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

NAFA ASSET ALLOCATION FUND

QUARTERLY REPORT SEPTEMBER 30 2015



Your investments & "NAFA" grow together




**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

NAFA ASSET ALLOCATION FUND

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 ASSET ALLOCATION FUND

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NAFA ASSET ALLOCATION FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

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

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

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

Human Resource and Remuneration Committee

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

Trustee

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

Bankers to the Fund

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
NIB Bank Limited
Soneri Bank Limited
United Bank Limited
National Bank of Pakistan
Summit Bank Limited
JS Bank Limited
The Bank of Panjab

NAFA ASSET ALLOCATION 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: 111-111NFA (111-111-632),
(Toll Free): 0800-20001,
Fax: (021) 35825329
Website: www.nafafunds.com

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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 ASSET ALLOCATION FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of **NAFA Asset Allocation Fund** for the quarter ended September 30, 2015.

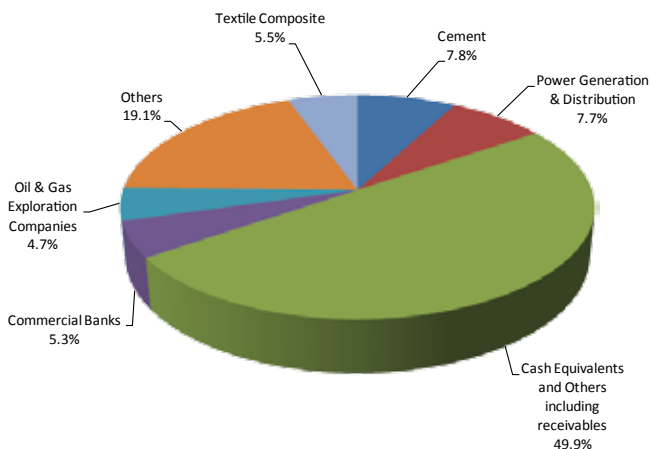
Fund's Performance

During the first quarter, the unit price of NAFA Asset Allocation Fund (NAAF) has decreased from Rs. 14.7819 (Ex-Div) on June 30, 2015 to Rs. 14.5196 on September 30, 2015, thus showing a decline of 1.77%. The Benchmark (1/3 of average 3-month bank deposit rate; 1/3 of 6-months KIBOR; 1/3 of KSE 30 Index) decline during the same period was 2.85%. Thus, the Fund has outperformed its Benchmark by 1.08% during the period under review. Since inception the NAV of the Fund has increased from Rs. 5.7860 (Ex-Div) on August 20, 2010 to Rs. 14.5196 on September 30, 2015, thus showing an increase of 150.94%. During the said period, the Benchmark increased by 69.52%, translating into outperformance of 81.42%. This performance is net of management fee and all other expenses. The Fund size of NAAF at the end of the period stood at Rs.1,561 million, 24.7% lower compared to the previous quarter.

During 1QFY16, the stock market depicted a decline amidst foreign outflows and depreciating currency. Positives like IMF tranche, declining inflation, 50 bps cut in discount rate, and declining oil prices were offset by continuous foreign selling in the market. The benchmark KSE-100 Index fell by 6.1% to 32,287 points. Oil & Gas Exploration and Oil & Gas Marketing sectors lagged the market. On the other hand Automobile & Parts, Cements, and Chemicals sectors performed better than the market.

