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

NAFA PENSION 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 PENSION FUND

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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

Allied Bank Limited
Bank Alfalah Limited
Habib Bank Limited
Sindh Bank Limited
JS Bank Limited
NIB Bank Limited
The Bank of Punjab
BankAlHabib Limited
Zarai Taraqati Bank Limited
Soneri Bank Limited
United Bank Limited
BankIslami (Pakistan) Limited
Dubai Islamic Bank Limited
HabibMetro Bank Limited

NAFA PENSION 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: 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 PENSION FUND

DIRECTORS' REPORT

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

Fund's Performance

This is the first quarterly report of NAFA Pension Fund (NPF) for the financial year 2017-18.

	Fund Size (Rs. in mln)	NAV Per Unit (Rs.) July 02, 2013	NAV Per Unit (Rs.) September 30, 2017	Performance * Since Launch July 02, 2013
NPF-Equity Sub-fund	990.4	100.9836	295.5872	28.8%
NPF-Debt Sub-fund	401.1	101.1781	142.9309	8.5%
NPF-Money Market Sub-fund	469.1	101.2023	129.7151	6.0%
* Annualized Return [Net of management fee & all other expenses]				

The market started FY18 on a frail note as non-materialization of highly anticipated net foreign inflows in June, post up-gradation of PSX into MSCI Emerging Index from Frontier Market, sapped investor's sentiments. Deteriorating Balance of Payment (BoP) position and its associated impact on other macro-economic indicators dampened investors' confidence in the market. Adding to the investor worries was elevated political uncertainty. The growing tensions in the Pak-US relations also impacted the stock market. Resultantly, the benchmark KSE 100 Index declined by 8.9% during the period under review. Looking at the sector-wise performance, Oil & Gas Exploration, Oil & Gas Marketing Companies, Fertilizer, Power Generation & Distribution, and Banking sectors fared better than the market. Cement sector was a major index drag with under-performance of around 18.6%.

After sizeable net outflow of USD652mn in FY17, foreigners continued to remain net sellers during 1QFY18, as they offloaded equity stakes worth USD90mn. Other than foreigners, Mutual Funds during the quarter also remained net sellers with a net outflow of USD38mn. Their counterparts were Insurance Companies and Banks/DFIs with net inflow of USD49mn and USD34mn, respectively.

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. During the quarter, T-bill yields remained almost unchanged however, PIB yields increased by 45 bps, 56 bps and 13 bps for the 3 year, 5 year and 10 year tenors, respectively. With pickup in private sector investment activity we have seen increased issuance of corporate debt securities. Trading activity in corporate TFCs/Sukuks increased slightly with a cumulative trade value of around Rs. 2.5 billion as compared to Rs. 1.5 billion during 1QFY17 with Banking sector making up the lion's share. The asset allocation of the Funds as on September 30, 2017 is as follows:

Asset Allocation (% of Net Assets)	
Equity Sub-fund	30-Sep-17
Equity	94.0%
Cash Equivalents - Net	6.0%
Total	100.00%
Debt Sub-fund	30-Sep-17
Cash Equivalents - Net	42.4%
TFC/Sukuk	14.0%
PIBs	1.5%
T-bill	42.1%
Total	100.00%
Money Market Sub-fund	30-Sep-17
Cash Equivalents - Net	57.8%
Placement with banks	20.0%
T-Bills	22.2%
Total	100.00%

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Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Pension Fund Manager, 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.

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ڈائریکٹر رپورٹ

این بی پی فلرٹن ایسیٹ منیجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NAFA پنشن فنڈ (NPF) کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے مختتمہ سہ ماہی 30 ستمبر 2017 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔

فنڈ کی کارکردگی

NAFA پنشن فنڈ (NPF) کے مالیاتی سال 2017-18 کی پہلی سہ ماہی کی رپورٹ ہے:

NAFA پنشن فنڈ (NPF) کے مالیاتی سال 2017-18 کی پہلی سہ ماہی کی رپورٹ ہے:	فنڈ کا حجم (ملین روپے)	NAV یونٹ (روپے) 02 جولائی 2013	NAV یونٹ (روپے) 30 ستمبر 2017	02 جولائی 2013 کو لانچ سے ایک کارکردگی
INPF یکویتی سب فنڈ	990.4	100.9836	295.5872	28.8%
NPF ڈیٹ سب فنڈ	401.1	101.1781	142.9309	8.5%
NPF منی مارکیٹ سب فنڈ	469.1	101.2023	129.7151	6.0%
سالانہ بنیاد پر منافع				
منیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص				

مالی سال 2018 میں مارکیٹ ایک نازک موڑ سے شروع ہوئی جس کی وجہ جن میں متوقع بیرونی ترسیلات کی عدم حصولی ہے جس نے فرنٹیر مارکیٹ میں PSX کی MSCI ایمرجنگ انڈیکس میں اپ گریڈیشن کے باوجود سرمایہ کاروں کے جذبات مجروح کئے۔ توازن ادائیگی کے بگڑتی ہوئی صورتحال اور کھلی معاشی اعداد و شمار کے متعلقہ اثرات نے مارکیٹ میں سرمایہ داروں کے اعتماد پر برا اثر ڈالا۔ غیر مستحکم سیاسی صورتحال نے سرمایہ کاروں کی پریشانی میں مزید اضافہ کر دیا۔ پاک۔ امریکہ تعلقات میں تناؤ کی وجہ سے بھی اسٹاک مارکیٹ متاثر ہوئی۔ جس کے نتیجے میں بیچ مارک KSE-100 زیر جائزہ مدت کے دوران 8.9 فیصد گر گیا۔ اگر ہم صنعت و کارکردگی کا جائزہ لیں تو تیل و گیس کی تلاش، گیس، تیل کی کمپنیاں، کھاد، توانائی پیدا کرنے اور تقسیم کرنے والے اداروں اور بینکنگ سیکٹر کی کارکردگی بہتر رہی۔ البتہ سیمنٹ سیکٹر کے انڈیکس میں شدید پستی کا رجحان رہا جس میں 18.4 فیصد کمی دیکھی گئی۔

