


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

Board of Directors of the Management Company

Mr. Shahid Anwar Khan	Chairman
Mr. Amir Shehzad	Director
Mr. Wah Geok Sum	Director
Mr. Koh Boon San	Director
Mr. Shehryar Faruque	Director
Mr. Kamal Amir Chinoy	Director
Dr. Asif A. Brohi	Director
Dr. Amjad Waheed	Chief Executive Officer

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Koh Boon San	Chairman
Mr. Shehryar Faruque	Member
Mr. Amir Shehzad	Member

Trustee

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

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Summit Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
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

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

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:

House # 10 - A, Block -S, Gulberg - II, Lahore.
UAN: (+92-42) 111-111-NFA (632)
Fax No: (+92-42) 35760373

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

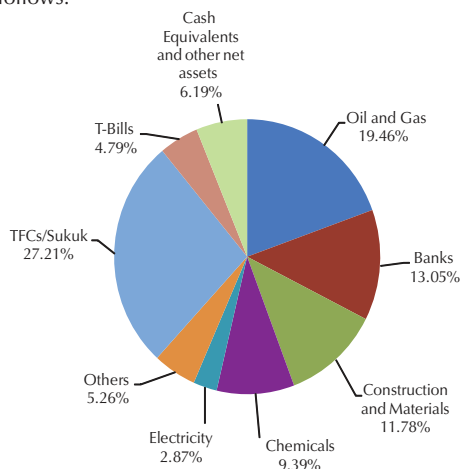
The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of NAFA Multi Asset Fund for the period ended March 31, 2012.

Fund's Performance

During the third quarter, the size of NAFA Multi Asset Fund has increased from Rs.562 million to Rs.625 million during the period, i.e. an increase of 11.21%. The unit price of the Fund has increased from Rs. 9.2803 to Rs. 10.5998, thus showing a growth of 14.22%. The Benchmark (50% KSE-30 Index, 50% 3-Month KIBOR) return during the same period was 10.71%. Thus, the Fund has outperformed its Benchmark by 3.51% during the period under review. For the nine months period ended March 31, 2012, the NAV of the Fund has increased from by 14.26%. During the said period, the Benchmark increased by 7.21%, translating into outperformance of 7.05%. Since inception (January 22, 2007), the unit price of the Fund has shown a growth of 68.91% as compared to 33.22% increase in its Benchmark. Thus, the Fund has outperformed its Benchmark by 35.69% since inception. This performance is net of management fee and all other expenses.

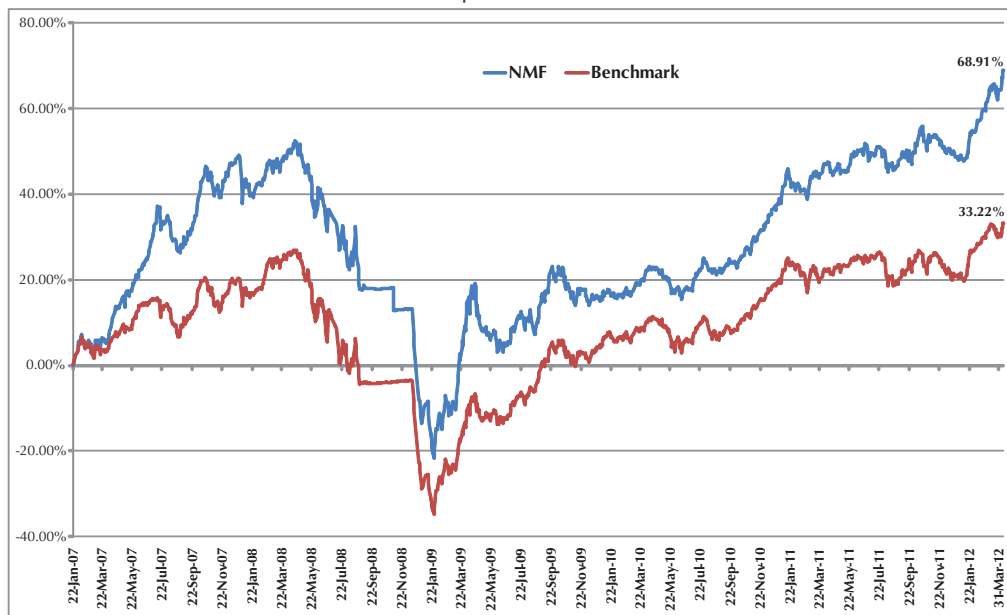
The stock market depicted strong performance during 3QFY12. In our view, key factors for this performance were announcement of relaxation in CGT regime, healthy corporate earnings & payouts, uptick in trading activity, and improvement in foreign portfolio flows. Banking, Construction & Materials and Industrial Engineering sectors performed better than the market. While, Oil & Gas and Electricity sectors lagged the market. Going forward, inflation and interest rate outlook, domestic political climate, foreign inflows and implementation of newly announced CGT regime will be the key drivers of the market.

