



NBP FUNDS

Managing Your Savings

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NAFA MULTI ASSET FUND

QUARTERLY
REPORT
March 31, 2018



MISSION STATEMENT

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

NAFA MULTI ASSET FUND

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NAFA MULTI ASSET FUND

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Formerly: NBP Fullerton Asset Management Limited (NAFA)

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 |

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 |
| Mr. Humayun Bashir | Member |

Human Resource and Remuneration Committee

| | |
|------------------------|----------|
| Mr. Kamal Amir Chinoy | Chairman |
| Mr. Abdul Hadi Palekar | Member |
| Mr. Humayun Bashir | Member |

Strategy & Business Planning Committee

| | |
|-----------------------------------|----------|
| Mr. Humayun Bashir | Chairman |
| Mr. Tariq Jamali | Member |
| Mr. Shehryar Faruque | Member |
| Dr. Foo Chiah Shiung (Kelvin Foo) | 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

Allied Bank Limited
Askari Bank Limited
Summit Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Silk Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited
Sindh Bank Limited
Zarai Taraqiyati Bank Limited
JS Bank Limited
Bankislami Pakistan Limited

NAFA MULTI ASSET FUND

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.02
Beaumont Road,
Karachi - 75530, Pakistan.

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: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.nbpffunds.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
Fax: 091-5703202

Multan Office:

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

NAFA MULTI ASSET FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited (Formerly: NBP Fullerton Asset Management Limited) is pleased to present the unaudited financial statements of **NAFA Multi Asset Fund (NMF)** for the period year ended March 30, 2018.

Fund's Performance

The size of NAFA Multi Asset Fund has decreased from Rs. 1,847 million to Rs. 1,750 million during the period, i.e. a decrease of 5%. During the period, the unit price of NAFA Multi Asset Fund (NMF) has decreased from Rs. 19.1899 (Ex-Div) on June 30, 2017 to Rs. 18.8389 on March 31, 2018, thus showing a decrease of 1.83%. The Benchmark increased during the same period was 1.47%. Thus, the Fund has underperformed its Benchmark by 3.30% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.7741 (Ex-Div) on January 19, 2007 to Rs. 18.8389 on March 31, 2018, thus showing an increase of 399.16%. During the said period, the Benchmark increased by 170.37%, translating into outperformance of 228.80%. This performance is net of management fee and all other expenses.

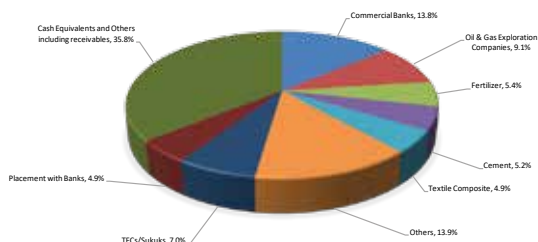
After a sizeable decline of 13.1% during the 1HFY2018 mainly driven by plethora of negative news on the political front and concerns on the widening current account deficit, the stock market staged a strong recovery of 12.6% in the 3QFY2018. Overall, during 9MFY2018, the market witnessed a meager decline of 2.2%. The rebound in the 3QFY2018 is attributable to anticipation of a Foreign Assets Declaration Scheme (FADR) with the associated expectation of significant inflows to the tune of USD3-5bn, PKR devaluation of around 9%, and 25 basis points increase in policy rate to address the galloping current account deficit. Adding to the investors' optimism were expectations of some tax relief for the capital market and listed sectors of the economy in the upcoming federal budget. The PKR devaluation is generally positive for the stock market as it usually improves the profitability of the select heavy-weight sectors such as Oil & Gas Exploration, Banks, Textile Composite, and Technology & Communication while, profit margins of the other sectors such as Automobile Assemblers, Cement, and Fertilizer, etc remain intact on account of pass-through of the rising input cost. It is worthwhile to mention that post the first round of devaluation on December 8, 2017 through March-end, the KSE-100 Index is up by 17%. Similarly, positive impact of currency devaluation has started reflecting as exports are up by a handsome 12% on a year-on-year basis in March 2018.

During 9MFY2018, Oil & Gas Exploration, Food & Personal Care, Fertilizer, and Commercial Banks sectors delivered better returns than the market, while Refineries, Cements and Engineering sectors considerably under-performed the market. Foreign investors remained net sellers with outflows of USD124 million during the aforesaid period. On the local side, Insurance and Companies remained major net buyers, taking fresh equity exposure worth USD105 million and USD94 million, respectively. Mutual Funds, on the other hand, remained net sellers, off-loading shares worth USD77 million during the aforementioned period.

During the period under review, in its bi-monthly monetary policy review in January 2018, State Bank of Pakistan (SBP) increased the policy rate and discount rate by 25 basis points to 6.00% and 6.50%, respectively. After remaining range bound, sovereign yields responded to the recent increase in the policy rate and on expectation of further hike in the near future. During the period under review, yields on T-bills for 3-month, 6-month, and 12-month tenors increased by 41 basis points, 57 basis points and 71 basis points respectively. Expecting upside risks to inflation and interest rates, investors' preference remained tilted toward short tenors.

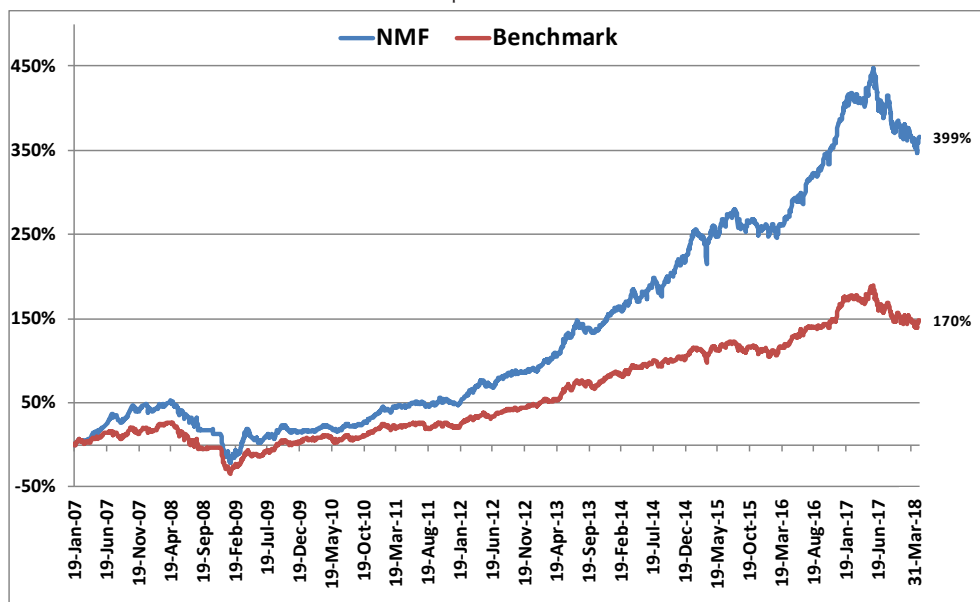
After remaining relatively dormant, the market witnessed some issuances in the primary corporate debt market. Trading activity in corporate debt securities remained thin and was recorded at Rs. 16.1 billion. The trades were primarily concentrated in Banking sector TFCs. Expecting upside risks to interest rates the trading activity in the long tenor sovereign bonds (PIBs) remained subdued. PIB yields saw an increase of 142 basis points, 145 basis points, 69 basis points, and 44 basis points for the 3-year, 5-year, 10 year, and 20 year tenors, respectively.

