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

NAFA STOCK FUND

QUARTERLY REPORT MARCH 31 2016




Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

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 STOCK FUND

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NAFA STOCK 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
Summit Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Silk Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited
Dubai Islamic Bank Pakistan Limited
Sindh Bank Limited
JS Bank Limited
Zarai Taraqati Bank Limited
Bankislami Pakistan Limited
Burj Bank Limited

NAFA STOCK FUND

Auditors

Deloitte Yousuf Adil
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:

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

Multan Office:

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

NAFA STOCK FUND

DIRECTORS' REPORT

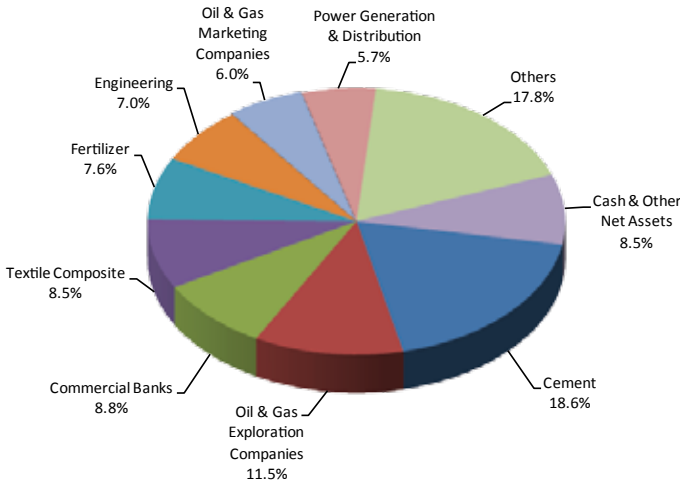
The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the unaudited financial statements of **NAFA Stock Fund** (NSF) for the period ended March 31, 2016.

Fund's Performance

The Fund size of NAFA Stock Fund has increased from Rs. 4,114 million to Rs. 6,173 million during the period, i.e. an increase of 50.05%. During the third quarter, the unit price of NAFA Stock Fund (NSF) has increased from Rs. 12.4007 on December 31, 2015 to Rs. 12.6503 on March 31, 2016, thus showing an increase of 2.01%. The Benchmark (KSE-30 Index – Total Return) for the same period increased by 1.60%. Thus, the Fund has outperformed its Benchmark by 0.41% during the period under review. For the nine months period ended March 31, 2016, the NAV of the Fund has decreased from Rs. 12.7128 (Ex-Div) on June 30, 2015 to Rs.12.6503 on March 31, 2016, thus showing a decrease of 0.49%. During the said period, the Benchmark decreased by 6.32%, translating into an outperformance of 5.83%. Since inception the NAV of the Fund has increased from Rs.3.1836 (Ex-Div) on January 19, 2007 to Rs.12.6503 on March 31, 2016, thus showing an increase of 297.36%. During the said period, the Benchmark increased by 65.04%, translating into outperformance of 232.32%. This performance is net of management fee and all other expenses.