On the corporate debt sphere, trading activity in TFCs improved showing investors' appetite for high quality issues, especially belonging to the banking sector. During the quarter under review, we have seen no change in the Policy Rate by the State Bank of Pakistan. All TFCs/Sukuks in the Fund are floating rate linked to KIBOR. Therefore, they carry a relatively low risk and any increase in interest rates will increase the coupon income of the TFC/Sukuk portfolio. The Fund has earned total income of Rs.114.83 million during the period. After deducting expenses of Rs.67.87 million, the net income is Rs.46.96 million. The asset allocation of the Fund as on March 31, 2012 is as follows:



NAFA MULTI ASSET FUND

NMF Performance versus Benchmark (Since Inception)



Acknowledgement

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

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

On behalf of the Board of
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: April 17, 2012
Place: Karachi.

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2012

	Note	Unaudited March 31, 2012	Audited June 30, 2011
-----Rupees in '000-----			
ASSETS			
Balances with banks		37,332	89,036
Investments	5	586,274	601,403
Dividend and profit receivable	6	15,002	20,815
Advances, deposits, prepayments and other receivables		5,264	3,050
Preliminary expenses and floatation costs		-	278
Total assets		643,872	714,582
LIABILITIES			
Payable to the Management Company		1,321	1,485
Payable to the Trustee		104	118
Payable to the Securities and Exchange Commission of Pakistan		396	685
Payable against purchase of investments		9,867	-
Accrued expenses and other liabilities	7	7,270	6,306
Total liabilities		18,958	8,594
NET ASSETS		624,914	705,988
UNIT HOLDERS' FUND (As per statement attached)		624,914	705,988
CONTINGENCIES AND COMMITMENTS			
	8		
-----Number of Units-----			
Number of units in issue		58,955,334	65,877,812
-----Rupees-----			
Net Asset Value per unit		10.5998	10.7166

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Note	Nine months		Quarter ended	
		March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
----- Rupees in '000 -----					
INCOME					
Capital gain on sale of investments - net		9,125	130,791	7,484	79,319
Income from term finance certificates and sukuk bonds		15,754	40,510	7,972	13,357
Income from government securities		2,371	4,453	642	1,546
Dividend income		26,521	30,255	12,100	7,154
Profit on bank deposits		4,309	5,834	1,093	2,218
Unrealised appreciation / (diminution) in the value of investments classified as 'at fair value through profit or loss' - net		56,754	6,144	56,033	(64,289)
Total Income		114,834	217,987	85,324	39,305
EXPENSES					
Remuneration of the Management Company		11,059	15,712	3,120	4,471
Sales tax on remuneration to the Management Company	14	1,770	-	500	-
Remuneration of the Trustee		931	1,255	296	357
Annual fee - Securities and Exchange Commission of Pakistan		395	534	125	152
Securities transaction cost		1,275	3,106	540	1,163
Settlement and bank charges		398	507	189	337
Annual listing fee		30	30	(116)	10
Legal and professional charges		17	65	17	40
Auditors' remuneration		326	327	70	74
Provision / (reversal of provision) against investments		50,801	(39,442)	2,336	(15,150)
Printing expenses		77	83	-	71
Other expenses		-	16	-	16
Fund's rating fee		82	75	27	25
Amortisation of preliminary expenses and floatation costs		278	375	26	122
Total Expenses		67,439	(17,357)	7,130	(8,312)
Net income from operating activities		47,395	235,344	78,194	47,617
Element of loss and capital losses included in prices of units issued less those in units redeemed		-	(85,299)	-	(44,371)
Provision for Workers' Welfare Fund	9	(431)	(3,001)	(431)	(65)
Net income for the period before taxation		46,964	147,044	77,763	3,181
Taxation	10	-	-	-	-
Net income for the period after taxation		46,964	147,044	77,763	3,181
Earning / (loss) per unit	11				