مالی سال 2017 میں یو ایس ڈالر 652 ملین کا بھاری مقدار میں بیرونی بھاؤ ہوا، غیر ملکیوں نے خصوصی طور پر مالی سال 2018 کی پہلی سہ ماہی میں یو ایس ڈالر 90 ملین کے ایکویٹی سرمایہ کو مارکیٹ سے باہر نکالا۔ غیر ملکیوں کے علاوہ، میوچل فنڈز نے بھی اس سہ ماہی میں یو ایس ڈالر 38 ملین کا سرمایہ بھی باہر نکالا۔ جبکہ اس کے برخلاف انشورنس کمپنیاں اور بینک/ڈی ایف آئیز نے بالترتیب یو ایس ڈالر 49 ملین اور یو ایس ڈالر 34 ملین کی سرمایہ کاری کی۔

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 ہونگے۔ 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 تسکات 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 تاہم PIB کی تین سالہ، پانچ سالہ اور 10

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سالہ مدتی اسکیموں کے منافع میں بالترتیب 45 بی پی ایس، 56 بی پی ایس اور 13 بی پی ایس اضافہ ہوا۔ پرائیویٹ سیکٹر میں سرمایہ کاری کی سرگرمیوں میں اضافہ کی وجہ سے کارپوریٹ قرضہ کی تمسکات میں اضافہ دیکھنے میں آیا۔ ٹریڈنگ کی سرگرمیوں کی وجہ سے کارپوریٹ TFCs / سکوک میں معمولی اضافہ ہوا جس کے باعث 2.5 بلین روپے مالیت کے مجموعی سودے ہوئے جبکہ مالی سال 2017 کی پہلی سہ ماہی میں 1.5 بلین تھے۔ مذکورہ بالا سہ ماہی میں بینکنگ سیکٹر کا ایک بہت بڑا حصہ ہے۔ 30 ستمبر 2017 کو فنڈ کے اثاثوں کی تخصیص درج ذیل ہے:

ایسیٹ ایلوکیشن (نیٹ ایسیٹس کا %)	
30 ستمبر 2017	ایکیویٹی سب فنڈ
94.0%	ایکیویٹی
6.0%	کیش کے مساوی
100.00%	ٹوٹل
	ڈیٹ سب فنڈ
42.4%	کیش کے مساوی
14.0%	T-بلز
1.5%	TFCs / سکوک
42.1%	PIBs
100.00%	ٹوٹل
	متنی مارکیٹ سب فنڈ
57.8%	کیش کے مساوی
20.0%	بینک پلیسمنٹ
22.2%	T-بلز
100.00%	ٹوٹل

اعتراف

اس موقع پر بورڈ اپنے تمام پونٹ ہولڈرز کا شکریہ ادا کرتا ہے جنہوں نے انتظامی کمپنی پر اپنے بھروسے اور اعتماد کا اظہار کیا اور ہمیں اپنی خدمت کا موقع دیا۔ بورڈ اپنی مخلصانہ سائنس سیکورٹیز، ریٹائرمنٹ اینڈ ایجوکیشن 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 رٹائرمنٹس نے انتھک محنت، جدوجہد اور لگن سے کام کیا۔

از طرف بورڈ

این بی پی فلرٹن ایسیٹ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: اکتوبر 27، 2017

بمقام کراچی

NAFA PENSION FUND

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

		September 30, 2017 (Un-audited)					June 30, 2017 (Audited)				
Note		Equity	Debt	Money Market	Others	Total	Equity	Debt	Money Market	Others	Total
		Sub-Fund	Sub-Fund	Sub-Fund			Sub-Fund	Sub-Fund	Sub-Fund		
		-----Rupees-----									
ASSETS											
	Bank balances	60,287,168	169,897,070	273,676,012	4,283,439	508,143,689	77,447,447	273,092,363	291,082,871	3,252,253	644,874,934
4	Investments	931,003,901	230,777,775	197,923,981	-	1,359,705,657	1,013,270,959	166,822,200	165,209,609	-	1,345,302,768
	Dividend receivable	6,061,555	-	-	-	6,061,555	2,577,650	-	-	-	2,577,650
5	Profit receivable	400,784	3,364,080	477,444	-	4,242,308	26,463	1,754,450	350,892	-	2,131,805
	Receivable against sale of investments	2,434,150	-	-	-	2,232,566	1,591,204	-	-	-	1,591,204
	Advance, deposit and other receivables	3,167,383	582,219	238,988	-	3,988,590	3,036,646	439,644	100,029	-	3,576,319
	Total assets	1,003,354,941	404,621,144	472,316,425	4,283,439	1,884,374,365	1,097,950,369	442,108,657	456,743,401	3,252,253	2,000,054,680
LIABILITIES											
	Payable to the Pension Fund Manager	1,447,138	632,025	727,206	2,341,764	5,148,133	1,625,374	650,056	686,048	1,310,578	4,272,056
	Payable to the Central Depository Company of Pakistan Limited - Trustee	129,545	55,159	64,836	-	249,540	149,127	56,961	60,719	-	266,807
	Payable to the Securities and Exchange Commission of Pakistan	84,658	33,739	38,246	-	156,643	285,875	129,428	123,090	-	538,393
6	Accrued expenses and other liabilities	11,322,667	2,845,105	2,434,202	1,941,675	18,342,065	10,286,335	2,542,703	2,412,855	1,941,675	17,183,568
	Total liabilities	12,984,008	3,566,028	3,264,490	4,283,439	23,896,381	12,346,711	3,379,148	3,282,712	3,252,253	22,260,824
	NET ASSETS	990,370,933	401,055,116	469,051,935	-	1,860,477,984	1,085,603,658	438,729,509	453,460,689	-	1,977,793,856
PARTICIPANTS' SUB-FUNDS (as per statement attached)											
		990,370,933	401,055,116	469,051,935	-	1,860,477,984	1,085,603,658	438,729,509	453,460,689	-	1,977,793,856
	Number of units in issue	3,350,520	2,805,938	3,616,016			3,276,556	3,102,258	3,533,149		
	Net asset value per unit	295.5872	142.9309	129.7151			331.3247	141.4226	128.3446		
	Contingencies and commitments				9						

