


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

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:

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

Lahore Office:

7-Noon Avenue, Canal Bank,
Muslim Town Lahore.
Contact: 042-35914272

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

NAFA MULTI ASSET FUND

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NAFA MULTI ASSET FUND

DIRECTORS' REPORT

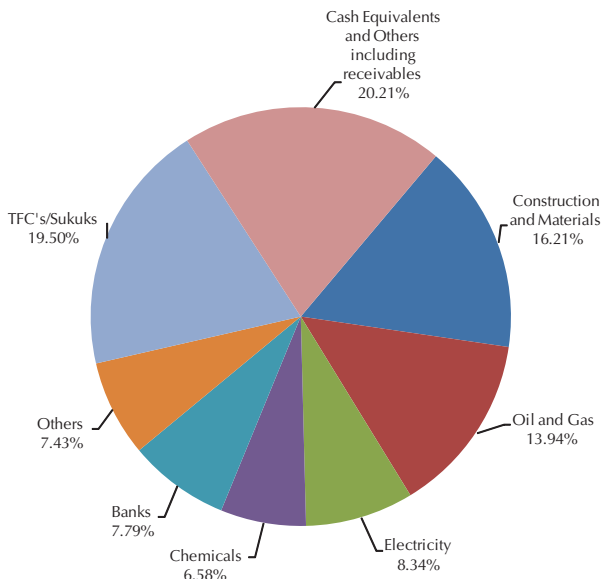
The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the reviewed financial statements of NAFA Multi Asset Fund for the half year ended December 31, 2012.

Fund's Performance

During the first half, the unit price of NAFA Multi Asset Fund has increased from Rs. 10.4008 (Ex-Div) on June 30, 2012 to Rs.11.6592 on December 31, 2012, thus showing a growth of 12.10%, as compared to its Benchmark (50% KSE-30 Index, 50% 3-Month KIBOR) return of 10.16% during the same period. Thus, the Fund has outperformed its Benchmark by 1.94% during the period under review. Since inception (January 22, 2007), the unit price of the Fund has shown a growth of 91.46% as compared to 47.76% increase in its Benchmark. Thus, the Fund has outperformed its Benchmark by 43.70% since inception. This performance is net of management fee and all other expenses. The size of NAFA Multi Asset Fund has increased from Rs.625 million to Rs.691 million during the period, i.e. an increase of 10.56%.

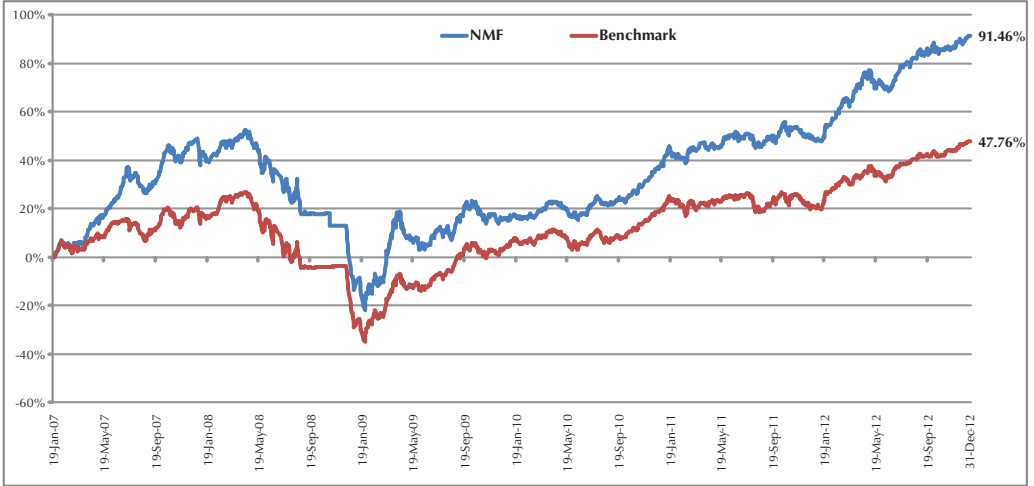
The stock market depicted upbeat performance during 1HFY2013 driven by: (i) the healthy corporate earnings growth and payouts; (ii) monetary easing by the SBP amid letup in inflation; (iii) healthy foreign investors' activity; and (iv) receipts on account of Coalition Support Fund (CSF). Construction & Material, General Industrial, Fixed Line Communication sectors performed better than the market. On the other hand, Banking, Chemicals and Automobile sectors lagged the market. Trading activity remained healthy with average daily trading volume was recorded at 120 million shares.