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months		Quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
	----- Rupees in '000 -----			
Net income for the period after taxation	46,964	147,044	77,763	3,181
Other comprehensive income / (loss)				
Net unrealised appreciation / (diminution) in the value of investments classified as 'available for sale'	33,412	(42,976)	1,381	(3,888)
Total comprehensive income / (loss) for the period	<u>80,376</u>	<u>104,068</u>	<u>79,144</u>	<u>(707)</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months		Quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
	----- Rupees in '000 -----			
Accumulated income / (loss) brought forward	27,094	(113,994)	(99,576)	41,706
Final distribution for the year ended June 30, 2011: 14.397% (Date of distribution: July 04, 2011) (2010: 3.656%)				
- Bonus units	(88,493)	(37,264)	-	-
- Cash distribution	(6,351)	(1,622)	-	-
Interim distribution for half year ended December 31, 2011: Nil (2010: 2.70%)				
- Bonus units	-	(16,306)	-	(16,306)
- Cash distribution	-	(1,191)	-	(1,191)
Net income for the period	46,964	147,044	77,763	3,181
Element of (loss) / income and capital gains included in - prices of units issued less those in units redeemed	(2,387)	84,318	(1,360)	33,595
	(50,267)	174,979	76,403	19,279
(Accumulated loss) / undistributed income carried forward	(23,173)	60,985	(23,173)	60,985

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP 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, 2012

	Nine months		Quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
	----- Rupees in '000 -----			
Net assets at the beginning of the period	705,988	995,981	562,006	791,464
Issue of 10,053,688 units including 9,539,072 bonus units (March 31, 2011: 6,423,326 units)	5,316 (160,415)	7,329 (469,946)	2,895 (19,131)	3,898 (117,918)
Redemption of 16,976,166 units (Mar 31, 2011: 46,890,718 units)	(155,099)	(462,617)	(16,236)	(114,020)
Final distribution of 9,539,072 bonus Units for the year ended June 30, 2011: 14.397%	88,493	37,264	-	-
Interim distribution of bonus units for the half year ended December 31, 2011: (2010:2.70)	-	16,306	-	16,306
Net element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed				
- amount representing element of loss and capital losses - transferred to Income Statement	-	85,299	-	44,371
- amount representing element of loss / (income) that form part of the unitholders' funds - transferred to distribution statement	2,387 2,387	(84,318) 981	1,360 1,360	(33,595) 10,776
Net unrealised appreciation / (diminution) in the value of investments classified as 'available for sale'	33,412	(42,976)	1,381	(3,888)
Capital gain on sale of investments - net	9,125	130,791	7,484	79,319
Unrealised appreciation / (diminution) in the value of investments classified as 'at fair value through profit or loss' - net	56,754 (18,915)	6,144 10,199	- 56,033 14,246	(64,289) (11,849)
Other (losses) / income (net of expenses)	46,964	147,044	77,763	3,181
Distribution:				
Final distribution for the period ended June 30, 2011: 14.397% (2010: 3.656%)				
Date of distribution: July 4th 2011				
- Bonus units	(88,493)	(37,264)	-	-
- Cash distribution	(6,351)	(1,622)	-	-
Interim distribution for half year ended December 31, 2011: Nil (2010: 2.70%)				
- Bonus units	-	(16,306)	-	(16,306)
- Cash distribution	-	(1,191)	-	(1,191)
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - transferred to distribution statement	(2,387)	84,318	(1,360)	33,596
Net assets as at the end of the period	<u>624,914</u>	<u>719,918</u>	<u>624,914</u>	<u>719,918</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2012

