NBP FUNDS
Managing Your Savings

Islamic Savings

Aitemaad اعتماد

اسلامک سیونگز

AM1
Rated by PACRA

NBP ISLAMIC SARMAYA IZAFA FUND

QUARTERLY REPORT
SEPTEMBER 30, 2019

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.

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Saad ur Rahman Khan	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	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

Habib Bank Limited (Islamic)
United Bank Limited (Ameen)
Bank Al Habib Limited (Islamic)
Meezan Bank Limited
Bank Islami (Pakistan) Limited
Sindh Bank Limited (Saadat)
MCB Bank Limited (Islamic)
Dubai Islamic Bank Limited
Bank Alfalah Limited (Islamic)
Soneri Bank Limited (Mustaqeem)
Habib Metro Bank Limited (Islamic)
Allied Bank Limited (Islamic)
Silk Bank Limited (Emaan)

Auditors

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

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.nbpfunds.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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the condensed unaudited financial statements of **NBP Islamic Sarmaya Izafa Fund (Formerly; NAFA Islamic Asset Allocation Fund) (NISIF)** for the quarter ended September 30, 2019.

Fund's Performance

The size of NBP Islamic Sarmaya Izafa Fund (Formerly: NAFA Islamic Asset Allocation Fund) has decreased from Rs. 6,855 million to Rs. 4,900 million during the period, i.e. a decrease of 29%. During the period, the unit price of NBP Islamic Sarmaya Izafa Fund has decreased from Rs. 13.7410 on June 30, 2019 to Rs. 13.4456 on September 30, 2019, thus showing a decrease of 2.1%. The Benchmark decrease during the same period was 1.8%. Thus, the Fund has underperformed its Benchmark by 0.3% during the period under review. Since inception the NAV of the Fund has increased from Rs.3.8230 (Ex-Div) on October 26, 2007 to Rs. 13.4456 on September 30, 2019, thus showing an increase of 251.7%. During the said period, the Benchmark increased by 141.0%, translating into outperformance of 110.7%. This performance is net of management fee and all other expenses.

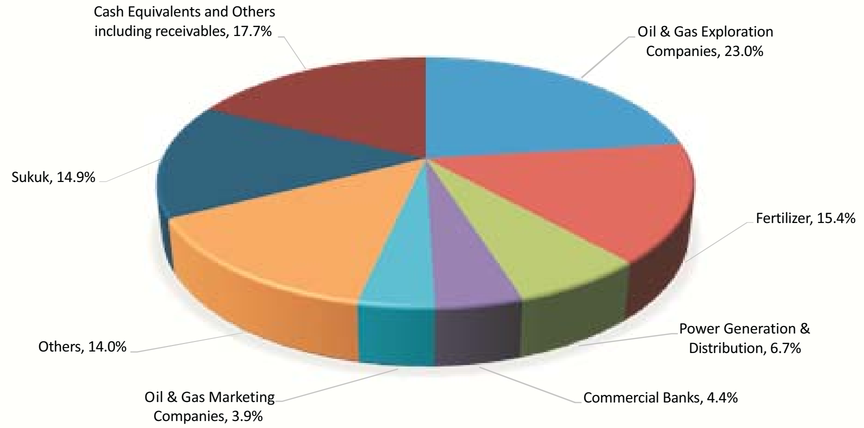
The Stock market started 1QFY2020 on a faltering note and the KMI-30 Index fell sharply to a multi-year low level of 44,929 points by mid-August. The sell-off was witnessed at the local bourse despite positive developments on the external account front, as the IMF accorded approval to USD 6 billion Extended Fund Facility (EFF) along with the immediate release of USD 1 billion. In addition to this, first tranche of USD 500 million was received from Qatar under the USD 3 billion package, and monthly oil facility from Saudi Arabia of USD 275 million was also commenced in July 2019. Drag on the performance of the market was pervasive negative mainly stemming from concerns over slowdown in economic activity amid increasing cost of doing business, rising cost of capital, tapering off consumer demand, and cut in public sector spending. Onerous taxation measures announced in the Federal Budget FY2020 and drive for the documentation of economy with its short-term negative implications for the corporate profitability also had impact on investors' sentiments. Deteriorating relationship between the nuclear-armed India-Pakistan after the repeal of article 370 and imposition of curfew/lockdown in Indian occupied Kashmir also sent jitters in the market.

However, the market staged a strong recovery of 14% after bottoming out in mid-August as improving macroeconomic indicators come to fore notably, a significant improvement in Current Account Deficit that dropped by 55% in 2MFY2020 to USD 1.29 billion. Concerns on spiraling inflation started to wane as inflation trajectory appears relatively soft after rebasing of the index. Investors also drew comfort from falling yields on longer tenure government securities, a precursor to reversal of monetary tightening cycle that buoyed the market sentiment. Overall, the benchmark KMI-30 Index finished the quarter under review with a decline of 5.5%. Looking at participant-wise activity during the period, foreign investors remained net buyers with net inflows amounting to USD 23 million. On the local front, Mutual Funds sold equities worth USD 82 million, while individual investors added positions to the tune of USD 49 million.

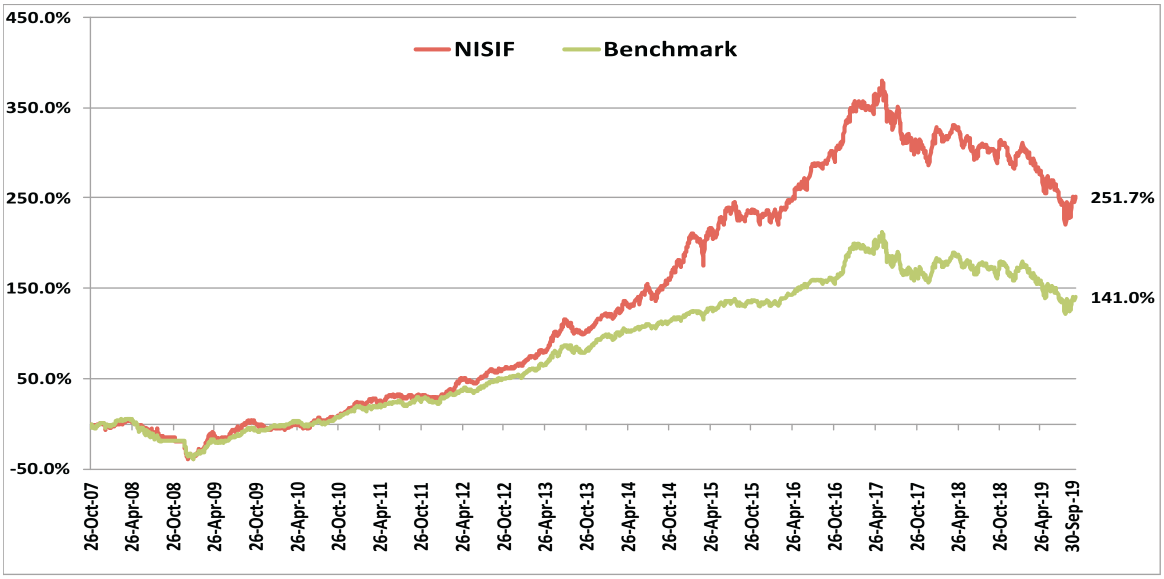
During 1QFY20, the State Bank of Pakistan (SBP) held two bi-monthly monetary policy reviews. In its first monetary policy review, considering upside risks to inflation and the need to contain demand pressure, the SBP increased the Policy Rate by 100bps from 12.25% to 13.25%. In the second monetary policy review on September 16th, the SBP decided to keep the policy rate unchanged. The SBP cited favorable adjustments in the Current Account Deficit (CAD) mainly driven by 11% growth in exports and 25.8% contraction in imports while maintaining its inflation expectation. As expected, inflation kept rising and year-on-year CPI inflation spiked to 11.4% in September 2019 compared with 5.1% in September 2018. In line with the hike in the Policy Rate, 3-month, 6-month, and 12-month KIBOR went up by 88 bps, 79 bps, and 42 bps, respectively. The primary market for Corporate Sukuks remained under-supplied against the large and growing demand. In the secondary market, the trading activity in the Corporate Sukuks remained skewed towards high quality debt issues with cumulative traded value of around Rs. 2.5 billion in 1QFY20 compared to Rs. 2.9 billion during same period last year.

NBP Islamic Sarmaya Izafa Fund has incurred a loss of Rs. 146.438 million during the period. After incurring total expenses of Rs. 44.097 million, the net loss is Rs. 190.535 million.

The asset allocation of the Fund as on September 30, 2019 is as follows:



NISIF 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 Fund Management Limited

Chief Executive

Director

Date: October 24, 2019
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2019ء کو ختم ہونے والی سہ ماہی کے لئے NBP اسلامک سرمایہ اضافہ فنڈ (سابقہ: NAFA اسلامک ایسٹ ایلوکیشن فنڈ) (NISIF) کے کنڈینسڈ غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

NBP اسلامک سرمایہ اضافہ فنڈ (سابقہ: NAFA اسلامک ایسٹ ایلوکیشن فنڈ) کا فنڈ سائز اس مدت میں 6,855 ملین روپے سے کم ہو کر 4,900 ملین روپے ہوگیا، یعنی 29% کی کمی۔ اس مدت کے دوران، NBP اسلامک سرمایہ اضافہ فنڈ کے یونٹ کی قیمت 30 جون 2019 کو 13.7410 روپے سے کم ہو کر 30 ستمبر 2019 کو 13.4456 روپے ہوگئی، لہٰذا 2.1% کی کمی دیکھی گئی۔ اسی مدت کے دوران بنچ مارک کم ہو کر 1.8% ہوگیا تھا۔ لہٰذا فنڈ کی کارکردگی زیرِ جائزہ مدت کے دوران اپنے بنچ مارک سے 0.3% ابتر رہی ۔ اپنے قیام کے بعد 26 اکتوبر 2007 سے فنڈ کا NAV 3.8230 روپے (EX-Div) سے بڑھ کر 30 ستمبر 2019 کو 13.4456 روپے ہوگئی، یعنی 251.7% کا اضافہ ہوا۔ اس مدت کے دوران بنچ مارک 141.0% سے بڑھا۔ لہٰذا فنڈ نے 110.7% کی بہتر کارکردگی دکھائی۔ یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

