



NBP FUNDS

Managing Your Savings

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Rated by PACRA

NAFA Multi Asset Fund

**HALF YEARLY
REPORT
DECEMBER
31, 2018**



MISSION STATEMENT

To rank in the top quartile
in performance of
NBP 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 Fund Management Limited - Management Company

Board of Directors of the Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Nasir Husain	Director
Mr. Abdul Hadi Palekar	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Mr. Humayun Bashir	Director

Company Secretary & COO

Mr. Muhammad Murataz Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Humayun Bashir	Member
Mr. Nasir Husain	Member
Mr. Imran Zaffar	Member

Human Resource and Remuneration Committee

Mr. Kamal Amir Chinoy	Chairman
Mr. Nasir Husain	Member
Mr. Humayun Bashir	Member
Mr. Ali Saigol	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Shehryar Faruque	Member
Mr. Abdul Hadi Palekar	Member
Mr. Ali Saigol	Member

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block "B" S.M.C.H.S.,
Main Shahra-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 Metropolitan Bank Limited
MCB Bank Limited
National Bank Limited
Silk Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited
Sindh Bank Limited
Zarai Taraqati Bank Limited
JS Bank Pakistan Limited
Bankislami Pakistan Limited
Meezan Bank Limited

NAFA MULTI ASSET FUND

Auditors

KPMG Taseer Hadi & Co.
Sheikh Sultan Trust Buildings,
Ground No. 2 Shaheed Chaudary Aslam Rd,
Civil Lines, Karachi, 75530

Legal Advisor

Akhund Forbes
D-21, Block 4, Scheme 5,
Clifton, Karachi 75600, Pakistan.

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 021 (111-111-632),
(Toll Free): 0800-20002,
Fax: (021) 35825329
Website: www.nbpffunds.com

Lahore Office:

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

Islamabad Office:

1st Floor, Ranjha Arcade
Main Double Road, Gulberg Greens,
Islamabad.
UAN: 051-111-111-632
Fax: 051-4859031

Peshawar Office:

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

Multan Office:

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

NAFA MULTI ASSET FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present reviewed financial statements of **NAFA Multi Asset Fund (NMF)** for the half year and quarter ended December 31, 2018.

Fund's Performance

The size of NAFA Multi Asset Fund has decreased from Rs. 1,654 million to Rs. 1,567 million during the period, i.e. a decrease of 5.3%. During the period, the unit price of NAFA Multi Asset Fund (NMF) has decreased from Rs. 18.0084 on June 30, 2018 to Rs. 17.1789 on December 31, 2018, thus showing a decrease of 4.61%. The Benchmark decrease during the same period was 4.01%. Thus, the Fund has underperformed its Benchmark by 0.60% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.7741 (Ex-Div) on January 19, 2007 to Rs. 17.1789 on December 31, 2018, thus showing an increase of 355.18%. During the said period, the Benchmark increased by 148.60%, translating into outperformance of 206.58%. This performance is net of management fee and all other expenses.

First half of FY19 remained a challenging period for the stock market, characterized by elevated volatility driven by rising economic uncertainty and a series of political events. The market celebrated the formation of a PTI-led coalition government after its victory in the general elections held in July 2018 that put to rest heightened political uncertainty. However, the rally at the local bourse proved fleeting as the focus of investors shifted towards the ailing economy. Adding to the investors' angst was inordinate delay in the announcement of a comprehensive economic plan from the incumbent government to address the multi-faceted challenges facing economy. Ballooning Current Account Deficit (CAD) and continued erosion of forex reserves to abysmally low level led to PKR further depreciating by 14.3% during the period under review. To contain domestic consumption demand, the SBP cumulatively raised Discount Rate by 350bps to 10.5% that also weighed on the stock market. Furthermore, sell-off in the emerging markets amid rising interest rates in the US and idiosyncratic factors in some economies soured investors' sentiments. Overall, amid large sporadic swings, the stock market declined by a hefty 11.6% during the period under review.

In terms of sectoral performance, Automobile, Refinery, Engineering, and Oil & Gas Exploration sectors dragged the index performance, while Fertilizers and Commercial Banks fared better than the market. On the market participant-wise activity, foreigners remained net sellers with sizeable net outflow of USD 404 million. On the other hand, Insurance, Individuals, and Companies were net buyers during the same period with fresh inflows amounting to USD 173 million, USD 152 million, and USD 82 million, respectively.

During the period under review, the State Bank of Pakistan (SBP) increased the Discount Rate by a cumulative 350 basis points to 10.5%, citing concerns over the external account imbalances along with an abysmally low level of FX reserves and upside risk to inflation. Inflation witnessed an increase from 5.2% in June 2018 to 6.2% in December 2018. This was due to rising financing cost, unabated fiscal borrowing by the government, volatility in international oil prices, significant currency devaluation, and impact of upward adjustment in the gas prices and levying of import tariffs.

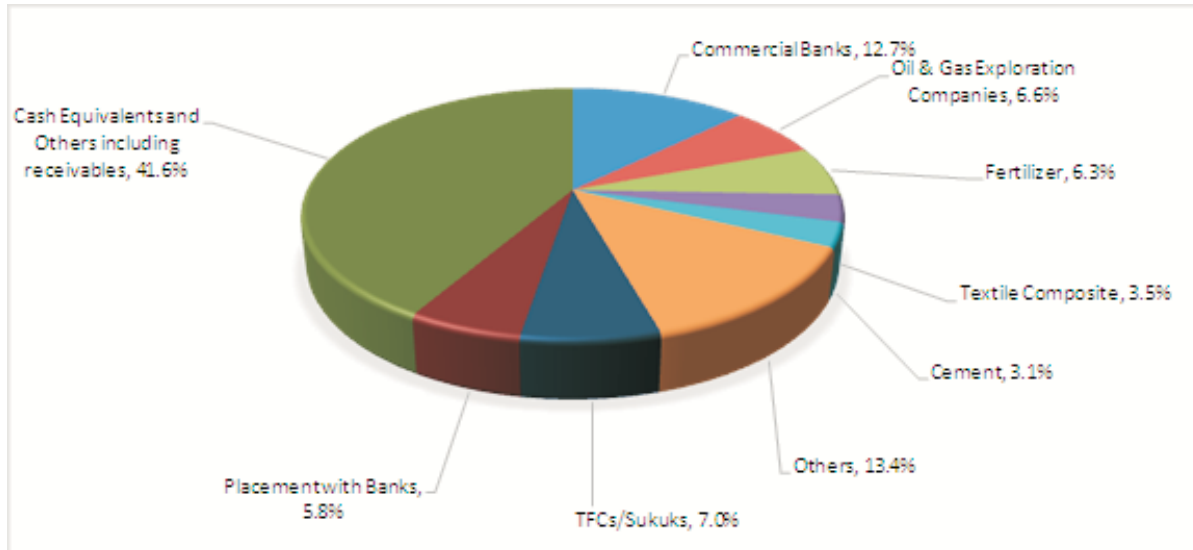
SBP held thirteen T-Bill auctions during 1HFY2019 with a combined target of Rs. 10,050 billion against the maturity of Rs. 10,062 billion wherein an amount of Rs. 9,083 billion was realized for 3-month tenor and just Rs. 0.84 billion for 6-month tenor. In the last auction, cut-off yields for 3-month and 6-month tenors stood at 10.30% and 10.35%, respectively. Six PIB auctions were also held during this period with a combined target and maturity of Rs. 300 billion and Rs. 629 billion, respectively; where SBP realized around Rs. 9 billion, Rs. 23 billion and Rs. 11 billion for 3-year, 5-year and 10-year tenors, respectively. In the last auction held on December 26, 2018, yields for 3-year, 5-year and 10-year tenors were noted at 12.25%, 12.70% and 13.15%, respectively.

The trading activity in corporate debt securities (TFCs / Sukuks) remained subdued with a cumulative trade value of around Rs. 6.3 billion as compared to Rs. 8.7 billion during the same period last year. To finance expansion projects, fresh issuance of some short and long-term debt instruments was seen in the primary market as companies tapped the abundant liquidity in the market ahead of tightening financial conditions.