The State Bank of Pakistan continued monetary easing and slashed policy rate by 250bps during the period under review. Activity in the corporate bond market improved, although it was limited to the prime quality issues. All TFCs / Sukus in the Fund are floating rate instruments linked to KIBOR, thus uptick in interest rate will improve the coupon income. The Fund has earned total income of Rs.87.78 million during the period. After deducting expenses of Rs.12.17 million, the net income is Rs.75.61 million. The asset allocation of the Fund as on December 31, 2012 is as follows:



NAFA MULTI ASSET FUND

NMF Performance versus Benchmark (Since Inception)



Income Distribution

The Board of Directors of the Management Company has approved interim distribution of 2.00% of opening ex-NAV (2.079% of the par value) for the period ended December 31, 2012.

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: February 26, 2013
Place: Karachi.

NAFA MULTI ASSET FUND

TRUSTEE REPORT TO THE UNIT HOLDERS

NAFA MULTI ASSET FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NAFA Multi Asset Fund (the Fund) are of the opinion that NBP Fullerton Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2012 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 28, 2013

NAFA MULTI ASSET FUND

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of NAFA MULTI ASSET FUND (the Fund) as at December 31, 2012, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and notes to the accounts for the six months period ended December 31, 2012 (here-in-after referred to as the 'interim financial information'). NBP Fullerton Asset Management Limited (the Management Company) is responsible for the preparation and fair presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' fund for the three months period ended December 31, 2012 and 2011 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2012.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Place: Karachi
Date: February 26, 2013

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT DECEMBER 31, 2012

	Note	Unaudited December 31, 2012	Audited June 30, 2012
		-----Rupees in '000-----	
ASSETS			
Balances with banks	4	145,289	62,627
Investments	5	550,977	607,777
Dividend and profit receivable	6	2,080	4,030
Advances, deposits, prepayments and other receivables		3,005	2,879
Total assets		701,351	677,313
LIABILITIES			
Payable to the NBP Fullerton Asset Management Limited - Management Company	7	1,538	1,286
Payable to Central Depository Company of Pakistan Limited - Trustee		198	109
Payable to the Securities and Exchange Commission of Pakistan		285	530
Payable against redemption of units		13	-
Accrued expenses and other liabilities	8	8,813	50,649
Total liabilities		10,847	52,574
NET ASSETS		690,504	624,739
UNIT HOLDERS' FUND (As per statement attached)		690,504	624,739
Contingencies and commitments	9		
		-----Number of Units-----	
Number of units in issue		59,224,095	58,287,369
		-----Rupees-----	
Net asset value per unit		11.6592	10.7183

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2012

Note	Six months ended		Three months ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
----- Rupees in '000 -----				
INCOME				
Profit on bank deposits	4,252	3,216	3,007	1,323
Capital gain on sale of investments - net	22,731	1,641	15,872	5,864
Income from term finance certificates and sukuk bonds	15,143	7,782	7,222	10,100
Income from government securities	136	1,729	-	734
Dividend income	21,318	14,421	11,987	10,211
Unrealised gain / (loss) on re-measurement of investments 'at fair value through profit or loss-held for trading' - net	23,735	721	(11,326)	(12,728)
Total Income	87,315	29,510	26,762	15,504
EXPENSES				
Remuneration of the NBP Fullerton Asset Management Limited - Management Company	6,710	7,939	3,398	3,671
Sindh sales tax on remuneration on the Management Company	1,074	1,270	544	479
Remuneration to Central Depository Company of Pakistan Limited - Trustee	671	635	340	294
Annual fee - Securities and Exchange Commission of Pakistan	285	270	144	125
Annual listing fee	20	146	10	136
Securities transaction cost	1,084	735	578	226
Settlement and bank charges	334	209	245	104
Auditors' remuneration	285	256	156	116
(Reversal) / impairment loss on term finance certificates and sukus	(460)	48,465	(2,088)	15,818
Fund rating fee	61	55	34	30
Amortisation of preliminary expenses and floatation costs	-	252	-	126
Printing expenses	91	77	68	77
Total Expenses	10,155	60,309	3,429	21,202
Net income / (loss) from operating activities	77,160	(30,799)	23,333	(5,698)
Provision for Workers' Welfare Fund	10	(1,543)	(467)	-
Net income / (loss) for the period before taxation	75,617	(30,799)	22,866	(5,698)
Taxation	11	-	-	-
Net income / (loss) for the period after taxation	75,617	(30,799)	22,866	(5,698)