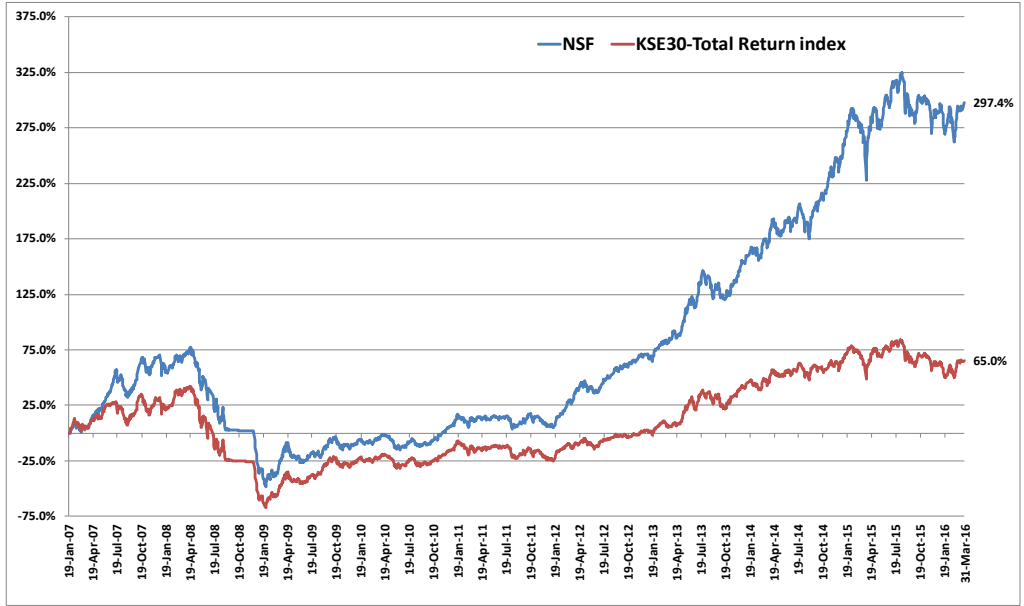
The stock market volatility remained elevated during the 3QFY16. The market started off the quarter on a weak note in January, posting -4.6% returns before taking a breather in February and finally making a strong recovery in March. Overall, the Benchmark KSE-100 Index increased by just 1.0% during the quarter, defying strong fundamentals of the economy such as sharp decline in inflation and subsequent cuts in discount rate; improving external account position and build-up in FX reserves; and attractive stock market valuations as reflected by significant discount to the historical averages and regional peers. Foreign investors remained large net sellers with outflows of USD100 million during the quarter, though slowdown in foreign selling was evident as the cumulative selling during the first two months stood at USD 89 million as compared with just USD 11 million in the third month. On the local side, NBFCs, Individuals, and Companies remained net buyers absorbing the foreign selling, which was largely concentrated in Banks and Fertilizers sectors. Towards the end of the quarter, MSCI also initiated consultation process for potential reclassification of Pakistan to Emerging Markets which garnered significant investor interest. The Index heavy Oil & Gas Exploration and Cement sectors outperformed the market whereas, Chemicals, Commercial Banks, and Fertilizer sectors underperformed during the period under review.

The Fund has earned total income of Rs.115.07 million during the period. After accounting for expenses of Rs.131.73 million, the net loss is Rs.16.66 million. The asset allocation of the Fund as on March 31, 2016 is as follows:



NAFA STOCK FUND

NSF Performance versus Benchmark (Since Inception)



Acknowledgement

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

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

On behalf of the Board of
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: April 29, 2016
Place: Karachi.

NAFA STOCK FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2016

	Note	Un-Audited March 31, 2016	Audited June 30, 2015
(Rupees in '000)			
Assets			
Balances with banks		633,771	394,840
Investments	4	5,644,941	3,653,345
Dividend and profit receivable		66,721	13,265
Advances, deposits, prepayments and other receivables		4,007	143,801
Total assets		6,349,440	4,205,251
Liabilities			
Payable to the Management Company		43,227	24,218
Payable to the Trustee		706	407
Payable to the Securities and Exchange Commission of Pakistan		3,981	2,755
Payable against purchase of investments		76,798	-
Accrued expenses and other liabilities		51,635	64,020
Total liabilities		176,347	91,400
Net assets		6,173,093	4,113,851
Unit holders' funds (As per Statement attached)		6,173,093	4,113,851
Contingencies and commitments	6		
(Number of units)			
Number of units in issue		487,981,502	307,726,184
-----Rupees-----			
Net asset value per unit		12.6503	13.3685