	Nine months		Quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
	----- Rupees in '000 -----			
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the period	46,964	147,044	77,763	3,181
Adjustments				
Unrealised (appreciation) / diminution in the value of investments classified as 'at fair value through profit or loss'	(56,754)	(6,144)	(56,033)	64,289
Impairment (gain) / loss on investment classified as 'available for sale'	(50,801)		(2,336)	-
Amortization of preliminary expenses and floatation costs	278	376	25	123
Element of loss and capital losses included in prices of units issued less those in units redeemed	-	85,299	-	44,371
	(60,313)	226,575	19,419	111,964
Decrease / (increase) in assets				
Investments - net	156,096	235,265	(5,762)	20,729
Receivable against sale of investments	-	-	1,504	8,595
Advances, deposits, prepayments and other receivables	(2,214)	243	(2,266)	(700)
Dividend and profit receivable	5,813	(16,860)	(7,835)	(10,199)
	159,695	218,648	(14,359)	18,425
(Decrease) / increase in liabilities				
Payable to the Management Company	(164)	(831)	(114)	(216)
Payable to the Trustee	(14)	(44)	7	(17)
Payable to the Securities and Exchange Commission of Pakistan	(289)	(619)	126	152
Payable against purchase of investments	9,867	25,619	(1,879)	(2,377)
Accrued expenses and other liabilities	964	3,094	731	280
	10,364	27,219	(1,129)	(2,178)
Net cash generated from operating activities	<u>109,746</u>	<u>472,442</u>	<u>3,931</u>	<u>128,211</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts from issue of units	5,316	7,329	2,895	3,899
Payments on redemption of units	(160,415)	(470,526)	(19,131)	(129,137)
Distribution paid	(6,351)	(2,813)	-	(1,191)
Net cash used in financing activities	<u>(161,450)</u>	<u>(466,010)</u>	<u>(16,236)</u>	<u>(126,429)</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(51,704)</u>	<u>6,432</u>	<u>(12,305)</u>	<u>1,782</u>
Cash and cash equivalents at the beginning of the period	89,036	60,338	49,637	64,988
Cash and cash equivalents at the end of the period	<u>37,332</u>	<u>66,770</u>	<u>37,332</u>	<u>66,770</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

For NBP 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, 2012

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 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. Chundigarh Road, Karachi. The Management Company is a member of the Mutual Fund Association of Pakistan (MUFAP).

The Fund is an open-ended balanced scheme and its units are 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- (Positive Outlook)' to the Management Company. Based on the performance of the Fund for the year ended June 30, 2011, it has been assigned short term performance ranking of '4 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 information 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 These condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2011.

2.3 These condensed interim financial statements are un-audited. Accordingly, the Board of Directors of the Management Company declare that these condensed interim financial information give a true and fair view of state of affairs of the Fund.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies 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 of the Fund for the year ended June 30, 2011.

NAFA MULTI ASSET FUND

4 CHANGE IN ACCOUNTING ESTIMATE

During the current period, the Fund has revised its methodology for determination of element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed. As per the revised methodology, element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed is determined based on the income earned during the period and unrealised appreciation / (diminution) arising during the period on available for sale securities and is taken directly to the distribution statement. Previously, the element was recognised based on cumulative values of undistributed income and unrealised gain / loss on available for sale securities present in the net asset value of units. The element represented by income earned during the period was recognised in the income statement and the remaining amount was taken directly to the distribution statement.

The revised methodology, in the opinion of the management, reflects a more appropriate manner for determination of element. The change in the presentation of element in the financial statements has been based on the recommendation of the Institute of Chartered Accountants of Pakistan (ICAP) to the Securities and Exchange Commission of Pakistan (SECP). As per ICAP's recommendation to the SECP, element of income, being in the nature of "equalization account" does not qualify for recognition either as expense or income as per International Financial Reporting Standards (IFRSs). Therefore, in order to enhance harmonization of mutual fund accounting with the primary accounting framework, the net balance of element of income at the end of the reporting period has been recognised directly in the distribution statement. The change did not have any impact on the net assets value (NAV) of the Fund. Had the management not revised its methodology:

- Income for the period would have been lower by Rs. 2.39 million
- amount taken to distribution statement would have been higher by Rs. 5.01 million.

