


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 MULTI ASSET FUND

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NAFA MULTI ASSET FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company
(Formerly National Fullerton Asset Management Limited)

Board of Directors of the Management Company

Mr. Shahid Anwar Khan	Chairman
Mr. Syed Ahmed Iqbal Ashraf	Director
Dr. Asif A. Brohi	Director
Mr. Wah Geok Sum	Director
Mr. Patrick Pang Chin Hwang	Director
Mr. Shehryar Faruque	Director
Mr. Kamal Amir Chinoy	Director
Dr. Amjad Waheed	Chief Executive Officer

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Wah Geok Sum	Chairman
Mr. Shahid Anwar Khan	Member
Mr. Shehryar Faruque	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
Atlas Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
KASB Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Silk Bank Limited
Soneri Bank Limited
Standard Chartered Bank (PAK) Limited
The Bank of Punjab
United Bank Limited

NAFA MULTI ASSET FUND

Auditors

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

Legal Advisor

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

Head Office:

9th Floor, Adamjee House,
I.I. Chundrigar Road,
Karachi

Lahore Office:

68-B-1, M.M. Alam Road,
Gulberg 3, Lahore.
UAN: 042-111-111-632
Phone: 042-35778248-63
Fax: 042-35876806

Islamabad Office:

Plot No. 395, 396
Industrial Area, 1-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

1st Floor, Haji Tehmas Centre,
Near KFC, Tehkal Payan
University Road, Peshawar.
Phone: 92-91-5711784, 5711782
Fax: 92-91-5211780

Multan Office:

NBP Corporate Branch
3rd Floor, Park Lane Tower, near Shahjahan Banquet Hall,
Officers Colony, Khanewal Road. Multan.
Tel : 92-061-6214070
Fax: 92-061-6214062
UAN: 92-061-111-111-632

NAFA MULTI ASSET FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited (formerly: National Fullerton Asset Management Limited) is pleased to present the unaudited financial statements of NAFA Multi Asset Fund for the period ended March 31, 2011.

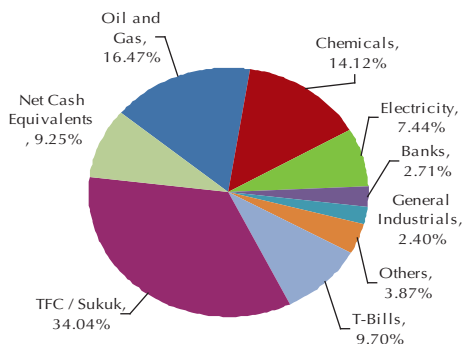
Fund's Performance

During the third quarter, the unit price of NAFA Multi Asset Fund has increased from Rs. 10.3342 (Ex-Div) on December 31, 2010 to Rs. 10.9252 on March 31, 2011, thus showing a growth of 5.72%, as compared to its Benchmark (50% KSE-30 Index, 50% 3-Month KIBOR*) return of 1.59% during the same period. Thus, the Fund has outperformed its Benchmark by 4.13% during the period under review. For the nine months period ended March 31, 2011, the NAV of the Fund has increased from Rs. 8.7725 (Ex-Div) on June 30, 2010 to Rs. 10.9252 on March 31, 2011, thus showing an increase of 24.54%. During the said period, the Benchmark increased by 15.45%, translating into outperformance of 9.09%. Since inception (January 22, 2007), the unit price of the Fund has shown a growth of 46.92% as compared to 22.13% increase in its Benchmark. Thus, the Fund has outperformed its Benchmark by 24.79% since inception. This performance is net of management fee and all other expenses. The size of NAFA Multi Asset Fund has decreased from Rs.996 million to Rs.720 million during the period, i.e. a decline of 27.71%.

The stock market depicted a sideways trend during 3QFY11. The KSE-30 Index marginally decreased by around 0.23% to the 11,561.50 levels as against 11,588.24 levels at the beginning of the quarter. The Banks, Chemical, Personal Goods and Electricity sectors performed better than the market. On the other hand, the Oil & Gas, Construction & Materials and Fixed Line Communication sectors lagged the market. During the period under review the factors responsible for the lukewarm performance of the market were slowdown in foreign flows, the impact of flood and slow economic growth, uprising in the Middle East and diplomatic row with the US.