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

Note	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
(Rupees in '000)				
Income				
(Loss) / gain on sale of investments - net	(116,663)	140,514	(92,129)	73,951
Dividend Income	240,911	86,610	88,880	45,404
Profit on bank deposits	29,466	14,115	10,562	5,719
Unrealised (diminution) / appreciation on re-measurement of investments at "fair value through profit or loss - held for trading" - net	(133,768)	74,905	138,710	(249,400)
Total income / (loss)	19,946	316,144	146,023	(124,326)
Expenses				
Remuneration of NBP Fullerton Asset Management Limited Management Company	83,810	38,662	29,090	17,729
Sindh sales tax on remuneration of the Management Company	13,611	6,727	4,724	3,085
Federal Exercise Duty on Remuneration of Management Company	13,410	6,186	4,655	2,837
Remuneration to Central Depository Company of Pakistan Limited- Trustee	4,942	2,684	1,703	1,133
Allocated expenses	2,032	-	1,455	-
Sales Tax on remuneration of the Trustee	692	-	239	-
Annual fee - Securities and Exchange Commission of Pakistan	3,981	1,836	1,382	842
Securities transaction costs	7,462	4,112	1,700	1,675
Settlement and bank charges	1,123	629	357	261
Auditors' remuneration	452	402	124	89
Fund rating fee	130	121	45	36
Legal and professional charges	-	37	-	12
Annual listing fee	30	30	10	10
Printing charges	50	18	-	-
Total expenses	131,725	61,444	45,484	27,709
Net (loss) / income from operating activities	(111,779)	254,700	100,539	(152,035)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	95,122	-	18,963	-
(Provision) / Reversal for Worker's Welfare Fund	5	(5,094)	-	3,041
Net (loss) / income for the period before taxation	(16,657)	249,606	119,502	(148,994)
Taxation	7	-	-	-
Net (loss) / income for the period after taxation	(16,657)	249,606	119,502	(148,994)

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	<u>Nine Months Ended</u>		<u>Quarter Ended</u>	
	<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>	<u>March 31,</u>
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	(Rupees in '000)			
Net (loss) / income for the period after taxation	(16,657)	249,606	119,502	(148,994)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(16,657)</u>	<u>249,606</u>	<u>119,502</u>	<u>(148,994)</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	(Rupees in '000)			
Accumulated income brought forward	1,115,357	108,917	765,700	596,074
Final distribution for the year ended June 30, 2015: 6.842% (2014: Nil)				
- Bonus units	-	-	-	-
- Cash Distribution	(213,498)	-	-	-
Element of income / (loss) and capital gains / (losses) redeemed included in prices of units issued less those in units redeemed	-	208,632	-	120,075
Net (loss) / income for the period	(16,657)	249,606	119,502	(148,994)
Accumulated income carried forward	<u>885,202</u>	<u>567,155</u>	<u>885,202</u>	<u>567,155</u>
Undistributed income carried forward comprising of:				
- realized income	1,018,970	492,250	746,492	816,555
- unrealized (loss) / income	(133,768)	74,905	138,710	(249,400)
	<u>885,202</u>	<u>567,155</u>	<u>885,202</u>	<u>567,155</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	(Rupees in '000)			
Net assets at the beginning of the period	4,113,851	1,804,655	5,950,813	2,854,116
Issue of 422,908,510 units (2015: 248,028,569 units)	5,426,403	2,960,855	1,297,339	1,406,518
Redemption of 242,653,192 units (2015: 161,268,326 units)	(3,041,884)	(1,876,116)	(1,175,598)	(972,640)
	2,384,519	1,084,739	121,741	433,878
Net element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed transferred to income statement	(95,122)	-	(18,963)	-
Net element of income and capital gains included in the prices of units issued less those in units redeemed transferred to distribution statement	-	(208,632)	-	(297,190)
Total comprehensive (loss) / income for the period	(16,657)	249,606	119,502	(148,994)
Final distribution for the year ended June 30, 2015: 6.842% (2014: Nil)				
- Bonus units	-	-	-	-
- Cash distribution	(213,498)	-	-	-
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed - net	-	208,632	-	297,190
Net assets as at the end of the period	6,173,093	3,139,000	6,173,093	3,139,000