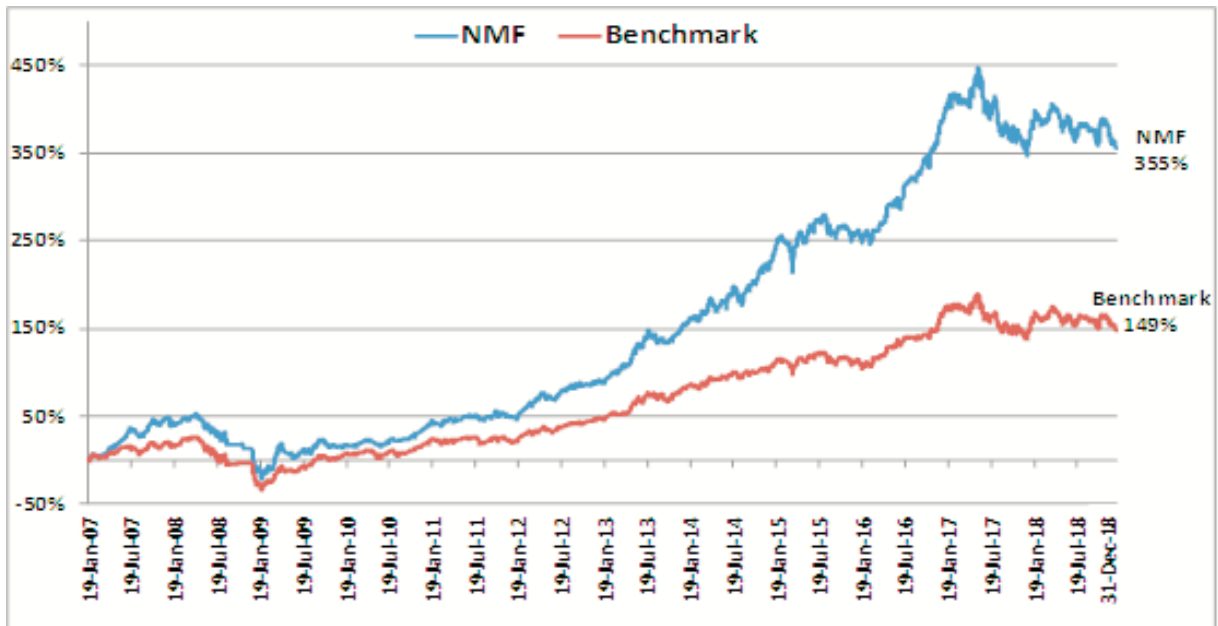
NAFA MULTI ASSET FUND

DIRECTORS' REPORT

NAFA Multi Asset Fund has incurred a total loss of Rs.50.53 million during the year. After deducting total expenses of Rs.25.93 million, the net loss is Rs.76.46 million. The asset allocation of the Fund as on December 31, 2018 is as follows:



NMF Performance versus Benchmark (Since Inception)



NAFA MULTI ASSET FUND

DIRECTORS' REPORT

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 Fund Management Limited

Chief Executive

Director

Date: February 25, 2019

Place: Karachi.

NAFA MULTI ASSET FUND

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2018 کو ختم ہونے والی ششماہی کے لئے NAFA ملٹی ایسیٹ فنڈ (NMF) کے جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NAFA ملٹی ایسیٹ فنڈ (NMF) کا فنڈ سائز اس مدت کے دوران 1,654 ملین روپے سے کم ہو کر 1,567 ملین روپے ہو گیا، یعنی 5.3% کی کمی ہوئی۔ اس مدت کے دوران NAFA ملٹی ایسیٹ فنڈ (NMF) کے یونٹ کی قیمت 30 جون 2018 کو 18.0084 روپے سے کم ہو کر 31 دسمبر 2018 کو 17.1789 روپے پر پہنچ چکی ہے۔ لہذا 4.61% کی کمی دیکھنے میں آئی۔ اسی مدت کے دوران بیچ مارک بڑھ کر 4.01% ہو گیا۔ لہذا زیر جائزہ مدت کے دوران فنڈ نے اپنے بیچ مارک سے 0.60% سے اتر کارکردگی دیکھائی۔ اپنے قیام سے اب تک فنڈ کی NAV 19 جنوری 2007 کو 3.7741 روپے (Ex-Div) سے بڑھ کر 31 دسمبر 2018 پر 17.1789 روپے ہو گئی، لہذا 355.18% کا اضافہ ہوا۔ اس مدت کے دوران بیچ مارک میں 148.60% اضافہ ہوا ہے، جس کا نتیجہ فنڈ کی 206.58% بہتر کارکردگی کی صورت میں سامنے آیا ہے۔ یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

مالی سال 2019 کی پہلی ششماہی میں اسٹاک مارکیٹ بڑھتی ہوئی غیر یقینی معاشی صورتحال اور سیاسی واقعات کے باعث دباؤ کا شکار رہی۔ مارکیٹ نے جولائی 2018 میں منعقد ہونے والے عام انتخابات میں کامیابی کے بعد تحریک انصاف کی قیادت میں اتحادی حکومت کے قیام کو سراہا جس کے باعث سیاسی غیر صورتحال میں استحکام واقع ہوا۔ تاہم مقامی سرمایہ کاروں کا جوش وقتی ثابت ہوا جس کی وجہ سے سرمایہ کاروں کا خراب معیشت کی طرف متوجہ ہونا تھا۔ سرمایہ کاروں کی تشویش میں اضافہ کی وجہ ہماری معیشت کو درپیش کثیر جہتی مسائل کو حل کرنے کے لئے حکومت کی طرف سے جامع اقتصادی منصوبہ کے اعلان میں غیر معمولی تاخیر تھی۔ بڑھتا ہوا کرنٹ اکاؤنٹ خسارہ (CAD) اور غیر ملکی زرمبادلہ کے ذخائر کی مسلسل کمی کے باعث زیر جائزہ مدت کے دوران پاکستانی روپیہ کی قدر میں 14.3 فیصد سے زائد کمی کا سامنا کرنا پڑا۔ مقامی کھپت کی طلب پر قابو پانے کے لئے، SBP نے مجموعی طور پر پالیسی کی شرح 350bps کے اضافہ کے ساتھ 10.5% کر دی جس کا اثر اسٹاک مارکیٹ پر بھی ہوا۔ اس کے علاوہ، امریکہ میں بڑھتی ہوئی شرح سود کے باعث امریکہ مارکیٹ میں فروخت اور سرمایہ کاروں کے جذبات پر اثر انداز ہوا۔ مجموعی طور پر غیر معمولی اتار چڑھاؤ کی بنا پر اس مدت کے دوران اسٹاک مارکیٹ میں 11.6% کی شرح سے خطیر گراوٹ آئی۔

شعبہ جاتی کارکردگی کے حوالہ سے، آٹوموبائل، ریٹائٹری، انجینئرنگ، اورائل اینڈ ایگس ایکسپلوریشن نے انڈیکس سے اتر کارکردگی کا مظاہرہ کیا، جبکہ کھاد اور تجارتی بینکوں نے مارکیٹ سے بہتر کارکردگی دکھائی ہے۔ مارکیٹ میں شرکت وارسرگرمی پر، غیر ملکی سرمایہ کار 404 ملین امریکی ڈالر کے حجم کے ساتھ خالص فروخت کنندہ رہے۔ دوسری جانب انشورنس، انفرادی سرمایہ کار اور کمپنیاں اسی عرصے کے دوران بالترتیب 173 ملین امریکی ڈالر، 152 ملین امریکی ڈالر اور 82 ملین ڈالر کے حجم کے ساتھ خالص خریدار رہے۔