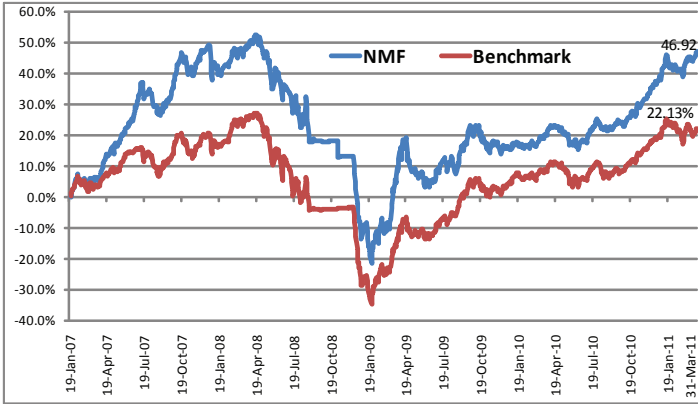
There continues to be a marginal improvement in market's demand for debt securities of high rated issuers'. Many of the non-performing securities have been restructured within this fiscal year. The coupon rates of all TFCs/Sukuks in your Fund are floating and linked to KIBOR, which depicted a rising trend during the quarter.

The Fund has earned total income of Rs.172.13 million during the period. After deducting expenses of Rs.25.09 million, the net income is Rs.147.04 million, translating into earning per unit of Rs.2.1527. The asset allocation of the Fund as on March 31, 2011, is as follows:



NAFA MULTI ASSET FUND

NMF Performance versus Benchmark (Since Inception)



*Benchmark changed with effect from 15-12-2010. Previous Benchmark was 50% KSE-30 Index and 50% 1 month KIBOR.

Income Distribution

The Board of Directors of the Management Company, in addition to interim distribution of 2.70%, has also approved a further interim distribution of 2.70%.

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
(formerly: National Fullerton Asset Management Limited)

Chief Executive
Date: April 19, 2011
Place: Karachi.

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT March 31, 2011

	Note	Unaudited March 31, 2011	Audited June 30, 2010
-----Rupees in '000-----			
ASSETS			
Balances with banks		66,770	60,338
Investments	4	653,308	925,403
Dividend and profit receivable	5	30,236	13,376
Advances, deposits, prepayments and other receivables		3,398	3,641
Preliminary expenses and floatation costs		401	778
Total assets		754,113	1,003,536
LIABILITIES			
Payable to the Management Company		1,510	2,341
Payable to the Trustee		120	164
Payable to Securities and Exchange Commission of Pakistan		534	1,153
Payable against purchase of investments		25,619	-
Payable against redemption of units		-	580
Accrued expenses and other liabilities	6	6,411	3,317
Total liabilities		34,194	7,555
NET ASSETS		719,918	995,981
UNIT HOLDERS' FUND (As per statement attached)		719,918	995,981
CONTINGENCIES AND COMMITMENTS	7		
-----Number of Units-----			
Number of units in issue		65,895,016	106,362,408
-----Rupees-----			
Net Asset Value per unit		10.9252	9.3640

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

For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2011

	Note	Nine months ended		Quarter ended	
		March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
----- Rupees in '000 -----					
INCOME					
Capital gain / (loss) on sale of investments		130,791	212,761	79,319	23,574
Income from term finance certificates and sukuk bonds		40,510	39,876	13,357	14,980
Income from government securities		4,453	-	1,546	-
Dividend income		30,255	9,363	7,154	1,966
Profit on bank deposits		5,834	29,352	2,218	11,801
Unrealised appreciation / (diminution) in the value of investments classified as 'at fair value through profit or loss' - net		6,144	15,064	(64,289)	9,608
Total Income		217,987	306,416	39,305	61,929
EXPENSES					
Remuneration of the Management Company		15,712	27,462	4,471	6,609
Remuneration of the Trustee		1,255	1,849	357	511
Annual fee - Securities and Exchange Commission of Pakistan		534	934	152	225
Securities transaction cost		3,106	10,641	1,163	1,503
Settlement and bank charges		507	493	337	73
Annual listing fee		30	23	10	8
Legal and professional charges		65	60	40	-
Auditors' remuneration		327	271	74	58
Impairment loss on investments classified as 'available for sale'		(39,442)	23,407	(15,150)	(8,741)
Printing expenses		83	433	71	255
Other expenses		16	69	16	1
Fund rating fee		75	62	25	36
Amortisation of preliminary expenses and floatation costs		375	375	122	122
Total Expenses		(17,358)	66,079	(8,313)	660
Net income / (loss) from operating activities		235,345	240,337	47,618	61,269
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - net		(85,299)	(109,060)	(44,371)	(28,311)
Provision for Workers' Welfare Fund	8	(3,001)	-	(65)	-
Net income / (loss) for the period before taxation		147,044	131,277	3,181	32,958
Taxation	9	-	-	-	-
Net income / (loss) for the period after taxation		147,044	131,277	3,181	32,958
Earnings per unit	10				