Note	Unaudited March 31, 2012	Audited June 30, 2011
	Rupees in '000	

5 INVESTMENTS

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

Equity securities - listed	5.1.1	386,291	356,424
Investment in government securities - Market Treasury Bills	5.1.3	29,951	-
Term finance certificates - listed	5.1.4	22,682	23,313
		<u>438,924</u>	<u>379,737</u>

5.2 Available for sale

Term finance certificates - listed	5.2.1	14,500	23,536
Term finance certificates - unlisted	5.2.1	33,932	74,521
Sukuk bonds	5.2.1	98,918	123,609
		<u>147,350</u>	<u>221,666</u>
		<u>586,274</u>	<u>601,403</u>

NAFA MULTI ASSET FUND

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

Issue date	Tenor	Face Value				Investment as a percentage of		
		As at July 01, 2011	Purchases during the period	Sales / matured during the period	As at March 31, 2012	Net assets	Market value of total investments	Paid Up Capital of the investee company
(Rupees in '000)								
February 24, 2011	6 Months	-	65,000	65,000	-	-	-	-
May 5, 2011	3 Months	-	40,000	40,000	-	-	-	-
May 19, 2011	3 Months	-	40,000	40,000	-	-	-	-
March 10, 2011	6 Months	-	70,000	70,000	-	-	-	-
July 14, 2011	6 Months	-	70,000	70,000	-	-	-	-
March 24, 2011	12 Months	-	30,000	30,000	-	-	-	-
July 28, 2011	6 Months	-	50,000	50,000	-	-	-	-
September 8, 2011	6 Months	-	30,000	30,000	-	-	-	-
October 6, 2011	6 Months	-	30,000	-	29,951	4.79	5.11	
		-	425,000	395,000	29,951			
Carrying value as at March 31, 2012					29,962			

5.1.4 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, 2012	Investment as a percentage of		
	As at July 1, 2011	Purchases during the period	Sales during the period	As at March 31, 2012		Net assets	Market value of total investments	Issue Size
(Rupees in '000)						-----%-----		
Saudi Pak Leasing Company Limited (note 5.2.3)	10,000	-	-	10,000	22,682	3.63	3.87	5.83
Hub Power Company Limited	-	7,000	7,000	-	-	-	-	-
	<u>10,000</u>	<u>7,000</u>	<u>7,000</u>	<u>10,000</u>	<u>22,682</u>			
Carrying value as at March 31, 2012					<u>22,357</u>			
Provision for impairment loss as at March 31, 2012					<u>11,671</u>			

NAFA MULTI ASSET FUND

5.2.1 Term Finance Certificates - Available for sale

Name of the investee company	Number of certificates / bonds				Market value as at March 31, 2012	Investment as a percentage of		
	As at July 1, 2011	Purchases during the period	Sales during the period	As at March 31, 2012		Net assets	Market value of total investments	Issue Size
(Rupees in '000) ----- % -----								
Term finance certificate - listed								
Pakistan Mobile Communications Limited	5,000	-	2,000	3,000	14,500	2.32	2.47	0.59
Term finance certificate - unlisted								
Avani Hotel Limited	6,000	-	-	6,000	24,532	3.93	4.18	0.95
Engro Fertilizer Limited	2,000	-	-	2,000	9,400	1.50	1.60	0.25
Orix Leasing Pakistan Limited	600	-	600	-	-	-	-	1.20
					8,000	33,932		
Sukuk bonds								
Eden Builders Limited	4,902	-	-	4,902	12,106	1.94	2.06	1.23
Engro Fertilizer Limited	2,000	-	2,000	-	-	-	-	0.33
Maple Leaf Cement Factory Limited (note 5.2.4)	17,688	-	-	17,688	52,372	8.38	8.93	1.11
New Allied Electronics Industries (Private) Limited (note 5.2.5)	32,000	-	-	32,000	-	-	-	-
Pak Electron Limited (note 5.2.6)	8,000	-	-	8,000	13,982	2.24	2.38	2.62
Eden Housing Limited (note 5.2.7)	10,000	-	-	10,000	20,458	3.27	3.49	5.99
Maple Leaf Cement Factory Limited II (note 5.2.8)	663	-	-	663	-	-	-	-
					73,253	98,918		
					88,853	-	4,600	84,253
					147,350			
Carrying value as at March 31, 2012					224,660			
Provision for impairment loss as at March 31, 2012					63,323			

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

5.2.3 This represents investment in listed term finance certificates with a term of five years. On September 13, 2010, the scheduled profit payment date, principal redemption of Rs.6.248 million and profit redemption of Rs 2.611 million were not received by the Fund. The management has recognised an impairment loss of Rs 11.672 million till March 31, 2012. The income suspended on these term finance certificates amounted to Rs.1.077 million.