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2012

	Note	Six months ended		Three months ended	
		December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
----- Rupees in '000 -----					
Net income / (loss) for the period after taxation		75,617	(30,799)	22,875	(5,698)
Other comprehensive (loss) / income for the period					
Net unrealised (loss) / gain on the re-measurement of investments classified as 'available for sale'	5.6	(632)	32,031	(823)	(2,025)
Total comprehensive income / (loss) for the period		<u>74,985</u>	<u>1,232</u>	<u>22,052</u>	<u>(7,723)</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2012

	Six months ended		Three months ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
----- Rupees in '000 -----				
Accumulated (loss) / Undistributed income brought forward	(29,506)	27,094	4,084	(93,460)
Final distribution for the year ended June 30, 2012: 3.05% (2011: 14.397%) Date of Distribution : July 09, 2012 (2011: July 04, 2011)				
- Bonus units	(17,488)	(88,493)	-	-
- Cash distribution	(1,432)	(6,351)	-	-
Element of (loss) / income and capital (loss) / gains included in -prices of units issued less those in units redeemed	(35)	(1,027)	197	(418)
Net income / (loss) for the period	75,617	(30,799)	22,875	(5,698)
	<u>56,662</u>	<u>(126,670)</u>	<u>23,072</u>	<u>(6,116)</u>
Undistributed income / (accumulated loss) carried forward	<u>27,156</u>	<u>(99,576)</u>	<u>27,156</u>	<u>(99,576)</u>

The annexed notes 1 to 15 form an integral part of this 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 (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2012

	Six months ended		Three months ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
----- Rupees in '000 -----				
Net assets at the beginning of the period	624,739	705,988	666,350	590,914
Issuance of 3,121,643 including 1,643,959 bonus units (2011: 9,575,275 units)	16,903	2,421	11,642	2,246
Redemption of 2,184,917 units (2011: 15,108,055 units)	(24,691)	(141,284)	(9,540)	(23,431)
	(7,788)	(138,863)	2,102	(21,185)
Final distribution of 9,539,072 bonus units for the year ended June 30, 2012: 3.05% (2011: 14.397%)	17,488	88,493	-	-
Net element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed - transferred to distribution statement	35	1,027	(197)	418
Total Comprehensive income / (loss) for the period	74,985	1,232	22,052	(7,723)
Distribution:				
Final distribution for the year ended June 30, 2012: 3.05% (2011: 14.397%) Date of Distribution : 2012: July 09, 2012 (2011: July 14, 2011)				
- Bonus units	(17,488)	(88,493)	-	-
- Cash distribution	(1,432)	(6,351)	-	-
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - net	(35)	(1,027)	197	(418)
Net assets as at the end of the period	<u>690,504</u>	<u>562,006</u>	<u>690,504</u>	<u>562,006</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2012

	Six months ended		Three months ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
----- Rupees in '000 -----				
CASH FLOW FROM OPERATING ACTIVITIES				
Net income / (loss) for the period before period	75,617	(30,799)	22,875	(5,698)
Adjustments				
Unrealised (gain) / loss on re-measurement of investments at fair value through profit or loss -held-for trading' - net	(23,735)	(721)	11,326	12,728
Reversal / (impairment loss) on term finance certificates and sukus	460	(48,465)	(1,168)	(85,335)
Amortisation of preliminary expenses and floatation costs	-	253	-	127
	<u>52,342</u>	<u>(79,732)</u>	<u>33,033</u>	<u>(78,178)</u>
Decrease / (increase) in assets				
Investments	79,443	161,858	40,305	101,140
Receivable against sale of investments	-	(1,504)	-	(1,504)
Dividend and profit receivable	1,950	13,648	9,014	1,887
Advances, deposits, prepayments and other receivables	(126)	52	550	18
	<u>81,267</u>	<u>174,054</u>	<u>49,869</u>	<u>101,541</u>
(Decrease) / Increase in liabilities				
Payable to the Management Company	252	(50)	150	(79)
Payable to the Trustee	89	(21)	88	(7)
Payable to the Securities and Exchange Commission of Pakistan	(245)	(415)	145	125
Payable against purchase of investments	13	11,746	13	11,746
Accrued expenses and other liabilities	(41,836)	233	1,144	(29)
	<u>(41,727)</u>	<u>11,493</u>	<u>1,540</u>	<u>11,756</u>
Net cash generated from operating activities	<u>91,882</u>	<u>105,815</u>	<u>84,442</u>	<u>35,119</u>
CASH FLOW FROM FINANCING ACTIVITIES				
Amounts received from issuance of units	16,903	2,421	11,641	2,246
Amounts paid on redemption of units	(24,691)	(141,284)	(9,540)	(23,431)
Distribution paid	(1432)	(6,351)	-	-
Net cash (used) / generated from in financing activities	<u>(9,220)</u>	<u>(145,214)</u>	<u>2,101</u>	<u>(21,185)</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>84,094</u>	<u>(39,399)</u>	<u>87,975</u>	<u>13,934</u>
Cash and cash equivalents at the beginning of the period	62,627	89,036	58,746	35,703
Cash and cash equivalents at the end of the period	<u>145,289</u>	<u>49,637</u>	<u>145,289</u>	<u>49,637</u>