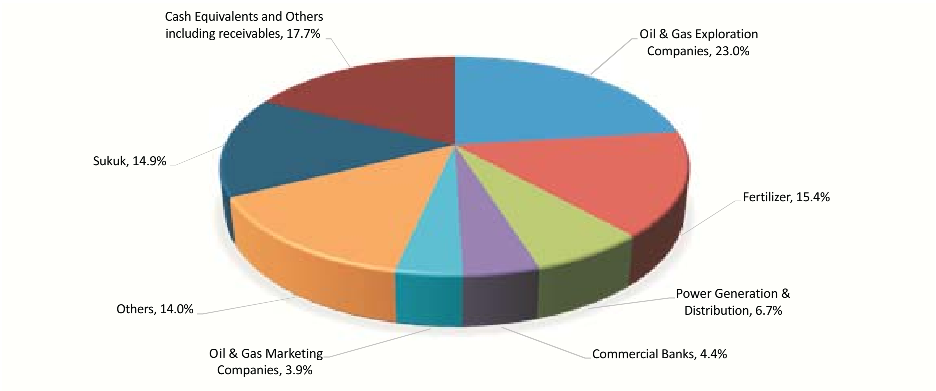
مالی سال 2020ء کی پہلی سہ ماہی میں اسٹاک مارکیٹ کا آغاز مندی سے ہوا اور KMI-30 انڈیکس وسط اگست تک تیزی سے کمی کے بعد 44,929 پوائنٹس کی کثیر سالہ کم ترین سطح پر پہنچ گیا۔ بیرونی کھاتوں کی مد میں مثبت پیش رفت کے باوجود مقامی مارکیٹ میں فروخت کا رجحان رہا۔ جیسا کہ IMF نے 6 بلین امریکی ڈالر کی توسیعی فنڈ فیسلٹی (EFF) کے ساتھ فوری طور پر 1 بلین امریکی ڈالر جاری کرنے کی منظوری دے دی۔ اس کے علاوہ، 3 بلین امریکی ڈالر منصوبہ کے تحت قطر سے 500 ملین امریکی ڈالر کی وصولی اور سعودی عرب سے 275 ملین امریکی ڈالر کی مالیت کے تیل کی ماہانہ فراہمی کا آغاز جولائی 2019ء میں ہوگیا۔ کاروبار کرنے کی لاگت میں اضافہ، سرمایہ کی بڑھتی قیمت، صارفین کی طلب میں کمی اور سرکاری شعبہ کے اخراجات میں کٹوتی جیسی سست رو معاشی سرگرمیوں نے مارکیٹ کی کارکردگی پر منفی اثر ڈالا۔ مالیاتی سال 2020ء کے لئے وفاقی بجٹ میں زبردست ٹیکس اصلاحات کا نفاذ اور دستاویزی معیشت کو اس کے قلیل مدتی منفی مضمرات کے ساتھ شکل دینے کے اقدام کی وجہ سے سرمایہ داروں کے جذبات پر بُرا اثر پڑا۔ آرٹیکل 370 کے خاتمہ کے بعد دوایٹمی ممالک انڈیا پاکستان کے درمیان تناؤ اور بھارتی مقبوضہ کشمیر میں کرفیو/ لاک ڈاؤن کے اطلاق کے باعث مارکیٹ شدید دباؤ کا شکار رہی۔

تاہم، وسط اگست میں اقتصادی اشارہ میں بہتری خاص طور پر مالی سال 2020 کے دوسرے ماہ میں کرنٹ اکاؤنٹ خسارہ میں 55 فی صد کمی واقع ہوئی اور یہ خسارہ 1.29 بلین امریکی ڈالر ہوگیا جسکی بدولت مارکیٹ نے اپنے انحطاطی نقطہ سے 14 فیصد کی مظبوط بحالی کا مظاہرہ کیا۔ انڈیکس میں تبدیلی کے بعد بڑھتے ہوئے افراط زر میں کچھ کمی واقع ہوئی جبکہ افراط زر میں اضافہ کے خدشات چھائے رہے۔ طویل مدتی حکومتی سیکیورٹیز میں منافع کے اضافہ کی وجہ سے سرمایہ داروں کو کچھ اطمینان ہوا۔ یہ سیکیورٹیز معاشی استحکام کے لئے متعارف کرائی گئیں جس کی وجہ سے مارکیٹ میں تحریک پیدا ہوئی۔ مجموعی طور پر KMI-30 انڈیکس نے زیر جائزہ سہ ماہی کے دوران 5.5 فی صد کی کمی کے ساتھ اختتام پذیر ہوا۔ زیر جائزہ مدت کے دوران انفرادی سرگرمی کو دیکھتے ہوئے غیر ملکی سرمایہ دار 23 ملین ڈالر مالیت کے ان فلوز کے ساتھ نمایاں خریدار رہے۔ مقامی سطح پر میوچل فنڈ نے 82 ملین ڈالر کی ایکوئیٹیز فروخت کیں جب کہ انفرادی سرمایہ داروں نے 49 ملین ڈالر کی سرمایہ داری کی۔

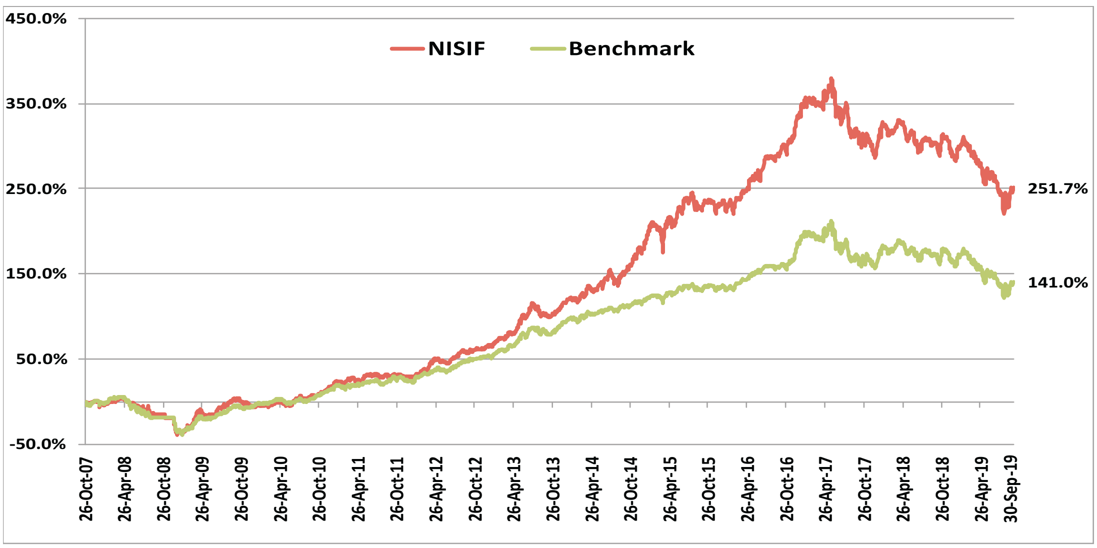
مالی سال 2020ء کی پہلی سہ ماہی میں اسٹیٹ بینک آف پاکستان (SBP) نے ایک ماہ میں دو مانیٹری پالیسیوں کا جائزہ پیش کیا۔ اس کے پہلے مانیٹری پالیسی جائزہ میں، افرادط زر میں اضافہ کے خدشات اور طلب کے دباؤ کو مدنظر رکھتے ہوئے SBP نے پالیسی شرح 12.25 فی صد سے بڑھا کر 13.25 فی صد کردی۔ 16 ستمبر کو دوسرے مانیٹری پالیسی جائزہ میں SBP نے پالیسی کی شرح کو برقرار رکھنے کا فیصلہ کیا۔ SBP نے کرنٹ اکاؤنٹ خسارہ (CAD) میں واضح تبدیلی دیکھی جو برآمدات میں 11 فی صد نمو اور درآمدات میں 25.8 فی صد کمی کے مرہون منت ہے جب کہ افراط زر میں اضافہ متوقع تھا۔ توقعات کے مطابق افراط زر میں اضافہ ہوتا رہا اور سالہا سال کی بنیاد پر CPI افراط زر میں ستمبر 2018ء میں 5.1 فی صد کے مقابلہ میں ستمبر 2019ء کے دوران 11.4 فی صد اضافہ ہوا۔ روپے کی قدر میں کمی، تیل کی بین الاقوامی قیمتوں میں عدم استحکام، مسلسل حکومتی قرضوں کا حصول اور یوٹیلٹی نرخوں میں اضافہ کے اثرات کی وجہ سے افراط زر میں مزید اضافہ کی توقع ہے۔ پالیسی شرح میں اضافہ کے تحت سہ ماہی، ششماہی اور سالانہ KIBOR میں بالترتیب 88، 79 اور 42 بی پی ایس اضافہ ہوا۔ کارپوریٹ سکوک کے لئے ابتدائی مارکیٹ کی زیادہ طلب کے مقابلہ میں رسد کم رہی۔ ثانوی منڈی میں، کارپوریٹ سکوک کا تجارتی سرگرمی اعلیٰ کوالٹی ڈیبٹ اجرا کی جانب زیادہ جھکاؤ رہا جس کی مجموعی تجارتی قدر مالیاتی سال 2019ء میں 2.9 بلین روپے کے مقابلہ میں مالیاتی سال 2020ء میں 2.5 بلین روپے رہی۔

NBP اسلامک سرمایہ اضافہ فنڈ کو اس مدت کے دوران 146.438 ملین روپے کا مجموعی خسارہ ہوا۔ 44.097 ملین روپے کے مجموعی اخراجات منہا کرنے کے بعد کل خسارہ 190.535 ملین روپے ہے۔

30 ستمبر 2019 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:



NISIF کی کارکردگی بمقابلہ بینچ مارک (اپنے قیام سے)



اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو | ڈائریکٹر

تاریخ: 24 اکتوبر 2019
مقام: کراچی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019

	Note	Un-Audited September 30, 2019	Audited June 30, 2019
		(Rupees in '000)	
Assets			
Balances with banks		**957,006**	2,798,299
Investments	4	**4,035,383**	4,042,624
Dividend and profit receivable		**80,689**	49,921
Receivable against sale of Investments		**-**	123,522
Advances, Deposits, prepayments and other receivable		**10,692**	5,424
Total assets		**5,083,770**	7,019,790
Liabilities			
Payable to NBP Fund Management Limited -- Management Company		**43,662**	61,288
Payable to Central Depository Company of Pakistan Limited - Trustee		**546**	784
Payable to Securities and Exchange Commission of Pakistan		**274**	9,494
Payable against redemption of units		**15,614**	-
Payable against purchase of Investments		**27,514**	-
Accrued expenses and other liabilities		**96,255**	92,851
Total liabilities		**183,865**	164,417
Net Assets		**4,899,905**	6,855,373
Unit Holders' Funds (as per statement attached)		**4,899,905**	6,855,373
Contingencies and Commitments	6	-	-
		--------Number of units-------	
Number of units in issue		**364,424,325**	498,898,266
		--------Rupees-------	
Net asset value per unit		**13.4456**	13.7410