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	(Rupees in '000)			
CASH FLOW FROM OPERATING ACTIVITIES				
Net (loss) / income for the period before taxation	(16,657)	249,606	119,502	(148,994)
Adjustments				
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(95,122)	-	(18,963)	-
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	133,768	(74,905)	(138,710)	249,400
	21,989	174,701	(38,171)	100,406
Decrease / (increase) in assets				
Receivable against sale of investments	-	(56,411)	-	(56,411)
Investments - net	(2,125,364)	(1,184,593)	(85,226)	(469,679)
Dividend and profit receivable	(53,456)	(33,817)	(58,936)	(36,116)
Advances, deposits, prepayments and other receivables	139,794	15,257	(958)	68,856
	(2,039,026)	(1,259,564)	(145,120)	(493,350)
Increase / (decrease) in Liabilities				
Payable to the Management Company	19,009	14,657	2,578	2,249
Payable to the Trustee	299	177	57	82
Payable to Securities and Exchange Commission of Pakistan	1,226	629	1,382	842
Payable against purchase of investments	76,798	(83,061)	76,798	(15,980)
Accrued expenses and other liabilities	(12,385)	5,040	(5,829)	(3,004)
	84,947	(62,558)	74,986	(15,811)
Net cash (used in) operating activities	(1,932,090)	(1,147,421)	(108,305)	(408,755)
CASH FLOW FROM FINANCING ACTIVITIES				
Net receipts from issue of units	5,426,403	2,960,855	1,297,339	1,406,518
Net payments on redemption of units	(3,041,884)	(1,874,954)	(1,168,570)	(971,415)
Distribution paid	(213,498)	-	-	-
Net cash generated from financing activities	2,171,021	1,085,901	128,769	435,103
Net increase / (decrease) in cash and cash equivalents during the period	238,931	(61,520)	20,464	26,348
Cash and cash equivalents at the beginning of the period	394,840	277,573	613,307	189,705
Cash and cash equivalents at the end of the period	633,771	216,053	633,771	216,053

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA STOCK FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

The NAFA Stock Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited, a company incorporated under the Companies Ordinance, 1984, as Management Company and Central Depository Company of Pakistan Limited (CDC), also incorporated under the Companies Ordinance, 1984, as Trustee. The Trust Deed was executed on December 06, 2006 and was authorised by the Securities and Exchange Commission of Pakistan (SECP) on December 20, 2006 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered and principal 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 MUFAP.

The Fund is an open-ended mutual fund categorized as an equity scheme and its units are listed on the Lahore Stock Exchange (now Pakistan Stock Exchange). The units of the Fund are offered for public subscription on a continuous basis. These units are transferable and can be redeemed by surrendering them to the Fund.

The core objective of the Fund, is to provide investors with long term capital growth from an actively managed portfolio invested primarily in listed companies in Pakistan.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM2+' to the Management Company and has assigned short term and long term stability ratings of "5 Star" to the Fund.

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

2 BASIS OF PREPARATION

2.1 Statement Of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) 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 SECP prevail.

The disclosures made in this condensed interim financial information have been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2015.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2016.

3 SIGNIFICANT ACCOUNTING POLICIES

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

NAFA STOCK FUND

4 INVESTMENTS

(Un-audited) (Audited)
March 31, June 30,
2016 2015
(Rupees in '000)