The annexed notes 1 to 15 form an integral part of this 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 INFORMATION (UN-AUDITED) FOR THE SIX MONTHS ENDED DECEMBER 31, 2012

1 LEGAL STATUS AND NATURE OF BUSINESS

The NAFA Multi Asset Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited, a company incorporated under the Companies Ordinance, 1984, as Management Company and Central Depository Company of Pakistan Limited (CDC), also incorporated under the Companies Ordinance, 1984, as Trustee. The Trust Deed was executed on December 06, 2006 and was authorised 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 was situated at 9th Floor, Adamjee House, I.I. Chundrigar Road, Karachi. From 4 February 2013, the registered office of the Management Company is shifted to 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of MUFAP.

The Fund is an open -ended mutual fund categorized as balanced scheme and its units are listed on the Lahore Stock Exchange. Units of the fund are offered for public subscription on a continuous basis. These 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, 2012, it has been assigned short term and long term performance ranking of '4 star'.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan (CDC) Limited 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. Approved accounting standards comprise of IAS 34 - "Interim Financial Reporting", provisions of and directives issued under the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). In case, the requirements differ, the provisions or directives of the Companies Ordinance, 1984, the Rules and the Regulations, 2008 shall prevail.

This condensed interim financial information comprises of condensed interim statement of assets and liabilities, condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' funds, condensed interim cash flow statement and the notes forming part thereof.

This 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, 2012.

This condensed interim financial information is unaudited. However, a limited scope review has been performed by the external auditors in accordance with the requirements of the Code of Corporate Governance. Accordingly, the Board of Directors of the Management Company declare that this condensed interim financial information gives a true and fair view of the state of affairs of the Fund.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the investments which are stated at fair value.

NAFA MULTI ASSET FUND

2.3 Functional and presentation currency

This condensed interim financial information are presented in Pak Rupees which is the functional and presentation currency of the Fund. Figures have been rounded off to the nearest thousand rupees, except otherwise stated.

2.4 Critical accounting estimates and judgements

The Presentation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this Condensed interim financial information, saignificant judgements made by management in applying accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June 2012

2.5 Financial Risk Management

The Fund's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements of the Fund as at and year ended 30 June 2012

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2012.

	Note	Unaudited December 31, 2012	Audited June 30, 2012
		Rupees in '000	
4 BALANCES WITH BANKS			
Current accounts		1,590	296
Savings accounts	4.1	143,699	62,331
		<u>145,289</u>	<u>62,627</u>

4.1 These carry a rate of return ranging from 5.00% to 12.00% (2012: 5.00% to 12.00%) per annum.

	Note	Unaudited December 31, 2012	Audited June 30, 2012
		Rupees in '000	
5 INVESTMENTS			
At fair value through profit or loss - held for trading			
Listed equity securities	5.1	416,322	322,351
Government securities	5.2	-	21,889
Term finance certificates - listed	5.3	21,081	124,512
		<u>437,403</u>	<u>468,752</u>
Available for sale			
Term finance certificates - listed	5.4.1	14,926	14,804
Term finance certificates - unlisted	5.4.2	33,091	33,976
Sukuk	5.5	65,557	90,245
		<u>113,574</u>	<u>139,025</u>
		<u>550,977</u>	<u>607,777</u>