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

For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2011

	Nine months ended		Quarter ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
	----- Rupees in '000 -----			
Net income / (loss) for the period after taxation	147,044	131,277	3,181	32,958
Other comprehensive income				
Net unrealised appreciation / (diminution) in the value of investments classified as 'available for sale'	(42,976)	(318)	(3,888)	(12,667)
Total comprehensive income / (loss) for the period	<u>104,068</u>	<u>130,959</u>	<u>(707)</u>	<u>20,291</u>

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

For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2011

	Nine Months ended		Quarter ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
----- Rupees in '000 -----				
(Accumulated loss) / undistributed income brought forward	(113,994)	(320,971)	41,706	(130,613)
Final distribution for the year ended June 30, 2010:3.6560% (2009: Nil units)				
- Bonus units	(37,264)		-	
- Cash distribution	(1,622)		-	
Interim distribution for the quarter ended September 30, 2010 : Nil 2009: (1.29%)				
- Bonus units	-	(18,316)	-	-
- Cash distribution	-	(575)	-	-
Interim distribution for the half year ended December 31, 2010 : (2.70%) 2009: (1.72%)				
- Bonus units	(16,306)	(18,412)	(16,306)	(18,412)
- Cash distribution	(1,191)	(763)	(1,191)	(763)
Net income / (loss) for the period	147,044	131,277	3,181	32,958
Other comprehensive income				
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed	84,318	148,491	33,595	37,561
(Accumulated loss) / undistributed income carried forward	<u>60,985</u>	<u>(79,269)</u>	<u>60,985</u>	<u>(79,269)</u>

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

For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2011

	Nine months ended		Quarter ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
----- Rupees in '000 -----				
Net assets at the beginning of the period	995,981	1,777,387	791,464	1,159,278
Issue of 6,423,326 units including 5,696,108 bonus units (2010: 15,525,434 units)	7,329	109,529	3,898	16,138
Redemption of 46,890,718 units (2010: 111,328,567 units)	(469,946) (462,617)	(1,067,217) (957,688)	(117,918) (114,020)	(164,875) (148,737)
Final distribution of bonus units for the year ended June 30, 2010 : (3.656%) (June 30, 2009 : Nil)	37,264	-	-	-
Interim distribution of bonus units for the quarter ended September 30, 2010 : Nil (2009 : 1.29%)	-	18,316	-	-
Interim distribution of bonus units for the half year ended December 31, 2010 : (3.00%) (2009 : 1.29%)	16,306	18,412	16,306	18,412
Net element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed				
- amount representing (income) / loss and capital (gains) / losses - transferred to Income Statement	85,299	109,060	44,371	28,311
- amount representing (income) / loss that form part of unitholders' fund - transferred to Statement of Comprehensive Income	(84,318) 982	(148,491) (39,431)	(33,595) 10,777	(37,561) (9,250)
Net unrealised appreciation / (diminution) in the value of investments classified as 'available for sale'	(42,976)	(318)	(3,888)	(12,667)
Capital gain / (loss) on sale of investments Unrealised appreciation / (diminution) in the value of investments classified as 'at fair value through profit or loss' - net Other income (net of expenses)	130,791 6,144 10,109 147,044	15,064 212,761 (96,548) 131,277	79,319 (64,289) (11,849) 3,181	9,608 23,574 (224) 32,958
Distribution:				
Final distribution for the year ended June 30, 2010:(3.6560%) (2009: Nil)				
- Bonus units	(37,264)	-	-	-
- Cash distribution	(1,622)	-	-	-
Interim distribution for the quarter ended September 30, 2009: (1.29%)				
- Bonus units	-	(18,316)	-	-
- Cash distribution	-	(575)	-	-
Interim distribution of bonus units for the half year ended December 31, 2010 : (3.00%) (2009 : 1.72%)				
- Bonus units	(16,306)	(18,412)	(16,306)	(18,412)
- Cash distribution	(1,191)	(763)	(1,191)	(763)
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased				
- amount representing income / (losses) that form part of unit holders' funds - net	84,318	148,491	33,595	37,561
Net assets as at the end of the period	719,918	1,058,380	719,918	1,058,380