5.2.4 Maple Leaf Cement Factory limited defaulted on the amount of markup due on the schedule redemption date (September 18, 2011). Hence the Fund has provided for the amount of the investment by Rs. 35.899 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 suspended income of Rs. 12.457 million.

5.2.5 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]. 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 suspended income of Rs.2.380 million.

NAFA MULTI ASSET FUND

- 5.2.6 Pak Elektron Limited defaulted on the amount of principal and markup due on the schedule redemption date i.e. December 28, 2012. Hence the Fund has provided for the amount of the investment by Rs. 3.161 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 suspended income of Rs. 0.643 million.
- 5.2.7 Eden Housing Limited defaulted on the amount of principal and markup due on the schedule redemption date. Hence the Fund has provided for the amount of the investment by Rs. 10.949 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 suspended income of Rs. 1.375 million.
- 5.2.8 This represents 2nd issue of sukuk by Maple Leaf Cement Factory Limited under a restructuring agreement with a face value of Rs 3.315 million. As this issue represents overdue mark-up, the management has fully provided the amount of issue and has suspended income of Rs 0.117 million of this issue.

	Unaudited March 31, 2012	Audited June 30, 2011
-----Rupees in '000-----		

6 DIVIDEND AND PROFIT RECEIVABLE

Dividend receivable on equity shares	12,101	1,600
Profit on savings and term deposits	235	381
Income accrued on term finance certificates and sukuk bonds	7,568	23,094
Less: Income suspended over non-performing debt securities	(4,902)	(4,260)
	2,666	18,834
	15,002	20,815

	Unaudited March 31, 2012	Audited June 30, 2011
-----Rupees in '000-----		

7 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	323	285
Settlement charges payable	11	18
Payable to brokers	208	330
Dividend payable to brokers	493	493
Workers' Welfare Fund	5,067	4,636
Others	1,168	544
	7,270	6,306

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2012.

NAFA MULTI ASSET FUND

9 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, 2011.

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. This clarification was forwarded by Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) to its members for necessary action. Based on this clarification, the FBR also withdrew notice of demand which it had earlier issued to one of the mutual funds for collection of WWF. Notices of demand have also been issued to several other mutual funds and the matter has been taken up by the respective mutual funds with the FBR for their withdrawal on the basis of the above referred clarification of the Ministry.

Subsequent to the year ended June 30, 2011, the Honorable 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, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the LHC will lend further support to the Constitutional Petition which is pending in the SHC. Accordingly, the Management Company has stopped making accrual of this liability with effect from March 14, 2012. However, as a matter of abundant caution, the Management Company has decided to maintain the provision for WWF made till this date amounting to Rs. 5.067 million in these financial information.

10 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has not recorded a tax liability in respect of income relating to the current period as the management company has decided to distribute at least 90 percent of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders.

11 EARNINGS / (LOSS) PER UNIT

Earnings per unit has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculating earnings / (loss) per unit is not practicable.

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

The Securities and Exchange Commission of Pakistan 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 Management Company classified NAFA Multi Asset Fund as 'Balanced Scheme' in accordance with the said circular. As at March 31, 2012, the Fund is compliant with all the requirements of the said circular except for clause 2(iv) which requires that rating of any debt security in the portfolio shall not be lower than A- (A Minus) and clause 2(vii) which requires that the weighted average time to maturity of non-equity assets shall not exceed 2 years.