NAFA MULTI ASSET FUND

5.1 Listed equity securities - at fair value through profit or loss - held for trading

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

Name of the investee company	Number of shares					Market value as at December 31, 2012	Investment as a percentage of		
	As at July 1, 2012	Purchases during the period	Bonus / right shares	Sales during the period	As at December 31, 2012		Net assets	Market value of total investments	Paid Up Capital of the investee company
(Rupees in '000)									
Oil & Gas									
Attock Petroleum Limited	808	-	-	-	808	414	0.06	0.08	0.00
Oil & Gas Development Company Limited	6,696	295,000	-	166,800	134,896	25,982	3.76	4.72	0.00
Pakistan Oilfields Limited	80,919	167,000	-	142,300	105,619	46,213	6.69	8.39	0.04
Pakistan Petroleum Limited	208,449	153,100	72,637	301,300	132,886	23,493	3.40	4.26	0.01
Pakistan State Oil Company Limited	500	-	100	-	600	139	0.02	0.03	0.00
Chemicals									
Engro Corporation Limited	118	417,700	-	274,000	143,818	13,237	1.92	2.40	0.04
Fauji Fertilizer Bin Qasim Limited	900	-	-	-	900	35	0.01	0.01	0.00
Fauji Fertilizer Company Limited	259,312	438,800	-	423,500	274,612	32,168	4.66	5.84	0.03
Construction and Materials									
Attock Cement Pakistan Limited	1,000	112,000	150	-	113,150	11,294	1.64	2.05	0.13
Cheral Cement Company Limited	753,056	-	-	66,000	687,056	33,494	4.85	6.08	0.19
D.C. Khan Cement Company Limited	396,000	1,163,000	-	1,061,000	498,000	27,181	3.94	4.93	0.07
Fauji Cement Company Limited	-	950,000	-	-	950,000	6,213	0.90	1.13	0.74
Lucky Cement Limited	328,864	368,000	-	474,300	222,564	33,727	4.88	6.12	0.07
General Industrials									
Thal Limited	181,033	-	18,103	3,000	196,136	20,961	3.04	3.80	0.64
FOOD PRODUCERS									
Engro Foods	-	77,000	-	77,000	-	-	-	-	-
Nishat Mills Limited	-	210,000	-	-	210,000	13,408	1.94	2.43	0.06
Azgard Nine Limited (Non-voting shares)	807,000	-	-	-	807,000	5,649	0.82	1.03	1.22
Media									
Hum Television Network Limited	457,934	-	-	457,934	-	-	-	-	-
Fixed Line Telecommunication									
Pakistan Telecommunication Company Limited	165,000	715,000	-	397,000	483,000	8,380	1.21	1.52	0.13
Wateen Telecom Limited	1,000,000	-	-	-	1,000,000	2,980	0.43	0.54	0.16
Electricity									
The Hub Power Company Limited	1,120,348	647,500	-	675,500	1,092,348	49,418	7.16	8.97	0.09
Kot Addu Power Company Limited	-	330,500	-	165,000	165,500	8,174	1.18	1.48	0.05
Banks									
Bank Al-Falah Limited	917,000	1,595,500	-	1,487,500	1,025,000	17,240	2.50	3.13	0.08
MCB Bank Limited	98,820	72,500	-	171,300	20	4	0.00	0.00	0.00
Meezan Bank Limited	429,386	-	-	-	429,386	12,903	1.87	2.34	0.05
National Bank of Pakistan	300,062	491,000	-	501,500	289,562	14,302	2.07	2.60	0.02
United Bank Limited	78,804	157,500	-	125,000	111,304	9,313	1.35	1.69	-
Total as at December 31, 2012						416,322	60.29	73.13	3.69
Carrying value as at December 31, 2012						381,716			

5.1.1 Investments include shares with market value of Rs. 114.647 million (2012: Rs 119.072 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.