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

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

NAFA PENSION FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

Note	'For the Quarter ended September 30, 2017				'For the Quarter ended September 30, 2016			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
	-----Rupees-----				-----Rupees-----			
INCOME								
Profit on bank deposits	1,369,173	2,046,015	2,801,278	6,216,466	741,610	1,422,169	5,779,509	7,943,288
Income from debt securities	-	1,050,089	-	1,050,089	-	893,235	-	893,235
Income from term deposits receipts	-	-	1,523,817	1,523,817	-	-	-	-
Income from government securities	-	3,560,886	2,956,062	6,516,948	-	4,006,629	-	4,006,629
Dividend income	6,070,977	-	-	6,070,977	6,340,401	-	-	6,340,401
Net (loss)/gain on sale of investments at fair value through income statement	(21,182,915)	(15,589)	4,133	(21,194,371)	5,925,946	(78,388)	-	5,847,558
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(99,905,819)	(236,823)	(13,705)	(100,156,347)	69,413,628	(119,693)	-	69,293,935
Total (loss) / income	(113,648,584)	6,404,578	7,271,585	(99,972,421)	82,421,585	6,123,952	5,779,509	94,325,046
EXPENSES								
Remuneration of Pension Fund Manager	3,849,187	1,534,712	1,739,617	7,123,516	2,426,439	1,452,097	1,317,187	5,195,723
Sindh sales tax on remuneration of the Pension Fund Manager	500,394	199,513	226,150	926,057	315,437	188,773	171,234	675,444
Remuneration to the Central Depository Company of Pakistan Limited - Trustee	381,796	153,471	173,962	709,229	242,644	145,210	131,719	519,573
Sindh sales tax on remuneration of Trustee	49,633	19,951	22,615	92,199	31,544	18,877	17,123	67,544
Annual fee - Securities and Exchange Commission of Pakistan	84,682	33,764	38,272	156,718	53,382	31,946	28,978	114,306
Auditors' remuneration	38,381	38,381	38,381	115,143	45,908	45,908	45,908	137,724
Securities' transaction costs	337,715	681	338,396	676,792	155,445	-	-	155,445
Settlement / Bank charges & others	147,008	28,060	41,952	217,020	6,952	28,060	60,797	95,809
Total Expenses	5,388,796	2,008,533	2,280,949	9,678,278	3,277,751	1,910,871	1,772,946	6,961,568
Net (loss) / income from operating activities	(119,037,380)	4,396,045	4,990,636	(109,650,699)	79,143,834	4,213,081	4,006,563	87,363,478
Net element of income/(loss) and capital gains/(losses) included 'in prices of units issued less those in units redeemed				-				-
Provision for Sindh Workers' Welfare Fund	7	(87,921)	(99,813)	(187,734)	1,930,206	31,499	(224,820)	1,736,885
Net (loss) / income for the period before taxation	(119,037,380)	4,308,124	4,890,823	(109,838,433)	-	-	-	-
Taxation					81,074,040	4,244,580	3,781,743	89,100,363
Net (loss) / income for the period after taxation	8	-	-	-	-	-	-	-
	(119,037,380)	4,308,124	4,890,823	(109,838,433)	81,074,040	4,244,580	3,781,743	89,100,363

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

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

NAFA PENSION FUND

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

	'For the Quarter ended September 30, 2017				'For the Quarter ended September 30, 2016			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
Net (loss) / income for the period after taxation	(119,037,380)	4,308,124	4,890,823	(109,838,433)	81,074,040	4,244,580	3,781,743	89,100,363
Other comprehensive income / (loss) for the period	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(119,037,380)</u>	<u>4,308,124</u>	<u>4,890,823</u>	<u>(109,838,433)</u>	<u>81,074,040</u>	<u>4,244,580</u>	<u>3,781,743</u>	<u>89,100,363</u>

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

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

NAFA PENSION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Note	For the Quarter ended September 30, 2017				For the Quarter ended September 30, 2016			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		-----Rupees-----				-----Rupees-----			
Net assets at the beginning of the period		1,085,603,658	438,729,509	453,460,689	1,977,793,856	562,943,502	377,792,686	332,032,998	1,272,769,186
Amount received on issuance of units	10	74,623,591	32,224,610	42,020,261	148,868,462	52,618,706	30,210,806	32,647,490	115,477,002
Amount paid on redemption of units		(38,784,375)	(68,304,914)	(49,256,612)	(156,345,901)	(16,791,158)	(13,999,481)	(25,688,337)	(56,478,976)
Effect of reallocation		(12,034,561)	(5,902,213)	17,936,774	-	17,109,528	(7,308,172)	(9,801,356)	-
Net element of (income)/loss and capital (gains)/ losses included in prices of units issued less those in units redeemed - transferred to income statement		-	-	-	-	(1,930,206)	(31,499)	224,820	(1,736,885)
Total comprehensive income for the period		(119,037,380)	4,308,124	4,890,823	(109,838,433)	81,074,040	4,244,580	3,781,743	89,100,363
Net assets at the end of the period		<u>990,370,933</u>	<u>401,055,116</u>	<u>469,051,935</u>	<u>1,860,477,984</u>	<u>695,024,412</u>	<u>390,908,920</u>	<u>333,197,358</u>	<u>1,419,130,690</u>

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

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

Nafa Pension Fund

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

	For the Quarter ended September 30, 2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund Rupees	Others	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Net (loss) / income for the period before taxation	(119,037,380)	4,308,124	4,890,823	-	(109,838,433)
Adjustments					
Net unrealised appreciation / Diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	99,905,819	236,823	13,705	-	100,156,347
Gain on sale of investment-net	21,182,915	15,589	(4,133)	-	21,194,371
Net element of (income)/loss and capital (gains) /losses included 'in prices of units issued less those in units redeemed	-	-	-	-	-
	2,051,354	4,560,536	4,900,395	-	11,512,285
Decrease / (increase) in assets					
Investments Net	(38,821,676)	(64,207,987)	(32,723,944)	-	(135,753,607)
Dividend receivable	(3,483,905)	-	-	-	(3,483,905)
Profit receivable	(374,321)	(1,609,630)	(126,552)	-	(2,110,503)
Receivable against sale of investments	(641,362)	-	-	-	(641,362)
Security deposit and other receivables	(130,737)	(142,575)	(138,959)	-	(412,271)
	(43,452,001)	(65,960,192)	(32,989,455)	-	(142,401,648)
(Decrease) / increase in Liabilities					
Payable against purchase of investments	-	-	-	-	-
Payable to the Pension Fund Manager	(178,236)	(18,031)	41,158	1,031,186	876,077
Payable to the Central Depository Company of Pakistan Limited	(19,582)	(1,802)	4,117	-	(17,267)
Payable to the Securities and Exchange Commission of Pakistan	(201,217)	(95,689)	(84,844)	-	(381,750)
Accrued expenses and other liabilities	834,748	302,402	21,347	-	1,158,497
	435,713	186,880	(18,222)	1,031,186	1,635,557
Net cash (outflow) / inflow from operating activities	(40,964,934)	(61,212,776)	(28,107,283)	1,031,186	(129,253,807)
CASH FLOWS FROM FINANCING ACTIVITIES					
Amount received on issue of units	74,623,591	32,224,610	42,020,261	-	148,868,462
Amount paid on redemption of units	(38,784,375)	(68,304,914)	(49,256,612)	-	(156,345,901)
Effect of reallocation	(12,034,561)	(5,902,213)	17,936,774	-	-
Net cash generated from / (used in) financing activities	23,804,655	(41,982,517)	10,700,423	-	(7,477,439)
Net (decrease) / increase in cash and cash equivalents	(17,160,279)	(103,195,293)	(17,406,859)	1,031,186	(136,731,246)
Cash and cash equivalents at the beginning of the period	77,447,447	273,092,363	291,082,871	3,252,253	644,874,934
Cash and cash equivalents at the end of the period	60,287,168	169,897,070	273,676,012	4,283,439	508,143,688

