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

NAFA MONEY MARKET FUND

QUARTERLY REPORT MARCH 31 2016




Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

MISSION STATEMENT



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

NAFA MONEY MARKET FUND

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NAFA MONEY MARKET FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Nausherwan Adil	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Nigel Poh Cheng	Director
Mr. Koh Boon San	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Mr. Aamir Sattar	Director
Mr. Abdul Hadi Palekar	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource and Remuneration Committee

Mr. Nausherwan Adil	Chairman
Mr. Nigel Poh Cheng	Member
Mr. Kamal Amir Chinoy	Member

Trustee

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

Bankers to the Fund

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

NAFA MONEY MARKET FUND

Auditors

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

Legal Advisor

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

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

NAFA MONEY MARKET FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of **NAFA Money Market Fund** (NMMF) for the period ended March 31, 2016.

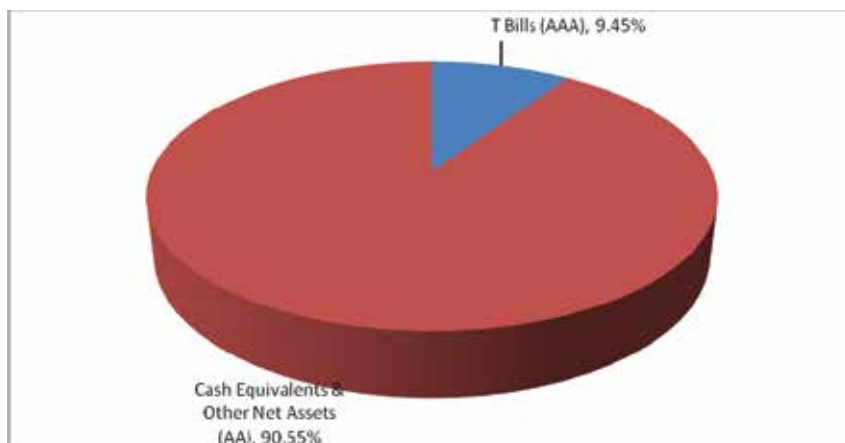
Fund's Performance

The size of NAFA Money Market Fund has increased from Rs. 2,959 million to Rs. 5,142 million during the period, i.e. an increase of 73.8%. During the period, the unit price of the Fund has increased from Rs. 9.8265 (Ex - Div) on June 30, 2015 to Rs. 10.2924 on March 31, 2016, thus showing a return of 6.29% as compared to the benchmark (3-Month deposit rate of 'AA' & above rated banks) return of 4.64% for the same period. The performance of the Fund is net of management fee and all other expenses.

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

During the period under review, the State Bank of Pakistan reduced the discount rate by 50 bps to 6.5%. SBP highlighted: i) benign inflation readings and anchored near-term inflation expectation; ii) high real lending rates; iii) comfortable external account position; and (iv) improving law and order situation; and macroeconomic stability. Sovereign securities responded to the loose monetary policy stance. The T-Bills yield declined by around 78 bps and PIB yield declined by 142 bps, 183 bps and 141 bps for 3year, 5 year 10 Year maturity respectively. Foreign exchange reserves reached a comfortable level of USD 20 billion. Inflation as measured by the CPI clocked-in at 3.9% on a year-on-year basis in March compared to 3.2% in June 2015.

The Fund has earned total income of Rs.277.86 million during the period. After deducting expenses of Rs.43.95 million, the net income is Rs.233.91 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NMMF.



NAFA MONEY MARKET FUND

Acknowledgement

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

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

On behalf of the Board of
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: April 29, 2016
Place: Karachi.