NAFA MULTI ASSET FUND

5.2 Investment in government securities - at fair value through profit or loss - held for trading

Issue date	Tenor	Face Value				Investment as a percentage of		
		As at July 01, 2012	Purchases during the period	Sales / matured during the period	As at December 31, 2012	Net assets	Market value of total investments	Paid Up Capital of the investee company

(Rupees in '000)

July 14, 2011	12 Months	100,000	-	100,000	-	-	-
April 19, 2012	3 Months	25,000	-	25,000	-	-	-
July 20, 2012	12 Months	-	29,000	29,000	-	-	-

Total as at December 31, 2012

- - - -

Carrying value as at December 31, 2012

-

5.3 Term finance certificates - at fair value through profit or loss (listed) - held for trading

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 December 31, 2012	Investment as a percentage of		
	As at July 1, 2012	Purchases during the period	Sales during the period	As at December 31, 2012		Net assets	Market value of total investments	Issue Size

(Rupees in '000)

Saudi Pak Leasing Company Limited (note 5.3.1)	10,000	-	-	10,000	21,081	3.05	3.35	5.83
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Total as at December 31, 2012

21,081 3.05 3.35 5.83

Carrying value as at December 31, 2012

31,951

Accumulated impairment

10,870

5.3.1 This represents investment in term finance certificates with original term of five years. On October 13, 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on December 26, 2011 with a new maturity in March 2017. The said TFCs has complied with repayment terms since and has been reclassified as performing as per criteria defined in circular no. 1 of 2009.

5.4 Term Finance Certificates - available for sale

5.4.1 Term Finance Certificates - listed

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

Name of the investee company	Number of certificates / bonds				Market value as at December 31, 2012	Investment as a percentage of		
	As at July 1, 2012	Purchases during the period	Sales during the period	As at December 31, 2012		Net assets	Market value of total investments	Issue Size

(Rupees in '000)

Pakistan Mobile Communications Limited	3,000	-	-	3,000	14,926	2.16	2.71	0.59
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Total as at December 31, 2012

14,926 2.16 2.71 0.59

Carrying value as at December 31, 2012

14,804

NAFA MULTI ASSET FUND

5.4.2 Term Finance Certificates - unlisted

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

Name of the investee company	Number of certificates / bonds				Market value as at December 31, 2012	Investment as a percentage of		
	As at July 1, 2012	Purchases during the period	Sales during the period	As at December 31, 2012		Net assets	Market value of total investments	Issue Size
(Rupees in '000)								
Avari Hotel Limited	6,000	-	-	6,000	24,124	3.49	4.38	0.95
Engro Fertilizer Limited	2,000	-	-	2,000	8,967	1.30	1.63	0.25
Total as at December 31, 2012					33,091	4.79	6.01	1.20
Carrying value as at December 31, 2012					33,976			

5.4.3 The term finance certificates held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

5.5 Sukuks - available for sale

All sukuk have a face value of Rs. 5000 each except New Allied Electronics Industries (Private) limited which have a face value of Rs. 312.50 each.

Name of the investee company	Number of certificates / bonds				Market value as at December 31, 2012	Investment as a percentage of		
	As at July 1, 2012	Purchases during the period	Sales during the period	As at December 31, 2012		Net assets	Market value of total investments	Issue Size
(Rupees in '000)								
Eden Builders Limited	4,902	-	-	4,902	7,652	1.11	1.39	1.23
Maple Leaf Cement Factory Limited (note 5.5.1)	17,688	-	-	17,688	33,532	4.86	6.09	1.11
New Allied Electronics Industries (Private) Limited (note 5.5.2)	32,000	-	-	32,000	-	-	-	-
Pak Electron Limited (note 5.5.3)	8,000	-	-	8,000	8,495	1.23	1.54	2.62
Eden Housing Limited (note 5.5.4)	10,000	-	-	10,000	15,878	2.30	2.88	5.99
Maple Leaf Cement Factory Limited II (note 5.5.5)	663	-	-	663	-	-	-	-
Total as at December 31, 2012					65,557	9.49	11.90	10.94
Carrying value as at December 31, 2012					144,342			
Accumulated impairment					78,785			

5.5.1 This represents investments in privately placed sukuk issue with a term of six years. On September 03, 2011 i.e. the scheduled redemption date, profit redemption were not received by the Fund. The amount of provision as per circular no. 1 of 2009 has been maintained by valuing the investment in terms of the said circular.

5.5.2 New Allied Electronics Industries (Private) 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 and October 25, 2009]. The amount of provision as per circular no 1 of 2009 has been maintained by valuing the investment in terms of the said circular.

5.5.3 This represents investment in privately placed sukuk bonds issue with a term of seven years. The issuer defaulted on payment of principal and profit to certain sukuk holders due to which it was rated as 'Defaulter' by the MUFAP. The amount of provision as per circular no 1 of 2009 has been maintained by valuing the investment in terms of the said circular.