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

For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2011

	Nine months ended		Quarter ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
----- Rupees in '000 -----				
CASH FLOW FROM OPERATING ACTIVITIES				
Net income / (loss) for the period	147,044	131,277	3,181	32,958
Adjustments				
Net unrealised (appreciation) / diminution in the value of investments classified as 'at fair value through profit or loss'	(6,144)	(15,064)	64,289	(9,608)
Amortization of preliminary expenses and floatation costs	375	375	122	122
Net element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed	85,299	109,060	-	-
	<u>226,575</u>	<u>225,648</u>	<u>111,964</u>	<u>51,783</u>
Decrease / (increase) in assets				
Investments	235,264	609,546	20,728	130,657
Receivable against sale of investments	-	(3,881)	8,595	(20,354)
Advances, deposits, prepayments and other receivables	243	1,004	(700)	3,628
Dividend and profit receivable	(16,860)	(9,252)	(10,199)	(8,895)
	<u>218,648</u>	<u>597,417</u>	<u>18,425</u>	<u>105,036</u>
(Decrease) / increase in liabilities				
Payable to the Management Company	(831)	(1,765)	(216)	(267)
Payable to the Trustee	(44)	(53)	(17)	(10)
Payable to Securities and Exchange Commission of Pakistan	(619)	(881)	152	225
Payable against purchase of investments	25,619	(10,314)	(2,377)	5,327
Accrued expenses and other liabilities	3,094	(339)	280	104
	<u>27,219</u>	<u>(13,352)</u>	<u>(2,178)</u>	<u>5,379</u>
Net cash inflow / (outflow) on operating activities	<u>472,442</u>	<u>809,713</u>	<u>128,211</u>	<u>162,198</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts from issue of units	7,329	109,529	3,899	16,138
Payments on redemption of units	(470,526)	(1,067,217)	(129,137)	(164,646)
Distribution paid	(2,813)	(1,109)	(1,191)	(763)
Net cash outflow on financing activities	<u>(466,010)</u>	<u>(958,797)</u>	<u>(126,429)</u>	<u>(149,271)</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>6,432</u>	<u>(149,084)</u>	<u>1,782</u>	<u>12,927</u>
Cash and cash equivalents at the beginning of the period	60,338	188,357	64,988	26,346
Cash and cash equivalents as at the end of the period	<u>66,770</u>	<u>39,273</u>	<u>66,770</u>	<u>39,273</u>

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

For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2011

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Multi Asset Fund (NMF, the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited (Formerly National Fullerton Asset Management Limited) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on December 6, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 20, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 9th Floor, Adamjee House, I.I. Chundigar Road, Karachi.

NMF is an open-ended mutual fund and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

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 Limited (PACRA) has assigned an asset manager rating of 'AM2-' to the Management Company. Based on the performance of the Fund for the year ended June 30, 2010, it has been assigned short term performance ranking of '3 star'.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of IAS 34: 'Interim Financial Reporting' (IAS 34), the Trust Deed, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), Non Banking Finance Companies and Notified Entities Regulations 2008 (NBFC Regulations) and the directives issued by the SECP. In cases where requirements differ, the requirements of the Trust Deed, NBFC Rules, NBFC Regulations or the said directives take precedence.

2.2 The directors of the asset management company declare that these condensed interim financial statements give a true and fair view of the Fund.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended June 30, 2010.

3.1 Standards, interpretations and amendments to published approved accounting standards that are effective from January 1, 2010

There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the period and are mandatory for accounting periods beginning on or after January 1, 2010 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are, therefore, not disclosed in these condensed interim financial statements.

NAFA MULTI ASSET FUND

3.2 Standards, interpretations and amendments to published approved accounting standards, that are not yet effective

The following revised standard has been published and is mandatory for accounting periods beginning on or after January 1, 2011:

IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Fund will apply the revised standard from July 1, 2011. The Fund is currently in the process of assessing the impact, if any, of the revised standard on the related party disclosures.