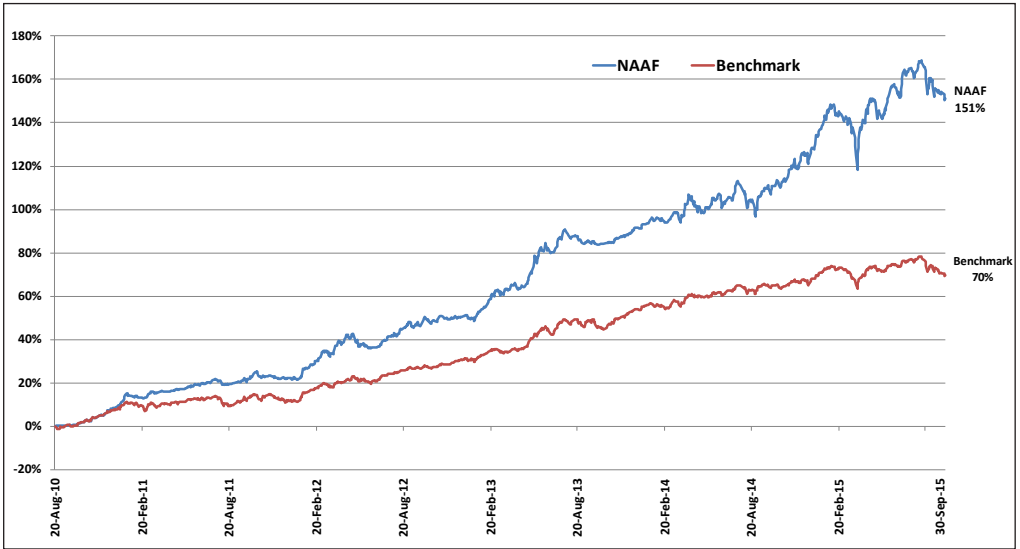
On the corporate debt sphere, trading activity in TFCs remains skewed towards the high quality issues. Dearth of primary issuance versus elevated demand further depressed the yield on the high credit quality corporate bonds. During the quarter under review, the State Bank of Pakistan reduced the discount rate by 50 bps to 6.5%. SBP alluded to following factors in arriving at its decision i) benign inflation readings and expectation ii) high real lending rates; and iii) comfortable external account position and (iv) improving law and order situation and macroeconomic stability. Sovereign securities responded to the loose monetary policy period with yields on the PIBs and T-bills declining. All TFCs/Sukuks in the Fund are floating rate linked to KIBOR with three to six month coupon resetting period.

The Fund has incurred loss of Rs.12.13 million during the period. After accounting for expenses of Rs.15.13 million, the total loss is Rs.27.26 million. The asset allocation of the Fund as on September 30, 2015 is as follows:



NAFA ASSET ALLOCATION FUND

NAAF Performance versus Benchmark (Since Inception)



Acknowledgement

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

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

On behalf of the Board of
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: October 21, 2015
Place: Karachi.

NAFA ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2015

	Note	(Un- Audited) September 30' 2015 (Rupees in '000)	Audited June 30, 2015
ASSETS			
Balances with banks		806,851	675,426
Investments	4	782,320	1,601,261
Dividend and profit receivable	5	11,141	6,738
Deposits, prepayments and other receivables		2,967	2,853
Receiveable against issue of units		10	2,774
Total assets		1,603,289	2,289,052
LIABILITIES			
Payable to the Management Company		20,019	21,331
Payable to Central Depository Company of Pakistan Limited - Trustee		241	274
Payable to the Securities and Exchange Commission of Pakistan		449	2,029
Payable against redemption of units		1,117	170,509
Accrued expenses and other liabilities	6	20,950	21,412
Total liabilities		42,776	215,555
NET ASSETS		1,560,513	2,073,497
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		1,560,513	2,073,497
CONTINGENCIES AND COMMITMENTS			
	7		
		(Number of units)	
NUMBER OF UNITS IN ISSUE		107,476,644	138,588,032
NET ASSET VALUE PER UNIT		14.5196	14.9616

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ASSET ALLOCATION FUND

CONDENSED INTERIM INCOME STATEMENT (Un Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Note	Quarter Ended September 30, 2015	Quarter ended September 30, 2014
		(Rupees in '000)	
INCOME			
Capital gain/(loss) on sale of investments - net		24,388	(14,059)
Income from term finance certificates		-	330
Income from Pakistan Investment Bonds		2	3,207
Profit on bank deposits		12,439	13,916
Dividend income		12,425	12,167
Net unrealised appreciation/(diminution) on re-measurement of investments classified as financial assets 'at fair value through profit or loss'		(51,195)	25,490
Total Income		(1,941)	41,051
EXPENSES			
Remuneration of the Management Company		9,442	9,858
Sindh Sales Tax on Management Company's remuneration		1,533	1,830
FED on Management Company's remuneration		1,511	1,577
Remuneration of Central Depository Company of Pakistan Limited - Trustee		723	745
Sindh Sales Tax on CDC Trustee's remuneration		101	-
Annual fee - Securities and Exchange Commission of Pakistan		449	468
Amortisation of preliminary expenses and floatation costs		-	51
Auditors' remuneration		162	146
Annual listing fee		10	10
Securities transaction cost		922	1,590
Mutual fund rating fee		43	50
Settlement and bank charges		233	278
Total Expenses		15,129	16,603
Net income from operating activities		(17,070)	24,448
Element of income/(loss) and capital gains /(losses) included in the prices of units issued less those in units redeemed		(10,185) (27,255)	-
Provision for Workers' Welfare Fund	8	-	(489)
Net (loss)/income for the period before taxation		(27,255)	23,959
Taxation	9	-	-
Net (loss)/income for the period after taxation		(27,255)	23,959
Earnings per unit	10		