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Note	Quarter Ended September 30, 2019	Quarter Ended September 30, 2018
		(Rupees in '000)	
INCOME			
Loss on sale of investments - net		**(64,216)**	(55,389)
Income from Sukuk		**19,818**	-
Profit on bank deposits		**56,377**	126,176
Dividend income		**51,588**	61,267
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		**(210,005)**	(115,090)
Total income / (loss)		**(146,438)**	16,964
EXPENSES			
Remuneration of NBP Fund Management Limited -- Management Company		**21,562**	57,743
Sindh Sales Tax on remuneration of the Management Company		**2,803**	7,507
Allocation of operational expenses to the Management Company		**1,369**	2,887
Selling and marketing expenses charged by the Management Company		**14,202**	11,549
Remuneration of Central Depository Company of Pakistan Limited - Trustee		**1,620**	3,139
Sindh Sales Tax on remuneration of the Trustee		**211**	408
Annual fee - Securities and Exchange Commission of Pakistan		**274**	2,743
Securities transaction cost		**752**	2,012
Settlement and bank charges		**599**	80
Annual listing fee		**7**	14
Auditors' remuneration		**194**	180
Fund rating fee		**55**	45
Other expenses		**4**	4
Shariah advisor fee		**427**	101
Legal and Professional charges		**18**	18
Total Expenses		**44,097**	88,430
Net loss from operating activities		**(190,535)**	(71,466)
Provision for sindh workers' welfare fund	5	**-**	-
Net loss for the period before taxation		**(190,535)**	(71,466)
Taxation	8	-	-
Net loss for the period after taxation		**(190,535)**	(71,466)
Allocation of Net income for the period:			
Net income for the period after taxation		-	-
Income already paid on units redeemed		-	-
		-	-
Accounting income available for distribution:			
- Relating to Capital Gains		-	-
- Excluding Capital Gains		-	-
Accounting Income available for Distribution		**-**	-

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter Ended September 30, 2019	Quarter Ended September 30, 2018
	(Rupees in '000)	
Net loss for the period after taxation	**(190,535)**	(71,466)
Other comprehensive income	**-**	-
Total comprehensive loss for the period	**(190,535)**	(71,466)

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter Ended September 30, 2019			Quarter Ended September 30, 2018		
	----- (Rupees in '000) -----					
	Capital Value	**Undistributed income**	**Total**	Capital Value	Undistributed income	Total
Net assets at beginning of the Period	**7,451,921**	**(596,548)**	**6,855,373**	11,002,026	500,323	11,502,349
Issuance of 13,035,934 units (2018: 54,693,659 units)						
- Capital value	179,127	-	179,127	848,452	-	848,452
- Element of loss	(7,346)	-	(7,346)	(4,617)	-	(4,617)
Total proceeds on issuance of units	**171,781**	**-**	**171,781**	843,835	-	843,835
Redemption of 147,509,876 units (2018: 59,212,198 units)						
- Capital value	(2,026,933)	-	(2,026,933)	(918,547)		(918,547)
- Element of income	90,219	-	90,219	9,591		9,591
Total payments on redemption of units	(1,936,714)	-	(1,936,714)	(908,956)	-	(908,956)
Total comprehensive loss for the period	-	(190,535)	(190,535)	-	(71,466)	(71,466)
Distribution during the period	**-**	**-**	**-**	-	-	-
Net assets at end of the period	**5,686,988**	**(787,083)**	**4,899,905**	10,936,905	428,857	11,365,762
Undistributed income / (loss) brought forward						
- Realised		373,476			1,333,962	
- unrealised		(970,024)			(833,639)	
		(596,548)			500,323	
Accounting income available for distribution						
- Relating to capital gain		**-**			-	
- Excluding capital gain		**-**			-	
		-				
Net loss for the Period after taxation		(190,535)			(71,466)	
Distribution during the period		-			-	
Undistributed income carried forward		**(787,083)**			428,857	
Undistributed income carried forward						
- Realised		(577,078)			543,947	
- unrealised		(210,005)			(115,090)	
		(787,083)			428,857	
			- (Rupees) -			- (Rupees) -
Net assets value per unit at beginning of the period			**13.7410**			15.5128
Net assets value per unit at end of the period			**13.4456**			15.4226

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter Ended September 30, 2019	Quarter Ended September 30, 2018
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the period	**(190,535)**	(71,466)
Adjustments		
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	**210,005**	115,090
loss on sale of investments	**64,216**	55,389
	83,686	99,013
(Increase) / Decrease in assets		
Receivable against sale of investments	**123,522**	-
Investments	**(266,980)**	711,015
Dividend and profit receivable	**(30,768)**	(66,352)
Advances, Deposits, prepayments and other receivable	**(5,268)**	(129)
	(179,494)	644,534
Increase / (decrease) in liabilities		
Payable to Management Company	**(17,626)**	7,330
Payable against purchase of investments	**27,514**	57,796
Payable to Trustee	**(238)**	(33)
Payable to Securities and Exchange Commission of Pakistan	**(9,220)**	(9,632)
Accrued expenses and other liabilities	**3,405**	1,076
	3,835	56,537
Net cash (used in) / generated from operating activities	**(91,974)**	800,084
CASH FLOW FROM FINANCING ACTIVITIES		
Net Receipts from issue of units	**171,781**	843,835
Net Payments on redemption of units	**(1,921,100)**	(908,956)
Net cash used in from financing activities	**(1,749,319)**	(65,121)
Net (decrease) / increase in cash and cash equivalents during the period	**(1,841,293)**	734,963
Cash and cash equivalents at the beginning of the period	**2,798,299**	6,412,181
Cash and cash equivalents at the end of the period	**957,006**	7,147,144

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

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

NBP Islamic Sarmaya Izafa Fund (formerly; NAFA Islamic Asset Allocation Fund)(the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 20, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on September 03, 2007 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Trust Deed was amended through supplemental trust deed executed on October 07, 2013 for the change of name and categorization of the Fund as a shariah compliant asset allocation scheme.

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 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 Fund is an open-ended mutual fund and categorized as an Islamic asset allocation scheme and its units are listed on Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund.

"The investment objective of the Fund is to generate income by investing in shariah compliant equity and equity related securities and income by investing in shariah compliant bank deposits, debt and money market securities."

"The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company and has assigned performance ranking of 3-star to the Fund."

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

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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

- 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 the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

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'. These condensed interim financial statements do 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 audited financial statements of the Fund for the year ended June 30, 2019.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declared that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2019.

These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

3.2 There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

	Note	**(Un-audited) September 30, 2019**	(Audited) June 30, 2019
4 INVESTMENTS		**(Rupees in '000)**	
Financial assets 'at fair value through profit or loss'			
Listed equity securities	4.1	**3,303,970**	3,911,211
Sukuks	4.2	**731,413**	131,413
		4,035,383	4,042,624

4.1 Investment in Listed Equity Securities

4.1.1 All shares have a nominal face value of Rs 10 each except for the shares of Thal Limited and K-electric which have a face value of Rs 5 & Rs. 3.5 respectively.

Name of the investee company	As at 01 July 2019	Purchases during the period	Bonus / right issue	Sales during the period	As at 30 Sep 2019	Market value at 30 Sep 2019	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid up capital of the investee company
	(Number of shares)					(Rupees in '000)	%		
OIL AND GAS MARKETING COMPANIES									
Attock Petroleum Limited	153,680	-	-	4,400	149,280	45,978	0.94	1.14	0.06
Pakistan State Oil Company Limited	802,938	-	-	230,000	572,938	90,232	1.84	2.24	0.03
Hascol Petroleum Limited	61,141	-	-	57,717	3,424	70	0.00	0.00	0.00
Sui Northern Gas Pipelines Limited	1,102,500	165,000	-	400,000	867,500	53,438	1.09	1.32	0.01
Shell (Pakistan) Limited	67,200	-	-	67,200	-	-	-	-	-
OIL AND GAS EXPLORATION COMPANIES									
Oil & Gas Development Company Limited	3,424,400	415,000	-	152,000	3,687,400	453,661	9.26	11.24	0.01
Pakistan Oil Fields Limited	591,132	27,000	-	203,000	415,132	157,709	3.22	3.91	0.07
Pakistan Petroleum Limited	2,829,761	200,000	-	630,500	2,399,261	326,371	6.66	8.09	0.02
Mari Petroleum Company Limited	210,786	-	-	-	210,786	189,530	3.87	4.70	0.17
REFINERY									
National Refinery Limited	84,900	-	-	-	84,900	9,725	0.20	0.24	0.01
CHEMICALS									
Akzo Nobel Pakistan Limited	29,900	-	-	-	29,900	2,901	0.06	0.07	0.01
Dynea Pakistan Limited	21,500	-	-	-	21,500	1,537	0.03	0.04	0.00
Ittehad Chemicals Limited	360,525	-	-	-	360,525	6,522	0.13	0.16	0.01
Lotte Chemical Pakistan Limited	1,667,000	-	-	953,000	714,000	9,739	0.20	0.24	0.00
Engro Polymer and Chemicals Limited	2,588,500	490,500	-	247,000	2,832,000	69,526	1.42	1.72	0.08
PAPER & BOARD									
Cherat Packaging Limited	137,500	-	-	-	137,500	9,104	0.19	0.23	0.01
FOOD AND PERSONAL CARE PRODUCTS									
Al Shaheer Corporation Limited	1,116,654	-	-	-	1,116,654	12,160	0.25	0.30	0.01
ENGINEERING									
International Steels Limited	445,300	160,000	-	308,888	296,412	11,779	0.24	0.29	0.00
International Industries Limited	186,700	-	9,670	90,000	106,370	7,375	0.15	0.18	0.01
K.S.B. Pumps Company Limited	8,200	-	-	-	8,200	756	0.02	0.02	0.01
Mughal Iron And Steel Industries Limited	693,043	471,500	-	-	1,164,543	32,584	0.66	0.81	0.03
CEMENT									
D.G. Khan Cement Company Limited	124,000	252,000	-	124,000	252,000	12,182	0.25	0.30	0.00
Lucky Cement Company Limited	348,750	-	-	74,400	274,350	93,863	1.92	2.33	0.03
Fauji Cement Company Limited	-	920,000	-	-	920,000	12,328	0.25	0.31	0.00
Maple Leaf Cement Factory Limited	1,078,000	-	-	1,078,000	-	-	-	-	-
Attock Cement Pakistan Limited	44,760	-	-	-	44,760	3,183	0.06	0.08	0.00
Fecto Cement Limited	239,200	-	-	-	239,200	3,789	0.08	0.09	0.00
Kohat Cement Company Limited	464,810	-	-	-	464,810	21,391	0.44	0.53	0.01
Cherat Cement Company Limited	262,700	-	-	262,700	-	-	-	-	-
Industrial Transportation									
Pakistan National Shipping Corporation	152,200	-	-	-	152,200	9,610	0.20	0.24	0.01
TEXTILE COMPOSITE									
Nishat Mills Limited	2,219,900	-	-	858,100	1,361,800	114,391	2.33	2.83	0.03
Kohinoor Textile Limited	1,046,780	-	-	220,000	826,780	19,628	0.40	0.49	0.01
Interloop Limited	761,377	-	-	-	761,377	33,447	0.68	0.83	0.00
Synthetic Products Limited	456,000	-	-	119,500	336,500	5,771	0.12	0.14	0.01
FERTILIZER									
Engro Corporation Limited	1,606,020	46,000	-	64,000	1,588,020	423,827	8.65	10.50	0.02
Engro Fertilizers Limited	4,499,000	350,000	-	-	4,849,000	330,847	6.75	8.20	0.06
POWER GENERATION AND DISTRIBUTION									
The Hub Power Company Limited	5,042,011	-	-	589,000	4,453,011	315,051	6.43	7.81	0.03
Lalpir Power Limited	407,000	-	-	-	407,000	4,672	0.10	0.12	0.00
K-Electric Limited	5,159,000	-	-	2,405,500	2,753,500	9,775	0.20	0.24	0.00