The Fund has incurred a loss of Rs. 6.59 million during the period. After accounting for expenses of Rs. 36.11 million, the net loss is Rs. 42.70 million. The asset allocation of the Fund as on March 31, 2018 is as follows:



NAFA MULTI ASSET FUND

NMF Performance versus Benchmark (Since Inception)



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 Fund Management Limited
(Formerly; NBP Fullerton Asset Management Limited)

Chief Executive Officer

Director

Date: April 30, 2018

Place: Karachi.

NAFA MULTI ASSET FUND

ڈائریکٹرز رپورٹ

NBP فنڈ منیجمنٹ لمیٹڈ (سابقہ: NBP فلٹرن ایسٹ منیجمنٹ لمیٹڈ) کے بورڈ آف ڈائریکٹرز بصدِ مسرت 31 مارچ 2018 کو ختم ہونے والی مدت کے لئے NAFA ملٹی ایسٹ فنڈ (NMF) کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NAFA ملٹی ایسٹ فنڈ (NMF) کا فنڈ سائز اس مدت کے دوران 1,847 ملین روپے سے کم ہو کر 1,750 ملین روپے ہو گیا، یعنی 5% کی کمی۔ اس مدت کے دوران NAFA ملٹی ایسٹ فنڈ (NMF) کے یونٹ کی قیمت 30 جون 2017 کو 19.1899 روپے (Ex-Div) سے کم ہو کر 31 مارچ 2018 کو 18.8389 روپے پر پہنچ گئی ہے۔ لہذا 1.83% کی کمی دیکھنے میں آئی۔ اسی مدت کے دوران شیئ مارک بڑھ کر 1.47% ہو گیا۔ لہذا زیر جائزہ مدت کے دوران فنڈ نے اپنے شیئ مارک سے 3.30% سے اتر کارکردگی دکھائی۔ اپنے قیام سے اب تک فنڈ کی NAV 19 جنوری 2007 کو 3.7741 روپے (Ex-Div) سے بڑھ کر 31 مارچ 2018 کو 18.8389 روپے ہو گئی، لہذا 399.16% کا اضافہ ہوا۔ اس مدت کے دوران شیئ مارک میں 170.37% اضافہ ہوا ہے، جس کا نتیجہ فنڈ کی 228.80% بہتر کارکردگی کی صورت میں سامنے آیا ہے۔ یہ کارکردگی منجبت فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

2018 کی پہلی ششماہ میں 13.1% کی نمایاں کمی دیکھنے میں آئی جس کی بڑی وجہ سیاسی محاذ پر مخفی خبروں کی بھر مار اور کرنٹ اکاؤنٹ خسارے کے خدشات میں توسیع تھی تاہم اشٹاک مارکیٹ نے 2018 کی تیسری سہ ماہی میں 12.6% سے بہتری دکھائی۔ مجموعی طور پر 2018 کے نو ماہ میں مارکیٹ میں 2.2% کی معمولی کمی ہوئی۔ اس کے علاوہ بیرونی اثاثہ جات ظاہر کرنے کی اسکیم (Foreign assets Declaration Scheme (FADS)) اور اس کے نتیجے میں 3-5 بلین امریکی ڈالر کے اندرونی بھاؤ کے امکانات، پاکستانی روپے کی قدر میں 9% کی کمی اور کرنٹ اکاؤنٹ خسارے میں تیزی پر قابو پانے کیلئے پالیسی میں 25 پیس پوائنٹس کا اضافہ کا بھی اس بحالی میں کردار ادا کر رہا ہے۔ آنے والے وفاقی بجٹ میں کیپٹل مارکیٹ اور درج شدہ شعبوں کیلئے ٹیکس ریلیف کی توقعات سے سرمایہ کاروں کی مثبت سوچ میں اضافہ ہوا ہے۔ پاکستانی روپے کی قدر میں کمی عام طور پر اشٹاک مارکیٹ کیلئے مثبت ہوتی ہے کیونکہ اس سے عموماً بڑے شعبہ جات جیسے آئل اینڈ گیس ایکسپلوریشن، ٹیکسٹائل، کمپوزٹ اور ٹیکنالوجی اور کیونٹیکشن کی منفعت میں بہتری آتی ہے جب کہ دوسرے شعبہ جات جیسے آٹوموبائل، اسمبلر، سینٹر اور فریٹلائزر وغیرہ لاگت کے اخراجات کے لحاظ سے غیر متاثر رہتے ہیں۔ یہاں یہ کہنا بے جا نہ ہوگا کہ 8 دسمبر 2017 سے مارچ کے اختتام تک روپے کی قدر میں کمی کے پہلے راؤنڈ میں KSE 100 انڈیکس میں 17% اضافہ ہوا۔ اسی طرح روپے کی قدر میں کمی سے برآمدات کا گراف بھی سال بہ سال کے لحاظ سے مارچ 2018 میں 12% تک بڑھ گیا۔

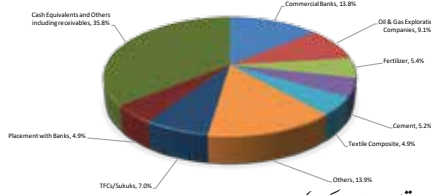
مالی سال 2018 کے نو ماہ کے دوران میں آئل اینڈ گیس ایکسپلوریشن، فوڈ اینڈ پراسسنگ، کیمز، فریٹلائزر اور کرسٹل ٹیکسٹائل کے شعبہ جات نے مارکیٹ سے زیادہ بہتر نتائج پیش کئے جب کہ ریٹائزر، سینٹر اور انجینئرنگ کے شعبہ جات نے مارکیٹ سے کافی حد تک کم کارکردگی کا مظاہرہ کیا۔ بیرونی سرمایہ کار خالص فروخت کنندہ رہے جس سے مذکورہ مدت میں بیرونی سمت کو 124 ملین امریکی ڈالر کا بھاؤ ریکارڈ کیا گیا۔ مقامی سطح پر انشورنس اور کمپنیاں بڑی خالص خریدار ہیں جنہوں نے بالترتیب 105 ملین امریکی ڈالر اور 94 ملین امریکی ڈالر کی تازہ ایکویٹی حاصل کی۔ دوسری طرف میوچول فنڈز بھی خالص فروخت کنندہ رہے جنہوں نے مذکورہ عرصہ میں 77 ملین امریکی ڈالر کے مساوی شیئرز فروخت کئے۔