At fair value through profit or loss - held for trading

- Listed equity securities	4.1	5,644,941	3,653,345
		5,644,941	3,653,345

4.1 Investments in shares of listed companies at fair value through profit or loss

Name of the investee company	Number of shares					Market value as at March 31, 2016	Investment as a percentage of		
	As at July 01, 2015	Purchases during the period	Bonus / Right Issue	Sales during the period	As at March 31, 2016		Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of investee company held
SHARES OF LISTED COMPANIES - Fully paid ordinary shares of Rs.10 each unless stated otherwise						Rupees in '000	-----%-----		
OIL AND GAS									
National Refinery Limited	184,200	43,800	-	184,200	43,800	11,848	0.19	0.21	0.05
Attock Petroleum Limited	104,950	-	-	-	104,950	45,217	0.73	0.80	0.13
Hascol Petroleum Limited	271,335	-	507	268,800	3,042	427	0.01	0.01	0.00
Shell Pakistan Limited	222,100	24,800	-	1,500	245,400	66,270	1.07	1.17	0.23
Mari Petroleum Company Limited	-	295,050	-	43,200	251,850	176,917	2.87	3.13	0.23
Oil & Gas Development Company Limited	208,881	2,406,300	-	804,800	1,810,381	207,180	3.36	3.67	0.04
Pakistan Oilfields Limited	248,130	803,100	-	355,800	695,430	179,428	2.91	3.18	0.29
Pakistan Petroleum Limited	536,425	1,704,700	-	1,075,900	1,165,225	149,289	2.42	2.64	0.06
Pakistan State Oil Company Limited	457,267	503,100	-	233,100	727,267	255,445	4.14	4.53	0.27
Attock Refinery Limited	195,500	762,500	-	560,800	397,200	91,503	1.48	1.62	0.47
CHEMICALS									
Fauji Fertilizer Company Limited	230,100	1,055,200	-	1,285,300	-	-	-	-	-
Engro Fertilizers Limited	1,228,500	2,165,500	-	1,029,000	2,365,000	164,344	2.66	2.91	0.18
Engro Corporation Limited	1,095,285	491,600	-	628,800	958,085	302,467	4.90	5.36	0.18
Automobile & Parts									
Ghandhara Nissan Limited	302,000	-	-	302,000	-	-	-	-	-
Indus Motor Company Limited	147,000	72,780	-	54,560	165,220	156,503	2.54	2.77	0.21
Honda Atlas Cars (Pakistan) Limited	289,500	22,600	-	312,100	-	-	-	-	-
Baluchistan Wheels Limited	87,000	-	-	-	87,000	6,960	0.11	0.12	0.65
Pak Suzuki Motor Company Limited	69,700	114,300	-	8,500	175,500	72,264	1.17	1.28	0.21
FORESTRY (PAPER AND BOARD)									
Century Paper & Board Mills Limited	299,500	-	-	299,500	-	-	-	-	-
Industrial Metals and Mining									
Crescent Steel and Allied Products Limited	54,500	-	-	54,500	-	-	-	-	-
Mughal Iron and Steel Industries Limited	-	1,453,000	122,250	181,500	1,393,750	95,374	1.54	1.69	1.11
International Steels Limited	-	5,081,000	-	-	5,081,000	147,705	2.39	2.62	1.17
International Industries Limited	1,052,500	1,844,000	-	-	2,896,500	189,808	3.07	3.36	2.42
CONSTRUCTION AND MATERIALS									
Akzo Nobel Pakistan Limited	94,300	-	-	-	94,300	18,193	0.29	0.32	0.20
D.G. Khan Cement Company Limited	2,234,500	1,828,100	-	2,334,700	1,727,900	300,344	4.87	5.32	0.39
Attock Cement (Pakistan) Limited	-	607,600	-	-	607,600	123,951	2.01	2.20	0.53
Kohat Cement Limited	37,600	-	-	37,600	-	-	-	-	-
Lucky Cement Limited	381,233	230,900	-	220,900	391,233	210,526	3.41	3.73	0.12
Fauji Cement Company Limited	-	4,726,500	-	25,000	4,701,500	197,040	3.19	3.49	0.35
Fecto Cement Limited	313,500	285,500	-	-	599,000	59,672	0.97	1.06	1.19
Pioneer Cement Limited	558,500	985,500	-	262,500	1,281,500	126,766	2.05	2.25	0.56
Maple Leaf Cement Limited	989,000	865,000	-	796,000	1,058,000	97,558	1.58	1.73	0.20
Thatta Cement Company Limited	1,250,000	-	-	-	1,250,000	33,813	0.55	0.60	1.25
GENERAL INDUSTRIALS									
Thal Limited	260,989	136,900	-	-	397,889	101,347	1.64	1.80	0.49
Tri-Pack Films Limited	-	129,500	35,724	7,700	157,524	29,813	0.48	0.53	0.53
Cherat Packaging Limited	17,592	274,600	15,482	68,500	239,174	65,601	1.06	1.16	0.81
Household Goods									
Tariq Glass Industries Limited	1,465,000	372,000	-	50,000	1,787,000	100,966	1.64	1.79	2.43
ENGINEERING									
K.S.B. Pumps Limited	6,000	-	-	-	6,000	1,170	0.02	0.02	0.05