NAFA MONEY MARKET FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

	Note	Un-Audited March 31, 2016	Audited June 30, 2015
------(Rupees in '000)-----			
ASSETS			
Balances with Banks		4,789,941	5,144,234
Investments	4	486,127	950,000
Profit receivable		62	14,797
Receivable against issuance of units		-	51,347
Preliminary Expenses and floatation cost		207	379
Deposits and Prepayments		110	251
Total assets		<u>5,276,447</u>	<u>6,161,008</u>
LIABILITIES			
Payable to NBP Fullerton Asset Management Ltd - Management Company		47,847	50,726
Payable to Central Depository Company of Pakistan Limited - Trustee		452	734
Payable to Securities and Exchange Commission of Pakistan		2,449	10,180
Payable against redemption of units		9,807	3,042,428
Accrued expenses and other liabilities		73,478	98,247
Total liabilities		<u>134,033</u>	<u>3,202,315</u>
Net Assets		<u>5,142,414</u>	<u>2,958,693</u>
Unit Holders' Funds (as per statement attached)		<u>5,142,682</u>	<u>2,958,693</u>
CONTINGENCIES & COMMITMENTS			
	6	-	-
(Number of units)			
NUMBER OF UNITS IN ISSUE		<u>499,634,333</u>	<u>284,618,261</u>
-----Rupees-----			
NET ASSET VALUE PER UNIT		<u>10.2924</u>	<u>10.3953</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM INCOME STATEMENT FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

Note	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	------(Rupees in '000)-----			
INCOME				
Net gain on sale of investments - net	3,066	10,209	-	8,719
Income from government securities	48,384	420,843	1,236	94,078
Income from term deposits receipt	-	192,904	-	151,474
Income from letter of placements	24	22,832	-	636
Income from certificate of investments	23,010	98,788	3,551	46,249
Income from commercial paper & sukuk certificates ¹	-	2,160	-	-
Profit on bank deposits	169,377	303,237	81,771	50,370
Net unrealised (diminution)/ appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss	(109)	894	(109)	894
Total Income	243,752	1,051,867	86,450	352,420
EXPENSES				
Remuneration of NBP Fullerton Asset Management Ltd - Management Company	26,516	103,359	6,630	35,151
Sindh Sales Tax on Management Company's Remuneration	4,306	17,984	1,076	6,116
Federal Excise Duty on Management Company's Remuneration	4,243	16,537	1,061	5,624
Allocation of operational expenses from the Management Company	1,547	-	1,149	-
Remuneration of Central Depository Company of Pakistan Ltd - Trustee	3,012	7,891	1,048	2,664
Sindh Sales Tax on Remuneration of the Trustee	422	-	147	-
Annual fee - Securities and Exchange Commission of Pakistan	2,449	7,752	862	2,636
Securities transaction cost	208	785	-	204
Bank charges	165	569	46	135
Listing fee	30	30	10	10
Auditors' remuneration	503	464	108	115
Legal Fee	-	38	-	12
Printing Charges	103	91	27	18
Rating Fee	276	188	125	60
Amortisation of preliminary expenses and floatation costs	171	171	56	56
Total Expenses	43,951	155,859	12,345	52,801
Net Income from Operating activities	199,801	896,008	74,105	299,619
Element of income / (loss) and capital gains / (losses) included in the price of units issued less those in units redeemed - net	34,104	-	35,410	-
Provision for workers' welfare fund	5	(17,920)	-	(5,992)
Net income for the period before taxation	233,905	878,088	109,515	293,627
Taxation	7	-	-	-
Net income for the period after taxation	233,905	878,088	109,515	293,627