There are other amendments to the standards, improvements to International Financial Reporting Standards 2010 and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2011 but were considered not to be relevant or did not have any significant effect on the Fund's operations and are therefore not detailed in these condensed interim financial statements.

3.3 Net Asset Value per unit

The net asset value (NAV) per unit, as disclosed on the Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the period end.

	Note	Unaudited March 31, 2011	Audited June 30, 2010
Rupees in '000			
4 INVESTMENTS			
4.1 At fair value through profit or loss - held for trading			
Equity securities - listed	4.1.1	338,418	575,212
Investment in Government Securities -Market Treasury Bills	4.1.2	69,819	-
Term finance certificates - listed	4.1.3	23,743	51,031
		431,980	626,243
4.2 Available for sale			
Term finance certificates - listed	4.2.1	21,753	21,625
Term finance certificates - unlisted	4.2.1	70,752	128,165
Sukuk bonds	4.2.1	128,823	149,370
		221,328	299,160
		653,308	925,403

NAFA MULTI ASSET FUND

4.1.1 Listed equity securities - at fair value through profit or loss

Name of the investee company	Number of shares					Market value as at March 31, 2011	Investment as a percentage of		
	As at July 1, 2010	Purchases during the period	Bonus / right shares	Sales during the period	As at March 31, 2011		Net assets	Market value of total investments	Paid Up Capital of the investee company
						(Rupees in '000)	-----%-----		
Oil & Gas									
Attock Petroleum Limited	9,794	218,230	23,885	221,601	30,308	11,126	1.55	1.70	0.04
Attock Refinery Limited	300	223,700	-	224,000	-	-	-	-	-
National Refinery Limited	16,322	145,800	-	108,222	53,900	16,786	2.33	2.57	0.07
Oil & Gas Development Company Limited	519,707	96,000	-	550,500	65,207	8,847	1.23	1.35	0.00
Pakistan Oilfields Limited	185,880	740,700	-	800,400	126,180	41,020	5.70	6.28	0.05
Pakistan Petroleum Limited	364,452	909,900	79,690	1,161,200	192,842	40,769	5.66	6.24	0.02
Pakistan State Oil Company Limited	74,932	65,100	-	140,032	-	-	-	-	-
Chemicals									
Arif Habib Corporation Limited	883	-	-	883	-	-	-	-	-
Engro Corporation Limited	55,755	317,789	14,909	282,500	105,953	21,803	3.03	3.34	0.03
Fauji Fertilizer Bin Qasim Limited	760,000	2,339,000	-	2,719,100	379,900	15,735	2.19	2.41	0.04
Fauji Fertilizer Company Limited	741,500	1,335,701	27,355	1,790,000	314,556	43,371	6.02	6.64	0.04
Lotte Pakistan PTA	-	2,128,000	-	841,100	1,286,900	20,771	2.89	3.18	0.08
Construction and Materials									
Attock Cement Pakistan Limited	52,506	-	-	52,506	-	-	-	-	-
D.G. Khan Cement Company Limited	325,000	424,000	-	749,000	-	-	-	-	-
Lucky Cement Limited	85,000	267,000	-	306,000	46,000	3,104	0.43	0.48	0.01
Maple Leaf Cement Factory Limited	-	-	-	-	-	-	-	-	-
General Industrials									
Thal Limited	203,558	84,500	43,812	171,009	160,861	17,289	2.40	2.65	0.52
Industrial Engineering									
Al Ghazi Tractors Limited	21,594	25,300	-	46,894	-	-	-	-	-
Millat Tractors Limited	-	15,800	3,950	19,750	-	-	-	-	-
Automobile and Parts									
Indus Motor Company Limited	13,978	-	-	13,978	-	-	-	-	-
Personal Goods									
AMTEX Limited	1,363,534	-	131,649	1,495,183	-	-	-	-	-
Azgard Nine Limited (Non-voting shares)	807,000	-	-	-	807,000	12,105	1.68	1.85	1.22
Nishat Mills Limited	700	-	-	700	-	-	-	-	-
Media									
Hum Television Network Limited	457,934	-	-	-	457,934	9,699	1.35	1.48	0.92
Fixed Line Telecommunication									
Pakistan Telecommunication Company Ltd	1,156,980	405,000	-	1,561,000	980	17	0.00	0.00	0.00
Wateen Telecom Limited	1,000,000	-	-	-	1,000,000	2,850	0.40	0.44	0.16
Electricity									
The Hub Power Company Limited	2,355,934	3,205,241	-	4,502,501	1,058,674	39,848	5.54	6.10	0.09
Kot Addu Power Company Limited	-	278,000	-	278,000	-	-	-	-	-
Nishat Chunian Power Limited	-	-	-	-	-	-	-	-	-
Nishat Power Limited	-	3,276,000	-	2,473,000	803,000	13,747	1.91	2.10	0.23
Banks									
Allied Bank Limited	-	10,500	1,050	-	11,550	686	0.10	0.11	-
Bank Al-Falah Limited	-	-	-	-	-	-	-	-	-
Bank Islami Pakistan Limited	-	-	-	-	-	-	-	-	-
Habib Bank Limited	-	92,000	-	92,000	-	-	-	-	-
MCB Bank Limited	217,149	179,500	4,600	350,649	50,600	10,502	1.46	1.61	0.01
Meezan Bank Limited	95,025	351,000	49,784	114,132	381,677	6,489	0.90	0.99	0.05
National Bank of Pakistan	434,518	987,500	6,505	1,396,000	32,523	1,854	0.26	0.28	0.00
United Bank Limited	494	161,000	-	161,494	-	-	-	-	-
Carrying value as at March 31, 2011						<u>7,366,545</u>	<u>338,418</u>	<u>47.01</u>	<u>51.81</u>
							<u>330,229</u>		