NAFA STOCK FUND

Name of the investee company	Number of shares				Market value as at March 31, 2016	Investment as a percentage of			
	As at July 01, 2015	Purchases during the period	Bonus / Right Issue	Sales during the period		As at March 31, 2016	Market value as a percentage of net assets	Market value as a percentage of total investment	Paid up capital of investee company held
SHARES OF LISTED COMPANIES - Fully paid ordinary shares of Rs.10 each unless stated otherwise					Rupees in '000	------%-----			
PERSONAL GOODS									
Azgard Nine Limited (Non-voting)	806,400	-	-	-	806,400	5,645	0.09	0.10	14.60
Nishat Chunian Limited	484,800	398,000	-	400,000	482,800	15,961	0.26	0.28	0.13
Kohinoor Textile Mills Limited	2,171,000	509,000	387,000	100,000	2,967,000	209,975	3.40	3.72	1.21
Sapphire Fibres Limited	32,100	-	-	-	32,100	18,133	0.29	0.32	0.16
Nishat Mills Limited	583,200	2,405,200	-	150,000	2,838,400	271,947	4.41	4.82	0.81
FIXED LINE TELECOMMUNICATION									
Pakistan Telecommunication Company Limited *A	-	8,748,500	-	1,906,500	6,842,000	102,767	1.66	1.82	0.18
ELECTRICITY									
The Hub Power Company Limited	1,695,066	140,000	-	913,000	922,066	96,393	1.56	1.71	0.08
Kot Addu Power Company Limited	1,808,500	352,500	-	138,500	2,022,500	156,076	2.53	2.76	0.23
Lalpur Power Limited	1,719,500	-	-	1,719,500	-	-	-	-	-
Pakgen Power Limited	-	2,373,500	-	148,000	2,225,500	60,044	0.97	1.06	0.60
Saif Power Limited	1,322,000	-	-	-	1,322,000	38,008	0.62	0.67	0.34
COMMERCIAL BANKS									
Allied Bank Limited	1,219,501	166,600	-	43,700	1,342,401	123,501	2.00	2.19	0.12
Bank Alfalah Limited	1,263,500	3,838,000	-	908,000	4,193,500	104,460	1.69	1.85	0.26
Bank Al-Habib Limited	2,297,150	1,404,500	-	13,500	3,688,150	147,969	2.40	2.62	0.33
Faysal Bank Limited	38,075	-	-	-	38,075	539	0.01	0.01	0.00
Habib Metropolitan Bank Limited	671,000	-	-	671,000	-	-	-	-	-
Meezan Bank Limited	197,752	511,000	-	-	708,752	29,768	0.48	0.53	0.07
Silk Bank Limited	-	4,250,000	-	-	4,250,000	7,140	0.12	0.13	0.16
United Bank Limited	348,240	478,400	-	189,000	637,640	96,424	1.56	1.71	0.05
Habib Bank Limited	173,463	304,700	-	278,000	200,163	34,336	0.56	0.61	0.01
EQUITY INVESTMENT INSTRUMENTS									
Sindh Modaraba	1,337,000	-	-	-	1,337,000	4,145	0.07	0.07	2.97
MULTIUTILITIES (GAS AND WATER)									
Sui Southern Gas Company Limited	-	6,128,500	-	6,128,500	-	-	-	-	-
Sui Northern Gas Pipelines Limited	291,000	3,781,000	-	4,072,000	-	-	-	-	-
PHARMA AND BIO TECH									
Abbott Laboratories (Pakistan) Limited	36,900	-	-	-	36,900	24,433	0.40	0.43	0.04
The Searle Company Limited	-	27,700	2,770	-	30,470	13,391	0.22	0.24	0.02
Ferozsons Laboratories Limited	29,000	-	-	-	29,000	25,369	0.41	0.45	0.10
GlaxoSmithKline (Pakistan) Limited	52,000	-	-	-	52,000	12,606	0.20	0.22	0.02
FOOD & PERSONAL CARE PRODUCTS									
Al Shaheer Corporation Limited	-	585,000	204,750	-	789,750	42,212	0.68	0.75	0.64
Shezan International Limited	-	36,700	-	-	36,700	18,027	0.29	0.32	0.46
CABLE AND ELECTRIC GOODS									
Pak Elektron Limited	901,500	1,917,000	312,625	1,450,000	1,681,125	101,658	1.65	1.80	0.42
Technology Hardware & Equipment									
Avanceon Limited	1,050,000	969,500	-	200,500	1,819,000	61,319	0.99	1.09	1.72
INDUSTRIAL TRANSPORTATION									
Pakistan National Shipping Corporation	171,500	347,600	-	-	519,100	36,984	0.60	0.66	0.39
					74,715,712	5,644,941	91.44	100.00	
Carrying value as at March 31, 2016					5,778,709				