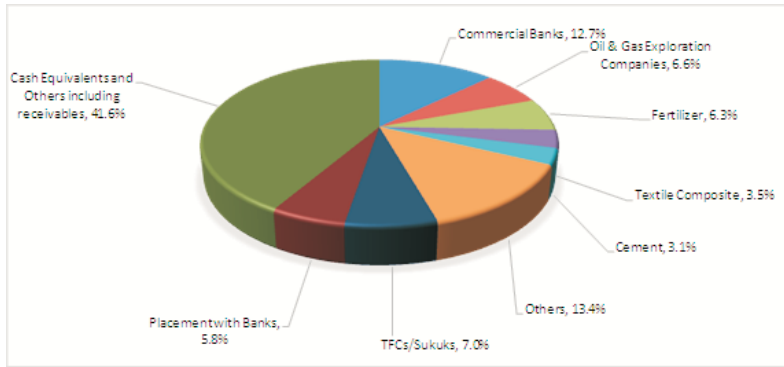
زیر جائزہ مدت کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے مجموعی طور پر پالیسی کی شرح 350bps کے اضافے کے ساتھ 10.50% کر دی۔ جو کہ بیرونی اکاؤنٹ کے عدم توازن، زرمبادلہ کے ذخائر کی غیر معمولی کم سطح اور افراط زر میں اضافہ کے خدشات ظاہر کر رہی ہے۔ افراط زر کی شرح جون 2018 میں 5.2% تھی جو دسمبر 2018 میں 6.2% تک بڑھ گئی، اس کی وجہ قرضہ جات کے اخراجات میں اضافہ، حکومت کی طرف سے غیر فعال مالی قرضے، بین الاقوامی تیل کی قیمتوں میں عدم استحکام، کرنسی کی قدر میں نمایاں کمی، اور گیس کی قیمتوں اور درآمدی ٹیرف کی محصولات میں اضافہ رہا۔

NAFA MULTI ASSET FUND

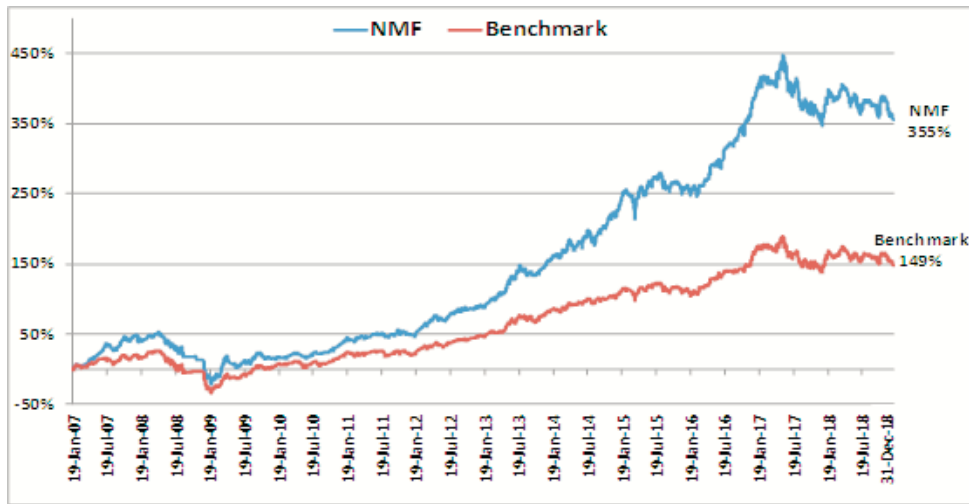
SBP نے 2019 کی پہلی ششماہی کے دوران 10,062 بلین روپے کی میچورٹی کے عوض 10,050 بلین روپے کے مجموعی T-Bills کی تیرہ تیلامی منعقدکیں، جس میں 3 ماہ کی مدت کے لئے 9,083 بلین روپے اور 6 ماہ مدت کے لئے صرف 0.84 بلین روپے کی وصولی کی گئی۔ دوران مدت کی آخری تیلامی میں 3 ماہ اور 6 ماہ کی مدت کے لئے کٹ آف Yelid بالترتیب 10.30 فیصد اور 10.35 فیصد رہی۔ اس مدت کے دوران چھ PIB تیلامی 300 بلین روپے اور 629 بلین روپے کی بالترتیب مشترکہ ہدف اور میچورٹی کے ساتھ بھی منعقد کی گئیں، جہاں سے 5،3 اور 10 سالوں کی مدتوں کے لئے بالترتیب تقریباً 9 بلین روپے، 23 بلین روپے اور 11 بلین روپے کی وصولی کی گئی۔ 26 دسمبر 2018 کو منعقدہ آخری تیلامی میں، 3 سالہ، 5 سالہ اور 10 سالہ مدتوں کی Yelid بالترتیب 12.25 فیصد، 12.70 فیصد اور 13.15 فیصد رہی۔

کارپوریٹ Debt سیکورٹیز (TFCs/Sukuks) میں تجارتی سرگرمی تقریباً 6.3 بلین روپے کی مجموعی تجارتی قدر کے ساتھ محدود رہی۔ جو کہ گزشتہ سال کی اسی مدت کے دوران 8.7 بلین روپے تھی۔ توسیعی منصوبوں کی فنانس کے لئے کچھ مختصر اور طویل مدتی Debt Instruments کی نئی اجراء مارکیٹ میں دیکھی گئی کیونکہ کمپنیوں نے مشکل مالی حالات کی ایما پر مارکیٹ میں موجود وافر لیکویڈٹی کو ہدف بنایا۔

فنڈ کو اس مدت کے دوران 50.53 بلین روپے کا خسارہ ہوا۔ 25.93 بلین روپے کے اخراجات منہا کرنے کے بعد کل خسارہ 76.46 بلین روپے ہے۔ فنڈ کی ایسیٹ ایلویشن 31 دسمبر 2018 کو بمطابق ذیل ہے:



بچ مارک کے مقابلے میں NMF کی کارکردگی (اپنے قیام سے اب تک)



NAFA MULTI ASSET FUND

اظہار تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے مینجمنٹ کمپنی پر اعتماد، اعتبار اور خدمت کا موقع فراہم کرنے پر اپنے قابلِ قدر یونٹ ہولڈرز کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی سرپرستی اور رہنمائی کیلئے ان کے مخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ٹرسٹی کی طرف سے محنت، لگن اور عزم کے مظاہرے پر اپنا خراجِ تحسین بھی ریکارڈ پر لانا چاہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 25 فروری 2019

مقام: کراچی

NAFA MULTI ASSET FUND

TRUSTEE REPORT TO THE UNIT HOLDERS

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 Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund for the period ended December 31, 2018 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, February 25, 2019

NAFA MULTI ASSET FUND

Independent Auditors' Review Report to the Unit Holders of NAFA Multi Asset Fund

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NAFA Multi Asset Fund** ("the Fund") as at 31 December 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts for the six months period then ended (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with accounting and reporting 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.

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 condensed interim financial information is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for Interim Financial Reporting.

Other matter

The figures for the three months period ended 31 December 2018 in the condensed interim financial information have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditors' review report is Muhammad Nadeem.