NAFA MULTI ASSET FUND

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
(1)	Investment in Debt Securities					
	a) Saudi Pak Leasing Company Limited-TFC	34,353	11,672	22,681	3.63	3.52
	b) Maple Leaf Cement factory Limited - Sukuk	88,271	35,899	52,372	8.38	8.13
	c) Eden Housing Industries Private Limited - Sukuk	31,406	10,949	20,457	3.27	3.18
	d) Pak Elektron Limited	17,143	3,161	13,982	2.24	2.17
	e) New Allied Electronics Limited	10,000	10,000	-	-	-
	f) Maple Leaf Cement Company Limited-Sukuk II	3,315	3,315	-	-	-
(2)	Weighted average time to maturity of the non-equity assets *					
	Non-equity assets of the Fund	317,382	147,350	170,032	27.21	26.41

* The weighted average time to maturity of the non-equity assets is 2.17 years.

12.1 At the time of purchase, the said Sukuks were in compliance with the requirements of the circular (i.e. investment grade) and were subsequently downgraded due to default in payments of due principal and markup.

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

13 TRANSACTIONS WITH CONNECTED PERSONS

13.1 Connected persons include NBP Fullerton Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan and Alexandra Fund Management Pte. Limited being the sponsors, other collective investment schemes managed by the Management Company and directors and executives of the Management Company.

13.2 The transactions with connected persons are at contracted rates.

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

13.4 Transactions during the period

(Un-audited)			
Nine Months Ended		Quarter ended	
March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Rupees in '000			

NBP Fullerton Asset Management Limited - Management Company

Management fee expense for the period	11,059	15,712	3,120	4,471
Front end load	4	300	-	296

National Bank of Pakistan - Sponsor

Cash dividend paid	6,350	2,803	-	-
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NBP Employees Pension Fund - Associated Co.

Bonus units issued March 31, 2012: 2,140,726 (2011: 849,446)	-	-	-	-
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NAFA MULTI ASSET FUND

	(Un-audited)			
	Nine Months Ended		Quarter ended	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
----- Rupees in '000 -----				
Alexandra Fund Management Pte. Limited - Sponsor				
Units redeemed / transferred out (Nil units; March 31, 2011: 13,035,679 units)	-	124,970	-	-
Bonus Units Issued (12,234 units; March 31, 2011: 513,808 units)	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee				
Remuneration	931	1,255	296	357
CDS charges	134	67	18	13
Taurus Securities Limited				
Brokerage charges	83	204	21	66
Employees of the Management Company				
Units redeemed / transferred out (Nil units; March 31, 2011: 4,019 units)	-	40	-	-
Bonus Units Issued (Nil units; March 31, 2011: 198 units)	-	-	-	-
NAFA Riba Free Saving Fund	35,000	-	35,000	-
Sale of sukuk				
			Unaudited March 31, 2012	Audited June 30, 2011
			-----Rupees in '000-----	

13.5 Balances outstanding as at period / year end

Balances outstanding as at period / year end

NBP Fullerton Asset Management Limited - Management Company

Management fee payable	1,043	1,480
Others	278	5

National Bank of Pakistan - Sponsor

Investment held by the Sponsor in the Fund (4,410,752 units; June 30, 2011: 4,410,752 units)	46,753	47,268
Balance in current account	414	512

Alexandra Fund Management Pte. Limited - Sponsor

Investment held by the Sponsor in the Fund (91,068 units; June 30, 2011: 78,834 units)	965	845
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NAFA MULTI ASSET FUND

	Unaudited March 31, 2012	Audited June 30, 2011
	-----Rupees in '000-----	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	104	118
CDC charges payable	11	10
Security deposit	100	100
NBP Employees Pension Fund		
Investment held in the Fund (15,934,787 units; June 30, 2011: Nil units)	168,906	-
Taurus Securities Limited		
Brokerage Payable	7	8

14 SINDH SALES TAX ON REMUNERATION OF THE MANAGEMENT COMPANY

During the current period, the provincial government has levied General Sales Tax at the rate of 16% on the remuneration of the Management Company through Sindh Sales Tax on Services Act 2011 effective from July 1, 2011.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorized for issue by the Board of Directors of the Management Company on April 17, 2012 .

16 GENERAL

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

16.2 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.

16.3 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of comparison. No significant reclassifications have been made to the corresponding figures during the period.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director