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

Note	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	------(Rupees in '000)-----			
Net income for the period after taxation	233,905	878,088	109,515	293,627
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>233,905</u>	<u>878,088</u>	<u>109,515</u>	<u>293,627</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	------(Rupees in '000)-----			
Undistributed income brought forward comprising :				
- Realised income	139,765	32,278	196,451	639,243
- Unrealised (loss) / income	-	(1,279)	-	-
	<u>139,765</u>	<u>30,999</u>	<u>196,451</u>	<u>639,243</u>
Net income for the period	233,905	878,088	109,515	293,627
Final distribution made during the period				
- Re 0.5711 per unit distribution for the year ended June 30, 2015	(67,705)	-	-	-
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	-	35,478	-	11,695
	<u>305,965</u>	<u>944,565</u>	<u>305,966</u>	<u>944,565</u>
Undistributed income comprising				
- Realised Income	306,074	943,671	306,074	949,394
- Unrealised Income / (loss)	(109)	894	(109)	(4,829)
	<u>305,965</u>	<u>944,565</u>	<u>305,966</u>	<u>944,565</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	------(Rupees in '000)-----			
Net assets at the beginning of the period	2,958,693	11,911,375	4,141,402	14,347,534
Issue of 1,271,994,949 units (Mar 31, 2015:1,407,670,180 units)	12,838,094	14,599,136	3,954,313	5,650,037
Redemption of 1,056,978,396 units (Mar 31, 2015 :1,215,561,034 units)	(10,786,470)	(12,639,996)	(3,027,406)	(5,542,595)
	2,051,624	1,959,140	926,907	107,442
Net Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
transferred to income statement	(34,104)	-	(35,410)	-
transferred to distribution statement	-	(35,478)	-	(11,695)
	(34,104)	(35,478)	(35,410)	(11,695)
- Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'at fair value through profit or loss'				
Capital gain / (loss) on sale of investments - net	(109)	894	(109)	894
- other Income (net of expenses) for the period	230,948	866,985	109,623	284,014
	233,905	878,088	109,514	293,627
Final distribution made during the period				
- Re 0.5711 per unit distribution for the year ended June 30, 2015	(67,705)	-	-	-
Net element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - transferred to distribution statement	-	35,478	-	11,695
Net assets as at the end of the period	5,142,414	14,748,603	5,142,414	14,748,603

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MONEY MARKET FUND

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
------(Rupees in '000)-----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	233,905	878,088	109,515	293,627
Adjustments for				
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'at fair value through profit or loss'	109	(894)	109	(894)
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	(34,104)	-	(35,410)	-
Amortisation of preliminary expenses and floatation costs	171	171	56	56
	200,081	877,365	74,269	292,789
Decrease / (Increase) in assets				
Investments - net	463,765	(7,203,779)	(86,235)	(7,706,862)
Profit receivables	14,735	(44,229)	3,965	(7,594)
Prepayments and other receivables	141	118	10	10
	478,641	(7,247,890)	(82,260)	(7,714,446)
Increase / (decrease) in liabilities				
Payable to the Management Company	(2,879)	29,292	3,232	4,920
Payable to Central Depository Company of Pakistan Ltd - Trustee	(282)	242	94	4
Payable to the Securities and Exchange Commission of Pakistan	(7,731)	(1,082)	862	2,636
Accrued expenses and other liabilities	(24,769)	20,956	2,952	6,298
	(35,661)	49,408	7,140	13,858
Net cash generated / (used in) from operating activities	643,061	(6,321,117)	(851)	(7,407,799)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from issue of units	12,889,441	14,404,570	3,970,671	5,454,892
Payments on redemption of units	(13,819,090)	(13,468,267)	(6,076,383)	(5,566,113)
Distributions paid	(67,705)	-	-	-
Net cash (used in) / generated from financing activities	(997,354)	936,303	(2,105,712)	(111,221)
Net (decrease) in cash and cash equivalent during the period	(354,293)	(5,384,814)	(2,106,563)	(7,519,020)
Cash and cash equivalents at the beginning of the period	5,144,234	10,790,444	6,896,504	12,924,650
Cash and cash equivalents at the end of the period	4,789,941	5,405,630	4,789,941	5,405,630

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MONEY MARKET FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016 (UN-AUDITED)

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Money Market Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited (NAFA) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on May 4, 2011 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 18, 2011 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block 4, Scheme no. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund is an open-end mutual fund and is listed on the Lahore Stock Exchange (now merged into Pakistan Stock Exchange Limited). The units of the Fund are offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund. The Fund is categorised as an Open-End "Money Market Scheme" as per the criteria laid down by the Securities and Exchange Commission of Pakistan (SECP) for categorisation of Collective Investment Schemes (CIS).