Date: 25 February, 2019

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2018

		31 December 2018	30 June 2018
	Note	Unaudited	Audited
		(Rupees in '000)	
Assets			
Bank balances	6	771,317	729,754
Investments	7	825,270	947,249
Dividend and profit receivable	8	9,471	6,007
Advance, deposits and prepayment		<u>3,798</u>	<u>3,732</u>
Total assets		<u>1,609,856</u>	<u>1,686,742</u>
Liabilities			
Payable to NBP Fund Management Limited - Management Company	9	6,507	4,535
Payable to Central Depository Company of Pakistan Limited - Trustee	10	311	353
Payable to Securities and Exchange Commission of Pakistan		704	1,476
Payable against purchase of investment		8,774	-
Payable against redemption of units		121	-
Accrued expenses and other liabilities	11	<u>26,470</u>	<u>26,354</u>
Total liabilities		<u>42,887</u>	<u>32,718</u>
Net assets		<u>1,566,969</u>	<u>1,654,024</u>
Unit holders' fund (as per statement attached)		<u>1,566,969</u>	<u>1,654,024</u>
Contingency and commitment	12	-	-
		(Number of units)	
Number of units in issue		<u>91,214,809</u>	<u>91,847,605</u>
		(Rupees)	
Net assets value per unit		<u>17.1789</u>	<u>18.0084</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Note	Six months period ended		Three months period ended	
		2018	2017	2018	2017
----- (Rupees in '000) -----					
Income					
Loss on sale of investments - net		(8,287)	(22,658)	(3,016)	(17,774)
Profit on bank deposits		26,678	14,836	16,986	8,228
Income from term finance certificates and sukuk bonds		5,298	4,709	2,690	2,404
Income from government securities		8,862	4,193	1,163	874
Dividend income		19,953	32,761	12,187	24,515
Net unrealised diminution on re-measurement of investments 'at fair value through profit or loss - held-for trading'	7.7	(103,031)	(171,319)	(90,617)	(60,559)
Total loss		(50,527)	(137,478)	(60,607)	(42,312)
Expenses					
Remuneration of NBP Fund Management Limited - Management Company	9.1	16,567	17,810	8,202	8,597
Sindh Sales Tax on remuneration of Management Company	9.2	2,154	2,315	1,067	1,117
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,332	1,395	662	682
Sindh Sales Tax on remuneration of Trustee	10.1	173	181	86	88
Allocation of expenses related to registrar services, accounting, operation and valuation services	9.3	828	890	410	429
Selling and marketing expenses	9.4	2,407	-	1,953	-
Annual fee - Securities and Exchange Commission of Pakistan		704	757	348	365
Annual listing fee		14	14	7	6
Securities transaction costs		929	301	726	132
Settlement and bank charges		238	202	75	90
Auditors' remuneration		416	388	224	198
Professional charges		34	30	34	17
Fund rating fee		101	90	51	45
Printing and other charges		32	29	13	10
Total expenses		25,929	24,402	13,858	11,776
Net loss from operating activities		(76,456)	(161,880)	(74,465)	(54,088)
Provision for Sindh Workers' Welfare Fund	11.1	-	-	-	-
Net loss for the period before taxation		(76,456)	(161,880)	(74,465)	(54,088)
Taxation		-	-	-	-
Net loss for the period		(76,456)	(161,880)	(74,465)	(54,088)

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2018

	Six months period ended		Three months period ended	
	2018	2017	2018	2017
	----- (Rupees in '000) -----			
Net loss for the period after taxation	(76,456)	(161,880)	(74,465)	(54,088)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	<u>(76,456)</u>	<u>(161,880)</u>	<u>(74,465)</u>	<u>(54,088)</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Note	2018	2017
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period before taxation		(76,456)	(161,880)
Adjustments			
Unrealised diminution on re-measurement of investments at fair value through profit or loss -held for trading - net		103,031	171,319
Loss on sale of investments - net		8,287	22,658
		<u>34,862</u>	<u>32,097</u>
Decrease / (increase) in assets			
Investments		10,661	(269,525)
Dividend and profit receivable		(3,464)	(4,551)
Advances, deposits and prepayments		(66)	(14)
		<u>7,131</u>	<u>(274,090)</u>
Increase / (decrease) in liabilities			
Payable to NBP Fund Management Limited - Management Company		1,972	(791)
Payable to Central Depository Company of Pakistan Limited - Trustee		(42)	16
Payable to Securities and Exchange Commission of Pakistan		(772)	(660)
Payable against purchase of investments		8,774	-
Accrued expenses and other liabilities		116	(3,197)
		<u>10,048</u>	<u>(4,632)</u>
Net cash generated / (used in) from operating activities		52,041	(246,625)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amounts received on issuance of units		54,116	169,492
Payment against redemption of units		(64,594)	(178,143)
Distribution paid		-	(35,746)
Net cash (used in) from financing activities		(10,478)	(44,397)
Net increase / (decrease) in cash and cash equivalents during the period		41,563	(291,022)
Cash and cash equivalents at beginning of the period		729,754	730,941
Cash and cash equivalents at end of the period	6	<u>771,317</u>	<u>439,919</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NAFA MULTI ASSET FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NAFA Multi Asset Fund (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited and Central Depository Company of Pakistan Limited (CDC), as Trustee. The Trust Deed was executed on 06 December 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 20 December 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is also the member of Mutual Fund Association of Pakistan (MUFAP).
- 1.3 The Fund is an open-ended mutual fund and is listed on Pakistan Stock Exchange Limited (PSX). Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Balanced Scheme as per the criteria for categorisation of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters.
- 1.4 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.
- 1.5 The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company. long term and short term performance ranking of '4 star' to the Fund.
- 1.6 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

The condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, and the NBFC Regulations have been followed.

- 2.1.1 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended 30 June 2018. However, selected explanatory notes are included to explain

NAFA MULTI ASSET FUND

events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last annual financial statements.

2.1.2 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (2) (f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

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

There are certain amendments which are effective from annual period beginning on or after 1 July 2019. These amendments are not likely to have an impact on the Fund's financial position. Therefore these are not stated in this condensed interim financial information.

2.3 Functional and presentation currency

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

3 SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2018.

The Fund has adopted IFRS 9 'Financial instruments' from 1 July 2018. The Fund also adopted IFRS 15 'Revenue from contracts with customers' from 1 July 2018. A number of other new standards are effective from 1 July 2018 but they do not have a material effect on the Fund's financial information.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities. As a result of adoption of IFRS 9, the Fund has adopted consequential amendments to IAS 1 Presentation of Financial statements', which requires separate presentation in the income statement and statement of comprehensive income, profit / mark-up calculated using the effective interest method.

The adoption of IFRS 15 did not impact the timing or amount of dividend, profit, mark-up and other investment income and related assets and liabilities recognised by the Fund. Accordingly, there is no impact on comparative information.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below.

i. Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows. The standard eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 did not have a significant effect on the Fund's accounting policies related to financial liabilities. The impact of IFRS 9 on the classification and measurement of financial assets is set out below:

NAFA MULTI ASSET FUND

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of business model within which a financial asset is held; and
- The designation and revocation of previous designation of certain financial assets as measured at FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

NAFA MULTI ASSET FUND

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Fund's financial assets as at 1 July 2018:

	Note	Original classification	New classification under IFRS 9	Original carrying amount under IAS 39	New carrying amount under IFRS 9
Financial assets					
(Rupees in '000)					
Listed Equity Securities	(a)	Held for trading	Mandatorily at FVTPL	744,286	744,286
Term Finance Certificates	(a)	Held for trading	Mandatorily at FVTPL	116,869	116,869
Sukuk bonds	(c)	Available for sale	At FVTPL	-	-
Term Deposit Receipt	(b)	Loans and receivables	Amortised cost	86,094	86,094
Bank balances	(b)	Loans and receivables	Amortised cost	729,754	729,754
Dividend and profit receivables	(b)	Loans and receivables	Amortised cost	6,007	6,007
Deposits and other receivable	(b)	Loans and receivables	Amortised cost	2,850	2,850
				1,685,860	1,685,860

- (a) Listed Equity Securities and Term Finance Certificates classified as financial assets at fair value through profit or loss - held for trading have been measured at fair value through profit or loss with value changes continue to be recognised in income statement.
- (b) The financial assets classified as 'loans and receivables' have been classified as amortised cost.
- (c) Sukuk bonds are fully provided, however also classified from available for sale to at fair value through profit or loss.

ii. Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds.

iii. Transition

The changes in accounting policies resulting from adoption of IFRS 9 have been applied retrospectively except that comparative periods have not generally been restated. However, there is no impact of the changes in accounting policies on the Fund's financial position except for the classification of assets and liabilities of the comparative period.

NAFA MULTI ASSET FUND

4 USE OF ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual result may differ from these estimates.

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to annual financial statements as at and for the year ended 30 June 2018.