زیر جائزہ مدت میں اسٹیٹ بینک آف پاکستان (SBP) نے جنوری 2018 میں اپنی دو ماہ کی ماہی پالیسی میں پالیسی ریٹ اور ڈسکاؤنٹ ریٹ میں 25 پیس پوائنٹس کے اضافے سے انھیں بالترتیب 6.00% اور 6.50% تک پہنچا دیا ہے۔ بقیہ ریش کے محدود ہونے کے بعد (Sovereign) منافع نے حالیہ پالیسی ریش میں اضافے اور مستقبل قریب میں مزید اضافے کی توقع کا رد عمل ظاہر کیا۔ زیر جائزہ مدت کے دوران میں 6 ماہ اور 12 ماہ کیلئے T-Bills کے منافع میں بالترتیب 41 پیس پوائنٹس، 57 پیس پوائنٹس اور 71 پیس پوائنٹس کا اضافہ ہوا۔ افراط زر اور شرح سود سے متعلقہ بڑھتے ہوئے خدشات کی بنا پر سرمایہ کاروں کی ترجیح کا چھٹا مختصر مدت کی طرف رہا۔

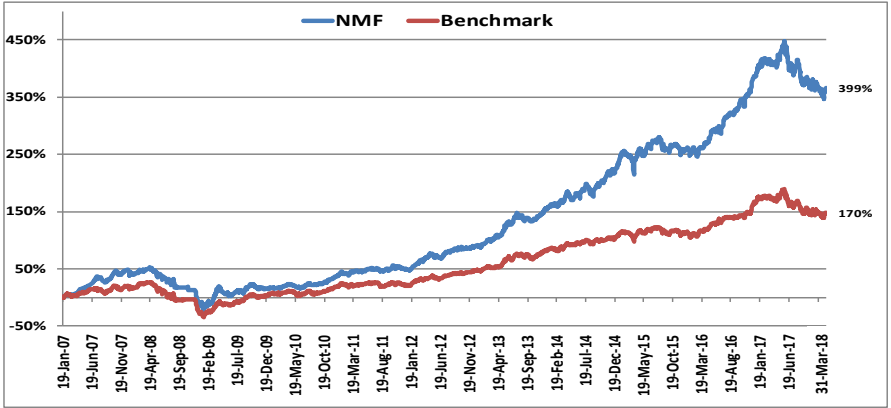
NAFA MULTI ASSET FUND

نسبتاً غیر فعال رہنے کے بعد مارکیٹ میں بنیادی کارپوریٹ Debt کے کچھ اجراء دیکھنے میں آئے۔ کارپوریٹ Debt سیکورٹیز میں تجارتی سرگرمیاں منحصر ہیں جو 16.1 بلین روپے کی حد تک محدود رہیں۔ تجارت کا عمومی رجحان بینکنگ کے شعبہ TFCs کی طرف رہا۔ شرح سود میں اضافہ کے خدشات کی توقع کے باعث طویل مدت کے Sovereign بونڈز (PIBs) میں تجارتی سرگرمیاں محدود رہیں۔ PIB کے نتائج میں 3 سال، 5 سال، 10 سال اور 20 سال کی مدت کے لئے بالترتیب 142 بیس پوائنٹس، 145 بیس پوائنٹس، 69 بیس پوائنٹس اور 44 بیس پوائنٹس کا اضافہ دیکھنے میں آیا۔

فنز کو اس مدت کے دوران 6.59 ملین روپے کا خسارہ ہوا۔ 36.11 ملین روپے کے اخراجات منہا کرنے کے بعد کل خسارہ 42.70 ملین روپے ہے۔ فنڈ کی ایسیٹ ایلوکیشن 31 مارچ 2018 کو بمطابق ذیل ہے:



بچہ مارک کے مقابلے میں NMF کی کارکردگی (اپنے قیام سے اب تک)



اظہار تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجمنٹ کمپنی پر اعتماد، 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 فنڈ منجمنٹ لمیٹڈ

(سابقہ: NBP ٹرن ایسیٹ منجمنٹ لمیٹڈ)

ڈائریکٹر

چیف ایگزیکٹو آفیسر

تاریخ

30 اپریل 2018

بہ مقام: کراچی

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2018

| | Note | (Un- Audited) March 31' 2018 | Audited June 30, 2017 |
|---|------|------------------------------------|-----------------------------|
| (Rupees in '000) | | | |
| ASSETS | | | |
| Balances with banks & term deposits | | 731,174 | 730,941 |
| Investments | 4 | 1,036,860 | 1,175,430 |
| Dividend and profit receivable | | 10,664 | 2,967 |
| Advances, deposits, prepayments and other receivables | | 3,739 | 3,732 |
| Total assets | | 1,782,437 | 1,913,070 |
| LIABILITIES | | | |
| Payable to the Management Company | | 4,858 | 5,231 |
| Payable to the Trustee | | 263 | 404 |
| Payable to the Securities and Exchange Commission of Pakistan | | 1,116 | 1,417 |
| Dividend payable | | - | 28,244 |
| Accrued expenses and other liabilities | | 26,512 | 30,660 |
| Total liabilities | | 32,749 | 65,956 |
| NET ASSETS | | 1,749,688 | 1,847,114 |
| UNIT HOLDERS' FUND (As per statement attached) | | 1,749,688 | 1,847,114 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 5 | -----Number of units----- | |
| Number of units in issue | | 92,876,530 | 95,850,273 |
| | | ------(Rupees)----- | |
| Net Asset Value per unit | | 18.8389 | 19.2708 |