* All shares have a nominal face value of Rs 10 each except for shares of Thal Limited and K-Electric Limited which have a face value of Rs 5 and Rs. 3.5 each respectively.

4.2 Investments include shares with market value of Rs 89.051 million (June 30, 2015: Rs 86.965 milion) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular number 11 dated October 23, 2007 issued by the SECP.

NAFA STOCK FUND

5 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 ("WWF Ordinance"). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds ("CISs") whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2012, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Honourable Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in the WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the Court. In a recent judgment, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the Constitution. Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 47.575 million in these condensed interim financial information. Had the same not been made the net asset value per unit of the Fund as at March 31, 2016 would have been higher by Rs 0.0975 per unit.

The Finance Act, 2015 has excluded Collective Investment Schemes (CISs) from the definition of 'industrial establishment' subject to WWF under the WWF Ordinance, 1971. Accordingly, the Management Company has discontinued further provisioning of WWF with effect from 1 July 2015. However, provision made till 30 June 2015 has not been reversed as the above law suit is still pending before the Sindh High Court (SHC).

6. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2016 and June 30, 2015.

7 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 ninety percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management intends to distribute atleast 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision for taxation has been made in this condensed interim financial information.

The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

8 TRANSACTIONS WITH CONNECTED PERSONS

- 8.1 Connected persons include NBP Fullerton Asset Management Limited being the Management Company, associated companies of the Management Company, Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan (NBP) and Alexandra Fund Management Pte. Limited being the sponsors, NAFA Provident Fund Trust, other collective investment schemes managed by the Management Company and directors and officers of the Management Company.
- 8.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 8.3 Remuneration and front - end load payable to the Management Company and remuneration payable to the Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

NAFA STOCK FUND

8.4 Transactions during the period

	----- (Un-audited) -----			
	Nine Months Ended March 31, 2016	March 31, 2015	Quarter Ended March 31, 2016	March 31, 2015
	(Rupees in '000)			
NBP Fullerton Asset Management Limited - Management Company				
Remuneration of the Management Company	83,810	38,662	29,090	17,729
Sindh sales tax on remuneration of the Management Company	13,611	6,727	4,724	3,085
Front-end Load	11,044	7,109	961	2,131
Allocated expenses	2,032	-	1,455	-
Federal Excise Duty on remuneration of Management Company	13,410	6,186	4,655	2,837
National Bank of Pakistan - Sponsor				
Shares purchased : Nil (March 31, 2015 : 78,000 shares)	-	4,778	-	-
Shares sold : Nil (March 31, 2015: 1,677,984 shares)	-	101,014	-	31
Employees of the Management Company				
Units issued / transferred in : 1,331,130 units (March 31, 2015 : 3,532,629 units)	16,896	40,876	3,759	16,988
Units redeemed / transferred out : 1,424,184 units (March 31, 2015 : 3,235,098 units)	18,136	37,449	5,876	14,582
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of trustee	4,942	2,684	1,703	1,133
Sales tax on remuneration of trustee	692	-	239	-
CDS Charges	364	172	96	28
Chief Executive Officer				
Units Issued / transferred in: 441,913 units (March 31, 2015: 1,871,009 units)	5,670	22,484	-	6,500
Units redeemed / transferred out 300,723 units; March 31, 2015 : 1,372,638 units)	3,708	18,352	2,208	18,352
Mr Kamal A Chinoy - Director				
Units Issued / transferred in: 37,529 units (March 31, 2015: 808,468 units)	498	10,926	-	10,926
NAFA Provident Fund Trust - Provident Fund				
Units Issued / transferred in : 289,366 units (March 31, 2015: 378,146 units)	46,311	3,895	45,751	3,895
Units redeemed / transferred out : 150,077 units (March 31, 2015: 2,170,799 units)	1,766	24,837	1,766	23,837
NBP Employees Pension Fund				
Units issued / transferred in: 2,633,779 units (March 31, 2015: Nil)	34,979	-	-	-
Taurus Securities Limited				
Brokerage	359	289	68	59