Name of the investee company	As at 01 July 2019	Purchases during the period	Bonus / right issue	Sales during the period	As at 30 Sep 2019	Market value at 30 Sep 2019	Market value as a percentage of net assets	Market value as a percentage of total investments	Investment as a percentage of paid up capital of the investee company
	(Number of shares)					(Rupees in '000)	%		
COMMERCIAL BANKS									
Meezan Bank Limited	3,171,090	-	-	174,000	2,997,090	215,911	4.41	5.35	0.02
AUTOMOBILE ASSEMBLER									
Honda Atlas Cars (Pakistan) Limited	6,600	-	-	-	6,600	875	0.02	0.02	0.00
AUTOMOBILE PARTS AND ACCESSORIES									
Baluchistan Wheels Limited	234,500	-	-	-	234,500	11,840	0.24	0.29	0.09
Agriautos Industries Limited	1,400	-	-	-	1,400	224	0.00	0.01	0.00
Thal Limited	1	-	-	-	1	-	-	-	-
PHARMACEUTICALS									
AGP Limited	109,000	-	-	-	109,000	7,041	0.14	0.17	0.01
Ferozsons Laboratories Limited	4,500	-	-	-	4,500	555	0.01	0.01	0.00
The Searle Company Limited	3,817	-	-	-	3,817	528	0.01	0.01	0.00
Glaxosmithkline Pakistan Limited	172,900	-	-	144,500	28,400	2,732	0.06	0.07	0.00
TECHNOLOGY AND COMMUNICATION									
Avanceon Limited	437,500	-	-	-	437,500	15,252	0.31	0.38	0.01
NetSol Technologies Limited	676,200	-	-	-	676,200	38,090	0.78	0.94	0.04
Systems Limited	509,300	-	-	-	509,300	42,399	0.87	1.05	0.04
GLASS AND CERAMICS									
Tariq Glass Industries Limited	714,800	-	-	-	714,800	55,933	1.14	1.39	0.08
Ghani Value Glass Limited	34,500	-	-	-	34,500	1,382	0.03	0.03	0.00
Shabbir Tiles and Ceramics Limited	1,094,000	-	-	243,000	851,000	6,757	0.14	0.17	0.01
Total - 30 September 2019	**47,664,876**	**3,497,000**	**9,670**	**9,700,405**	**41,471,141**	**3,303,970**	**67.43**	**81.88**	
Carrying value of investment before mark to market as at September 30, 2019						**3,513,975**			

4.1.2 **Sukuks - Fair value through profit and loss**

Name of investee company	Number of bonds: As at 01 July 2019	Number of bonds: Purchases during the period	Number of bonds: Sales during the period	Number of bonds: As at 30 Sep 2019	Market value at 30 Sep 2019	Investment as a percentage of: Market value of net assets	Investment as a percentage of: Market value of total investments
					(Rupees in '000)		
Dubai Islamic Bank Limited	129	-	-	129	131,413	2.68	3.26
Engro Powergen Thar (Pvt) Limited	-	60,000	-	60,000	300,000	6.12	7.43
Hub Power Company Limited	-	3,000	-	3,000	300,000	6.12	7.43
				63,129	**731,413**	**14.93**	**18.12**
Carrying value as at September 30, 2019					**731,413**		

4.2 Non-performing Sukuks classified as fair value through profit and loss

Name of investee company	Note	Number of certificates: As at July 1, 2019	Number of certificates: Purchased during the period	Number of certificates: Sold / Matured during the period	Number of certificates: As at September 30, 2019	Market value as at September 30, 2019	as a percentage of Net assets
Eden Housing Limited	4.2.3	5,000	-	-	5,000	-	-
Carrying value as at September 30, 2019				**4,922**			

4.2.3 This represents investment in privately placed sukuk bonds issued with a term of five years. On 6 May 2011, these Sukuks have been classified as non performing by MUFAP.

5 PROVISION FOR SINDH WORKERS' WELFARE FUND (SWWF)

"The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 16 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

The Fund, being prudent, recognized provision for SWWF amounting to Rs. 60.862 million as at September 30, 2019 in this condensed interim financial information, Had the provision not been made, net assets value per unit at September 30, 2019 would have been higher by Rs. 0.1670 per unit (June 30, 2019: Rs. 0.1220 per unit).

6 CONTINGENCIES AND COMMITMENTS

There were no commitments as on September 30, 2019 and June 30, 2019.

7 SELLING AND MARKETING EXPENSES

The SECP vide circular 11 of 2019 dated July 05, 2019 has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) and prescribed revised conditions for charging of selling and marketing expenses to CIS. The said circular also supersedes circular No. 40 of 2016, circular No. 05 of 2017 and circular No. 5 of 2018. These expenses shall be counted in the total expense ratio cap of the fund. Accordingly, the Management Company has charged selling and marketing expenses at the rate of 1.15 % per annum of the net assets of the Fund.

8 TAXATION

The Fund's income is exempt from income tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of its accounting income for the year, as reduced by capital gains whether Realised or unrealised is distributed amongst the unit holders (excluding distribution made by issuance of bonus units). The Fund intends to distribute such accounting income for the year ended June 30, 2019 to its unit holders. Accordingly, no provision in respect of taxation has been made in these financial statements.

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

9 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2019 is 3.23% (2018: 3.06%) which includes 0.24% (2018: 0.36%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% (as amended by S.R.O 639 dated June 20, 2019) prescribed under the NBFC Regulations for a collective investment scheme categorized as 'Shari'ah compliant equity scheme'.

10 DETAILS OF NON-COMPLIANT INVESTMENTS

The Securities and Exchange Commission of Pakistan vide circular no. 7 of 2009 dated March 6, 2009, required all Asset Management Companies to classify funds under their management on the basis of categorization criteria laid down in the circular. The Board has approved the category of the fund as 'Income Scheme'.

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

The following are the details of non-compliant investments:

Names of non-compliant investment	Non-compliance of clause	Type of Investment	Value of investment before provision	Provision held	Value of investment after provision	% of net assets
Eden Housing Limited	Rating is below investment grade as prescribed in clause 9 (v) of the annexure of circular no. 7 of 2009	Sukuks	4,922	(4,922)	-	-

10.1 At the time of purchase, these sukuks were in compliance with the aforementioned circular. However, they were subsequently defaulted or were downgraded to non investment grade.

11 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons include NBP Fund Management Limited being the Management Company (NBP Funds), Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Baltoro Growth Fund being the sponsors, NAFA Pension Fund, NAFA Provident Fund Trust being the associates of the Management Company, other collective investment schemes managed by the Management Company and directors and officers of the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and unit holders holding ten percent or more units of the Fund.

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

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.

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

	Un-Audited Quarter Ended September 30, 2019	Un-Audited Quarter Ended September 30, 2018
11.1 Details of the transactions with connected persons are as follows:	**(Rupees in '000)**	
NBP Fund Management Limited - Management Company		
Management fee expense for the period	**21,562**	57,743
Sindh Sales Tax for the period on Management Fee	**2,803**	7,507
Front end load for the period	**1,721**	13,397
Accounting and operational charges to the Management Company	**1,369**	2,887
Selling and marketing expenses	**14,202**	11,549
International Industries Limited (Common directorship with the Management Company)		
Shares Sold 90,000 (2018: Nil)	**7,226**	-
Dividend income	**290**	-
International Steel Limited (Common directorship with the Management Company)		
Shares purchased 160,000 (2018: Nil)	**6,390**	-
Shares Sold 308,888 (2018: Nil)	**9,641**	-
Dividend income	**446**	-

	Un-Audited Quarter Ended September 30, 2019	Un-Audited Quarter Ended September 30, 2018
	(Rupees in '000)	
Cherat Cement Company Limited (Common directorship with the Management Company)		
Shares Sold 262,700 (2018: Nil)	**6,705**	-
Bank Islami Pakistan Limited (Common directorship with the Management Company)		
Profit on bank deposits	**8,041**	40,719
Taurus Securities (Private) Limited		
Brokerage	**61**	111
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee for the period	**1,620**	3,139
Sindh Sales Tax on Trustee Fee	**211**	408
CDS charges	**58**	19
Employees of the Management Company		
Units Issued 22,653 (2018 : 76,141 units)	**290**	1,158
Units Redeemed 30,234 (2018 : 85,243 units)	**385**	1,288
National Fullerton Asset Management Limited Employees Provident Fund (Provident Fund of Management Company)		
Units Redeemed Nil (2018: 303,304)	**-**	4,593