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

**For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE NINE MONTH PERIOD AND QUARTER ENDED MARCH 31, 2018

| Note | Nine months ended | | Quarter Ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | March 31, 2018 | March 31, 2017 | March 31, 2018 | March 31, 2017 |
| ------(Rupees in '000)----- | | | | |
| INCOME | | | | |
| Capital (loss)/gain on sale of investments - net | (52,826) | 86,184 | (30,168) | 33,340 |
| Income from term finance certificates and sukuk bonds | 6,988 | 7,345 | 2,279 | 2,177 |
| Income from government securities | 4,193 | 3,132 | - | 1,005 |
| Dividend income | 42,530 | 41,175 | 9,769 | 11,908 |
| Profit on bank deposits and term deposits | 23,956 | 18,640 | 9,120 | 7,479 |
| Reversal of provision for Workers' Welfare Fund | - | 20,016 | - | 20,016 |
| Unrealised (diminution) / appreciation on re-measurement of investments 'at fair value through profit or loss -held-for trading' - net | (31,429) | 259,186 | 139,890 | 6,508 |
| Total (loss) / Income | (6,588) | 435,678 | 130,890 | 82,433 |
| EXPENSES | | | | |
| Remuneration of the Management Company | 26,259 | 23,938 | 8,449 | 8,927 |
| Sindh sales tax on remuneration on the Management Company | 3,414 | 3,112 | 1,099 | 1,161 |
| Remuneration of the Trustee | 2,064 | 1,948 | 669 | 693 |
| Sindh Sales Tax on remuneration of Trustee | 268 | 253 | 87 | 90 |
| Accounting and operational charges to the Management Company | 1,313 | 1,197 | 423 | 446 |
| Annual fee - Securities and Exchange Commission of Pakistan | 1,116 | 1,017 | 359 | 379 |
| Securities transaction cost | 618 | 580 | 317 | 134 |
| Settlement and bank charges | 292 | 406 | 90 | 40 |
| Annual listing fee | 20 | 41 | 6 | 14 |
| Legal and professional charges | 68 | 51 | 38 | 33 |
| Auditors' remuneration | 503 | 435 | 115 | 134 |
| Printing expenses | 37 | 52 | 8 | - |
| Provision for Sindh Workers' Welfare Fund- previous years | - | 3,602 | - | 3,602 |
| Fund's rating fee | 135 | 120 | 45 | 27 |
| Total Expenses | 36,107 | 36,752 | 11,705 | 15,680 |
| Net (Loss) / Income from operating activities | (42,695) | 398,926 | 119,185 | 66,753 |
| Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net | - | 10,549 | - | (1,797) |
| | (42,695) | 409,475 | 119,185 | 64,956 |
| Provision for Sindh Workers' Welfare Fund | 6 | (8,190) | - | (8,190) |
| Net (loss) / Income for the period before taxation | (42,695) | 401,285 | 119,185 | 56,766 |
| Taxation | 7 | - | - | - |
| Net (loss) / Income for the period after taxation | (42,695) | 401,285 | 119,185 | 56,766 |
| Allocation of net (loss) / income for the period: | | | | |
| Net loss for the period | (42,695) | | 119,185 | |
| Income already paid on units redeemed | - | | - | |
| | (42,695) | | 119,185 | |
| Accounting income available for distribution: | | | | |
| - Relating to capital gains | - | | - | |
| - Excluding capital gains | - | | - | |
| | - | | - | |

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE NINE MONTH PERIOD AND QUARTER ENDED MARCH 31, 2018

| | Nine months peroid ended | | Quarter Ended | |
|---|-----------------------------|-------------------|-------------------|-------------------|
| | March 31, 2018 | March 31, 2017 | March 31, 2018 | March 31, 2017 |
| | ------(Rupees in '000)----- | | | |
| Net Income / (Loss) for the period after taxation | (42,695) | 401,285 | 119,185 | 56,766 |
| Other comprehensive income / (loss) | | | | |
| Net unrealised appreciation in the value of investments classified as 'available for sale' | - | - | - | - |
| Total comprehensive income / (loss) for the period | <u>(42,695)</u> | <u>401,285</u> | <u>119,185</u> | <u>56,766</u> |

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

| | Nine Months Period Ended | | | | | |
|--|--------------------------|----------------------|------------------|----------------|----------------------|------------------|
| | 2018 | | | 2017 | | |
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| | (Rupees in '000) | | | | | |
| Net assets at beginning of the period | 1,077,061 | 770,053 | 1,847,114 | 906,022 | 421,820 | 1,327,842 |
| Issue of 10,628,591 units (2017: 10,101,148 units) | | | | | | |
| - Capital value | 204,430 | - | 204,430 | | | |
| - Element of loss | (6,978) | - | (6,978) | | | |
| Total proceeds on issuance of units | 197,452 | - | 197,452 | 157,959 | 27,354 | 185,313 |
| Redemption of 13,602,334 units (2017: 5,764,047 units) | | | | | | |
| - Capital value | (261,356) | - | (261,356) | | | |
| - Element of income | 16,675 | - | 16,675 | | | |
| Total payments on redemption of units | (244,679) | - | (244,681) | (90,136) | (16,805) | (106,941) |
| Element of loss and capital losses included in prices of units issued less those in units redeemed - net | - | - | - | - | (10,549) | (10,549) |
| Total comprehensive (loss) / income for the period | - | (42,695) | (42,695) | - | 401,285 | 401,285 |
| Distribution during the period | - | (7,502) | (7,502) | - | - | - |
| Net assets at end of the period | 1,029,834 | 719,856 | 1,749,688 | 973,845 | 823,105 | 1,796,950 |
| Undistributed income brought forward | | | | | | |
| - Realised | | 528,024 | | | 357,355 | |
| - Unrealised | | 242,029 | | | 64,465 | |
| | | 770,053 | | | 421,820 | |
| Accounting income available for distribution: | | | | | | |
| - Relating to capital gains | | - | | | | |
| - Excluding capital gains | | - | | | | |
| Net (loss) / income for the period | | (42,695) | | | 401,285 | |
| Distribution during the period | | (7,502) | | | - | |
| Undistributed income carried forward | | 719,856 | | | 823,105 | |
| Undistributed income carried forward | | | | | | |
| - Realised | | 751,285 | | | 563,919 | |
| - Unrealised | | (31,429) | | | 259,186 | |
| | | 719,856 | | | 823,105 | |
| | | (Rupees) | | | (Rupees) | |
| Net assets value per unit at beginning of the period | | 19.2708 | | | 15.6377 | |
| Net assets value per unit at end of the period | | 18.8389 | | | 20.1340 | |

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

**For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2018

| | Nine months ended | |
|---|-----------------------------------|---------------------------|
| | March 31, 2018 | March 31, 2017 |
| | ----- Rupees in '000 ----- | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net income / (loss) for the period before period | (42,695) | 401,285 |
| Adjustments | | |
| Unrealised (appreciation) / diminution in the value of investments classified as 'at fair value through profit or loss' | 31,429 | (259,186) |
| (Gain) / loss on sale of investments - net | 52,826 | (86,184) |
| Element of (income) and capital (gains) included in prices of units issued less those in units redeemed - net | - | (10,548) |
| | 41,560 | 45,367 |
| Decrease / (increase) in assets | | |
| Investments - net | 54,315 | 233,993 |
| Receivable against sale of investments | - | (4,194) |
| Advances, deposits, prepayments and other receivables | (7) | (96) |
| Dividend and profit receivable | (7,697) | (3,103) |
| | 46,611 | 226,600 |
| (Decrease) / increase in liabilities | | |
| Payable to the Management Company | (373) | 1,619 |
| Payable to the Trustee | 29 | 46 |
| Payable to the Securities and Exchange Commission of Pakistan | (301) | (232) |
| Accrued expenses and other liabilities | (4,318) | (10,844) |
| | (4,963) | (9,411) |
| Net cash generated from operating activities | 83,208 | 262,556 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Amounts received from issuance of units | 197,452 | 185,312 |
| Amounts paid on redemption of units | (244,681) | (106,932) |
| Distribution paid | (35,746) | (33,441) |
| Net cash generated / (used in) from financing activities | (82,975) | 44,939 |
| Net increase in cash and cash equivalents during the period | 233 | 307,495 |
| Cash and cash equivalents at the beginning of the period | 730,941 | 350,744 |
| Cash and cash equivalents at the end of the period | 731,174 | 658,239 |

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

**For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

The NAFA Multi Asset Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited (Formerly;NBP Fullerton Asset Management Limited) and Central Depository Company of Pakistan Limited (CDC), as Trustee. The Trust Deed was executed on 06 December 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 20 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

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 No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of Mutual Fund Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund and is listed on Pakistan Stock Exchange Limited (PSX). Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Balanced Scheme as per the criteria for categorisation of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters.