5 FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2018.

6 BANK BALANCES

	Note	31 December 2018 Unaudited (Rupees in '000)	30 June 2018 Audited
In current accounts		7,426	5,989
In savings accounts	6.1	673,472	723,765
Term deposit receipts - Short term	6.2	90,419	-
		<u>771,317</u>	<u>729,754</u>

6.1 These carry a rate of return ranging from 6.5% to 10.75% (30 June 2018: 3.75% to 7.50%) per annum.

6.2 This represents term deposits receipts placed with JS Bank Limited carrying markup rate of 10.9%, having maturity of 27 March 2019.

7 INVESTMENTS

Financial assets 'at fair value through profit or loss'

- Listed equity securities	7.1	715,233	744,286
- Term finance certificates - listed	7.2	-	-
- Term finance certificates - unlisted	7.3	110,037	116,869
- Sukuk bonds	7.5	-	-
		<u>825,270</u>	<u>861,155</u>

Amortised cost

- Term deposit receipt	7.6	-	86,094
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7.1 Equity securities - Listed

All shares have a nominal face value of Rs 10 each, except for shares of Thal Limited and Shabbir Tiles and Ceramics Limited which have a face value of Rs 5 and K Electric Limited which has a face value of Rs 4.

NAFA MULTI ASSET FUND

Name of the investee company	As at 1 July 2018	Purchases during the period	Bonus issue during the period	purchased/ subscribed during the period	Sales during the period	As at 31 December 2018	Market value / carrying value as at 31 December 2018	Market value as a percentage of net assets	Market value as a percentage of investments	of paid-up capital of the investee company held
	(Number of Shares)					(Rupees in '000)	(%)			
Oil & Gas Exploration Companies										
Oil and Gas Development Company Limited	220,096	109,600	-	-	113,600	216,096	27,660	0.02	0.03	0.01
Pakistan Oilfields Limited	32,369	13,300	5,954	-	16,000	35,623	15,133	0.01	0.02	0.01
Pakistan Petroleum Limited	181,084	103,000	27,868	-	82,600	229,352	34,325	0.02	0.04	0.01
Mari Petroleum Limited	27,200	-	2,116	-	8,440	20,876	25,800	0.02	0.03	0.02
	460,749	225,900	35,938	-	220,640	501,947	102,918	0.07	0.12	
Oil & Gas Marketing Companies										
Pakistan State Oil Company Limited (Refer 7.1.2)	41,182	73,000	8,236	Right shares	35,000	87,418	19,707	0.01	0.02	Percentage 0.02
Attock Petroleum Limited	18,951	-	2,310	-	7,400	13,861	5,981	-	0.01	0.01
Shell Pakistan Limited	36,300	-	-	-	36,300	-	-	-	-	-
Hascol Petroleum Limited (Refer 7.1.2)	565	11,000	2,891	-	-	14,456	2,145	-	-	0.01
Sui Northern gas Pipelines	108,500	66,000	-	-	39,500	135,000	10,404	0.01	0.01	0.02
	205,498	150,000	13,437	-	118,200	250,735	38,237	0.02	0.04	
Refinery										
Attock Refinery Limited	2,100	-	-	-	2,100	-	-	-	-	-
National Refinery Limited	-	16,000	-	-	-	16,000	4,572	-	0.01	0.02
	2,100	16,000	-	-	2,100	16,000	4,572	-	0.01	
Fertilizers										
Engro Fertilizers Limited	479,001	83,000	-	-	234,500	327,501	22,614	0.01	0.03	0.02
Fauji Fertilizer Bin Qasim Limited	37,500	192,500	-	-	21,000	209,000	7,789	-	0.01	0.02
Engro Corporation Limited	148,018	40,000	-	-	54,600	133,418	38,835	0.02	0.05	0.03
Dawood Hercules Corporation Limited	9,000	-	-	-	9,000	-	-	-	-	-
Fauji Fertilizer Company Limited	203,001	230,000	-	-	114,000	319,001	29,619	0.02	0.04	0.03
	876,520	545,500	-	-	433,100	988,920	98,857	0.05	0.13	
Chemicals										
Akzo Nobel Pakistan Limited	27,800	-	-	-	27,800	-	-	-	-	-
Descon Oxychem Ltd	-	1,046,000	-	-	991,000	55,000	1,585	-	-	0.05
Engro Polymer & Chemicals Limited	149,000	372,000	-	55,123	197,000	379,123	14,081	0.01	0.02	0.04
Engro Polymer & Chemicals Limited -Right	55,123	-	-	(55,123)	-	-	-	-	-	-
Lotte Chemical Pakistan Ltd	-	586,000	-	-	444,000	142,000	2,398	-	-	0.01
	231,923	2,004,000	-	-	1,659,800	576,123	18,064	0.01	0.02	
Cement										
Attock Cement Pakistan Limited	124,100	-	-	-	124,100	-	-	-	-	-
Cherat Cement Company Limited	82,800	-	-	-	-	82,800	5,767	-	0.01	0.05
D.G. Khan Cement Pakistan Limited	58,100	26,500	-	-	38,700	45,900	3,679	-	-	0.01
Fauji Cement Company Limited	50,500	-	-	-	50,500	-	-	-	-	-
Kohat Cement Company Limited	17,500	-	5,250	-	-	22,750	1,932	-	-	0.01
Lucky Cement Limited	22,764	29,300	-	-	17,200	34,864	15,154	0.01	0.02	0.01
Maple Leaf Cement Cement Factory Limited	44,000	509,500	-	-	205,000	348,500	14,167	0.01	0.02	0.05
Pioneer Cement Ltd	-	198,000	-	-	-	198,000	8,298	0.01	0.01	0.09
	399,764	763,300	5,250	-	435,500	732,814	48,997	0.03	0.06	
Automobile Parts & Accessories										
Thal Limited	13,186	-	-	-	13,175	11	5	-	-	-
	13,186	-	-	-	13,175	11	5	-	-	-
Textile Composite										
Azgard Nine Limited (Non-voting shares)	807,000	-	-	-	-	807,000	5,649	-	0.01	14.61
Gul Ahmed Textile Mills Ltd	-	467,500	-	-	32,000	435,500	20,107	0.01	0.02	0.12
Kohinoor Textile Mills Limited (Refer 7.1.2)	245,613	-	-	-	66,000	179,613	8,097	0.01	0.01	0.06
Nishat (Chunian) Limited	324,500	227,000	-	-	385,500	166,000	8,064	0.01	0.01	0.07
Nishat Mills Limited	98,700	25,500	-	-	18,800	105,400	13,336	0.01	0.02	0.03
	1,475,813	720,000	-	-	502,300	1,693,513	55,253	0.04	0.07	
Transport										
Pakistan National Shipping Corporation	7,000	-	-	-	7,000	-	-	-	-	-
	7,000	-	-	-	7,000	-	-	-	-	-