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

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a stability rating of "AA(f)" to the Fund and an asset manager rating of AM2+ to the Management Company.

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

2 BASIS OF PREPARATION

2.1 Statement Of Compliance

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

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2015.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2016.

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

The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the published annual audited financial statements of the Fund for the year ended June 30, 2015.

NAFA MONEY MARKET FUND

4 INVESTMENTS	Note	March 31, 2016 (Un-audited)	June 30, 2015 (Audited)
Financial assets classified as 'at fair value through profit or loss'			
Government securities - Market Treasury Bills			
	4.1	486,127	-
Loans & Receivables			
Certificate of Investments			950,000
		<u>486,127</u>	<u>950,000</u>

4.1 Government securities - Market Treasury Bills

Issue date	Tenor	Face Value			Market Value as at March 31, 2016	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2015	Purchases during the period	Sales / matured during the period			
-----Rupees in '000-----							
13-Nov-14	12 Months	-	250,000	250,000	-	-	-
8-Jan-15	12 Months	-	500,000	500,000	-	-	-
5-Mar-15	6 Months	-	2,355,000	2,355,000	-	-	-
19-Mar-15	6 Months	-	100,000	100,000	-	-	-
28-May-15	3 Months	-	25,000	25,000	-	-	-
29-Jun-15	6 Months	-	300,000	300,000	-	-	-
9-Jul-15	3 Months	-	900,000	900,000	-	-	-
6-Aug-15	6 Months	-	1,200,000	1,200,000	-	-	-
25-Jun-15	3 Months	-	850,000	850,000	-	-	-
14-May-15	6 Months	-	150,000	150,000	-	-	-
30-Oct-14	12 Months	-	1,000,000	1,000,000	-	-	-
20-Aug-15	6 Months	-	350,000	350,000	-	-	-
3-Sep-15	6 Months	-	150,000	150,000	-	-	-
2-Apr-15	6 Months	-	100,000	100,000	-	-	-
17-Sep-15	6 Months	-	1,000,000	1,000,000	-	-	-
29-Oct-15	6 Months	-	250,000	250,000	-	-	-
12-Nov-15	3 Months	-	250,000	250,000	-	-	-
12-Nov-15	6 Months	-	250,000	250,000	-	-	-
17-Mar-16	6 Months	-	500,000	-	500,000	9	97
		-	10,480,000	9,980,000	500,000	486,127	

Carrying value before fair value adjustment as at March 31, 2016

Net unrealised (diminution)/ appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss

486,236
(109)

5 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 ("WWF Ordinance"). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds ("CISs") whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2012, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Honourable Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in the WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the Court. In a recent judgment, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the Constitution. Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 69.38 million in this condensed interim financial information. Had the same not been made the net asset value per unit of the Fund as at March 31, 2016 would have been higher by Rs 0.1389 per unit (June 2015: 0.2438 per unit).

NAFA MONEY MARKET FUND

The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'Industrial establishment' subject to WWF under the WWF Ordinance, 1971. Accordingly, no further provision of WWF has been made from July 1, 2015. However, provision made till June 30, 2015 has not been reversed as the above law suit is still pending in the SHC.

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2016 and June 30, 2015.

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 ninety percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management intends to distribute atleast 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision for taxation has been made in this condensed interim financial information.

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

8 TRANSACTIONS WITH CONNECTED PERSONS

Related Parties / Connected persons include NBP Fullerton Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP), and Alexandra Fund Management Pte. Limited being the sponsors, other collective investment schemes managed by the Management Company, entities having common directorship with the Management Company, retirement funds of group companies, directors and officers of the Management Company and any person or company which beneficially owns directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

Remuneration to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration payable to the Trustee is determined in accordance with the provisions of the Trust Deed.