The core objective of the Fund is to provide its investors with a combination of capital growth and income. The Fund aims to achieve attractive returns at moderate levels of risk by investing in a variety of asset classes such as stocks, bonds, money market instruments etc.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company and performance rating of '4' star to the fund.

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

2.1 BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008(the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

The disclosures made in this condensed interim financial information have 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 financial statements of the Fund for the year ended June 30, 2017.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2018.

NAFA MULTI ASSET FUND

3 ACCOUNTING POLICIES

The accounting policies, basis of accounting estimates applied and method of computation adopted in the preparation of this condensed interim financial information and financial risk management objectives and policies are the same as those applied in the preparation of the financial statements of the Fund for the year ended June 30, 2017 except as explained in note 3.1.

- 3.1 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 amended 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 amended regulations.

Previously, an equalization account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, 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 pertained to unrealized appreciation / (diminution) held in the Unit Holder's Fund was recorded 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 recognized 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 as allowed by the SECP vide their email to MUFAP dated February 8, 2018. 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 profit of the Fund would have been higher by Rs. 9.697 million in respect of element of income with no effect on the NAV per unit. However, the change in accounting policy does not have any impact on the 'Cash Flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. 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.

4 INVESTMENTS

4.1 At fair value through profit or loss - held for trading

| Note | Unaudited March 31, 2018 | | Audited June 30, 2017 | |
|--------------------------------------|--------------------------------|-----------|-----------------------------|--|
| | (Rupees in '000) | | | |
| Equity securities - listed | 4.1.1 | 914,402 | 1,134,395 | |
| Term deposit receipts | | - | - | |
| Term finance certificates | 4.1.4 | 122,458 | 41,035 | |
| | | 1,036,860 | 1,175,430 | |
| 4.2 Available for sale | | | | |
| Term finance certificates - unlisted | 4.2.1 | - | - | |
| Sukuk bonds | 4.2.1 | - | - | |
| | | 1,036,860 | 1,175,430 | |

NAFA MULTI ASSET FUND

4.1.1 Equity securities - Listed - at fair value through profit or loss - held for trading

All shares have a nominal face value of Rs 10 each except for shares of Thal Limited which have a face value of Rs 5.

