	770
Redemption of 648,811 units (2016: 23,677 units)	6,423	234
Chief Financial Officer		
Issue of Nil units (2016: 100,177 units)	-	1,000
**Humayun Bashir (Director of Management Company)		
Issue of 135 units (2016: Nil units)	1	-
Redemption of 408,834 units (2016: Nil units)	4,054	-
National Fullerton Asset Management Employee Provident Fund		
(Provident Fund of the parent of the Management Company)		
Units held: 562,812 units (2016: Nil units)	5,593	-
Redemption of 189,635 units (2016: Nil units)	1,875	-

NAFA MONEY MARKET FUND

	'Quarter Ended Sep 30, 2017 Un - Audited	'Quarter Ended Sep 30, 2016 Un - Audited
(Rupees in '000)		
Byco Oil Pakistan Limited- Employee Provident Fund		
Issue of 1095 units (2016: Nil units)	11	-
Redemption of Nil units (2016: 141,602 units)	-	1,395
Byco Petroleum Pakistan Limited- Employee Provident Fund		
Issue of 188 units (2016: Nil units)	2	-
Redemption of Nil units (2016: 451,395 units)	-	4,446
**Management Association of Pakistan (Common Directorship with the Management Company)		
Issue of 236,154 units (2016: Nil units)	2,347	-
Redemption of 124,001 units (2016: Nil units)	1,228	-
**Gul Ahmed Textile Mills Limited Provident Fund (Portfolio managed by the Management Company)		
Issue of 5,551 units (2016: 35,423,478 units)	55	-
Honda Atlas Cars (Pakistan) Limited (Unit holder of 10% or more of units of CIS)		
Issue of 137,403 units (2016: Nil units)	1,369	-

11.5 Amounts / balances outstanding as at period end:

	(Un-audited) September 30, 2017	Audited June 30, 2017
----- Rupees in '000 -----		
NBP Fullerton Asset Management Limited (Management Company)		
Remuneration payable	9,323	6,326
Sindh sales tax payable on remuneration of the Management Company	1,212	822
Operational expenses	16,413	11,498
Sales Load	389	343
Sindh Sales Tax & Federal Excise Duty on Sales load	327	321
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable	1,300	918
Sindh sales tax remuneration payable	169	119
Security deposit	100	100
National Bank of Pakistan		
Bank balances		
- in saving accounts	2,719	3,812
- in current accounts	165	165
Summit Bank Limited (Common Directorship with the Management Company)		
Bank balances in current accounts	16,178	15,383
Askari Bank Limited (Common Directorship with the Management Company)		
Bank balances in saving account	4,604	4,602
Employees of the Management Company		
Units held: 3,260,788 units (2017: 2,910,174 units)	32,564	28,690
Humayun Bashir (Director of Management Company)		
Units held: Nil units (2017: 408,699 units)	-	4,029

NAFA MONEY MARKET FUND

	(Un-audited) September 30, 2017 ----- Rupees in '000 -----	Audited June 30, 2017
* Nausherwan Adil (Director of Management Company)		
Units held: Nil units (2017: 163,734 units)	-	1,614
National Fullerton Asset Management Employee Provident Fund (Provident Fund of the parent of the Management Company)		
Units held: 1,001,213 units (2017: 628,036 units)	9,999	6,191
* Thal Limited (Portfolio managed by the Management Company)		
Units held Nil : (2017: 89,189,188 units)	-	879,272
Management Association of Pakistan (Common Directorship with the Management Company)		
Units held: 439,701 (2017: 327,548 units)	4,391	3,229
Honda Atlas Cars (Pakistan) Limited (Unit holder of 10% or more of units of CIS)		
Units held: 250,208,340 (2017: 250,070,937 units)	2,498,706	2,465,324
* Liberty Mills Limited (Unit holder of 10% or more of units of CIS)		
Units held: Nil (2017: 224,327,443 units)	-	2,211,532
Byco Petroleum Pakistan Limited Employees' Provident Fund (Portfolio managed by the Management Company)		
Units held: 1,994,738 units (2017: 1,993,643 units)	19,920	19,654
Pakistan Mobile Communications Limited Provident Fund (Portfolio managed by the Management Company)		
Units held: 256,767 units (2017: 256,579 units)	2,564	2,529
Gul Ahmed Textile Mills Limited Provident Fund (Portfolio managed by the Management Company)		
Units held: 7,583,092 units (2017: 7,577,540 units)	75,729	74,703
Amount receivable against issue / transfer of units from:		
NAFA Stock Fund	-	1,896
Amount payable against redemption / transfer of units to:		
NAFA Islamic Asset Allocation Fund	-	4,345
NAFA Stock Fund	-	30

* Current balances with these parties have not been disclosed as they did not remain connected persons and the related parties as at period end.

** Comparative balances with these parties have not been disclosed as these parties were not related parties in last period.

NAFA MONEY MARKET FUND

12 CONTINGENCIES & COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2017 or June 30, 2017.

13 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 27th 2017.

14 GENERAL

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

14.2 Corresponding figures have been rearranged or reclassified, where necessary for the purpose of better presentation.

**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

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