	For the Quarter ended September 30, 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund Rupees	Others	Total
	81,074,040	4,244,580	3,781,743	-	89,100,363
	(69,413,628)	119,693	-	-	(69,293,935)
	(5,925,946)	78,388	-	-	(5,847,558)
	(1,930,206)	(31,499)	224,820	-	(1,736,885)
	3,804,260	4,411,162	4,006,563	-	12,221,985
	(59,775,071)	30,757,800	(1,119,312)	-	(30,136,583)
	(5,080,621)	-	-	-	(5,080,621)
	(247,219)	(1,614,101)	(603,351)	-	(2,464,671)
	(61,975)	(3,600)	-	-	(65,574)
	(65,164,886)	29,140,099	(1,722,663)	-	(37,747,449)
	634,195	-	-	-	634,195
	122,885	17,181	33,410	(360,634)	(187,158)
	13,856	2,727	4,229	-	20,812
	(101,082)	(82,488)	(59,444)	-	(243,014)
	54,166	107,228	347,529	21,392	530,315
	724,020	44,648	325,724	(339,242)	755,150
	(60,636,606)	33,595,909	2,609,624	(339,242)	(24,770,315)
	52,618,706	30,210,806	32,647,490	-	115,477,002
	(16,791,158)	(13,999,481)	(25,688,337)	-	(56,478,976)
	17,109,528	(7,308,172)	(9,801,356)	-	-
	52,937,076	8,903,153	(2,842,203)	-	58,998,026
	(7,699,530)	42,499,062	(232,579)	(339,242)	34,227,711
	35,484,998	53,743,959	272,598,669	2,533,728	364,361,354
	27,785,468	96,243,021	272,366,090	2,194,486	398,589,065

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

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

NAFA PENSION FUND

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

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Pension Fund ("the Fund") was established under a Trust Deed, dated October 12, 2012, between NBP Fullerton Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension Fund on November 16, 2012.

The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.

The Fund consists of three sub-funds namely, NAFA Pension Fund Equity Sub-Fund ("Equity Sub-Fund"), NAFA Pension Fund Debt Sub-Fund ("Debt Sub-Fund") and NAFA Pension Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The Investment policy for each of the sub-funds are as follows:

- The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV of equity sub-fund or index weight, subject to a maximum of 35% of NAV of equity sub-fund. Remaining assets of the equity sub-fund may be invested in government treasury bills or government securities having less than one year time to maturity, or be deposited with scheduled commercial banks having at least A rating.

- The Debt Sub-Fund consist of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years. At least twenty five percent (25%) of the net assets of debt sub-fund shall be invested in securities issued by the Federal Government. Upto twenty five percent (25%) may be deposited with banks having not less than "AA Plus" rating with a stable outlook. Exposure to securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be upto 30% of net assets of a debt sub-fund. Deposit in a single bank shall not exceed 10% of net asset of the debt sub-fund. Composition of the remaining portion of the investments shall be according to the criteria mentioned in the offering document.

- The Money Market sub-fund consists of short term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposit with commercial banks having 'A Plus' or higher rating. Investment in securities issued by provincial or city government, government corporate entities with 'A' or higher rating or a government corporations with 'A plus' or higher rating shall be in proportion as defined in offering document.

NAFA PENSION FUND

The Fund offers six types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Customised Allocation & Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The Participant has the option to select any one from the Allocation Schemes or products being offered by the Pension Fund Manager at the date of opening his / her Individual Pension Account. The Participant may change the Allocation Scheme not more than twice a year thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis or with any other frequency.

Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of 'AM1' to the Pension Fund Manager while the Fund is currently not rated.

Title to the assets of the Fund are held in the name of CDC as the trustee of the Fund.

2 BASIS OF PREPARATION

2.1 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, the provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the VPS Rules or directives issued by the SECP differ with the requirements of IFRS, the requirements of the VPS Rules or the directives issued by the SECP shall prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

The directors of the Pension Fund Manager declare that 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 with regard to element of income / loss and capital gains / losses in prices of units issued less than those in units redeemed. Since, there is no requirement of distribution of income in Voluntary Pension Scheme, therefore, Management Company of NAFA Pension Fund is of the view that recognition and computation of Element of Income is irrelevant for NAFA Pension Fund and thus, it has decided to discontinue recognizing and computing the same for NAFA Pension Fund.