NAFA STOCK FUND

8.5 Balances outstanding as at period / year end	As at Mar 31, 2016 Un-Audited (Rupees in '000)	As at June 30, 2015 Audited
NBP Fullerton Asset Management Limited - Management Company		
Remuneration payable to Management Company	10,180	6,489
Allocated expenses payable	2,032	-
Front end load payable	1,210	3,591
Sales tax payable on management remuneration and front end load	1,838	1,129
Federal Excise Duty on management remuneration and front end load	29,999	13,009
National Bank of Pakistan - Sponsor		
Deposits held by the Fund with the Sponsor	3,162	2,582
Employees of the Management Company		
Investment held in the Fund: 371,515 units (June 30, 2015: 453,866 units)	4,700	6,068
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	594	407
Sindh Sales Tax on remuneration of the Trustee	83	-
CDS charges payable	29	30
Security deposit	100	100
NAFA Employee Provident Fund - Provident Fund		
Investment held in the Fund: 999,623 units (June 30, 2015: 818,183 units)	12,646	10,938
NBP Employees Pension Fund - Pension Fund of the Sponsor		
Investment held in the Fund: 53,758,056 units (June 30, 2015: 51,124,276 units)	680,056	683,455
Jubilee Life Insurance Company Limited		
Investment held in the Fund: 5,821,279 units (June 30, 2015: Nil units)	73,641	-
Chief Executive Officer of the Management Company		
Investment in the Fund: 216,429 units (June 30, 2015: 75,239 units)	2,738	1,006
Company Secretary / COO		
Investment in the Fund: 11,329 units (June 30, 2015: 10,840 units)	143	145
Mr. Kamal A Chinoy - Director		
Investment in the Fund: 870,076 units (June 30, 2015: 832,547 units)	11,007	11,130
Summit Bank Limited (Common Directorship)		
Bank Balance	11,720	3,533
Byco Oil Pakistan Limited - Employees Provident Fund		
Investment in the Fund: 434,384 units (June 30, 2015: 964,133 units)	5,495	12,889
Byco Petroleum Pakistan Limited - Employees Provident Fund		
Investment in the Fund: 3,223,125 units (June 30, 2015: 1,747,438 units)	40,773	23,361
Taurus Securities Limited (Subsidiary of Parent Company)		
Brokerage payable	3	-

NAFA STOCK FUND

	As at Mar 31, 2016 Un-Audited (Rupees in '000)	As at June 30, 2015 Audited
International Steels Limited (Common Directorship)		
Ordinary shares held: 5,081,000 (June 30, 2015: Nil shares)	147,705	-
Cherat Packaging Limited (Common Directorship)		
Ordinary shares held: 239,174 (June 30, 2015: 17,592)	65,601	3,319
International Industries Limited		
Ordinary shares held: 2,896,500 (June 30, 2015: 1,052,500)	189,808	70,665
Net amount receivable / (payable) against transfer of units from:		
- NAFA Income Fund	-	47,935
- NAFA Income Opportunity Fund	(201)	-
- NAFA Islamic Active Allocation Fund - Plan I	-	-
- NAFA Asset Allocation Fund	-	60,637
- NAFA Financial Sector Income Fund	-	2,466
- NAFA Islamic Stock Fund	-	22,792
- NAFA Saving Plus Fund	-	490
- NAFA Government Securities Liquid Fund	50	56
- NAFA Riba Free Savings Fund	-	3,577
- NAFA Islamic Aggressive Income Fund	20	-
- NAFA Money Market Fund	1,000	(6,992)

9 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 29, 2016

10 GENERAL

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

10.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant reclassifications have been made during the current period.

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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