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Quarter Ended September 30, 2015	Quarter ended September 30, 2014
	(Rupees in '000)	
Net income for the period after taxation	(27,255)	23,959
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>(27,255)</u>	<u>23,959</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive

For NBP Fullerton Asset Management Limited
(Management Company)

Director

NAFA ASSET ALLOCATION FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (Un Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Quarter Ended September 30, 2015	Quarter ended September 30, 2014
	(Rupees in '000)	
Undistributed income brought forward		
Realised income	380,144	160,976
Unrealised income	<u>234,597</u>	<u>44,129</u>
	614,741	205,105
Net income for the period after taxation	(27,255)	23,959
Final distribution during the period		
Final distributions 1.86% cash dividend (2014: Nil bonus units)		
-Cash distribution	(26,041)	-
Element of income and capital gains included in the prices of units issued less those in units redeemed		10,701
Undistributed income carried forward	<u>561,445</u>	<u>239,765</u>
Undistributed income comprising of :		
Realised income	612,640	214,275
Unrealised income / (loss)	(51,195)	25,490
	<u>561,445</u>	<u>239,765</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

Chief Executive

For NBP Fullerton Asset Management Limited
(Management Company)

Director

NAFA ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (Un Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Quarter Ended September 30, 2015	Quarter ended September 30, 2014
	(Rupees in '000)	
Net assets at the beginning of the period	2,073,497	1,916,901
Issue of 34,530,346 units (2014: 59,484,76 units including (Nil bonus units)	523,637	726,630
Redemption of 65,641,734 units (2014 : 52,400,049 units)	(993,510) (469,873)	(630,605) 96,025
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	(51,195)	25,490
Capital gain on sale of investments - net	24,388	(14,059)
Other net income for the period	(448) (27,255)	12,528 23,959
Element of income and capital gains included in the prices of units issued less those in units redeemed	-	(10,701)
Final distribution made during the period		
Final distributions 1.86% cash dividend (2014: Nil bonus units) - Cash distribution	(26,041)	-
Element of income and capital gains included in the prices of units issued less those in units redeemed	10,185	10,701
Net assets at the end of the period	1,560,513	2,036,885

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ASSET ALLOCATION FUND

CONDENSED INTERIM CASH FLOW STATEMENT (Un Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Quarter Ended September 30, 2015	Quarter ended September 30, 2014
(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)/income for the period	(27,255)	23,959
Adjustments for:		
Net unrealised appreciation/(diminution) on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	51,195	(25,490)
Amortisation of preliminary expenses and floatation costs	-	51
Element of income and capital gains included in the prices of units issued less those in units redeemed	10,185	-
	<u>34,125</u>	<u>(1,480)</u>
(Increase) / decrease in assets		
Investments	767,746	112,953
Receivable against sale of investments	-	(161,902)
Dividend and profit receivable	(4,403)	(4,518)
Deposits, prepayments and other receivable	(114)	(4,074)
	<u>763,229</u>	<u>(57,541)</u>
(Increase) / decrease in liabilities		
Payable to the Management Company	(1,312)	5,430
Payable to the Central Depository Company of Pakistan Limited - Trustee	(33)	10
Payable to the Securities and Exchange Commission of Pakistan	(1,580)	(959)
Payable against purchase of investments	-	(14,579)
Accrued expenses and other liabilities	(462)	1,336
	<u>(3,387)</u>	<u>(8,762)</u>
Net cash generated/(used)from operating activities	<u>793,967</u>	<u>(67,783)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units	526,401	726,606
Payments on redemption of units	(1,162,902)	(595,739)
Distributions paid	(26,041)	-
Net cash generated/(used)from financing activities	<u>(662,542)</u>	<u>130,867</u>
Net (decrease) / increase in cash and cash equivalents during period	<u>131,425</u>	<u>63,084</u>
Cash and cash equivalents at the beginning of the period	675,426	559,897
Cash and cash equivalents at the end of the period	<u><u>806,851</u></u>	<u><u>622,981</u></u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ASSET ALLOCATION FUND