11.2 Amounts outstanding as at period end

	Un-Audited As at September 30, 2019	Audited As at June 30, 2019
	(Rupees in '000)	
NBP Fund Management Limited - Management Company		
Management Fee payable	**6,013**	12,236
Sindh Sales Tax on remuneration of the Management Company	**782**	1,591
Operational expenses	**1,369**	4,397
Sales load	**1,736**	5,433
Sindh Sales Tax and Federal Excise Duty on sales load	**19,560**	20,041
Selling and Marketing Expenses	**14,202**	17,590
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	**483**	694
Sindh Sales Tax on remuneration of the Trustee	**63**	90
CDS charges	**10**	23
Security deposit	**100**	100
National Bank of Pakistan (Parent of the Management Company)		
Bank balances	**5,541**	4,836
International Industries Limited (Common directorship with the Management Company)		
Ordinary shares held 106,370 (30 June 2019: 186,700 shares)	**7,375**	36,700
Dividend receivable	**290**	-
International Steel Limited (Common directorship with the Management Company)		
Ordinary shares held 296,412 (30 June 2019: 445,300 shares)	**11,779**	35,737
Dividend receivable	**446**	-

	Un-Audited As at September 30, 2019	Audited As at June 30, 2019
	(Rupees in '000)	
Cherat Cement Company Limited (Common directorship with the Management Company)		
Ordinary shares held Nil (30 June 2019: 262,700 shares)	**-**	45,542
Bank Islami Pakistan Limited (Common directorship with the Management Company)		
Bank balances	**23,716**	29,470
Mark-up accrued	**230**	20,441
Askari Bank Limited (Common directorship with the Management Company)		
Bank balances	**509**	509
Summit Bank Limited (Common directorship with the Management Company)		
Bank balances	**10,592**	11,016
Employees of the Management Company		
Investment held in the Fund 66,347 units (30 June 2019 73,928 units)	**892**	1,016
Portfolio managed by the Management Company		
Investment held in the Fund Nil (2019: 76 units)	-	1

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Management Company on October 24, 2019.

13 GENERAL

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

13.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director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*Mobile apps are also available for download for android and ios devices

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Toll Free: 0800-20002
Sms: INVEST to 9995
Fax: 021-35825335
Email: info@nbpfunds.com
Website: www.nbpfunds.com
/nbpfunds

NBP FUNDS
Managing Your Savings

Islamic Savings

Aitemaad اعتماد

اسلامک سیونگز

AM1
Rated by PACRA

NAFA ISLAMIC PENSION FUND

QUARTERLY REPORT
SEPTEMBER 30, 2019

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.

NBP FUNDS
Managing Your Savings

Contents

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of Management Company

Shaikh Muhammad Abdul Wahid Sethi	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Saad ur Rahman Khan	Director
Syed Hasan Irtiza Kazmi	Director
Mr. Ali Saigol	Director
Mr. Imran Zaffar	Director
Mr. Khalid Mansoor	Director
Mr. Humayun Bashir	Director
Mr. Saad Amanullah Khan	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Saad Amanullah Khan	Chairman
Syed Hasan Irtiza Kazmi	Member
Mr. Imran Zaffar	Member
Mr. Humayun Bashir	Member

Human Resource Committee

Mr. Khalid Mansoor	Chairman
Shaikh Muhammad Abdul Wahid Sethi	Member
Mr. Ali Saigol	Member
Mr. Humayun Bashir	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Saad ur Rahman Khan	Member
Mr. Ali Saigol	Member
Mr. Imran Zaffar	Member
Mr. Saad Amanullah Khan	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

Habib Bank Limited (Islamic)
United Bank Limited (Ameen)
Bank Al Habib Limited (Islamic)
Meezan Bank Limited
Bank Islami (Pakistan) Limited
Sindh Bank Limited (Saadat)
MCB Bank Limited (Islamic)
Dubai Islamic Bank Limited
Bank Alfalah Limited (Islamic)
Soneri Bank Limited (Mustaqeem)
Habib Metro Bank Limited (Islamic)
Allied Bank Limited (Islamic)

Auditors

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

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.nbpfunds.com

Lahore Office:

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

Islamabad Office:

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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

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the unaudited Condensed interim financial statements of **NAFA Islamic Pension Fund (NIPF)** for the quarter ended September 30, 2019.

Fund's Performance

	Fund Size (Rs. in millions)	NAV Per Unit (Rs.) July 02, 2013	NAV Per Unit (Rs.) September 30, 2019	Annualized Return Since Launch July 02, 2013
NIPF-Equity Sub-fund	830.1	100.7248	227.0149	13.9%
NIPF-Debt Sub-fund	516.6	100.9502	139.2752	5.3%
NIPF-Money Market Sub-fund	639.8	100.9426	142.1814	5.6%
Annualized Return	Net of management fee & all other expenses			

This is the first quarterly report of NAFA Islamic Pension Fund (NIPF) for the financial year 2019-20.

The Stock market started 1QFY2020 on a faltering note and the KMI-30 Index fell sharply to a multi-year low level of 44,929 points by mid-August. The sell-off was witnessed at the local bourse despite positive developments on the external account front, as the IMF accorded approval to USD 6 billion Extended Fund Facility (EFF) along with the immediate release of USD 1 billion. In addition to this, first tranche of USD 500 million was received from Qatar under the USD 3 billion package, and monthly oil facility from Saudi Arabia of USD 275 million was also commenced in July 2019. Drag on the performance of the market was pervasive negative mainly stemming from concerns over slowdown in economic activity amid increasing cost of doing business, rising cost of capital, tapering off consumer demand, and cut in public sector spending. Onerous taxation measures announced in the Federal Budget FY2020 and drive for the documentation of economy with its short-term negative implications for the corporate profitability also had impact on investors' sentiments. Deteriorating relationship between the nuclear-armed India-Pakistan after the repeal of article 370 and imposition of curfew/lockdown in Indian occupied Kashmir also sent jitters in the market.

However, the market staged a strong recovery of 14% after bottoming out in mid-August as improving macroeconomic indicators come to fore notably, a significant improvement in Current Account Deficit that dropped by 55% in 2MFY2020 to USD 1.29 billion. Concerns on spiraling inflation started to wane as inflation trajectory appears relatively soft after rebasing of the index. Investors also drew comfort from falling yields on longer tenure government securities, a precursor to reversal of monetary tightening cycle that buoyed the market sentiment. Overall, the benchmark KMI-30 Index finished the quarter under review with a decline of 5.5%. Looking at participant-wise activity during the period, foreign investors remained net buyers with net inflows amounting to USD 23 million. On the local front, Mutual Funds sold equities worth USD 82 million, while individual investors added positions to the tune of USD 49 million.

During 1QFY20, the State Bank of Pakistan (SBP) held two bi-monthly monetary policy reviews. In its first monetary policy review, considering upside risks to inflation and the need to contain demand pressure, the SBP increased the Policy Rate by 100bps from 12.25% to 13.25%. In the second monetary policy review on September 16th, the SBP decided to keep the policy rate unchanged. The SBP cited favorable adjustments in the Current Account Deficit (CAD) mainly driven by 11% growth in exports and 25.8% contraction in imports while maintaining its inflation expectation. As expected, inflation kept rising and year-on-year CPI inflation spiked to 11.4% in September 2019 compared with 5.1% in September 2018. In line with the hike in the Policy Rate, 3-month, 6-month, and 12-month KIBOR went up by 88 bps, 79 bps, and 42 bps, respectively. The primary market for Corporate Sukuks remained under-supplied against the large and growing demand. In the secondary market, the trading activity in the Corporate Sukuks remained skewed towards high quality debt issues with cumulative traded value of around Rs. 2.5 billion in 1QFY20 compared to Rs. 2.9 billion during same period last year.

The asset allocation of the Funds as on September 30, 2019 is as follows:

Asset Allocation (% of Net Assets)	
Equity Sub-fund	
Equity	94.7%
Cash Equivalents - Net	5.3%
Total	**100.0%**
Debt Sub-fund	
Cash Equivalents - Net	37.4%
Commercial Papers (Islamic)	4.6%
Sukuks	28.4%
Placements with Banks & DFIs	29.6%
Total	**100.0%**
Money Market Sub-fund	
Cash Equivalents	55.0%
Commercial Papers (Islamic)	4.4%
Placements with Banks & DFIs	40.6%
Total	**100.0%**

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: October 24, 2019
Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 30 ستمبر 2019ء کو ختم ہونے والی سہ ماہی کے لئے NAFA اسلامک پینشن فنڈ (NIPF) کے کنڈیسنڈ غیر جانچ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

	فنڈ کا حجم (ملین روپے)	NAV فی یونٹ (روپے) 2 جولائی 2013	NAV فی یونٹ (روپے) 30 ستمبر 2019	2 جولائی 2013 کو آغاز سے اب تک کارکردگی
NIPF ایکویٹی سب فنڈ	830.1	100.7248	227.0149	13.9%
NIPF ڈیبٹ سب فنڈ	516.6	100.9502	139.2752	5.3%
NIPF منی مارکیٹ سب فنڈ	639.8	100.9426	142.1814	5.6%
سالانہ بنیاد پر منافع	منیجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص			

یہ مالی سال 20-2019 کے لئے NAFA اسلامک پینشن فنڈ (NIPF) کی پہلی سہ ماہی رپورٹ ہے۔

مالی سال 2020ء کی پہلی سہ ماہی میں اسٹاک مارکیٹ کا آغاز مندی سے ہوا اور KMI-30 انڈیکس وسط اگست تک تیزی سے کمی کے بعد 44,929 پوائنٹس کی کثیر سالہ کم ترین سطح پر پہنچ گیا۔ بیرونی کھاتوں کی مد میں مثبت پیش رفت کے باوجود مقامی مارکیٹ میں فروخت کا رجحان رہا۔ جیسا کہ IMF نے 6 بلین امریکی ڈالر کی توسیعی فنڈ فیسلٹی (EFF) کے ساتھ فوری طور پر 1 بلین امریکی ڈالر جاری کرنے کی منظوری دے دی۔ اس کے علاوہ، 3 بلین امریکی ڈالر منصوبہ کے تحت قطر سے 500 ملین امریکی ڈالر کی وصولی اور سعودی عرب سے 275 ملین امریکی ڈالر کی مالیت کے تیل کی ماہانہ فراہمی کا آغاز جولائی 2019ء میں ہوگیا۔ کاروبار کرنے کی لاگت میں اضافہ، سرمایہ کی بڑھتی قیمت، صارفین کی طلب میں کمی اور سرکاری شعبہ کے اخراجات میں کٹوتی جیسی سست رو معاشی سرگرمیوں نے مارکیٹ کی کارکردگی پر منفی اثر ڈالا۔ مالیاتی سال 2020ء کے لئے وفاقی بجٹ میں زبردست ٹیکس اصلاحات کا نفاذ اور دستاویزی معیشت کو اس کے قلیل مدتی منفی مضمرات کے ساتھ شکل دینے کے اقدام کی وجہ سے سرمایہ داروں کے جذبات پر بُرا اثر پڑا۔ آرٹیکل 370 کے خاتمہ کے بعد دوایٹمی ممالک انڈیا پاکستان کے درمیان تناؤ اور بھارتی مقبوضہ کشمیر میں کرفیو/ لاک ڈاؤن کے اطلاق کے باعث مارکیٹ شدید دباؤ کا شکار رہی۔