NAFA MULTI ASSET FUND

Name of the investee company	As at 1 July 2018	Purchases during the period	Bonus issue during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 31 December 2018	Market value / carrying value as at 31 December 2018	Market value as a percentage of net assets	Market value as a percentage of investments	Percentage of paid-up capital of the investee company held
	----- (Number of Shares) -----						(Rupees in '000)	----- (%) -----		
Technology & Communication										
Netsol Technologies Ltd	-	58,000	-	-	-	58,000	4,027	-	-	0.06
Systems Limited	-	49,500	-	-	-	49,500	5,439	-	0.01	0.04
	-	107,500	-	-	-	107,500	9,466	-	0.01	
VANASPATI AND ALLIED INDUSTRIES										
Unity Foods Limited	-	261,000	-	-	-	261,000	6,716	-	0.01	0.15
	-	261,000	-	-	-	261,000	6,716	-	0	
Engineering										
Amreli Steels Limited	66,600	-	-	-	66,600	-	-	-	-	-
Aisha Steel Ltd	-	220,000	-	-	220,000	-	-	-	-	-
International Steels Limited	143,500	57,600	-	-	101,000	100,100	6,584	-	0.01	0.02
International Industries Limited	61,000	54,300	-	-	63,000	52,300	8,057	0.01	0.01	0.04
Mughal Iron & Steel Industries	-	271,500	-	-	73,000	198,500	8,029	0.01	0.01	0.08
	271,100	603,400	-	-	523,600	350,900	22,670	0.02	0.03	
Power Generation & Distribution										
Kot Addu Power Company Limited	108,000	-	-	-	108,000	-	-	-	-	-
K-Electric Limited	250,000	1,320,000	-	-	250,000	1,320,000	7,841	0.01	0.01	-
Saif Power Limited	130,000	-	-	-	-	130,000	3,338	-	-	0.03
The Hub Power Company Limited	269,748	247,000	-	-	146,000	370,748	31,806	0.02	0.04	0.03
	757,748	1,567,000	-	-	504,000	1,820,748	42,985	0.03	0.05	
Commercial Banks										
Allied Bank Limited	319,300	-	-	-	57,000	262,300	28,190	0.02	0.03	0.02
Askari Bank Limited	562,500	-	-	-	348,500	214,000	5,119	-	0.01	0.02
Bank Al-falah Limited	740,500	109,000	81,550	-	-	931,050	37,791	0.02	0.05	0.05
Bank Al-Habib Limited	222,900	151,000	-	-	-	373,900	25,721	0.02	0.03	0.03
Bank of Punjab	-	856,500	-	-	-	856,500	10,252	0.01	0.01	0.03
Faysal Bank Limited (Refer 7.1.2)	846,597	-	-	-	618,500	228,097	5,490	-	0.01	0.02
Habib Bank Limited	243,380	138,000	-	-	106,500	274,880	33,109	0.02	0.04	0.02
Habib Metropolitan Bank Limited	81,000	-	-	-	81,000	-	-	-	-	-
MCB Bank Limited	86,500	37,100	-	-	32,000	91,600	17,731	0.01	0.02	0.01
Meezan Bank Limited	655	-	66	-	-	721	67	-	-	-
National Bank of Pakistan	-	67,000	-	-	-	67,000	2,816	-	-	-
United Bank Limited	152,191	114,200	-	-	-	266,391	32,670	0.02	0.04	0.02
	3,255,523	1,472,800	81,616	-	1,243,500	3,566,439	198,956	0.12	0.24	
Insurance										
Adamjee Insurance Co. Ltd	-	90,500	-	-	-	90,500	3,803	-	-	0.03
	-	90,500	-	-	-	90,500	3,803	-	-	
Glass and Ceramics										
Tariq Glass Industries Limited	171,000	30,000	-	-	73,500	127,500	11,118	0.01	0.01	0.17
Shabbir Tiles & Ceramics Ltd	51,500	-	-	-	51,500	-	-	-	-	-
	222,500	30,000	-	-	125,000	127,500	11,118	0.01	0.01	
Paper & Board										
Century Paper & Board Mills Ltd	255,400	-	-	-	110,000	145,400	8,042	0.01	0.01	0.10
Cherat Packaging Ltd	-	96,200	-	-	-	96,200	16,492	0.01	0.02	0.25
	255,400	96,200	-	-	110,000	241,600	24,534	0.02	0.03	
Food and Personal Care Products										
Al Shaheer Corporation Ltd	-	55,000	-	-	-	55,000	1,316	-	-	0.04
Fauji Foods Limited	-	254,000	-	-	-	254,000	7,691	-	0.01	0.05
Matco Foods Limited	-	140,000	7,000	-	140,000	7,000	194	-	-	0.01
	-	449,000	7,000	-	140,000	316,000	9,201	-	0.01	
Automobile Assembler										
Honda Atlas Cars (Pakistan) Ltd	-	25,000	-	-	-	25,000	4,414	-	0.01	0.02
Indus Motor Company Limited	6,820	-	-	-	3,800	3,020	3,683	-	-	-
Millat Tractors Ltd	5,250	4,700	-	-	2,420	7,530	6,265	-	0.01	0.02
	12,070	29,700	-	-	6,220	35,550	14,362	-	0.02	

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Name of the investee company	As at 1 July 2018	Purchases during the period	Bonus issue during the period	Right shares purchased/ subscribed during the period	Sales during the period	As at 31 December 2018	Market value / carrying value as at 31 December 2018	Market value as a percentage of net assets	Market value as a percentage of investments	Percentage of paid-up capital of the investee company held	
	(Number of Shares)						(Rupees in '000)	(%)			
Pharma And Biotech											
Abbott Lab (Pakistan) Limited.	7,700	-	-	-	7,700	-	-	-	-	-	
GlaxoSmithKline (Pakistan) Limited	16,600	-	-	-	16,600	-	-	-	-	-	
The Searle Company Limited	-	16,000	2,400	-	-	18,400	4,519	-	0.01	0.01	
	24,300	16,000	2,400	-	24,300	18,400	4,519	-	0.01		
Inv. Banks / Inv. Cos. / Securities Cos.											
Pakistan Stock Exchange Limited	148,454	-	-	-	148,454	-	-	-	-	-	
	148,454	-	-	-	148,454	-	-	-	-	-	
Miscellaneous											
Synthetic Products Limited	2,500	-	-	-	2,500	-	-	-	-	-	
	2,500	-	-	-	2,500	-	-	-	-	-	
Total - 31 December 2018	8,622,148	9,147,800	145,641	-	6,219,389	11,696,200	715,233	0.42	0.87		
Carrying value before fair value adjustment as at 31 December 2018							816,432				

7.1.1 Investments include shares with market value of Rs. 34.39 million (30 June 2018: Rs. 42.15 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 23 October 2007 issued by the SECP.

7.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the Company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Accordingly, the investee company(s) has withheld the shares equivalent to 5% of bonus announcement amounting to Rs. 1.19 million (30 June 2018: 1.093) and not yet deposited in CDC account of department of Income Tax.

7.2 Term finance certificates - listed

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

Name of the investee company	Number of certificates				As at 31 December 2018	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at 01 July 2018	Purchases during the period	Disposals during the period	As at 31 December 2018			
Saudi Pak Leasing Company Limited (note 7.2.1)	10,000	-	-	10,000	-	-	-
Provision for impairment losses as at 31 December 2018						27,547	

7.2.1 This represents investment in term finance certificates with original term of nine years. On 13 October 2011 the investee company defaulted on its obligation on account of principal and profit payment. The investee company rescheduled its term on 26 December 2011 with a new maturity in March 2017. The said TFCs complied with repayment terms since it was rescheduled and had been reclassified as performing as per criteria defined in circular no. 1 of 2009. However, the investee company again defaulted on its obligation on account of principal and profit payment for the month of April 2014 and was therefore declared as Non Performing Asset (NPA) since 30 April 2014. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

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7.3 Term finance certificates - unlisted

All term finance certificates have a face value of Rs 5,000 each unless stated otherwise

Name of the investee company	Number of certificates			As at 31 December 2018	As at 31 December 2018 Market value/ carrying value	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at 01 July 2018	Purchases during the period	Disposals during the period				
Jahangir Siddiqui and Company Limited	8,000	-	-	8,000	24,750	0.02	0.03
Jahangir Siddiqui and Company Limited	17,100	-	-	17,100	85,287	0.05	0.10
	<u>25,100</u>	<u>-</u>	<u>-</u>	<u>25,100</u>	<u>110,037</u>	<u>0.07</u>	<u>0.13</u>
Carrying value before fair value adjustment as at 31 December 2018					<u>111,869</u>		

7.3.1 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.