NOTES TO AND FORMING PART OF THE CONDENSED FINANCIAL FINANCIAL STATEMENTS (Un Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Asset Allocation Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on June 29, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 14, 2010.

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

The Fund is an open-ended mutual fund and is listed on the Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering these to the Fund. The Fund is categorised as an Open-End "Asset Allocation Scheme" as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CIS).

The objective of the Fund is to generate income by investing in debt and money market securities and to generate capital appreciation by investing in equity and equity related securities. The Fund also undertakes transactions under margin trading system.

The Pakistan Credit Rating Agency (PACRA) has assigned Management Quality Rating of 'AM2+' to the Management Company as at April 6, 2015 and Fund Performance Rating MFR 3-Star (based on one year weighted average ranking), MFR 3-Star (based on three years weighted average ranking) as at August 13, 2015 for the year ended June 30, 2015.

Title of the assets of the Fund is held in the name of CDC as trustee of the Fund.

2 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail. The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'.

- 2.1 The directors of the Asset Management Company declare that these condensed interim financial statements give a true and fair view of the Fund.

3 Accounting Policies

The accounting policies adopted for the preparation of the condensed interim financial statements for the quarter ended September 30, 2015 are same as those applied in the preparation of annual audited financial statements for the year ended June 30, 2015.

NAFA ASSET ALLOCATION FUND

4 INVESTMENTS

At fair value through profit or loss:

	Note	Un-Audited September 30, 2015	Audited June 30, 2015
- Equity securities - listed	4.1	782,263	1,601,205
- Pakistan Investment Bonds	4.3	57	56
		<u>782,320</u>	<u>1,601,261</u>

4.1 Listed equity securities

Shares of Listed Companies - Fully paid ordinary of Rs. 10 each, except for Thal Limited which have a face value of Rs. 5 and K-Electric which have a face value of Rs. 3.5.