تاہم، وسط اگست میں اقتصادی اشارہ میں بہتری خاص طور پر مالی سال 2020 کے دوسرے ماہ میں کرنٹ اکاؤنٹ خسارہ میں 55 فی صد کمی واقع ہوئی اور یہ خسارہ 1.29 بلین امریکی ڈالر ہو گیا جسکی بدولت مارکیٹ نے اپنے انحطاطی نقطہ سے 14 فیصد کی مظبوط بحالی کا مظاہرہ کیا۔ انڈیکس میں تبدیلی کے بعد بڑھتے ہوئے افراط زر میں کچھ کمی واقع ہوئی جبکہ افراط زر میں اضافہ کے خدشات چھائے رہے۔ طویل مدتی حکومتی سیکیورٹیز میں منافع کے اضافہ کی وجہ سے سرمایہ داروں کو کچھ اطمینان ہوا۔ یہ سیکیورٹیز معاشی استحکام کے لئے متعارف کرائی گئیں جس کی وجہ سے مارکیٹ میں تحریک پیدا ہوئی۔ مجموعی طور پر KMI-30 انڈیکس نے زیر جائزہ سہ ماہی کے دوران 5.5 فی صد کی کمی کے ساتھ اختتام پذیر ہوا۔ زیر جائزہ مدت کے دوران انفرادی سرگرمی کو دیکھتے ہوئے غیر ملکی سرمایہ دار 23 ملین ڈالر مالیت کے ان فلوز کے ساتھ نمایاں خریدار رہے۔ مقامی سطح پر میوچل فنڈ نے 82 ملین ڈالر کی ایکویٹیز فروخت کیں جب کہ انفرادی سرمایہ داروں نے 49 ملین ڈالر کی سرمایہ داری کی۔

مالی سال 2020ء کی پہلی سہ ماہی میں اسٹیٹ بینک آف پاکستان (SBP) نے ایک ماہ میں دو مانیٹری پالیسیوں کا جائزہ پیش کیا۔ اس کے پہلے مانیٹری پالیسی جائزہ میں، افرادط زر میں اضافہ کے خدشات اور طلب کے دباؤ کو مدنظر رکھتے ہوئے SBP نے پالیسی شرح 12.25 فی صد سے بڑھا کر 13.25 فی صد کر دی۔ 16 ستمبر کو دوسرے مانیٹری پالیسی جائزہ میں SBP نے پالیسی کی شرح کو برقرار رکھنے کا فیصلہ کیا۔ SBP نے کرنٹ اکاؤنٹ خسارہ (CAD) میں واضح تبدیلی دیکھی جو برآمدات میں 11 فی صد نمو اور درآمدات میں 25.8 فی صد کمی کے مرہون منت ہے جب کہ افراط زر میں اضافہ متوقع تھا۔ توقعات کے مطابق افراط زر میں اضافہ ہوتا رہا اور سالہا سال کی بنیاد پر CPI افراط زر میں ستمبر 2018ء میں 5.1 فی صد کے مقابلہ میں ستمبر 2019ء کے دوران 11.4 فی صد اضافہ ہوا۔ روپے کی قدر میں کمی، تیل کی بین الاقوامی قیمتوں میں عدم استحکام، مسلسل حکومتی قرضوں کا حصول اور یوٹیلٹی نرخوں میں اضافہ کے اثرات کی وجہ سے افراط زر میں مزید اضافہ کی توقع ہے۔ پالیسی شرح میں اضافہ کے تحت سہ ماہی، ششماہی اور سالانہ KIBOR میں بالترتیب 88، 79 اور 42 بی پی ایس اضافہ ہوا۔ کارپوریٹ سکوک کے لئے ابتدائی مارکیٹ کی زیادہ طلب کے مقابلہ میں رسد کم رہی۔ ثانوی منڈی میں، کارپوریٹ سکوک کا تجارتی سرگرمی اعلیٰ کوالٹی ڈیبٹ اجرا کی جانب زیادہ جھکاؤ رہا جس کی مجموعی تجارتی قدر مالیاتی سال 2019ء میں 2.9 بلین روپے کے مقابلہ میں مالیاتی سال 2020ء میں 2.5 بلین روپے رہی۔

30 ستمبر 2019 کو فنڈ کی ایسٹ ایلوکیشن درج ذیل ہے:

ایسیٹ ایلوکیشن	(نیٹ ایسیٹس کا %)
ایکویٹی سب فنڈ	
ایکویٹی	94.7%
کیش کے مساوی-خالص	5.3%
کل	**100.00%**
ڈیٹ سب فنڈ	
کیش کے مساوی-خالص	37.4%
کمرشل پیپرز (اسلامک)	4.6%
سکوک	28.4%
بینک اور DFIs پلیسمنٹ	29.6%
کل	**100.00%**
منی مارکیٹ سب فنڈ	
کیش کے مساوی-خالص	55.0%
کمرشل پیپرز (اسلامک)	4.4%
بینک اور DFIs پلیسمنٹ	40.6%
کل	**100.00%**

اظہار تشکر

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

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

منجانب بورڈ آف ڈائریکٹرز
NBP فنڈ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو | ڈائریکٹر

تاریخ: 24 اکتوبر 2019
مقام: کراچی

NBP FUNDS
Managing Your Savings

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2019

	Note	September 30, 2019 (Un-audited)					June 30, 2019 (Audited)				
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
		----Rupees----					----Rupees----				
ASSETS											
Bank balances		50,144,720	193,057,363	348,128,611	3,729,064	595,059,758	117,230,295	270,023,306	442,337,850	2,985,769	832,577,220
Investments	4	786,347,337	323,185,343	288,252,011	-	1,397,784,691	823,325,371	231,656,608	108,000,000	-	1,162,981,979
Dividend receivable		11,051,700	-	-	-	11,051,700	532,714	-	-	-	532,714
Mark-up receivables		1,380,131	6,467,147	7,709,062	-	15,556,340	993,147	7,602,349	5,557,462	-	14,152,958
Advances, deposits and other receivables		5,380,748	114,526	181,202	-	5,676,476	3,036,108	100,000	100,000	-	3,236,108
Total assets		**854,304,636**	**522,824,379**	**644,270,886**	**3,729,064**	**2,025,128,965**	**945,117,635**	**509,382,263**	**555,995,312**	**2,985,769**	**2,013,480,979**
LIABILITIES											
Payable to the Pension Fund Manager		1,178,141	801,277	973,259	1,740,188	4,692,865	1,353,120	766,823	806,343	834,173	3,760,459
Payable to the Central Depository Company of Pakistan Limited - Trustee		92,519	60,918	75,345	-	228,782	107,179	58,017	61,327	-	226,523
Payable to the Securities and Exchange Commission of Pakistan		66,801	42,897	53,360	-	163,058	357,182	135,899	156,454	-	649,535
Payable against purchase of investments		12,411,055	-	-	-	12,411,055	-	-	-	-	-
Payable against redemption / reallocation of units		28,328	2,691,103	1,037,873	-	3,757,304	-	-	-	-	-
Accrued expenses and other liabilities		10,428,108	2,612,981	2,350,282	1,988,876	17,380,247	9,812,873	2,241,418	1,921,057	2,151,596	16,126,944
Total liabilities		**24,204,952**	**6,209,176**	**4,490,119**	**3,729,064**	**38,633,311**	**11,630,354**	**3,202,157**	**2,945,181**	**2,985,769**	**20,763,461**
NET ASSETS		**830,099,684**	**516,615,203**	**639,780,767**	**-**	**1,986,495,654**	**933,487,281**	**506,180,106**	**553,050,131**	**-**	**1,992,717,518**
PARTICIPANTS' SUB-FUNDS (as per statement attached)		**830,099,684**	**516,615,203**	**639,780,767**	**-**	**1,986,495,654**	**933,487,281**	**506,180,106**	**553,050,131**	**-**	**1,992,717,518**
Number of units in issue		**3,656,587**	**3,709,313**	**4,499,750**			**3,864,888**	**3,731,409**	**3,996,104**		
Net asset value per unit		**227.0149**	**139.2752**	**142.1814**			**241.5302**	**135.6539**	**138.3973**		
Contingencies and commitments	6										

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer **Chief Executive Officer** **Director**