NAFA MULTI ASSET FUND

4.1.1 All shares have a nominal face value of Rs 10 each except for shares of Thal Limited and Al Ghazi Tractors Limited which have a face value of Rs 5 each.

4.1.1 Investments include shares with market value of Rs.129.793 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 October 23, 2007 issued by the SECP.

4.1.2 Investment in government securities - 'At fair value through profit or loss'

Issue date	Tenor	Face Value				Market Value as at March 31, 2011	Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at July 01, 2010	Purchases during the period	Sales / matured during the period	As at March 31, 2011				
(Rupees in '000)									
September 26, 2010	12 Months	-	-	250,000	250,000	-	-	-	
April 8, 2010	6 Months	-	-	125,000	125,000	-	-	-	
August 3, 2010	6 Months	-	-	40,000	40,000	-	-	-	
September 9, 2010	3 Months	-	-	50,000	50,000	-	-	-	
November 4, 2010	3 Months	-	-	40,000	40,000	-	-	-	
November 16, 2010	3 Months	-	-	20,000	20,000	-	-	-	
December 2, 2010	3 Months	-	-	170,000	170,000	-	-	-	
December 18, 2010	3 Months	-	-	140,000	140,000	-	-	-	
January 13, 2011	3 Months	-	-	70,000	-	70,000	69,819	9.70	10.69
						69,819		10.69	
Carrying value as at March 31, 2011						69,847			

4.1.3 Term finance certificates - 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, 2011	Investment as a percentage of			
	As at July 1, 2010	Purchases during the period	Sales during the period	As at March 31, 2011		Net assets	Market value of total investments	Issue Size	
(Rupees in '000)									
Saudi Pak Leasing Company Limited	10,000	-	-	10,000	23,743	3.30	3.63	5.83	
United Bank Limited	5,000	-	5,000	-	-	-	-	-	
						15,000	3.30	3.64	
Carrying value as at March 31, 2011						25,759			

NAFA MULTI ASSET FUND

4.2.1 Term Finance Certificates - Available for sale

Name of the investee company	Number of certificates / bonds				Market value as at March 31, 2011	Investment as a percentage of		
	As at July 1, 2010	Purchases during the period	Sales during the period	As at March 31, 2011		Net assets	Market value of total investments	Issue Size
					(Rupees in '000)	-----%-----		
Term finance certificate - listed								
Pakistan Mobile Communications Limited	5,000			5,000	21,753	3.02	3.33	0.59
Term finance certificate - unlisted								
Avari Hotel Limited	6,000			6,000	21,378	2.97	3.27	0.95
Engro Fertilizer Limited	2,000			2,000	9,300	1.29	1.42	0.25
Orix Leasing Pakistan Limited	600			600	40,073	5.57	6.13	1.20
	8,600			8,600	70,752			
Sukuk bonds								
Eden Builders Limited	4,902			4,902	15,828	2.20	2.42	1.23
Engro Fertilizer Limited	2,000			2,000	10,000	1.39	1.53	0.33
Maple Leaf Cement Factory Limited	17,688			17,688	55,406	7.70	8.48	1.11
New Allied Electronics Industries (Private) Limited (note 4.2.3)	32,000			32,000	-	-	-	-
Pak Electron Limited	8,000			8,000	19,857	2.76	3.04	2.62
Eden Housing Limited	10,000			10,000	25,398	3.53	3.89	5.99
Maple Leaf Cement Factory Limited II	663			663	2,334	0.32	0.36	
	75,253			75,253	128,823			
	88,853			88,853	221,328	30.75	33.88	
Carrying value as at March 31, 2011					274,304			
Provision for impairment loss as at March 31, 2011					10,000			