NAFA MULTI ASSET FUND

- 5.5.4 This represents investment in privately placed sukuk bonds issue with a term of five years. The issuer defaulted on payment of principal and profit to certain sukuk holders due to which it was rated as 'Defaulter' by the MUFAP. The amount of provision as per circular 1 of 2009 has been maintained by valuing the investment in terms of the said circular.
- 5.5.5 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.
- 5.5.6 The sukus held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

	Unaudited December 31, 2012	Audited June 30, 2012
Note	-----Rupees in '000-----	
5.6 Unrealised (loss) / gain in fair value of investments classified as available for sale - net		
Market value of investments	113,574	139,025
Less: Cost of investments	144,342	161,372
	<u>(30,768)</u>	<u>(22,347)</u>
Add: Provision against non-performing term finance certificates and sukus	30,136	68,113
	<u>(632)</u>	<u>45,766</u>
5.7 Movement in provision against investment		
Opening Balance	79,376	24,193
Add: Charge for the period	-	55,183
Less: Reversals / write offs	(460)	-
Net charge	(460)	55,183
Closing Balance	<u>78,916</u>	<u>79,376</u>
Provision related to investments classified at 'fair value through profit or loss'	48,780	11,263
Provision related to investments classified at 'available for sale'	30,136	68,113
	<u>78,916</u>	<u>79,376</u>
6 DIVIDEND AND PROFIT RECEIVABLE		
Dividend receivable on equity shares	236	12
Profit on savings and term deposits	1	654
Income accrued on term finance certificates and sukus	9,054	19,307
Less: Income suspended over non-performing debt securities	(7,211)	(15,943)
	<u>1,843</u>	<u>3,364</u>
	<u>2,080</u>	<u>4,030</u>
7 PAYABLE TO NBP FULLERTON MANAGEMENT LIMITED - MANAGEMENT COMPANY		
Management fee	1,162	1028
Sindh sales tax payable	7.1 186	165
Sales load payable	85	47
Transfer load payable	105	46
	<u>1,538</u>	<u>1,286</u>

NAFA MULTI ASSET FUND

- 7.1 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.

	Unaudited December 31, 2012	Audited June 30, 2012
	-----Rupees in '000-----	
8 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable	277	270
Settlement charges	299	-
Payable to brokers	-	43,811
Dividend payable to brokers	493	493
Provision for Workers' Welfare Fund	7,029	5,486
Others	715	589
	8,813	50,649

9 CONTINGENCIES AND COMMITMENTS

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

10 PROVISION FOR WORKERS' WELFARE FUND

Through the Finance Act, 2008 an amendment was made in section 2(f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment it appears that WWF Ordinance has become applicable to all Collective Investment Schemes (CISs) whose income exceeds Rs. 0.5 million in a tax year. A petition has been filed with the Honourable High Court of Sindh by some of the Collective Investment Schemes through their Trustees on the ground that the CIS (mutual funds) are not establishments and as a result not liable to pay contribution to WWF.

Subsequently, the Ministry of Labour and Manpower (the Ministry) vide its letter dated July 15, 2010 clarified that "Mutual Fund(s) is a product which is being managed / sold by the Asset Management Companies which are liable to contribute towards Workers Welfare Fund under Section-4 of WWF Ordinance 1971. However, the income on Mutual Fund(s), the product being sold, is exempted under the law ibid".

Further, the Secretary (Income Tax Policy) Federal Board of Revenue (FBR) issued a letter dated October 06, 2010 to the Members (Domestic Operation) North and South FBR. In the letter reference was made to the clarification issued by the Ministry of Labour and Manpower stating that mutual funds are a product and their income are exempted under the law ibid. The Secretary (Income Tax Policy) Federal Board of Revenue directed that the Ministry's letter may be circulated amongst field formations for necessary action. Following the issuance of FBR Letter, show cause notice which had been issued by taxation office to certain mutual funds for payment of levy under WWF were withdrawn. However, the Secretary (Income Tax Policy) Federal Board of Revenue vide letter January 04, 2011 has cancelled ab-initio clarificatory letter dated October 06, 2010 on applicability of WWF on mutual funds and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by Honourable High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

Furthermore, in 2011 the Honourable Lahore High Court in a Constitutional Petition relating to the amendments brought in WWF Ordinance 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 Honourable Lahore High Court, will lend further support to the Constitutional Petition which is pending in the Honourable High Court of Sindh. However, pending the decision of the said constitutional petition, the Management Company, as a matter of abundant caution has made the provision against Workers' Welfare Fund liability to the tune of Rs.7.029 million. If the same were not made the NAV per unit / return of the Fund would be higher by Rs.0.1187 / 1.018 %.