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Note	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
		Rupees				Rupees			
INCOME									
Profit on bank deposits		2,009,034	7,761,791	13,248,284	23,019,109	1,527,772	4,550,503	7,835,354	13,913,629
Income from Sukuk Certificate		-	2,474,382	-	2,474,382	-	1,797,144	-	1,797,144
Income from Term Deposit		-	4,520,400	7,172,888	11,693,288	-	79,623	94,486	174,109
Income from Commercial Paper		-	602,905	440,601	1,043,506	-	244,309	-	244,309
Dividend income		10,768,731	-	-	10,768,731	12,323,734	-	-	12,323,734
Net (loss) / gain on sale of investments		(13,750,615)	(2,345)	-	(13,752,960)	7,204,996	-	-	7,204,996
Net unrealized (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(48,131,705)	1,127,000	-	(47,004,705)	(15,595,451)	(2,081,615)	-	(17,677,066)
Total (loss) / income		**(49,104,555)**	**16,484,133**	**20,861,773**	**(11,758,649)**	**5,461,051**	**4,589,964**	**7,929,840**	**17,980,855**
EXPENSES									
Remuneration of Pension Fund Manager		3,036,445	1,949,849	2,425,474	7,411,768	4,289,655	1,436,783	1,688,554	7,414,992
Sindh sales tax on remuneration of the Pension Fund Manager		394,738	253,480	315,312	963,530	557,655	186,782	219,512	963,949
Remuneration to the Central Depository Company of Pakistan Limited - Trustee		254,552	163,510	203,434	621,496	376,499	128,280	150,837	655,616
Sindh sales tax on remuneration of Trustee		33,092	21,257	26,446	80,795	48,946	16,676	19,609	85,231
Annual fee - Securities and Exchange Commission of Pakistan		66,802	42,897	53,360	163,059	94,372	31,609	37,148	163,129
Auditors' remuneration		41,032	41,032	41,032	123,096	38,364	38,364	38,364	115,092
Securities' transaction costs		302,094	-	-	302,094	338,779	4,375	-	343,154
Others		3,762	11,286	11,286	26,334	3,772	11,316	11,316	26,404
Settlement and Bank charges		101,532	66,118	74,750	242,400	86,304	48,036	50,996	185,336
Total Expenses		**4,234,049**	**2,549,429**	**3,151,094**	**9,934,572**	**5,834,346**	**1,902,221**	**2,216,336**	**9,952,903**
Net (loss) / income from operating activities		**(53,338,604)**	**13,934,704**	**17,710,679**	**(21,693,221)**	**(373,295)**	**2,687,743**	**5,713,504**	**8,027,952**
Provision for Sindh Workers' Welfare Fund	5	-	(278,694)	(354,214)	(632,908)	-	(53,755)	(114,270)	(168,025)
Net (loss) / income for the period before taxation		(53,338,604)	13,656,010	17,356,465	(22,326,129)	(373,295)	2,633,988	5,599,234	7,859,927
Taxation	7	-	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation		**(53,338,604)**	**13,656,010**	**17,356,465**	**(22,326,129)**	**(373,295)**	**2,633,988**	**5,599,234**	**7,859,927**

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
	----------Rupees----------				----------Rupees----------			
Net (loss) / income for the period after taxation	**(53,338,604)**	**13,656,010**	**17,356,465**	**(22,326,129)**	**(373,295)**	**2,633,988**	**5,599,234**	**7,859,927**
Other comprehensive (loss) / income for the period	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	**(53,338,604)**	**13,656,010**	**17,356,465**	**(22,326,129)**	**(373,295)**	**2,633,988**	**5,599,234**	**7,859,927**

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer | **Chief Executive Officer** | **Director**

NBP FUNDS
Managing Your Savings

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Note	Quarter ended September 30, 2019				Quarter ended September 30, 2018			
		Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
		Rupees				Rupees			
Net assets at the beginning of the period		**933,487,281**	**506,180,106**	**553,050,131**	**1,992,717,518**	**1,110,197,234**	**372,899,418**	**418,888,452**	**1,901,985,104**
Amount received on issuance of units	8	43,682,337	30,565,993	69,693,112	143,941,442	54,290,220	23,671,834	49,483,713	127,445,767
Amount paid on redemption of units		(15,017,350)	(45,626,616)	(67,193,211)	(127,837,177)	(20,502,226)	(18,004,078)	(26,407,949)	(64,914,253)
Effect of reallocation		(78,713,980)	11,839,710	66,874,270	-	(7,851,176)	2,300,320	5,550,856	-
Total comprehensive income for the period		(53,338,604)	13,656,010	17,356,465	(22,326,129)	(373,295)	2,633,988	5,599,234	7,859,927
Net assets at the end of the period		**830,099,684**	**516,615,203**	**639,780,767**	**1,986,495,654**	**1,135,760,757**	**383,501,482**	**453,114,306**	**1,972,376,545**

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer **Chief Executive Officer** **Director**

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Quarter ended September 30, 2019					Quarter ended September 30, 2018				
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
	Rupees					Rupees				
CASH FLOWS FROM OPERATING ACTIVITIES										
Net (loss) / income for the period before taxation	(53,338,604)	13,656,010	17,356,465	-	(22,326,129)	(373,295)	2,633,988	5,599,234	-	7,859,927
Adjustments										
Net unrealized (appreciation) / Diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	48,131,705	(1,127,000)	-	-	47,004,705	15,595,451	2,081,615	-	-	17,677,066
(Gain) / loss on sale of investment-net	13,750,615	2,345	-	-	13,752,960	(7,204,996)	-	-	-	(7,204,996)
	8,543,716	**12,531,355**	**17,356,465**	**-**	**38,431,536**	**8,017,160**	**4,715,603**	**5,599,234**	**-**	**18,331,997**
Decrease / (increase) in assets										
Investments Net	(24,904,286)	(90,404,080)	(180,252,011)	-	(295,560,377)	(50,322,001)	(26,314,753)	-	-	(76,636,754)
Dividend receivable	(10,518,986)	-	-	-	(10,518,986)	(10,371,719)	-	-	-	(10,371,719)
Profit receivable	(386,984)	1,135,202	(2,151,600)	-	(1,403,382)	(396,560)	(1,053,565)	(2,992,652)	-	(4,442,777)
Receivable against sale of investments	-	-	-	-	-	-	-	-	-	-
Advances, deposit and other receivables	(2,344,640)	(14,526)	(81,202)	-	(2,440,368)	2,557,500	-	-	-	2,557,500
	(38,154,896)	**(89,283,404)**	**(182,484,813)**	**-**	**(309,923,113)**	**(58,532,780)**	**(27,368,318)**	**(2,992,652)**	**-**	**(88,893,750)**
(Decrease) / increase in Liabilities										
Payable against purchase of investments	12,411,055	-	-	-	12,411,055	(14,807,394)	-	-	-	(14,807,394)
Payable to the Pension Fund Manager	(174,979)	34,454	166,916	743,295	769,686	122,093	6,475	100,015	17,613	246,196
Payable to the Central Depository Company of Pakistan Limited	(14,660)	2,901	14,018	-	2,259	27,606	8,673	18,266	-	54,545
Payable to the Securities and Exchange Commission of Pakistan	(290,381)	(93,002)	(103,094)	-	(486,477)	(212,760)	(88,955)	(59,929)	-	(361,644)
Accrued expenses and other liabilities	615,235	371,563	429,225	-	1,416,023	229,302	90,608	114,175	-	434,085
	12,574,598	**3,007,019**	**1,544,938**	**743,295**	**17,869,850**	**(14,641,153)**	**16,801**	**172,527**	**17,613**	**(14,434,212)**
Net cash (used in) / generated from operating activities	**(17,036,582)**	**(73,745,030)**	**(163,583,410)**	**743,295**	**(253,621,727)**	**(65,156,773)**	**(22,635,914)**	**2,779,109**	**17,613**	**(84,995,965)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received on issue of units	43,682,337	30,565,993	69,693,112	-	143,941,442	54,290,220	23,671,834	49,483,713	-	127,445,767
Amount paid on redemption of units	(15,017,350)	(45,626,616)	(67,193,211)	-	(127,837,177)	(20,502,226)	(18,004,078)	(26,407,949)	-	(64,914,253)
Effect of reallocation	(78,713,980)	11,839,710	66,874,270	-	-	(7,851,176)	2,300,320	5,550,856	-	-
Net cash generated from / (used in) financing activities	**(50,048,993)**	**(3,220,913)**	**69,374,171**	**-**	**16,104,265**	**25,936,818**	**7,968,076**	**28,626,620**	**-**	**62,531,514**
Net (decrease) / increase in cash and cash equivalents	**(67,085,575)**	**(76,965,943)**	**(94,209,239)**	**743,295**	**(237,517,462)**	**(39,219,955)**	**(14,667,838)**	**31,405,729**	**17,613**	**(22,464,451)**
Cash and cash equivalents at the beginning of the period	117,230,295	270,023,306	442,337,850	2,985,769	832,577,220	114,754,050	257,948,255	418,202,813	3,394,877	794,299,995
Cash and cash equivalents at the end of the period	**50,144,720**	**193,057,363**	**348,128,611**	**3,729,064**	**595,059,758**	**75,534,095**	**243,280,417**	**449,608,542**	**3,412,490**	**771,835,544**

The annexed notes 1 to 11 form an integral part of these condensed interim financial statements.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Islamic Pension Fund (“the Fund”) was established under a Trust Deed, dated October 12, 2012, between NBP Fund Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension Fund on November 16, 2012.

The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Clifton Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.
The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Mufti Bilal Ahmed Qazi as Shariah Advisor to the Pension Fund to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Fund consists of three sub-funds namely, NAFA Islamic Pension Fund Equity Sub-Fund (Equity Sub-Fund), NAFA Islamic Pension Fund Debt Sub-Fund (Debt Sub-Fund) and NAFA Islamic Pension Fund Money Market Sub- Fund (Money Market Sub-Fund) (collectively the Sub-Funds). The investment policy for each of the Sub-Funds are as follows:

The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV of equity sub-fund or index weight, subject to a maximum of 35% of NAV of equity sub-fund. Remaining assets of the equity sub-fund may be invested in government treasury bills or government securities having less than one year time to maturity, or be deposited with scheduled commercial banks having at least A rating.

"The Debt sub-fund consists of Shariah compliant tradable debt securities with weighted average time to maturity of the investment portfolio of the sub-fund not exceeding five years. At least twenty five percent (25%) of the net assets of Debt sub-fund shall be invested in debt securities issued by the Federal Government. Upto twenty five percent (25%) may be deposited with scheduled Islamic banks having not less than ""A+"" rating or Islamic windows of commercial banks having not less than 'AA' rating. Investment in securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be up to 30% of net assets of Debt sub-fund. Composition of the remaining portion of the investments shall be as defined in the offering document."

The Money Market sub-fund consists of Shariah compliant short term money market securities with weighted average time to maturity not exceeding one year. There is no restriction on the amount of investment in securities issued by the Federal Government and Islamic windows of commercial banks having 'A+' rating provided that deposit with any one bank shall not exceed 20% of net assets Money Market Sub-Fund. Investment in securities issued by provincial government, city government, government corporation with 'A' or higher rating or a corporate entity with 'A+' or higher rating shall be in proportion as defined in offering document.

The Fund offers six types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility, Customized Allocation & Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The Participant has the option to select any one from the Allocation Schemes or products being offered by the Pension Fund Manager at the date of opening his / her Individual Pension Account. The Participant may change the Allocation Scheme not more than twice a year thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis or with any other frequency.

Pakistan Credit Rating Agency (PACRA) has assigned management quality rating of ‘AM1’ to the Pension Fund Manager while the Fund is currently not rated.