| Name of the investee company | As at 1 July 2017 | Purchases during the period | Bonus issue during the period | Right shares purchased/ subscribed during the period | Sales during the period | As at 31 March 2018 | Market value / carrying value as at 31 March 2018 | Market value as a percentage of net assets | Market value as a percentage of investments | Market value as Percentage of paid-up capital of the investee company held |
|--|----------------------|-----------------------------------|--|--|-------------------------------|---------------------------|--|---|--|---|
| | (Number of Shares) | | | | | | (Rupees in '000) | (%) | | |
| Oil & Gas Exploration Companies | | | | | | | | | | |
| Oil and Gas Development Company Limited | 173,096 | 130,500 | - | - | 75,500 | 228,096 | 39,707 | 0.02 | 0.04 | 0.00 |
| Pakistan Oilfields Limited | 78,569 | 39,400 | - | - | 58,200 | 59,769 | 38,883 | 0.02 | 0.04 | 0.02 |
| Pakistan Petroleum Limited | 210,084 | 46,000 | - | - | 62,600 | 193,484 | 41,181 | 0.02 | 0.04 | 0.00 |
| Mari Petroleum Limited | 33,300 | - | - | - | 6,100 | 27,200 | 40,271 | 0.02 | 0.04 | 0.04 |
| | 495,049 | 215,900 | - | - | 202,400 | 508,549 | 160,042 | 0.09 | 0.15 | |
| Oil & Gas Marketing Companies | | | | | | | | | | |
| Pakistan State Oil Company Limited (Refer 8.1) | 79,152 | - | 15,830 | - | 37,600 | 57,382 | 18,448 | 0.01 | 0.02 | 0.01 |
| Attock Petroleum Limited | 18,951 | - | - | - | - | 18,951 | 10,888 | 0.01 | 0.01 | 0.01 |
| Shell Pakistan Limited | 62,300 | - | - | - | 16,000 | 46,300 | 16,864 | 0.01 | 0.02 | 0.02 |
| Hascal Petroleum Limited (Refer 8.1.2) | 565 | - | - | - | - | 565 | 150 | 0.00 | 0.00 | 0.00 |
| | 160,968 | - | 15,830 | - | 53,600 | 123,198 | 46,350 | 0.03 | 0.04 | |
| Refinery | | | | | | | | | | |
| Attock Refinery Limited | 29,100 | - | - | - | 27,000 | 2,100 | 525 | - | 0.00 | 0.00 |
| | 29,100 | - | - | - | 27,000 | 2,100 | 525 | - | - | |
| Fertilizers | | | | | | | | | | |
| Engro Fertilizers Limited | 547,001 | 135,000 | - | - | 160,000 | 522,001 | 36,065 | 0.02 | 0.03 | 0.00 |
| Fauji Fertilizer Bin Qasim Limited | 299,000 | - | - | - | 261,500 | 37,500 | 1,569 | 0.00 | 0.00 | 0.00 |
| Engro Corporation Limited | 142,218 | 46,000 | - | - | 5,700 | 182,518 | 56,517 | 0.03 | 0.05 | 0.01 |
| Dawood Hercules Corporation Limited | 9,000 | - | - | - | - | 9,000 | 1,178 | 0.00 | 0.00 | 0.00 |
| | 997,219 | 181,000 | - | - | 427,200 | 751,019 | 95,329 | 0.05 | 0.09 | |
| Chemicals | | | | | | | | | | |
| Akzo Nobel Pakistan Limited | 27,800 | - | - | - | - | 27,800 | 6,088 | - | 0.01 | 0.01 |
| Engro Polymer & Chemicals Limited | 938,000 | - | - | - | 789,000 | 149,000 | 5,312 | - | 0.01 | 0.00 |
| | 965,800 | - | - | - | 789,000 | 176,800 | 11,400 | - | 0.01 | |
| Cement | | | | | | | | | | |
| Attock Cement Pakistan Limited | 109,700 | 24,700 | - | - | - | 134,400 | 25,584 | 0.01 | 0.02 | 0.02 |
| Cherat Cement Company Limited | - | 139,800 | - | - | 26,500 | 113,300 | 14,536 | 0.01 | 0.01 | 0.01 |
| D. G. Khan Cement Pakistan Limited | 112,500 | 23,500 | - | - | 41,900 | 94,100 | 15,349 | 0.01 | 0.01 | 0.00 |
| Fauji Cement Company Limited | 50,500 | - | - | - | - | 50,500 | 1,477 | 0.00 | 0.00 | 0.00 |
| Kohat Cement Company Limited | - | 35,000 | - | - | 17,500 | 17,500 | 2,809 | 0.00 | 0.00 | 0.00 |
| Lucky Cement Limited | 51,664 | - | - | - | 14,400 | 37,264 | 25,698 | 0.01 | 0.02 | 0.01 |
| Maple Leaf Cement Cement Factory Limited | 61,000 | 16,000 | - | 9,625 | 86,625 | - | - | - | - | - |
| Pioneer Cement Limited | 140,500 | - | - | - | 73,000 | 67,500 | 4,728 | 0.00 | 0.00 | 0.00 |
| | 525,864 | 239,000 | - | 9,625 | 259,925 | 514,564 | 90,181 | 0.05 | 0.09 | |
| Automobile Parts & Accessories | | | | | | | | | | |
| Thal Limited | 34,636 | - | - | - | 21,450 | 13,186 | 6,799 | 0.00 | 0.01 | 0.02 |
| | 34,636 | - | - | - | 21,450 | 13,186 | 6,799 | - | 0.01 | |
| Textile Composite | | | | | | | | | | |
| Azgard Nine Limited (Non-voting shares) | 807,000 | - | - | - | - | 807,000 | 5,649 | 0.00 | 0.01 | 0.10 |
| Crescent Textile Mills Limited | 233,500 | - | - | - | 13,500 | 220,000 | 6,670 | 0.00 | 0.01 | 0.01 |
| Kohinoor Textile Mills Limited (Refer 8.1.2) | 560,275 | - | - | 33,338 | 319,000 | 274,613 | 19,319 | 0.01 | 0.02 | 0.01 |
| Nishat (Chuniani) Limited | 364,000 | 273,000 | - | - | 362,500 | 274,500 | 14,200 | 0.01 | 0.01 | 0.01 |
| Nishat Mills Limited | 330,700 | - | - | - | 82,500 | 248,200 | 39,436 | 0.02 | 0.04 | 0.01 |
| | 2,295,475 | 273,000 | - | 33,338 | 777,500 | 1,824,313 | 85,274 | 0.05 | 0.08 | |
| Transport | | | | | | | | | | |
| Pakistan National Shipping Corporation | 32,000 | - | - | - | 25,000 | 7,000 | 728 | - | - | 0.00 |
| | 32,000 | - | - | - | 25,000 | 7,000 | 728 | - | - | |
| Engineering | | | | | | | | | | |
| Arnold Steels Limited | - | 164,100 | - | - | 25,000 | 139,100 | 12,801 | 0.01 | 0.01 | 0.00 |
| Dost Steels Limited | 1,300,000 | - | - | - | 1,300,000 | - | - | - | - | - |
| International Steels Limited | 160,000 | - | - | - | 37,500 | 122,500 | 14,199 | 0.01 | 0.01 | 0.00 |
| International Industries Limited | 84,500 | - | - | - | 8,700 | 75,800 | 21,558 | 0.01 | 0.02 | 0.02 |
| | 1,544,500 | 164,100 | - | - | 1,371,200 | 337,400 | 48,558 | 0.03 | 0.05 | |
| Power Generation & Distribution | | | | | | | | | | |
| Kot Addu Power Company Limited | 286,000 | - | - | - | 178,000 | 108,000 | 6,964 | 0.00 | 0.01 | 0.00 |
| Saif Power Limited | 130,000 | - | - | - | - | 130,000 | 3,770 | 0.00 | 0.00 | 0.00 |
| The Hub Power Company Limited | 164,748 | 55,500 | - | - | - | 220,248 | 22,135 | 0.01 | 0.02 | 0.00 |
| | 580,748 | 55,500 | - | - | 178,000 | 458,248 | 32,869 | 0.02 | 0.03 | |
| Commercial Banks | | | | | | | | | | |
| Allied Bank Limited | 304,300 | 15,000 | - | - | - | 319,300 | 31,441 | 0.02 | 0.03 | 0.00 |
| Bank Al-Falah Limited | - | 915,500 | - | - | 35,500 | 880,000 | 46,490 | 0.03 | 0.04 | 0.00 |
| Bank Al-Habib Limited | 317,900 | - | - | - | 95,000 | 222,900 | 17,275 | 0.01 | 0.02 | 0.00 |
| Faysal Bank Limited (Refer 8.1.2) | 257,715 | 591,500 | 127,382 | - | - | 976,597 | 25,763 | 0.01 | 0.02 | 0.00 |
| Habib Bank Limited | 115,980 | 169,500 | - | - | 17,100 | 268,380 | 56,937 | 0.03 | 0.05 | 0.00 |
| MCB Bank Limited | 164,400 | - | - | - | 61,900 | 102,500 | 22,563 | 0.01 | 0.02 | 0.00 |
| Meezan Bank Limited | 617 | - | - | 37 | - | 654 | 52 | 0.00 | 0.00 | 0.00 |
| Askari Bank Limited | - | 562,500 | - | - | - | 562,500 | 12,893 | 0.01 | 0.01 | 0.00 |
| United Bank Limited | 135,691 | 70,000 | - | - | 70,000 | 135,691 | 28,344 | 0.02 | 0.03 | 0.00 |
| | 1,296,603 | 2,324,000 | 127,382 | 37 | 279,500 | 3,468,522 | 241,758 | 0.14 | 0.23 | |