7.4 Significant terms and conditions of term finance certificates and sukuk outstanding at the period end are as follows:

	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Tenor	Secured / Unsecured	Rating
Listed term finance certificates							
Saudi Pak Leasing Company Limited	10,000	2,755	6.87% Fixed rate	13 March 2008	9 Years	Unsecured	Unrated
Unlisted term finance certificates							
Jahangir Siddiqui and Company Limited	8,000	3,125	6 Month KIBOR offer rate plus 1.65%	16 May 2016	5 years	Secured	AA+
Jahangir Siddiqui and Company Limited	17,100	5,000	6 Month KIBOR offer rate plus 1.40%	18 July 2017	5 years	Secured	AA+

7.5 Sukuk bonds - unlisted

All sukuk have a face value of Rs. 5,000

Name of the investee company	Number of certificates			As at 31 December 2018	As at 31 December 2018 Market value/ carrying value	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at 1 July 2018	Purchases during the period	Disposals during the period				
New Allied Electronics Industries (Private) Limited (note 7.6.1)	32,000	-	-	32,000	-	-	-
Eden Housing Limited (note 7.6.2)	10,000	-	-	10,000	-	-	-
Total as at 31 December 2018	<u>42,000</u>	<u>-</u>	<u>-</u>	<u>42,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Provision for impairment losses as at 31 December 2018					<u>19,844</u>		

7.5.1 This represents investment in privately placed sukuk with a term of five years. The investee company had defaulted on its obligation on account of principal and profit payment and accordingly has been classified as NPA by MUFAP since 9 January 2009. The amount of provision as per circular 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

7.5.2 This represents investment in privately placed sukuk bonds issued with a term of seven years. The issuer has defaulted its scheduled principal and profit payment and therefore it was classified as NPA by MUFAP. The amount of provision as per circular no 1 of 2009 and circular 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

7.5.3 This represents investment in privately placed sukuk bonds with a term of five years. On 6 May 2011, the issuer has defaulted its scheduled principal and profit payment and therefore it was classified as NPA by MUFAP. The amount of provision as per circular no. 1 of 2009 and circular no. 33 of 2012 has been maintained by valuing the investment in terms of the said circular.

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7.5.4 The sukus held by the Fund are generally secured against hypothecation of stocks and receivables and mortgage of fixed assets of the issuer.

7.5.5	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Tenor	Rating
Secured						
Unlisted sukuk						
New Allied Electronics Industries (Private) Limited	32,000	313	3 Month KIBOR offer rate plus 2.6%	27 July 2007	25 July 2016	Unrated
Eden Housing Limited	10,000	984	3 Month KIBOR offer rate plus 3%	31 March 2008	29 September 2016	Unrated

7.6 This represents term deposit receipts placed with JS Bank Limited carrying markup rate of 6.6% and having maturity of upto 28 March 2018.

7.7 **Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'**

	Note	31 December 2018	31 December 2017
		Unaudited	
		(Rupees in '000)	
Market value of investments	7.1	825,270	1,098,510
Less: Carrying value of investments	7.1	<u>(975,692)</u>	<u>(1,297,376)</u>
		(150,422)	(198,866)
Add: Provision against non-performing TFCs	7.8	<u>47,391</u>	<u>27,547</u>
		<u><u>(103,031)</u></u>	<u><u>(171,319)</u></u>

7.8 **Movement in provision against non-performing term finance certificates and sukuk bonds**

	31 December 2018	30 June 2018
	Unaudited	
	Audited	
	(Rupees in '000)	
Balance as at 1 July	47,391	47,391
Reversal of provision due to redemption of principal	-	-
Balance as at 31 December	<u><u>47,391</u></u>	<u><u>47,391</u></u>

8 **DIVIDEND AND PROFIT RECEIVABLE**

Dividend receivable on equity shares	80	2,143
Profit receivable on savings and term deposits	5,650	894
Income accrued on term finance certificates and sukus	<u>12,929</u>	<u>12,158</u>
Less: Income suspended over non-performing debt securities	<u>(9,188)</u>	<u>(9,188)</u>
	<u>3,741</u>	<u>2,970</u>
	<u><u>9,471</u></u>	<u><u>6,007</u></u>

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		31 December 2018	30 June 2018
		(Rupees in '000)	
	Note	Unaudited	Audited
9	PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Management remuneration	2,716	2,742
	Sindh Sales Tax	353	356
	Allocation of expenses related to registrar services, accounting, operation and valuation services	828	846
	Sales and transfer load	180	524
	Sindh Sales Tax on sales load	23	67
	Selling and marketing expense	2,407	-
		<u>6,507</u>	<u>4,535</u>
9.1	Under the revised Non-Banking Finance Companies & Notified Entities Regulations 2008, notified on 25 November 2015, the Management Company of the Fund is entitled to a remuneration of an amount not exceeding 2% of average annual net assets. Accordingly, the Management Company has charged its remuneration at the rate of 2% (30 June 2018: 2%) of the average annual net assets of the Fund.		
9.2	The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Management Company and sales load through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2011. During the period, Sindh Sales Tax at the rate of 13% (30 June 2018: 13%) was charged on management remuneration and sales load.		
9.3	In accordance with clause 60(s) of Non-Banking Finance Companies and Notified Entities Regulations, 2008 the management company is allowed to charge "fees and expenses related to registrar services, accounting, operation and valuation services related to CIS maximum up to 0.1% of average annual net assets of the Fund or actual whichever is less" from the mutual funds managed by it. Accordingly, such expense has been charged at the rate of 0.1% of average annual net assets of the Fund.		
9.4	As per Circular 5 of 2018 dated 4 June 2018 issued by SECP, the Asset Management Company is entitled to charge selling and marketing expense to Collective Investment Scheme at the rate of 0.4% per annum of net assets of Fund or actual expenses whichever is lower for initial three years. Accordingly, such expense has been charged effective from 20 August 2018 at the rate of 0.4% per annum of net assets of the Fund.		
10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
		31 December 2018	30 June 2018
		(Rupees in '000)	
		Note	Unaudited
			Audited
	Remuneration payable to the Trustee		222
	Sindh Sales Tax on remuneration of the Trustee	10.1	29
	Settlement charges		103
			<u>311</u>
			<u>353</u>
10.1	The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2015. During the period, Sindh Sales Tax at the rate of 13% (30 June 2018: 18%) was charged on trustee remuneration.		

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11 ACCRUED EXPENSES AND OTHER LIABILITIES		31 December 2018 Unaudited (Rupees in '000)	30 June 2018 Audited
	Note		
Provision for Sindh Workers' Welfare Fund	11.1	12,213	12,213
Federal excise duty on management remuneration	11.2	11,587	11,587
Federal excise duty on sales load	11.2	818	818
Auditors' remuneration		422	434
Settlement charges		19	31
Brokerage payable		485	195
Dividend payable to brokers		493	493
Legal and professional charges		26	60
Withholding Tax		150	132
Mutual fund rating fee		-	99
Others		257	292
		<u>26,470</u>	<u>26,354</u>

- 11.1 The Finance Act, 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act, 2008 are ultra-vires to the Constitution. The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated 10 November 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

Furthermore, the Sindh Revenue Board (SRB) had written to few mutual funds in January 2016 to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. MUFAP reviewed the issue and based on an opinion decided that SWWF is not applicable on mutual funds as they are not financial institutions as required by SWWF Act, 2014. MUFAP wrote to SRB that mutual funds are not establishments and are pass through vehicles hence, they do not have any worker and no SWWF is payable by them. SRB responded back that as mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, therefore SWWF is applicable on mutual funds. MUFAP has taken up this matter before the Sindh Finance Ministry to exclude mutual funds from SWWF.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds and considering the legal opinion obtained on these matters, MUFAP has recommended the following to all its members on 12 January 2017:

- based on legal opinion, the entire provision against the Federal WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017; and
- the provision in respect of Sindh WWF should be made on 12 January 2017 with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from 21 May 2015).

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 01 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs / mutual funds. The reversal of provision for WWF amounting to Rs. 20.023 million and a provision for SWWF of Rs. 11.619 million upto 12 January 2017 was made. Thereafter, the provision for SWWF is being made on a daily basis. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.1339 per unit (2018: Rs 0.1330).