NAFA PENSION FUND

4 INVESTMENTS - NET

		September 30, 2017 (Un-audited)				June 30, 2017 (Audited)			
	Note	Equity Sub fund	Debt Sub fund	Money Market Sub Fund	Total	Equity Sub fund	Debt Sub fund	Money Market Sub Fund	Total
		-----Rupees-----				-----Rupees-----			
At fair value through profit or loss - held for trading									
Equity securities - listed	4.1	931,003,901	-	-	931,003,901	1,013,270,959	-	-	1,013,270,959
Government of Pakistan - Treasury Bills	4.2	-	168,881,382	103,923,981	272,805,363	-	104,689,413	89,752,150	194,441,563
Government of Pakistan - Pakistan Investment Bonds	4.2	-	5,883,269	-	5,883,269	-	13,847,699	-	13,847,699
Term Finance Certificates	4.3	-	56,013,124	-	56,013,124	-	48,285,088	-	48,285,088
		<u>931,003,901</u>	<u>230,777,775</u>	<u>103,923,981</u>	<u>1,265,705,657</u>	<u>1,013,270,959</u>	<u>166,822,200</u>	<u>89,752,150</u>	<u>1,269,845,309</u>
Loans and receivables									
Term deposit receipts		-	-	94,000,000	94,000,000	-	-	75,457,459	75,457,459
		<u>-</u>	<u>-</u>	<u>197,923,981</u>	<u>1,359,705,657</u>	<u>1,013,270,959</u>	<u>166,822,200</u>	<u>165,209,609</u>	<u>1,345,302,768</u>

4.1 Listed equity securities - at fair value through profit or loss / held for trading - Equity Sub-Fund

All Shares have a nominal face value of Rs. 10 each except for shares of Al-Ghazi Tractors Limited, Agriaautos Industries Limited, Shabbir Tiles & Ceramics Limited, Thal Limited and Dynea Limited which have a face value of Rs. 5.

Name of the investee company	As at July 1, 2017	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2017	Market Value	Market value as a % of net assets of the Sub-Fund	Market Value as a % of paid-up capital of the investee company
	-----Number of shares-----				-----Rupees-----		----- % -----	
Automobile Assembler								
Honda Atlas Cars (Pakistan) Limited.	29,400	5,100	-	10,250	24,250	13,082,633	1.32	0.02
Sazgar Engineering Works Limited.	29,500	-	-	29,500	-	-	-	-
Pak Suzuki Motor Company Limited.	13,000	-	-	4,700	8,300	3,798,661	0.38	0.01
Baluchistan Wheels Limited	88,400	100	-	-	88,500	10,797,000	1.09	0.66
Indus Motor Company Limited	10,650	-	-	-	10,650	18,326,733	1.85	0.01
Agriautos Industries Limited	3,400	-	-	-	3,400	1,071,000	0.11	0.01
Al-Ghazi Tractors Limited	2,150	-	-	-	2,150	1,275,531	0.13	0.00
Millat Tractors Limited	14,500	-	-	420	14,080	17,575,923	1.77	0.00
Cable & electrical goods								
Pak Elektron Limited	201,250	-	-	104,500	96,750	7,348,163	0.74	0.10

NAFA PENSION FUND

Name of the investee company	As at July 1, 2017	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2017	Market Value	Market value as a % of net assets of the Sub- Fund	Market Value as a % of paid-up capital of the investee company
	-----Number of shares-----					-----Rupees-----	----- % -----	
Pharmaceuticals								
Abbot Laboratories (Pakistan) Limited.	14,650	-	-	6,650	8,000	6,312,000	0.64	0.00
GlaxoSmithKline (Pakistan) Limited	20,860	-	-	-	20,860	3,838,031	0.39	0.00
GlaxoSmithKline Consumer Healthcare Pakistan Limited	6,258	-	-	-	6,258	1,742,540	0.18	0.00
The Searle Company Limited	19,278	-	-	-	19,278	7,786,717	0.79	0.00
Ferozsons Laboratories Limited	14,500	-	-	-	14,500	4,367,255	0.44	0.01
Highnoon Laboratories Limited	45	-	-	-	45	22,566	0.00	0.00
Construction and material (Cement)								
Pioneer Cement Limited	107,200	-	-	23,500	83,700	7,527,978	0.76	0.01
Fauji Cement Company Limited	303,000	-	-	75,000	228,000	7,414,560	0.75	0.02
Maple Leaf Cement Factory Limited	138,000	-	-	105,500	32,500	2,729,025	0.28	0.00
Maple Leaf Cement Factory Limited Rights	-	-	4,063	-	4,063	72,394	0.01	0.00
Lucky Cement Limited	56,350	-	-	10,800	45,550	25,743,949	2.60	0.00
D. G. Khan Cement Company Limited	123,900	12,700	-	-	136,600	20,061,076	2.03	0.01
Fecto Cement Limited	49,900	-	-	19,200	30,700	2,545,951	0.26	0.00
Attock Cement (Pakistan) Limited	68,200	-	-	-	68,200	13,775,718	1.39	0.01
Kohat Cement Limited	47,000	84,700	-	6,300	125,400	18,804,984	1.90	0.00
Commercial banks								
United Bank Limited	166,660	-	-	12,800	153,860	29,259,556	2.95	0.01
Allied Bank Limited	178,300	8,000	-	-	186,300	16,299,387	1.65	0.04
Habib Bank Limited	155,928	167,400	-	108,500	214,828	38,832,309	3.92	0.53
Faysal Bank Limited	3,905	640,000	-	-	643,905	14,423,472	1.46	0.52
Bank Alfalah Limited	-	241,000	-	-	241,000	10,223,220	1.03	0.02
Bank Al-habib Limited	134,150	-	-	26,000	108,150	6,229,440	0.63	0.01
MCB Bank Limited	151,100	-	-	27,600	123,500	25,811,500	2.61	0.01
Insurance								
Pakistan Reinsurance Company Limited	149,500	-	-	-	149,500	6,802,250	0.69	0.05
Chemicals								
Engro Fertilizer Limited	258,500	80,000	-	84,000	254,500	16,010,595	1.62	0.00
Engro Corporation Limited	117,000	7,600	-	14,800	109,800	33,279,282	3.36	0.01
Dawood Hercules Corporation Limited	100,000	22,300	-	3,200	119,100	14,692,176	1.48	0.02
Fauji Fertilizer Bin Qasim Limited	197,500	-	-	197,500	-	-	-	0.00
Fauji Fertilizer Company Limited	-	122,000	-	-	122,000	10,143,080	1.02	0.00
Akzo Nobel Pakistan Limited	42,400	-	-	-	42,400	8,421,064	0.85	0.00
Dyneema Pakistan Limited	69,000	-	-	-	69,000	5,071,500	0.51	0.00