NAFA MULTI ASSET FUND

| Name of the investee company | As at 1 July 2017 | Purchases during the period | Bonus issue during the period | Right shares purchased/ subscribed during the period | Sales during the period | As at 31 March 2018 | Market value / carrying value as at 31 March 2018 | Market value as a percentage of net assets | Market value as a percentage of investments | |
|--|--------------------|-----------------------------|-------------------------------|--|-------------------------|---------------------|---|--|---|------|
| | (Number of Shares) | | | | (Rupees in '000) | | | ----- (%) | | |
| Cable and Electrical Goods | | | | | | | | | | |
| Pakistan Elektron Limited | 220,500 | - | - | - | 160,200 | 60,300 | 2,726 | - | 0.00 | 0.00 |
| | 220,500 | - | - | - | 160,200 | 60,300 | 2,726 | - | - | - |
| Glass and Ceramics | | | | | | | | | | |
| Tariq Glass Industries Limited | 319,500 | - | - | - | 139,000 | 180,500 | 19,467 | 0.01 | 0.02 | 0.03 |
| Shabbir Tiles & Ceramics Ltd | 1,243,000 | - | - | - | 1,191,500 | 51,500 | 994 | 0.00 | 0.00 | 0.00 |
| | 1,562,500 | - | - | - | 1,330,500 | 232,000 | 20,461 | 0.01 | 0.02 | - |
| Paper & Board | | | | | | | | | | |
| Century Paper & Board Mills Ltd | 259,000 | 13,900 | - | - | 17,500 | 255,400 | 18,098 | 0.01 | 0.02 | 0.01 |
| | 259,000 | 13,900 | - | - | 17,500 | 255,400 | 18,098 | 0.01 | 0.02 | - |
| Automobile Assembler | | | | | | | | | | |
| Indus Motor Company Limited | 22,420 | - | - | - | 11,700 | 10,720 | 18,677 | 0.01 | 0.02 | 0.02 |
| Millat Tractors Ltd | 31,650 | - | - | - | 16,000 | 15,650 | 20,069 | 0.01 | 0.02 | 0.05 |
| | 54,070 | - | - | - | 27,700 | 26,370 | 38,746 | 0.02 | 0.04 | - |
| Pharma And Biotech | | | | | | | | | | |
| Abbott Lab (Pakistan) Limited | 10,300 | - | - | - | - | 10,300 | 7,425 | 0.00 | 0.01 | 0.01 |
| GlaxoSmithKline (Pakistan) Limited | 34,500 | - | - | - | 17,900 | 16,600 | 3,148 | 0.00 | 0.00 | 0.00 |
| | 44,800 | - | - | - | 17,900 | 26,900 | 10,573 | 0.01 | 0.01 | - |
| Inv. Banks / Inv. Cos. / Securities Cos. | | | | | | | | | | |
| Pakistan Stock Exchange Limited | 173,454 | - | - | - | 25,000 | 148,454 | 3,846 | 0.00 | 0.00 | 0.00 |
| | 173,454 | - | - | - | 25,000 | 148,454 | 3,846 | - | - | - |
| Miscellaneous | | | | | | | | | | |
| Synthetic Products Limited | - | 2,500 | - | - | - | 2,500 | 139 | 0.00 | 0.00 | 0.00 |
| | - | 2,500 | - | - | - | 2,500 | 139 | - | - | - |
| Total - 31 March 2018 | 11,272,286 | 3,468,900 | 143,212 | 43,000 | 5,990,575 | 8,936,823 | 914,402 | 0.51 | 0.87 | - |
| Total - 30 June 2017 | 8,842,325 | 6,132,650 | - | - | 3,878,211 | 11,096,764 | 1,134,395 | - | - | - |
| Carrying value before fair value adjustment as at 31 March 2018 | | | | | | | 946,753 | | | |

4.1.2 Investments include shares with market value of Rs. 45.00 million (30 June 2017: Rs. 44.03 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no.11 dated 23 October 2007 issued by the SECP.

4.1.3 Term finance certificates and Sukuk - listed - 'at fair value through profit or loss'

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

| Name of the investee company | Number of certificates / bonds | | | | Market value as at March 31, 2018 | Investment as a percentage of | |
|---|--------------------------------|-----------------------------|-------------------------|----------------------|-----------------------------------|-------------------------------|---------------------------------|
| | As at July 1, 2017 | Purchases during the period | Sales during the period | As at March 31, 2018 | | Net assets | Market value as a percentage of |
| | | | | | Rupees in '000' | | |
| Saudi Pak Leasing Company Limited (note 4.1.4) | 10,000 | - | - | 10,000 | - | - | - |
| | 10,000 | - | - | 10,000 | - | | |
| Carrying value as at March 31, 2018 | | | | | 27,547 | | |
| Provision for impairment loss as at March 31, 2018 | | | | | 27,547 | | |

4.1.4 This represents investment in term finance certificates with original term of nine years. On October 13, 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on December 26, 2011 with a new maturity in March 2017. The said TFCs complied with repayment terms since it was rescheduled and had been reclassified as performing as per criteria defined in circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as Non-performing Asset (NPA) since April 30, 2014. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

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4.1.5 Term finance certificates - unlisted

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

| Name of the investee company | Number of certificates / bonds | | | | Market value as at March 31, 2018 | Investment as a percentage of | |
|--|--------------------------------|-----------------------------|-------------------------|----------------------|-----------------------------------|-------------------------------|---------------------------------|
| | As at July 1, 2017 | Purchases during the period | Sales during the period | As at March 31, 2018 | | Net assets | Market value as a percentage of |
| | | | | | Rupees in '000' | | |
| Jahangir Siddiqui and Company Limited (24.06.2016 to 24.06.2021) | 8,000 | - | - | 8,000 | 35,543 | 2.03 | 3.43 |
| Jahangir Siddiqui and Company Limited (18.07.2017 to 18.07.2022) | | 17,100 | - | 17,100 | 86,915 | 4.97 | 8.38 |
| | 8,000 | 17,100 | - | 25,100 | 122,458 | | |
| Carrying value as at March 31, 2018 | | | | | 121,536 | | |

4.2.1 Term Finance Certificates - available for sale

| Name of investee company | Number of certificates / bonds | | | | Market value as at March 31, 2018 | Investment as a percentage of | |
|--|--------------------------------|-----------------------------|---------------------------------|----------------------|-----------------------------------|-------------------------------|---------------------------------|
| | As at July 1, 2017 | Purchases during the period | Sales/Matured during the period | As at March 31, 2018 | | Net assets | Market value as a percentage of |
| | | | | | Rupees in '000' | | |
| New Allied Electronics Industries (Private) Limited (note 4.2.2) | 32,000 | - | - | 32,000 | - | - | - |
| Eden Housing Limited (note 4.2.3) | 10,000 | - | - | 10,000 | - | - | - |
| | 42,000 | - | - | 42,000 | - | | |
| Carrying value as at March 31, 2018 | | | | | 19,844 | | |
| Provision for impairment loss as at March 31, 2018 | | | | | 19,844 | | |

4.2.2 This represents investment in privately placed sukuk with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as NPA by MUFAF since January 9, 2009. The amount of provision as per circular 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

4.2.3 This represents investment in privately placed sukuk bonds with a term of five years. On May 06, 2011, the issuer has defaulted its scheduled principal and profit payment and therefore it was classified as NPA by MUFA. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

4.2.4 This represents investment in privately placed sukuk bonds with a term of five years. On 6 May 2011, the issuer has defaulted its scheduled principal and profit payment and therefore it was classified as NPA by MUFP. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

4.2.5 The sukuk held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

5 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2018 and June 30, 2017.

6 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 16 to the annual audited financial statements of the Fund for the year ended June 30, 2017.

The Fund, being prudent, recognised provision for SWWF amounting to Rs.12.21 million for the period ended March 31, 2018 in this condensed interim financial information. Had the provision not been made, net assets value per unit at March 31, 2018 would have been higher by Rs. 0.1315 per unit (June 30, 2017: Rs. 0.1274 per unit).

NAFA MULTI ASSET FUND

7 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 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst 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 in respect of taxation has been made in this condensed interim financial information.

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.

8 TOTAL EXPENSE RATIO

Total Expense Ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 2.75 % per annum including 0.36 % representing government levies on collective investment scheme such as sales tax, Sindh worker's welfare fund and SECP fee for the period.