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- 11.2 The status of Federal Excise Duty (FED) is same as disclosed in annual financial statements for the year ended 30 June 2018. Since the appeal is pending in the Supreme Court of Pakistan, the Management Company as a matter of abundant caution has retained provision for FED on management fee aggregating to Rs. 11.942 million out of which Rs. 0.355 million have been paid to the Management Company (30 June 2018: Rs. 11.942 million). Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Rs. 0.1309 (30 June 2018: Rs. 0.1300) per unit.

12 CONTINGENCY AND COMMITMENT

There was no contingency and commitment as at 31 December 2018 (30 June 2018: Nil).

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

The Securities and Exchange Commission of Pakistan (SECP) vide circular no. 7 of 2009 dated 6 March 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 Scheme'.

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

The following are the details of non-compliant investments:

Name of non-compliant investment	Non-compliance of clause	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Value as a percentage of net assets	Value as a percentage of gross assets
			(Rupees in '000)		----- (%) -----		
New Allied Electronic Industries (Private) Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Term finance certificates	10,000	(10,000)	-	-	-
Saudi Pak Leasing Company	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Term finance certificates	27,547	(27,547)	-	-	-
Eden Housing Limited	Rating is below A- (A minus) as prescribed in clause (iv) of circular 7 of 2009	Sukuks	9,844	(9,844)	-	-	-

- 13.1 At the time of purchase, these term finance certificates and sukuks bonds were in compliance with the aforementioned circular. However, they subsequently defaulted or were downgraded to non investment grade.

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

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14 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses, including government levies, incurred during the year divided by average net asset value for the year) is 3.13% per annum. Total expense ratio (excluding government levies) is 2.76% per annum.

15 TRANSACTIONS WITH CONNECTED PERSONS

15.1 Connected persons include NBP Fund Management Limited (NBP Funds) being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Baltoro Growth Fund being the sponsors, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, entities under common management or directorships, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company and unit holders holding 10 percent or more units of the Fund.

15.2 The transactions with connected persons are in the normal course of business, at contracted / agreed rates.

15.3 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.

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

15.5 Details of transactions with connected persons are as follows:

	<u>(Un-audited)</u>	
	31 December 2018	31 December 2017
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Remuneration of NBP Fund Management Limited - Management Company	16,567	17,810
Sindh Sales Tax on remuneration of the Management Company	2,154	2,315
Allocation of expenses related to registrar services, accounting, operation and valuation services	828	890
Sales Load	979	1,581
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,332	1,395
Sindh { Sindh Sales Tax on remuneration of Trustee	173	181
CDS charges	3	55
Employees of Management Company		
Units redeemed / transferred out Nil units (31 December 2017: 9,458 units)	-	171
Units issued / dividend re - invest Nil units (31 December 2017: 6 units)	-	0.1
NBP Employees Pension Fund		
Units held: Nil units (2017: 111,079 units)	-	2,016

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	(Un-audited)	
	31 December 2018	31 December 2017
	(Rupees in '000)	
Humayun Bashir - Directors		
Units issued / dividend re - invest Nil Units (2017: 315 units)	-	6
Byco Oil Pakistan Limited - Employee Provident Fund - Related Party		
Units issued / transferred in Nil units (31 December 2017: Nil units)	-	-
Byco Petroleum Pakistan Limited - Employee Provident Fund - Related		
Units redeemed / transferred out Nil units (31 December 2017: 1,045,171 units)	-	18,562
Units issued / dividend re - invest Nil units (31 December 2017: 3,294 units)	-	60
Taurus Securities Limited - Subsidiary of Parent Company		
Brokerage charges	54	37
Summit Bank Limited - Common Directorship		
Bank profit	1	1
National Bank of Pakistan		
Treasury bill	-	148,826
Askari Bank - Common Directorship		
Bank Profit	27	32
	31 December 2018	30 June 2018
	Unaudited	Audited
	(Rupees in '000)	
15.6 Amounts outstanding as at period end are as follows:		
NBP Fund Management Limited - Management Company		
Management remuneration	2,716	2,742
Sindh Sales Tax	353	356
Allocation of expenses related to registrar services, accounting, operation and valuation services	828	846
Sales load and sales tax payable	203	591
Selling and Marketing Expense	2,407	-
Employees of the Management Company		
Units held: 18,252 units (2018: 18,252 units)	314	329

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	31 December 2018 Unaudited (Rupees in '000)	30 June 2018 Audited
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	223	222
Sindh Sales Tax on remuneration of the Trustee	29	28
Settlement charges payable	59	103
Security deposit	100	100
Bank Islami Pakistan Limited		
Bank Balance in savings account	1	-
Askari Bank Limited		
Bank Balance in savings account	365	1,839
Ordinary shares held: 214,000 shares (2018: 562,500 shares)	5,119	12,302
National Bank of Pakistan		
Bank Balance in current account	4,993	3,446
NBP Employees Pension Fund		
Units held: 26,464,902 units (2018: 26,464,902 units)	454,638	476,591
Karachi Electric Provident Fund		
Units held: 34,224,720 units (2018: 34,224,720 units)	587,943	616,332
Summit Bank		
Bank Balance in current account	2,433	2,579
Bank Balance in saving account	37	-
International Steel Limited		
Ordinary shares held: 100,100 shares (2018: 143,500 shares)	6,854	14,570
International Industries Limited		
Ordinary shares held: 52,300 shares (2018: 61,000 shares)	8,057	14,170

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

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A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurement' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		31 December 2018							
		Carrying amount			Fair value				
		At fair value through profit and loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		----- (Unaudited) -----							
		----- (Rupees in '000) -----							
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investment									
- Equity securities - listed		715,233	-	-	715,233	715,233	-	-	715,233
- Term finance certificates - unlisted		110,037	-	-	110,037	-	110,037	-	110,037
		825,270	-	-	825,270	715,233	110,037	-	825,270
Financial assets not measured at fair value									
	16.1								
Bank balances		-	771,317	-	771,317	-	-	-	-
Dividend and profit receivable		-	9,471	-	9,471	-	-	-	-
Deposits and other receivable		-	2,850	-	2,850	-	-	-	-
		-	783,638	-	783,638	-	-	-	-
Financial liabilities not measured at fair value									
	16.1								
Payable to NBP Fund Management Limited - Management Company		-	-	6,507	6,507	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	311	311	-	-	-	-
Payable against purchase of investment		-	-	8,774	8,774	-	-	-	-
Payable against redemption of units		-	-	121	121	-	-	-	-
Accrued expenses and other liabilities		-	-	1,702	1,702	-	-	-	-
		-	-	17,415	17,415	-	-	-	-

NAFA MULTI ASSET FUND

30 June 2018							
Carrying amount				Fair value			
At fair value through profit and loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Audited)							
(Rupees in '000)							
On-balance sheet financial instruments							
Financial assets measured at fair value							
Investments							
- Equity securities - listed	744,286	-	744,286	744,286	-	-	744,286
- Term finance certificates - unlisted	116,869	-	116,869	-	116,869	-	116,869
	<u>861,155</u>	<u>-</u>	<u>861,155</u>	<u>744,286</u>	<u>116,869</u>	<u>-</u>	<u>861,155</u>
Financial assets not measured at fair value							
Bank balances	-	729,754	729,754	-	-	-	-
Dividend and profit receivables	-	6,007	6,007	-	-	-	-
Deposits and other receivable	-	2,850	2,850	-	-	-	-
Term deposit receipt	-	86,094	86,094	-	-	86,094	86,094
	<u>-</u>	<u>824,705</u>	<u>824,705</u>	<u>-</u>	<u>-</u>	<u>86,094</u>	<u>86,094</u>
Financial liabilities not measured at fair value							
Payable to NBP Fund Management Limited - Management Company	-	-	4,535	4,535	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	353	353	-	-	-
Accrued expenses and other liabilities	-	-	1,604	1,604	-	-	-
	<u>-</u>	<u>-</u>	<u>6,492</u>	<u>6,492</u>	<u>-</u>	<u>-</u>	<u>-</u>

16.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

17 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on February 25, 2019.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

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