NAFA PENSION FUND

Name of the investee company	As at July 1, 2017	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2017	Market Value	Market value as a % of net assets of the Sub- Fund	Market Value as a % of paid-up capital of the investee company
	Number of shares				Rupees		%	
General Industries								
Thal Limited. (Face Value of Rs. 5 each)	4,500	28,600	-	-	33,100	18,241,410	1.84	0.03
Electricity								
The Hub Power Company Limited	195,600	44,000	-	-	239,600	26,789,676	2.71	2.59
Kot Addu Power Company Limited	236,500	-	-	79,500	157,000	11,938,280	1.21	0.02
Textile Composite								
Nishat Mills Limited.	177,000	-	-	-	177,000	25,682,700	2.59	0.05
Nishat Chunian Limited.	193,500	273,500	-	92,500	374,500	20,417,740	2.06	0.00
Kohinoor Textile Mills Limited	192,475	-	-	-	192,475	17,030,188	1.72	0.08
Kohinoor Textile Mills Limited Rights	-	-	11,549	-	11,549	259,957	0.03	0.00
Sapphire Fibres Mills Limited	6,200	-	-	-	6,200	6,133,598	0.62	0.03
Dawood Lawrancepur Limited	40,900	-	-	-	40,900	7,977,545	0.81	0.07
Crescent Textile Mills Limited	108,500	-	-	-	108,500	4,283,580	0.43	0.00
Oil and gas								
Attock Petroleum Limited	7,800	-	-	-	7,800	4,880,694	0.49	0.01
Pakistan State Oil Co. Limited.*	71,730	36,500	-	29,200	79,030	34,912,293	3.53	0.03
Pakistan Petroleum Limited.*	256,178	55,000	-	14,500	296,678	51,826,680	5.23	0.02
Pakistan Oilfields Limited.*	70,500	34,500	-	-	105,000	55,864,200	5.64	0.04
Oil and Gas Development Company Limited *	186,300	46,400	-	-	232,700	34,588,528	3.49	0.01
Hascol Petroleum Limited	300	-	-	-	300	84,327	0.01	0.00
Shell Pakistan Limited	29,000	-	-	-	29,000	12,059,940	1.22	0.03
Attock Refinery Limited	11,300	14,500	-	-	25,800	10,660,818	1.08	0.03
Mari Petroleum Company	29,980	-	-	13,680	16,300	24,531,663	2.48	0.01
Oil and gas marketing companies								
Sui Southern Gas Company Limited	-	-	-	-	-	-	-	-
Sui Northern Gas Company Limited	-	155,500	-	-	155,500	20,815,230	2.10	0.00
Engineering								
Mughal Iron and Steel Industries Limited	107,310	45,000	-	-	152,310	8,715,178	0.88	0.14
Amreli Steels Limited	222,500	-	-	-	222,500	22,688,325	2.29	0.07
Crescent Steel & Allied Products Limited	20,400	-	-	-	20,400	3,227,076	0.33	0.00
Food producers								
Rafhan Maize Products Limited.	20	-	-	-	20	145,980	0.01	0.00
Faran Sugar Mills Limited	67,500	3,000	-	-	70,500	5,574,435	0.56	0.00
Al-Shaheer Corporation Limited	208,553	-	-	128,000	80,553	2,547,070	0.26	0.00

NAFA PENSION FUND

Name of the investee company	As at July 1, 2017	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2017	Market Value	Market value as a % of net assets of the Sub- Fund	Market Value as a % of paid-up capital of the investee company
	Number of shares					Rupees	%	
Household goods								
Tariq Glass Limited	131,500	-	-	-	131,500	13,825,910	1.40	0.18
Shabbir Tiles and Ceramics Limited	876,000	-	-	663,500	212,500	2,781,625	0.28	0.18
Software and computer services								
NetSol Technologies Limited	-	-	-	-	-	-	-	-
Systems Limited	211,500	-	-	-	211,500	16,399,710	1.66	0.19
Avanceon Ltd	183,500	-	-	147,000	36,500	1,556,725	0.16	0.00
Glass & Ceramics								
Ghani Glass Limited	-	28,000	-	-	28,000	1,948,800	0.20	0.00
Miscellaneous								
Tri-Pack Films Limited	43,000	-	-	-	43,000	7,009,077	0.71	0.14
Synthetic Products Enterprises Limited	141,250	12,500	-	-	153,750	10,147,500	1.02	0.00
Century Paper and Board Mills Limited	208,500	-	-	-	208,500	13,938,225	1.41	0.00
	7,325,130	2,167,900	15,611	2,038,600	7,470,041	931,003,901	94	
Carrying Value as at September 30, 2017						1,030,909,720		

4.1.1 * The above investments include securities with market value aggregating to Rs.25.942 million (June 30, 2017: 22.686) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by SECP

NAFA PENSION FUND

4.2 Government securities - at fair value through profit or loss - held for trading

4.2.1 Debt Sub-Fund

Issue date	Note	Tenor	As at July 1, 2017	Purchases during the period	Matured/Sold during the period	As at September 30, 2017	Market value	Market value as a % of net assets of the Sub-Fund	Market value as a % of total investments
-----Face value (Rupees)-----								-----Rupees-----	
Treasury Bills									
April 13, 2017	4.2.3	3 Months	14,000,000	-	14,000,000	-	-	-	-
April 27, 2017	4.2.3	3 Months	91,000,000	20,000,000	111,000,000	-	-	-	-
June 22, 2017	4.2.3	3 Months	-	80,000,000	80,000,000	-	-	-	-
January 19, 2017	4.2.3	6 Months	-	75,000,000	75,000,000	-	-	-	-
July 20, 2017	4.2.3	3 Months	-	110,000,000	95,000,000	15,000,000	14,971,350	3.73	8.81
August 3, 2017	4.2.3	3 Months	-	90,000,000	-	90,000,000	89,623,980	22.35	52.72
September 14, 2017	4.2.3	3 Months	-	65,000,000	-	65,000,000	64,286,052	16.03	37.82
Pakistan Investment Bonds									
July 19, 2012	4.2.4	10 Year	5,000,000	-	-	5,000,000	5,883,269		
			110,000,000	440,000,000	375,000,000	175,000,000	174,764,651	42.11	99.35
Carrying Value as at September 30, 2017							174,929,511		