4.2.2 All term finance certificates have a face value of Rs 5,000 each except sukuk bonds of New Allied Electronics Industries (Pvt) Limited and Orix Leasing Pakistan Limited which have a face value of Rs 312.50 and Rs 100,000 each respectively.

4.2.3 New Allied Electronic Industries (Pvt) Limited defaulted on the amount of principal and mark-up due on the scheduled redemption dates [i.e. October 25, 2008 (only principal), January 25, 2009, April 25, 2009, July 25, 2009, October 25, 2009, January 25, 2010, April 25, 2010, July 25, 2010, October 25, 2010, January 25, 2011]. Hence, the Fund has provided for the amount of the investment by Rs.10 million in accordance with the provisioning policy approved by the Board of Directors of the Management Company and Circular 1 of 2009. Furthermore the Management Company has also provided suspended income of Rs.2.537 million.

Unaudited
March 31,
2011

Audited
June 30,
2010

-----Rupees in '000-----

5 DIVIDEND AND PROFIT RECEIVABLE

Dividend receivable on equity shares	4,918	2,376
Profit on savings and term deposits	1,017	812
Income accrued on Term Finance Certificates and Sukuk Bonds	26,838	20,460
Less suspended income	(2,537)	(10,272)
	24,301	10,188
	30,236	13,376

NAFA MULTI ASSET FUND

	Unaudited March 31, 2011	Audited June 30, 2010
-----Rupees in '000-----		
6 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	217	260
Settlement charges payable	265	76
Dividend payable to brokers	493	493
Worker's Welfare Fund	4,734	1,734
Others	701	754
	<u>6,411</u>	<u>3,317</u>
7 Contingencies and Commitments	NIL	NIL

8 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 Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements for the year ended June 30, 2010.

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry has filed its response against the constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case, there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in the Court.

As the matter relating to levy of WWF is currently pending in the court, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 4.734 million in these condensed interim financial statements.

9 TAXATION

No provision for taxation has been made as the Fund is exempt from income tax under Clause 99 of Part 1 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 and unrealised, is distribution amongst the unit holders. The Management Company, on behalf of the Fund, intends to distribute at least 90 percent of such accounting income relating to the year ending June 30, 2011 to its unit holders. Accordingly, no tax liability has been recorded in the current period.

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.

NAFA MULTI ASSET FUND

10 EARNINGS PER UNIT

Earnings per unit (EPU) for the quarters ended March 31, 2010 & March 31, 2011 has not been disclosed as in the opinion of the management determination of weighted average units for calculating EPU is not practicable.

11 DETAILS OF NON COMPLAINT INVESTMENT WITH THE INVESTMENT CRITERIA AS DEFINED BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Securities and Exchange Commission of Pakistan 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 Fund'.

In accordance with clause (iv) of the investment criteria laid down for 'Balanced scheme', the Fund is required to invest in debt security having rating not lower than A- (A Minus). Further, clause (v) of the said categorization criteria requires that the ratings of any banks and DFIs with which funds are placed should not be lower than AA- (Double A Minus). Clause (vii) of the said categorisation criteria also requires that the weighted average time to maturity of non equity assets shall not exceed 2 years. However, as at March 31, 2011, the Fund is in non-compliance with the above-mentioned requirements in respect of the following:

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
TFC**	Saudi Pak Leasing Company Limited	23,744	-	23,743	3.30	3.15
Sukuks**	Maple Leaf Sukuk	55,406		55,406	7.70	7.35
Sukuks**	Eden Housing Limited	25,398		25,398	3.53	3.37
Sukuks*	New Allied Electronics Limited	10,000	10,000	-	-	-
Sukuks**	Maple Leaf Cement Company Limited	2,334	-	2,334	0.32	0.31