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
8.1 Details of the transactions with connected persons are as follows:	------(Rupees in '000)-----			
NBP Fullerton Asset Management Limited - Management Company				
Remuneration of the Management Company	26,516	103,359	6,630	35,151
Sindh Sales Tax on Management Company's remuneration	4,306	17,984	1,076	6,116
Federal Excise Duty on Management Company's remuneration	4,243	16,537	1,061	5,624
Allocation of Operational expenses from the Management Company	1,547	-	1,149	-
Issue of 1,959,651 units (March 2015: 3,999,569 units)	20,000	42,394	20,000	14,620
Redemption of 1,959,651 units (March 2015: 3,179,826 Units)	20,070	33,307	20,070	33,307
National Bank of Pakistan - Sponsor				
Sale of Market Treasury Bills	-	-	-	(1,613,330)
Profit on saving account	12	12	(22)	12
Central Depository Company of Pakistan Limited - Trustee				
Remuneration for the period	3,012	7,891	1,048	2,664
Sindh Sales Tax on Remuneration of the Trustee fee	422	-	147	-
Employees of the Management Company				
Issue of 263,942 units (March 2015: 22,291,921 Units)	2,666	22,928	554	2,515
Redemption of 222,844 units (March 2015: 2,686,206 Units)	2,255	27,717	322	5,414

NAFA MONEY MARKET FUND

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	------(Rupees in '000)-----			
8.1 Dr. Amjad Waheed - Chief Executive Officer				
Issue of 46 units (March 2015: 13,237,520 Units)	0	136,056	0	18,056
Redemption of 931 units (March 2015: 13,212,613 Units)	9	136,816	9	29,601
Muhammad Murtaza Ali - Chief Operating Officer / Company Secretary				
Issue of 4,968 units (March 2015: 1,274,073 Units)	49	13,200	-	-
Redemption of 255,777 units (March 2015: 1,133,099 Units)	2,618	11,750	-	2,200
International Industries Limited Employees' Provident Fund				
Issue of Nil units (March 2015: 294,123 units)	-	2,978	-	-
Redemption of Nil units (March 2015: 2,002,901 units)	-	20,724	-	-
National Fullerton Asset Management Ltd Employees' Provident Fund				
Issue of 1,243,423 units (March 2015: Nil units)	12,675		11,395	
Redemption of 1,225,620 units (March 2015: Nil units)	12,549		12,549	
NBP Exchange Company Limited - Associated Companies				
Redemption of Nil units (March 2015: 15,449,905 units)	-	1,374	-	-
International Steels Limited Employees' Provident Fund				
Issue of Nil units (March 2015: 85,009 units)	-	859	-	-
Redemption of Nil units (March 2015: 519,618 units)	-	5,358	-	-
NAFA Government Securities Liquid Fund				
Purchase of Market Treasury Bills	900,000	-	-	(98,769)
Sale of Market Treasury Bills	250,000	-	-	(2,022,447)
NAFA Income Opportunity Fund				
Sale of Market Treasury Bills	-		-	(122,267)
NAFA Financial Sector Income Fund				
Purchase of Market Treasury Bills	-	-	-	(186,275)
NAFA Government Securities Savings Fund				
Purchase of Market Treasury Bills	-	1,676,475	-	1,446,414
Sale of Market Treasury Bill	-	819,818	-	819,818
Thal Limited Employees' Retirement Benevolent Fund				
Sale of Market Treasury Bill	-	1,497	-	1,497
Thal Limited Employees' Provident Fund				
Purchase of Market Treasury Bills	-	2,976	-	2,976
Cherat Packaging Limited				
Issue of 4,944,816 units (2015: Nil units)	50,000		-	
Thal Limited - Treasury - Related Party				
Issue of 19,530,663 units (March 2015: Nil Units)	19,528		19,528	
Cherat Cement Company Limited				
Redemption of Nil units (March 2015: 15,751,083 units)	-	159,384	-	-
Discretionary portfolio managed by the Management Company:				
BYCO Oil Pakistan Limited Employees' Provident Fund				
Issue of 4,973,020 units (March 2015: 2,563,544 units)	49,580	26,603	8,659	26,603
Redemption of 5,434,019 units (March 2015: 2,238,770 units)	55,422	23,149	35,326	23,149
Sale of Market Treasury Bill	-	2,594	-	2,594
BYCO Petroleum Pakistan Limited Employees' Provident Fund				
Issue of 5,201,385 units (March 2015: 3,489,547 units)	52,252	36,402	17,035	36,402
Redemption of 3,069,164 units (March 2015: 5,290,944 units)	31,027	54,636	15,510	54,636