NAFA PENSION FUND

4.2.2 Money Market Sub-Fund

Issue date	Note	Tenor	As at July 1, 2017	Purchases during the period	Matured/Sold during the period	As at September 30, 2017	Market value	Market value as a % of net assets of the Sub-Fund	Market value as a % of total investments
-----Face value (Rupees)-----								-----Rupees-----	
Treasury Bills									
March 16, 2017	4.2.3	Months	-	7,000,000	7,000,000	-	-	-	-
April 13, 2017	4.2.3	3 Months	20,000,000	-	20,000,000	-	-	-	-
April 27, 2017	4.2.3	3 Months	70,000,000	12,000,000	82,000,000	-	-	-	-
June 22, 2017	4.2.3	3 Months	-	16,000,000	16,000,000	-	-	-	-
July 20, 2017	4.2.3	3 Months	-	50,000,000	-	50,000,000	49,904,500	10.64	47.76
August 4, 2016	4.2.3	12 Months	-	5,000,000	5,000,000	-	-	-	-
August 3, 2017	4.2.3	3 Months	-	185,000,000	176,000,000	9,000,000	8,962,398	1.91	8.58
August 17, 2017	4.2.3	3 Months	-	2,500,000	-	2,500,000	2,483,885	0.53	2.38
March 2, 2017	4.2.3	6 Months	-	18,000,000	18,000,000	-	-	-	-
August 31, 2017	4.2.3	3 Months	-	20,000,000	-	20,000,000	19,825,780	4.23	18.97
September 14, 2017	4.2.3	3 Months	-	23,000,000	-	23,000,000	22,747,418	4.85	21.77
			90,000,000	338,500,000	324,000,000	104,500,000	103,923,981	22.16	99.46
Carrying Value as at September 30, 2017							103,937,686		

4.2.3 These Government treasury bills carry purchase yield ranging from 8.77% to 10.4% per annum.

4.2.4 These Pakistan Investment bonds carry purchase yield ranging from 11.95 % to 12.90% per annum.

4.3 Term Finance Certificates - at fair value through profit or loss - held for trading (listed)

NAFA PENSION FUND

4.3.1 Debt Sub-Fund

Term finance certificates have a face value of Rs. 5,000 each.

Name of the investee company	Note	As at July 1, 2017	Purchases during the period	Sales / matured during the period	As at September 30, 2017	Market Value	Market value as a % of net assets of the Sub-Fund	Market value as a % of total investments
-----Number of certificates-----					Rupees		-----%-----	
Askari Commercial Bank Limited	5.3.2	3,600	-	-	3,600	18,218,322	4.54	7.89
Faysal Bank Limited - III	5.3.2	300	-	-	300	375,080	0.09	0.16
JS Bank Limited 14-DEC-16 14-DEC-23	5.3.2	1,800	-	-	1,800	9,061,187	2.26	3.93
Jahangir Siddiqui Company Limited - II	5.3.2	5,000	-	-	5,000	15,055,230	3.75	6.52
Jahangir Siddiqui Company Limited	5.3.2	-	1,560	-	1,560	7,911,134	1.97	3.43
Jahangir Siddiqui Company Limited - III	5.3.2	600	-	-	600	3,042,171	0.76	1.32
Standard Chartered Bank Limited - IV	5.3.2	470	-	-	470	2,350,000	0.59	1.02
		11,770	1,560	-	13,330	56,013,124	13.97	24.27
Carrying Value as at September 30, 2017						56,085,087		

4.3.2 The Term Finance Certificates held by the fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

5 PROFIT RECEIVABLE

September 30, 2017 (Un-audited)					June 30, 2017 (Audited)				
Equity Sub Fund	Debt Fund	Sub Fund	Money Market Sub Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
-----Rupees-----					-----Rupees-----				
Debt Securities and PIBs	-	2,528,578	-	2,528,578	-	1,306,419	-	1,306,419	
Savings accounts	400,784	835,502	409,455	1,645,741	26,463	448,031	220,125	694,619	
Term deposit	-	-	67,989	67,989	-	-	130,767	130,767	
400,784	3,364,080	477,444	4,242,308		26,463	1,754,450	350,892	2,131,805	

NAFA PENSION FUND

6 ACCRUED EXPENSES AND OTHER LIABILITIES

	September 30, 2017 (Un-audited)					June 30, 2017 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	others	Total
			Rupees					Rupees		
Provision for Workers' Welfare Fund	8,150,678	973,286	842,623	-	9,966,587	8,150,678	885,365	742,811	-	9,778,854
Federal Excise Duty on management remuneration	1,770,463	1,329,145	1,054,992	1,941,675	-	1,770,462	1,329,145	1,054,992	-	4,154,599
Federal Excise Duty on sales load	-	-	-	-	-	-	-	-	1,941,675	1,941,675
Payable against redemption of units	-	-	-	-	-	-	89,113	357,928	-	447,041
Auditors remuneration	135,545	135,545	135,545	-	406,635	97,164	97,164	97,165	-	291,493
Bank charges and settlement charges payable	160,701	61,931	81,982	-	304,614	25,010	45,096	51,344	-	121,450
Printing charges	26,893	26,893	26,893	-	80,678	23,121	23,121	23,121	-	69,363
Legal and professional charges	73,444	29,984	30,077	-	133,505	65,900	22,532	22,533	-	110,965
Withholding tax	392,791	147,768	123,103	-	751,122	154,000	50,268	62,961	-	267,229
Brokerage payable	481,416	1,579	-	-	482,995	-	899	-	-	899
Other payable	130,736	138,976	138,987	-	408,699	-	-	-	-	-
	11,322,667	2,845,105	2,434,202	1,941,675	18,543,649	10,286,335	2,542,703	2,412,855	1,941,675	17,183,568

7 PROVISION FOR SINDH WORKERS' WELFARE FUND

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, MUFAP on January 12, 2017 recommended all its members that as a matter of abundant caution the provision in respect of SWWF 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).

As a result the Management Company has decided to record and retain provision of WWF in financial statements for the quarter ended September 30, 2017 which aggregates to Rs. 9.96 million. Had the same not been made the net asset value per unit / return of the equity, debt and money market sub funds would have been higher by Re. 2.43, Re.0.35 and Re. 0.23 (2016:Rs. 0.8518, Re.0.2639 and Re. 0.1211) per unit respectively.