NAFA MULTI ASSET FUND

11 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The Fund intends to distribute such accounting income for the period ending June 30, 2013 to its unit holders. Accordingly, no liability has been recorded in the current period.

12 DETAILS OF NON-COMPLIANT INVESTMENT WITH THE INVESTMENT CRITERIA OF ASSIGNED CATEGORY

"The Securities and Exchange Commission of Pakistan vide its circular no. 16 dated July 7, 2010, prescribed specific disclosures for the schemes holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirements of their constitutive documents. "

The following are the details of non-compliant investments:

Name of non-compliant investment	Type of Investment	Value of investment before provision	Provision held	Value of investment after provision	% of net assets	% of gross assets
----- Rupees in '000 -----						
Saudi Pak Leasing Company Limited-TFC		34,353	11,671	22,681	3.28	3.23
Maple Leaf Cement factory Limited - Sukuk		88,289	35,906	52,383	7.59	7.47
Eden Housing Industries Private Limited - Sukuk	Investment in debt	33,750	11,766	21,984	3.18	3.13
Pak Elektron Limited	Securities (note12.1)	17,143	1,391	15,752	2.28	2.25
New Allied Electronics Limited		10,000	10,000	-	-	-
Maple Leaf Cement Company Limited-Sukuk II		3,315	3,315	-	-	-

12.1 Clause (iv) of the categorisation criteria as per circular no. 7 of 2009 dated March 6, 2009 requires that the rating of any debt security in the portfolio shall not be lower than 'A-' (A minus). However, as at December 31, 2012 the Fund is in non-compliance with the said clause.

12.2 At the time of purchase of purchase, the above mentioned term finance certificates and sukuk bonds were in compliance of the aforementioned circular. However, they were subsequently downgraded to non investment grade.

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

13 TRANSACTIONS WITH CONNECTED PERSONS \ RELATED PARTIES

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 in the normal course of business, at contracted rates and terms determined in accordance with market 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.

NAFA MULTI ASSET FUND

Details of Transactions with connected persons are as follows:

	----- (Un-audited) -----			
	Six months ended		Three months ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
----- Rupees in '000 -----				
13.4 NBP Fullerton Asset Management Limited - Management Company				
Management fee expense for the period	6,710	7,939	3,398	3,671
Sindh sales tax on remuneration of the Management Company	1,074	-	544	-
Front end load	114	4	-	4
National Bank of Pakistan - Sponsor				
Cash dividend paid	1,432	6,350	-	-
NBP Employees Pension Fund - Associated Co.				
Unit purchased December 31, 2012: nil units (Dec 2011: 15,934,787 units)	-	147,880	-	147,880
Bonus units issued (486,377 units; December 31, 2011: nil units)	-	-	-	-
Alexandra Fund Management Pte. Limited - Sponsor				
Bonus Units Issued (2,780 units; December 31, 2011: 12,234 units)	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee				
Remuneration	671	635	340	294
CDS charges	92	116	75	59
Taurus Securities Limited				
Brokerage charges	71	62	30	15
			Unaudited	Audited
			December 31,	June 30,
			2012	2012
			-----Rupees in '000-----	
13.5 Balances outstanding as at period / year end				
NBP Fullerton Asset Management Limited - Management Company				
Management fee payable			1,162	1,028
Sales tax payable			186	165
Others			190	93
National Bank of Pakistan - Sponsor				
Investment held in the Fund (4,410,752 units; June 30, 2012: 4,410,752 units)			51,426	47,276
Balance in current account			1,590	296
Alexandra Fund Management Pte. Limited - Sponsor				
Investment held in the Fund (93,848 units; June 30, 2012: 91,068 units)			1,094	976
Central Depository Company of Pakistan Limited - Trustee				
Remuneration payable			123	109
CDC charges payable			75	7
Security deposit			100	100
NBP Employees Pension Fund				
Investment held in the Fund (16,421,164 units; June 30, 2012: 15,934,787 units)			191,458	170,794

NAFA MULTI ASSET FUND

14 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 26, 2013 by the Board of Directors of the Management Company.

15 GENERAL

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

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director