Name of the investee company	Number of shares					Market value as at September 30, 2015	Investment as a percentage of		
	As at July 01, 2015	Purchases during the period	Bonus / Right Issues	Sales during the period	As at September 30, 2015		Net assets	Market value of total investments	Paid up capital of the investee company
Oil and Gas						Rupees in '000	%		
Attock Petroleum Limited	22,200	-	-	7,000	15,200	7,604	0.49	0.97	0.02
Attock Refinery Limited	78,300	10,000	-	88,300	-	-	-	-	-
National Refinery Limited	17,300	-	-	17,300	-	-	-	-	-
Oil and Gas Development Company Limited	88,200	118,000	-	27,000	179,200	22,341	1.43	2.86	0.00
Pakistan Oilfields Limited	106,850	-	-	11,500	95,350	28,026	1.80	3.58	0.04
Pakistan Petroleum Limited	288,760	-	-	93,400	195,360	23,275	1.49	2.98	0.01
Pakistan State Oil Company Limited	140,020	-	-	83,000	57,020	16,444	1.05	2.10	0.02
HASCOL Petroleum Limited	14,628	-	226	13,500	1,354	162	0.01	0.02	0.00
Shell Pakistan Limited	120,000	-	-	119,300	700	137	0.01	0.02	0.00
Sui Northern Gas Pipelines Limited	-	522,000	-	111,000	411,000	12,918	0.83	1.65	0.06
Chemicals									
Engro Corporation Limited	501,100	-	-	359,600	141,500	42,221	2.71	5.40	0.03
Engro Fertilizers Limited	462,000	40,000	-	239,000	263,000	23,617	1.51	3.02	0.02
Industrial Engineering									
Crescent Steel & Allied Limited	185,000	-	-	185,000	-	-	-	-	-
International Industries Limited	342,500	-	-	61,500	281,000	17,987	1.15	2.30	0.23
Construction and Materials									
D.G. Khan Cement Company Limited	808,000	85,000	-	550,900	342,100	46,875	3.00	5.99	0.08
Lucky Cement Limited	201,700	7,500	-	138,700	70,500	37,133	2.38	4.75	0.02
Maple Leaf Cement Factory Limited	565,500	20,000	-	334,500	251,000	17,204	1.10	2.20	0.05
Pioneer Cement Limited	446,000	32,500	-	237,000	241,500	20,948	1.34	2.68	0.11
General Industries									
Thal Limited	214,400	-	-	43,400	171,000	43,263	2.77	5.53	0.21
Cherat Packaging Pakistan Limited	-	42,300	-	-	42,300	9,095	0.58	1.16	0.15
Industrial Transportation									
Pakistan National Shipping Corporation Limited	118,700	-	-	-	118,700	10,738	0.69	1.37	0.09
Personal Goods									
Nishat Mills Limited	315,100	195,900	-	198,600	312,400	31,018	1.99	3.96	0.09
Kohinoor Textile Mills Limited	999,446	-	-	219,000	780,446	55,060	3.53	7.04	0.32
Electricity									
The Hub Power Company Limited	878,500	-	-	524,500	354,000	34,777	2.23	4.45	0.03
Kot Addu Power Company Limited	1,289,000	-	-	684,000	605,000	57,324	3.67	7.33	0.07
K-Electric Limited	1,490,000	-	-	1,490,000	-	-	-	-	-
Pakgen Power Limited	-	54,000	-	54,000	-	-	-	-	-
Lalpir Power Limited	387,500	-	-	387,500	-	-	-	-	-
Saif Power Limited	1,289,000	-	-	441,500	847,500	27,586	1.77	3.53	0.22
Banks									
Allied Bank Limited	580,200	-	-	355,100	225,100	20,934	1.34	2.68	0.02
Bank Al-Falah Limited	-	618,000	-	57,500	560,500	13,973	0.90	1.79	0.04
Bank Al-Habib Limited	911,650	-	-	366,500	543,150	22,595	1.45	2.89	0.05
United Bank Limited	159,103	-	-	80,900	78,203	11,474	0.74	1.47	0.01
Faysal Bank Limited	27,125	-	-	-	27,125	411	0.03	0.05	0.00
Habib Metropolitan Bank Limited	749,500	-	-	716,000	33,500	969	0.06	0.12	0.00
Habib Bank Limited	63,567	-	-	63,500	67	13	0.00	-	0.00
Meezan Bank Limited	230,000	-	-	-	230,000	11,610	0.74	1.48	0.02
Paper and Board									
Century Paper and Board Mills Limited	88,500	-	-	88,500	-	-	-	-	-

NAFA ASSET ALLOCATION FUND

Name of the investee company	Number of shares					Market value as at September 30, 2015	Investment as a percentage of		
	As at July 01, 2015	Purchases during the period	Bonus / Right Issues	Sales during the period	As at September 30, 2015		Net assets	Market value of total investments	Paid up capital of the investee company
						Rupees in '000	----- % -----		
Automobile and Parts									
Honda Atlas Cars (Pakistan) Limited	71,500	-	-	71,500	-	-	-	-	-
Pak Suzuki Motor Company Limited	66,400	14,500	-	44,600	36,300	15,049	0.96	1.92	0.04
Baluchistan Wheels Limited	7,500	-	-	-	7,500	510	0.03	0.07	0.06
Ghandhara Nissan Limited	64,000	-	-	64,000	-	-	-	-	-
Indus Motor Company Limited	71,250	4,000	-	35,420	39,830	39,886	2.56	5.10	0.05
Pharma and Bio Tech									
Abbott Laboratories (Pakistan) Limited	22,400	-	-	22,400	-	-	-	-	-
Household Goods									
Tariq Glass Industries Limited	823,500	-	-	198,500	625,000	45,281	2.90	5.78	0.85
Pak Elektron Limited	352,000	44,000	-	204,500	191,500	13,806	0.88	1.75	0.05
Total as at Sep 30, 2015						782,263	50.13	99.99	
Carrying Value as at Sep 30, 2015						833,459			