** Performing but below investment grade

** The weighted average time to maturity of the non-equity assets is 2.63 years

12 TRANSACTIONS WITH CONNECTED PERSONS

- 12.1 Connected persons include National 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 of the Fund / Management Company, other collective investment schemes managed by the Management Company any person or company beneficially owing directly or indirectly ten percent or more of the capital of Management Company or Fund and the directors and officers of the Management Company and employee of benefit funds of the Management Company.
- 12.2 Transactions with connected persons essentially comprise sale and repurchase of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution made to the connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 12.3 Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

NAFA MULTI ASSET FUND

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

12.5 Transactions during the period

	----- (Un-audited) -----			
	Nine Months Ended		Quarter ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
	----- Rupees in '000 -----			
NBP Fullerton Asset Management Limited - Management Company (Formerly National Fullerton Asset Management Limited)				
Management fee expense for the period	15,712	27,462	4,471	6,609
Front end load	300	1,402	296	200
National Bank of Pakistan - Sponsor				
Cash dividend paid	2,803	1,328	-	759
Units redeemed (Nil units; March 31, 2010: 3,089,248 units)		30,000		
Alexandra Fund Management Pte. Limited - Sponsor				
Units redeemed / transferred out (13,035,679 units; March 31, 2010: Nil units)	124,970	-	-	-
Bonus Units Issued (513,808 units; March 31, 2010: 395,051 units)		-	-	-
Company Secretary / CFO				
Units issued / Transfer in (Nil units; March 31, 2010: 103,368 units)	-	989	-	-
Units redeemed / Transfer out (Nil units; March 31, 2010: 103,368 units)	-	1,030	-	-
Central Depository Company of Pakistan Limited - Trustee				
Remuneration	1,255	1,849	357	511
CDS charges	67	335	13	36
Executives of the Management Company				
Units issued / Transfer in (Nil units; March 31, 2010 : 238,358 units)	-	2,232	-	132
Units redeemed / Transfer out (4,019 units; March 31 2010: 281,435 units)	40	763	-	488
Bonus units issued (198 units; March 31, 2010: 4,268 units)	-	-	-	-
Taurus Securities Limited				
Brokerage paid	204	-	66	-
NAFA Cash Fund				
TFC's purchased	-	56,595	-	56,595
NAFA Islamic Income Fund				
Units Redeemed/Transferred Out (Nil units: March 31, 2010 3,891,359 units)		37		
Purchase of sukuk bonds	-	134,475	-	-
NBP Employees Pension Fund				
Bonus units issued 849,446 units; March 31, 2010: 395,051 units)	-	-	-	-

NAFA MULTI ASSET FUND

	Unaudited March 31, 2011	Audited June 30, 2010
	-----Rupees in '000-----	
12.5 Balances outstanding as at period / year end		
NBP Fullerton Asset Management Limited - Management Company (Formerly National Fullerton Asset Management Limited)		
Management fee payable	1,505	2,053
Others	5	288
National Bank of Pakistan - Sponsor		
Investment held by the Sponsor in the Fund (4,410,752 units; June 30, 2010: 4,410,752 units)	48,188	41,302
Balance in current account	-	4,532
Alexandra Fund Management Pte. Limited - Sponsor		
Investment held by the Sponsor in the Fund (76,856 units; June 30, 2010: 12,598,728 units)	840	117,974
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	120	164
CDC charges payable	4	76
Security deposit	100	100
Executives of the Management Company		
Investment held in the Fund (650 units; June 30, 2010: 634 units)	7	6
Taurus Securities Limited		
Brokerage payable	59	3
NBP Employees Pension Fund		
Investment held in the Fund (13,448,174 units; June 30, 2010 12,598,728 units)	146,924	117,974

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the Board of Directors of the Management Company on April 19, 2011.

14 GENERAL

14.1 Figures have been rounded off to the nearest thousand rupees, except where otherwise stated.

14.2 The bifurcation of undistributed income into realised and unrealised income at the beginning and end of the period as required by the NBFC Regulations has not been disclosed as such bifurcation is not practicable.

14.3 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of comparison. There were no significant rearrangements or reclassifications except as required because of the change in accounting policy as more fully explained in note 3.1 to these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Formerly National Fullerton Asset Management Limited)
(Management Company)

Chief Executive

Director

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