8 TAXATION

No provision for taxation for the quarter ended September 30, 2017 has been made in view of the exemption available under clause 57 (3) (viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

NAFA PENSION FUND

9 CONTINGENCIES AND COMMITMENTS

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

10 CONTRIBUTION TABLE

		For the quarter ended 30 September 2017					
		Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund	
		Units	Rupees	Units	Rupees	Units	Rupees
Individuals		234,848	74,623,591	226,767	32,224,610	326,182	42,020,261
		787,796	148,868,462				
		234,848	74,623,591	226,767	32,224,610	326,182	42,020,261
		Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund	
		Units	Rupees	Units	Rupees	Units	Rupees
Individuals		210,137	52,618,706	222,275	30,210,806	264,485	32,647,490
		696,897	115,477,002				
		210,137	52,618,706	222,275	30,210,806	264,485	32,647,490

11 TRANSACTIONS WITH CONNECTED PERSONS

- 11.1 Connected persons include NBP Fullerton Asset Management Limited, being the Pension Fund manager, Central Depository Company of Pakistan Limited (being the Trustee), National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited, being the sponsors of the Fund / Pension Fund Manager and other collective investment schemes managed by the NBP Fullerton Asset Management Limited, directors and officers of the NBP Fullerton Asset Management Limited and employee benefit funds of the NBP Fullerton Asset Management Limited.
- 11.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 11.3 Remuneration payable to the Pension Fund manager and Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

NAFA PENSION FUND

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

	For the quarter ended 30 Sep 2017				For the quarter ended 30 Sep 2016			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
	-----Rupees-----				-----Rupees-----			
NBP Fullerton Asset Management Limited - Pension Fund Manager								
Management fee	3,849,187	1,534,712	1,739,617	7,123,516	2,426,439	1,452,097	1,317,187	5,195,723
Sales tax on remuneration of Pension Fund Manager	500,394	199,513	226,150	926,057	315,437	188,773	171,234	675,444
Amount of units issued	-	-	-	-	9,721,162	8,641,222	875,947	19,238,332
Number of units issued	-	-	-	-	35,908	63,126	7,045	106,079
Amount of units redeemed	-	-	-	-	10,072,362	8,332,500	25,833,469	44,238,332
Number of units redeemed	-	-	-	-	37,290	60,877	207,758	305,925
Alexandra Fund Management Pte. Limited - Sponsor								
Amount of units redeemed	21,208,381	22,544,834	22,547,035	66,300,250	-	-	-	-
Number of units redeemed	66,870	159,309	175,553	401,733	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee								
Remuneration	381,796	153,471	173,962	709,229	242,644	145,210	131,719	519,573
Sales tax on Trustee Remunearion	49,633	19,951	22,615	92,200	31,544	18,877	17,123	67,544
Employees of NBP Fullerton Asset Management Limited								
Amount of units issued	696,920	1,060,151	392,556	2,149,627	4,985,076	-	-	4,985,076
Number of units issued	2,268	7,432	3,047	12,747	19,886	-	-	19,886
Amount of units redeemed	1,192,250	1,061,207	135,386	2,388,842	5,044,317	4,985,076	-	10,029,392
Number of units redeemed	4,003	7,432	1,050	12,486	20,076	36,767	-	56,843
Amjad Waheed - Chief Executive - CEO								
Number of units issued	-	-	-	-	4,200,000	-	-	4,200,000
Amount of units issued	-	-	-	-	17,712	-	-	17,712
Khalid Mehmood - Chief Financial Officer- CFO								
Number of units issued	590	-	-	590	-	-	-	-
Amount of units issued	188,202	-	-	188,202	-	-	-	-
Taurus Securities Limited								
Brokerage Paid	20,683	-	-	20,683	3,923	-	-	3,923

NAFA PENSION FUND

11.5 Amounts outstanding as at period end

	September 30, 2016				June 30, 2017			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
	Rupees				Rupees			
NBP Fullerton Asset Management Limited - Pension Fund Manager								
Management fee payable	1,214,278	492,946	577,172	2,284,397	1,372,009	508,903	540,750	2,421,662
Sindh Sales tax payable on management fee	157,860	64,079	75,034	296,972	178,365	66,153	70,298	314,816
Preliminary expenses and floatation cost payable	75,000	75,000	75,000	225,000	-	-	75,000	75,000
Number of units issued	116,481	-	41,318	157,799	116,481	-	41,317	157,798
Amount of units issued	34,430,426	-	5,359,504	39,789,929	38,593,181	-	5,302,878	43,896,059
Alexandra Fund Management Pte. Limited - Sponsor								
Number of units issued	-	-	-	-	66,870	159,309	175,553	401,732
Amount of units issued	-	-	-	-	22,155,793	22,529,954	22,531,340	67,217,087
Central Depository Company of Pakistan Limited - Trustee								
Remuneration payable	115,233	49,292	57,718	222,242	132,562	50,887	54,074	237,523
Sindh Sales Tax payable	14,313	5,867	7,119	27,298	16,565	6,074	6,645	29,284
Employees of the Company								
Number of units issued	22,814	-	87,740	110,554	24,549	-	85,744	110,293
Amount of units issued	6,743,523	-	11,381,239	18,124,761	8,133,680	-	11,004,766	19,138,446
Amjad Waheed - Chief Executive - CEO								
Number of units issued	303,779	-	-	303,779	303,779	-	-	303,779
Amount of units issued	89,793,191	-	-	89,793,191	100,649,494	-	-	100,649,494
Humayun Bashir - Director								
Number of units issued	154,916	92,294	-	247,211	154,916	92,294	-	247,210
Amount of units issued	45,791,303	13,191,731	-	58,983,034	51,327,627	13,052,523	-	64,380,150
Kamal A. Chinoy - Director								
Number of units issued	95,949	-	44,465	140,414	95,949	-	44,465	140,414
Amount of units issued	28,361,281	-	5,767,788	34,129,069	31,790,256	-	5,706,849	37,497,105
Nausherwan Adil - Director								
Number of units issued	11,993	-	-	11,993	11,993	-	73,488	85,481
Amount of units issued	3,545,049	-	-	3,545,049	3,973,657	-	9,431,856	13,405,513
Khalid Mehmood - Chief Financial Officer- CFO								
Number of units issued	13,131	-	-	13,131	12,541	-	-	12,541
Amount of units issued	3,881,342	-	-	3,881,342	4,155,143	-	-	4,155,143

NAFA PENSION FUND

12 DATE OF AUTHORISATION FOR ISSUE

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

13 GENERAL

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

For NBP Fullerton Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director



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

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