4.2 The above investments include securities with market value aggregating to Rs.73.079 million (June 30, 2015: 81.485) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular no. 11 dated October 23, 2007 issued by SECP

4.3 Pakistan Investment Bonds

Issue date	Tenor	Face value				Market Value as at September 30, 2015	Investment as a percentage of	
		As at July 1, 2015	Purchases during the period	Sales during the period	As at September 30, 2015		Net Assets	Market Value of total investments
						-----Rupees in '000-----	----- % -----	
19 July, 2012	12.00/10 years	50	-	-	50	57	-	0.01
Total as at September 30, 2015						57	-	
Carrying Value as at September 30, 2015						56		

	(Un-audited) September 30, 2015	(Audited) June 30, 2015
	----- Rupees in '000 -----	

5 DIVIDEND AND PROFIT RECEIVABLE

Profit receivable on saving deposits	350	1,343
Dividend receivable	10,790	5,392
Profit receivable on Pakistan Investment Bonds	1	3
	<u>11,141</u>	<u>6,738</u>

6 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	631	468
Provision for Workers' Welfare Fund	18,638	18,637
Brokerage	172	295
Settlement charges	36	56
Printing charges	150	150
Others	1,323	1,806
	<u>20,950</u>	<u>21,412</u>

NAFA ASSET ALLOCATION FUND

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2015 and June 30, 2015.

8 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2015 incorporated an amendment in WWF Ordinance by excluding CIS from the definition of Industrial Establishment, and consequently CIS are no more liable to pay contribution to WWF with effect from July 1, 2015. Accordingly no further provision for WWF has recorded subsequent to June 30, 2015

However, without prejudice to the above and owing to the fact that the decision of Sindh High Court on the applicability of WWF (till June 30, 2015) to the CISs is currently pending for adjudication, the Management Company has decided to record and retain provision of WWF in financial statements for the quarter ended September 30, 2015 which aggregates to Rs. 18.638 million. Had the same not been made the net asset value per unit / return of the Fund would have been higher by 0.1734 per unit respectively.

9 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. The Fund has not recorded a provision for taxation in respect of income relating to the current year as subsequent to the year end the Management Company has decided to distribute the required minimum percentage of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders as detailed in note 28.

10 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

11 TRANSACTIONS WITH CONNECTED PERSONS

11.1 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 officers of the Management Company.

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

11.3 Remuneration and front-end load payable to the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

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

11.5 Details of transactions with connected persons are as follows:

	Un Audited Quarter ended September 30, 2015	Un Audited Quarter Ended September 30, 2014
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----- Rupees in '000 -----

NBP Fullerton Asset Management Limited - Management Company

Remuneration for the year / period	9,442	9,858
Sindh sales tax on remuneration	1,533	1,830
FED on remuneration	1,511	1,577
Front-end load	4,366	2,710

NAFA Employees Provident Fund

Bonus Units Issued : Nil units (2014: Nil units)	-	-
Dividend reinvest 8,990 units (2014: Nil units)	138	-

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the period	723	745
Sindh Sale Tax on Remuneration CDC Trustee	101	-
CDS charges	37	77