NAFA MONEY MARKET FUND

8.2 Balances outstanding as at period end are as follows:

	As at Mar 31, 2016 Un-Audited ------(Rupees in '000)-----	As at June 30, 2015 Audited
NBP Fullerton Asset Management Limited - Management Company		
Remuneration Payable	2,556	9,222
Sindh Sales Tax payable on remuneration of the Management Company	421	1,605
Federal Excise Duty payable on remuneration of the Management Company	43,284	38,782
Allocation of operational expenses from the Management Company	1,547	-
Sales Load and front end load payable	39	1,117
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	396	734
Sindh Sales Tax payable on remuneration	56	-
Security deposit receivable	100	100
National Bank of Pakistan - Sponsor		
Bank balances		
- in savings accounts	1,921	490
- in current accounts	166	1,663
Profit receivable on bank deposits	16	10
Employees of the Management Company		
Units held: 46,846 units (June 2015: 5,747 units)	482	60
Dr. Amjad Waheed - Chief Executive Officer		
Units held: Nil (June 2015: 885 units)	-	9
Muhammad Murtaza Ali - Chief Operating Officer / Company Secretary		
Units held: Nil (June 2015: 250,809 units)	-	2,607
National Fullerton Asset Management Limited - Employees' Provident Fund		
Units held: 17,803 units (June 2015: Nil units)	183	-
Nagina Cotton Mills Limited *		
Units held: Nil units (June 2015: 33,016,947 units)	-	343,221
Jubilee General Insurance Company Limited *		
Units held: Nil units (June 2015: 33,669,062 units)	-	350,000
Cherat Packaging Limited - Related Party		
Units held: 4,944,816 units (June 2015: Nil units)	50,894	-
Summit Bank Limited - Related Party		
Bank balances - in current account	9,466	6,933
Discretionary portfolio managed by the Management Company:		
BYCO Oil Pakistan Ltd Employees' Provident Fund		
Units held: 669,690 units (June 2015: 1,130,689 units)	6,893	11,754
BYCO Petroleum Pakistan Ltd Employees' Provident Fund		
Units held: 2,132,221 units (2015: Nil units)	21,946	-
Amount receivable against issue of units to:		
NAFA Asset Allocation Fund	-	22,990
NAFA Government Securities Savings Fund	-	21,037
NAFA Stock Fund	-	6,804
NAFA Islamic Stock Fund	-	67
NAFA Islamic Principal Preservation Fund	-	435
NAFA Income Fund	-	14

NAFA MONEY MARKET FUND

	As at Mar 31, 2016	As at June 30, 2015
	Un-Audited	Audited
	------(Rupees in '000)-----	

Amount payable against issue of units to:

NAFA Government Securities Liquid Fund	-	2,188,358
NAFA Income Opportunity Fund	-	823,009
NAFA Islamic Asset Allocation Fund	8,544	14,574
NAFA Stock Fund	1,000	-
NAFA Islamic Aggressive Income Fund	-	8,777
NAFA Multi Asset Fund	-	5,571
NAFA Savings Plus Fund	-	57

* Prior year figures presented as the entity was classified as a connected person of the Fund as at June 30, 2015 on account of having 10% of the unit holding of the Fund. The entity no longer holds 10% of the unit holding of the Fund.

9 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 29, 2016 by the Board of Directors of the Management Company.

10 GENERAL

- 10.1 Figures have been rounded off to the nearest thousand rupees.
- 10.2 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 Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director



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

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