9 DETAILS OF NON COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA AS DEFINED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. The Board has approved the category of the fund as 'Balanced Scheme'.

The SECP vide circular no. 16 dated July 07, 2010, prescribed specific disclosures for the scheme holding investments that are non - compliant either with the minimum investment criteria specified for the category assigned to such schemes or with investment requirements of their constitutive documents.

The following are the details of non-compliant investments:

| Type of Investment | Name of non-compliant investment | Value of investment before provision | Provision held, if any | Value of investment after provision | Percentage of net assets | Percentage of gross assets |
|---|---|--------------------------------------|------------------------|-------------------------------------|--------------------------|----------------------------|
|Rupees in '000'..... | | | | | | |
| <u>Investment in Debt Securities</u> | | | | | | |
| a) | Saudi Pak Leasing Company Limited-TFC * | 27,547 | 27,547 | - | - | - |
| b) | Eden Housing Industries Private Limited - Sukuk | 9,844 | 9,844 | - | - | - |
| C) | New Allied Electronics Limited | 10,000 | 10,000 | - | - | - |

9.1 At the time of purchase, these term finance certificates and sukuks bonds were in compliance with the aforementioned circular. However, they subsequently defaulted or were downgraded to non investment grade.

9.2 The management is taking steps to ensure compliance with the above requirements.

10 TRANSACTIONS WITH CONNECTED PERSONS

10.1 Connected persons include NBP Fund Management Limited (formerly 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 and directors and executives of the Management Company.

NAFA MULTI ASSET FUND

10.2 The transactions with connected persons are at contracted rates.

10.3 Remuneration and front - end load payable to the Management Company and remuneration payable to the Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

10.4 Transactions during the period

| | ----- (Un-audited) ----- | |
|---|--------------------------|-----------|
| | Nine Months Ended | |
| | March 31, | March 31, |
| | 2018 | 2017 |
| | ---Rupees in '000 --- | |
| NBP Fund Management Limited | | |
| <i>Formerly NBP Fullerton Asset Management Company Limited (Management Company)</i> | | |
| Management fee expense | 26,259 | 23,938 |
| Accounting and operational charges to the Management Company | 1,313 | 1,197 |
| Front-end load | 988 | 2,121 |
| Sindh Sales Tax on remuneration of the Management Company | 3,414 | 3,112 |
| National Bank of Pakistan - Parent Company | | |
| Treasury bill sold | 148,826 | - |
| International Industries Limited - Common Directorship | | |
| Shares sold: 8,700 shares (March 31, 2017: 374,500 shares) | 2,544 | 44,593 |
| Dividend income | 321 | 927 |
| International Steels Limited - Common Directorship | | |
| Shares sold: 37,500 shares (March 31, 2017: 767,000 shares) | 4,616 | 42,876 |
| Dividend income | 306 | 559 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration | 2,064 | 1,948 |
| Sindh Sales Tax on remuneration of the Trustee | 268 | 253 |
| CDS charges | 82 | 38 |
| Employees of Management Company | | |
| Units Issued / Dividend re invest in 4 units; (March 31, 2017: 4,218 units) | 1 | 75 |
| Units Redeemed / Transferred out 12,853 units (March 31, 2017: 828 units) | 233 | 16 |
| Taurus Securities Limited - Subsidiary of Parent Company | | |
| Brokerage charges | 39 | 46 |
| Summit Bank Limited | | |
| Bank Profit | 1 | 1 |
| Askari Bank Limited | | |
| Bank Profit | 55 | - |
| NBP Funds Management Limited - Employee Provident Fund | | |
| <i>(Formerly;NBP Fullerton Asset Management Limited)</i> | | |
| Units issued / Dividend re-invest: 111,079 units (March 31, 2017: Nil units) | 2,016 | - |
| BYCO OIL PAKISTAN LIMITED - EMPLOYEE PROVIDENT FUND | | |
| Units Issued / Transferred in Nil units; (March 31, 2016: 157,905) | - | 2,708 |
| BYCO PETROLEUM PAKISTAN LIMITED - EMPLOYEE PROVIDENT FUND | | |
| Units Issued / Transferred in 3,294 units; (March 31, 2017: 800,603 units) | 60 | 13,729 |
| Units redeemed / transferred out: 1,045,171 units (March 31, 2017: Nil units) | 18,562 | - |

NAFA MULTI ASSET FUND

| | Un-audited March 31, 2018 | Audited June 30, 2017 |
|---|---------------------------------|-----------------------------|
| | ----- (Rupees in '000) ----- | |
| 10.5 Balances outstanding as at period end | | |
| NBP Fund Management Limited | | |
| <i>Formerly NBP Fullerton Asset Management Company Limited (Management Company)</i> | | |
| Remuneration payable to Management Company | 2,920 | 3,105 |
| Sindh Sales Tax payable to Management Company | 380 | 404 |
| Allocated expenses payable | 1,313 | 1,668 |
| Front - end load payable to Management Company | 245 | 54 |
| National Bank of Pakistan - Parent company | | |
| Balance in current account | 3,449 | 4,139 |
| Central Depository Company of Pakistan Limited - Trustee | | |
| Remuneration payable | 233 | 240 |
| Sindh Sales Tax on remuneration of the Trustee | 30 | 31 |
| Security deposit | 100 | 100 |
| Settlement charges payable | 170 | 133 |
| NBP Employees Pension Fund | | |
| Investment held in the Fund: 26,464,902 units (June 30, 2017: 26,353,824 units) | 498,570 | 507,859 |
| The Trustees- Karachi Electric Provident Fund | | |
| Investment held in the Fund: 34,224,720 units (June 30, 2017: 34,224,720 units) | 644,756 | 659,538 |
| HUMAYUN BASHIR - DIRECTORS OF MANAGEMENT COMPANY | | |
| Investment held in the Fund: Nil units (June 30, 2017: 85,779 units) | - | 1,647 |
| Employees of Management Company | | |
| Investment held in the Fund: 3,857 units (June 30, 2017: 16,706) | 73 | 322 |
| Summit Bank of Pakistan | | |
| Bank Balance in current account | 3,046 | 3,177 |
| Bank Balance in Savings account | 36 | - |
| Askari Bank Limited | | |
| Bank Balance in savings account | 1,820 | 1,666 |
| National Bank of Pakistan | | |
| Bank Balance in savings account | 3,449 | 4,139 |
| International Industries Limited - Common Directorship | | |
| Ordinary shares held 75,800 (June 30, 2017: 84,500 shares) | 21,558 | 31,144 |
| International Steels Limited - Common Directorship | | |
| Ordinary shares held 122,500 (June 30, 2017: 160,000 shares) | 14,199 | 20,462 |

NAFA MULTI ASSET FUND

11 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorized for issue by the Board of Directors of the Management Company on April 30, 2018.

12 GENERAL

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

12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant reclassifications have been made during the current period.

**For NBP Fund Management Limited
(Formerly;NBP Fullerton Asset Management Limited)
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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