NAFA ASSET ALLOCATION FUND

	Un Audited Quarter ended September 30, 2015	Un Audited Quarter Ended September 30, 2014
	----- Rupees in '000 -----	
Employees of the Management Company		
Units Issued/ transfer in of 417,015 units (2014:76,158 units)	6,300	916
Units Redeemed / transfer out of 198,376 units (2014: 149,779 units)	3,003	1,798
Dividend reinvest 505 units (2014: Nil units)	8	-
Muhammad Murtaza Ali - Chief Operating Officer & Company Secretary		
Units Issued/ transfer in Nil units (2014: 12,020 units)	-	150
Dividend reinvest 649 units (2014: Nil units)	10	-
AAMIR SATTAR - DIRECTORS		
Dividend reinvest 901 units (2014: Nil units)	14	-
BYCO OIL PAKISTAN LIMITED - EMPLOYEE PROVIDENT FUND		
Units Issued/ transfer in 499,095 units (2014: Nil units)	7,707	-
Units Redeemed / transfer out 1,302,303 (2014: Nil units)	19,266	-
Dividend reinvest 20,441 units (2014: Nil units)	313	-
BYCO PETROLEUM PAKISTAN LIMITED - EMPLOYEE PROVIDENT FUND		
Units Issued/ transfer in Nil units (2014: Nil units)	-	-
Units Redeemed / transfer out 1,302,303 (2014: Nil units)	44,838	-
Dividend reinvest 35,187 units (2014: Nil units)	539	-
Taurus Securities Limited		
Brokerage expense	61	118
International Industries Ltd. Employees Provident Fund		
Units Redeemed / transfer out Nil units (2014: 674m442 units)	-	8,208
International Industries Ltd. Employees Gratuity Fund		
Units Issued/ transfer in Nil units (2014: 905,563 units)	-	10,882
Units Redeemed / transfer out Nil (2014: 1,085,938 units)	-	13,231
International Steel Ltd. Employees Provident Fund		
Units Issued/ transfer in Nil units (2014: 26,156 units)	-	313
Units Redeemed / transfer out Nil units (2014:359,998 units)	-	4,375
International Steel Ltd. Employees Gratuity Fund		
Units Issued/ transfer in Nil units (2014; 79,022 units)	-	950
Units Redeemed / transfer out Nil units (2014: 155,483 units)	-	1,908
Summit Bank Limited		
Bank Profit	15	36

NAFA ASSET ALLOCATION FUND

	Un Audited Quarter ended September 30, 2015	(Audited) June 30, 2015
	----- Rupees in '000 -----	
11.6 Amounts outstanding as at period end		
NBP Fullerton Asset Management Limited - Management Company		
Management fee payable	2,575	3,819
Sindh Sales Tax on remuneration of Management Company	418	664
FED on remuneration of Management Company	12,793	11,283
Sindh Sales Tax on Sale Load payable to Management Company	129	-
FED on Sale Load payable to Management Company	3,310	-
Sale load payable to Management Company	794	5,565
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	212	274
Sindh Sale Tax on CDC Trustee Remuneration payable	29	-
CDS charges payable	36	56
Security deposit	100	100
National Bank of Pakistan		
Balance in current account	4,900	4,570
Employees of the Management Company		
Investment held in the Fund 265,944 units (June 30, 2015: 46,800 units)	3,861	700
NAFA Employees Provident Fund		
Investment held in the Fund 749,241 units (June 30,2015: 740,251 units)	10,879	11,075
Muhammad Murtaza Ali - Chief Operating Officer & Company Secretary		
Investment held in the Fund 60,038 units (June 30, 2015: 59,389 units)	872	889
Aamir Sattar - Director		
Investment held in the Fund 83,352 units (June 30,2015: 82,451 units)	1,210	1,234
International Industries Limited (INIL)		
Investment held in the Fund Nil units (June 30,2015: 342,500 units)	-	22,996
Abbott Laboratories Pakistan Limited - Staff Pensis Fund		
Investment held in the Fund Nil units (June 30,2015: 20,474,195 units)	-	306,327
Summit Bank Limited		
Bank Balance	7,251	2983
Discretionary portfolio managed by the Management Company		
Byco Oil Pakistan Limited - Employee Provident Fund		
Investment held in the Fund Nil units (June 30, 2015: 1,184,148 units)	-	17,715
Byco Petroleum Pakistan Limited - Employee Provident Fund		
Investment held in the Fund Nil units (June 30, 2015: 2,897,317 units)	-	43,348
Amount receivable against issue of units from:		
NAFA Islamic Aggressive Income Fund	-	1,233
NAFA Riba Free Savings Fund	-	925
NAFA Financial Sector Income Fund	10	616

NAFA ASSET ALLOCATION FUND

	Un Audited Quarter ended September 30, 2015	(Audited) June 30, 2015
	----- Rupees in '000 -----	
Amount payable against redemption of units to:		
NAFA Stock Fund	-	60,637
NAFA Islamic Asset Allocation Fund	-	42,255
NAFA Money Market Fund	-	22,990
NAFA Government Securities Liquid Fund	-	22,636
NAFA Multi Asset Fund	-	9,457
NAFA Savings Plus Fund	-	3,893
NAFA Income Opportunity Fund	-	3,407
NAFA Government Securities Savings Fund	-	4,202

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 21 October, 2015.

13 GENERAL

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

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director



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

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