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

2 STATEMENT OF COMPLIANCE

These condensed interim 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 (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the VPS Rules or directives issued by the SECP differ with the requirements of the IFRS, the requirements of the VPS Rules or the directives issued by the SECP shall 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'. These condensed interim financial statements do 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 audited financial statements of the Fund for the year ended June 30, 2019.

The directors of the Management Company hereby declared that these condensed interim financial statements give a true and fair view of the state of the Fund’s affairs as at September 30, 2019.
These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

3.2 There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on July 1, 2019 that have a material effect on the financial statements of the Fund.

4 INVESTMENTS - NET

	Note	September 30, 2019 (Un-audited) Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	June 30, 2019 (Audited) Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
		---Rupees---							
At fair value through profit or loss									
Listed Equity securities	4.1	786,347,337	-	-	786,347,337	823,325,371	-	-	823,325,371
Government of Pakistan Ijara Sukuk	4.2 & 4.3	-	111,642,000	-	111,642,000	-	110,515,000	-	110,515,000
Sukuks Certificates		-	35,000,000	-	35,000,000	-	4,377,345	-	4,377,345
Commercial Paper	4.4	-	23,543,343	28,252,011	51,795,354	-	19,764,263	-	19,764,263
Term Deposit Receipts	4.5	-	153,000,000	260,000,000	413,000,000	-	97,000,000	108,000,000	205,000,000
		786,347,337	**323,185,343**	**288,252,011**	**1,397,784,691**	**823,325,371**	**231,656,608**	**108,000,000**	**1,162,981,979**

4.1 Listed equity securities - Equity Sub-Fund

All shares have a nominal face value of Rs. 10 each unless stated otherwise.

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2019	Market value	Market value as a % of net assets of Sub-Fund	Market value as a % of investments of Sub-Fund	as a % of paid-up capital of the investee company held
	---Number of shares---					--- Rupees---	---%---		
Commercial Banks									
Meezan Bank Limited	707,389	102,500	-	-	809,889	58,344,411	7.03	7.42	0.08
Cement									
D.G.Khan Cement	23,000	65,000	-	23,000	65,000	3,142,100	0.38	0.40	0.02
Fauji Cement Company Limited	126,500	282,500	-	126,500	282,500	3,785,500	0.46	0.48	0.05
Fecto Cement Limited	19,600	-	-	-	19,600	310,464	0.04	0.04	0.00
Kohat Cement Limited	179,960	73,000	-	33,500	219,460	10,099,549	1.22	1.28	0.19
Lucky Cement Limited	101,950	14,600	-	4,300	112,250	38,404,094	4.63	4.88	0.22
Maple Leaf Cement Factory Limited	272,500	80,000	-	352,500	-	-	-	-	-
Pioneer Cement Limited	56,000	-	-	56,000	-	-	-	-	-

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2019	Market value	Market value as a % of net assets of Sub-Fund	Market value as a % of investments of Sub-Fund	as a % of paid-up capital of the investee company held
	-----Number of shares-----					--- Rupees---	-----%-----		
Power Generation & Distribution									
Hub Power Company Limited	1,083,222	-	-	109,500	973,722	68,890,854	8.30	8.76	0.19
Lalpir Power Limited	390,500	-	-	-	390,500	4,482,940	0.54	0.57	0.08
Nishat Power Limited	189,000	-	-	89,000	100,000	2,332,000	0.28	0.30	0.03
Oil & Gas Exploration Companies									
Mari Petroleum Company Limited	46,944	9,300	-	1,500	54,744	49,223,616	5.93	6.26	0.05
Oil & Gas Development Company	714,900	34,500	-	111,500	637,900	78,480,838	9.45	9.98	0.01
Pakistan Oilfields Limited	95,320	33,500	-	4,300	124,520	47,305,149	5.70	6.02	0.05
Pakistan Petroleum Limited	577,757	81,500	-	102,400	556,857	75,749,232	9.13	9.63	0.62
Oil & Gas Marketing Companies									
Hascol Petroleum Limited	5,811	-	-	5,415	396	8,052	0.00	0.00	0.00
Pakistan State Oil Company Limited	146,157	68,200	-	56,000	158,357	24,939,613	3.00	3.17	0.06
Sui Northern Gas Pipelines Limited	275,500	218,000	-	-	493,500	30,399,600	3.66	3.87	0.08
Refinery									
Attock Refinery Limited	375	-	-	-	375	29,265	0.00	0.00	0.00
Textile Composite									
Kohinoor Textile Mills Limited	133,992	-	-	133,073	919	21,817	0.00	0.00	0.00
Interloop Limited	143,319	-	-		143,319	6,296,005	0.76	0.80	0.02
Nishat Mills Limited	394,300	113,200	-	123,000	384,500	32,298,000	3.89	4.11	2.14
Chemical									
Akzo Nobel Pakistan Limited	53,000	-	-	1,000	52,000	5,045,560	0.61	0.64	0.02
Dynea Pakistan Limited	-	22,500	-	-	22,500	1,608,750	0.19	0.20	0.24
Engro Polymer and Chemicals Limited	506,778	419,000	-	-	925,778	22,727,850	2.74	2.89	0.10
Ittehad Chemical Limited	201,700	-	-	50,500	151,200	2,735,208	0.33	0.35	0.18

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2019	Market value	Market value as a % of net assets of Sub-Fund	Market value as a % of investments of Sub-Fund	as a % of paid-up capital of the investee company held
	Number of shares					Rupees	%		
Fertilizer									
Dawood Hercules Corporation Limited	6,900	-	-	-	6,900	834,900	0.10	0.11	0.00
Engro Corporation Limited	331,100	17,500	-	99,900	248,700	66,375,543	8.00	8.44	0.10
Engro Fertilizers Limited	846,000	367,000	-	301,500	911,500	62,191,645	7.49	7.91	0.07
Automobile and Parts									
Agriautos Industries Limited	-	-	-	-	-	-	-	-	-
Baluchistan Wheels Limited	82,800	-	-	-	82,800	4,180,572	0.50	0.53	0.00
Thal Limited	-	-	-	-	-	-	-	-	-
Automobile Assembler									
Honda Atlas Cars (Pakistan)	29,100	-	-	29,100	-	-	-	-	-
Pak Suzuki Motor Company Limited	800	-	-	-	800	128,472	0.02	0.02	0.00
Paper & Board									
Packages Limited	6,600	8,400	-	-	15,000	4,485,000	0.54	0.57	0.02
Vanaspati & Allied Industries									
Unity Foods Limited	10	-	-	-	10	-	-	-	0.00
Sugar & Allied Industries									
Faran Sugar Mills Limited	43,000	-	-	-	43,000	1,569,500	0.19	0.20	0.03
Engineering									
Mughal Iron and Steel Industries Limited	161,750	548,500	-	-	710,250	19,872,795	2.39	2.53	0.28

Name of the investee company	As at July 1, 2019	Purchases during the period	Bonus / Right during the period	Sales during the period	As at September 30, 2019	Market value	Market value as a % of net assets of Sub-Fund	Market value as a % of investments of Sub-Fund	as a % of paid-up capital of the investee company held
	---Number of shares---					--- Rupees---	---%---		
Transport									
Pakistan National Shipping Corporation Limited	-	52,500	-	-	52,500	3,314,850	0.40	0.42	0.07
Cable & Electrical Goods									
Pak Elektron Limited	-	-	-	-	-	-	-	-	-
Technology and Communication									
Systems Limited	145,150	-	-	-	145,150	12,083,738	1.46	1.54	0.13
Avanceon Limited	40,075	-	-	-	40,075	1,397,015	0.17	0.18	0.02
NetSol Technologies Limited	199,500	-	-	26,500	173,000	9,745,090	1.17	1.24	0.19
Miscellaneous									
Synthetic Products Enterprises Limited	173,200	-	-	116,000	57,200	980,980	0.12	0.12	0.07
Food and Personal Care									
Al-Shaheer Corporation Limited	309,535	-	-	-	309,535	3,370,836	0.41	0.43	0.22
At-Tahur Limited	96,997	-	-	62,000	34,997	542,454	0.07	0.07	0.02
Glass & Ceramics									
Ghani Glass Limited	79,534	-	-	-	79,534	3,242,601	0.39	0.41	0.02
Ghani Value Glass Limited	204,000	-	-		204,000	8,170,200	0.98	1.04	0.54
Shabbir Tiles & Ceramics Limited	298,500	-	-	-	298,500	2,370,090	0.29	0.30	0.18
Tariq Glass Industries Limited	153,500	-	-	-	153,500	12,011,375	1.45	1.53	0.21
Pharmaceuticals									
GlaxoSmithKline Consumer Healthcare (Pakis	3,444	-	-	-	3,444	722,172	0.09	0.09	0.00
The Searle Company Limited	15,172	-	-	-	15,172	2,097,042	0.25	0.27	0.01
	9,672,141	**2,611,200**	**-**	**2,017,988**	**10,265,353**	**786,347,337**	**94.73**	**100.00**	
Carrying Value as at September 30, 2019							**834,479,042**		

4.2 **Government securities - Ijarah Sukuk**

4.2.1 **Held by Debt Sub-Fund**

Name of the security	Issue date	Maturity date	As at July 1, 2019	Purchases during the period	Matured/Sold during the period	As at September 30, 2019	Market value	Market value as a % of net assets of the Sub-Fund
			----------Face value (Rupees)----------				------Rupees------	
GoP - Ijarah Sukuk XIX	June 30, 2017	30-Jun-20	115,000,000	-	-	115,000,000	111,642,000	21.61
			115,000,000	**-**	**-**	**115,000,000**	**111,642,000**	**21.61**
Carrying Value as at September 30, 2019							**110,515,000**	

4.3 **Sukuk - Unlisted Company**

4.3.1 **Held by Debt Sub-Fund**

Issue	Issue date	Maturity date	As at July 1, 2019	Purchases during the period	Matured/Sold during the period	As at September 30, 2019	Market value	Market value as a % of net assets of the Sub-Fund
			----------Face value (Rupees)----------				------Rupees------	
Engro Fertilizers Limited	July 9, 2014	July 9, 2019	4,375,000	-	4,375,000	-	-	-
The Hub Power Compnay Limited	August 9, 2019	August 9, 2023	-	35,000,000	-	35,000,000	35,000,000	6.77
			4,375,000	**35,000,000**	**4,375,000**	**35,000,000**	**35,000,000**	**6.77**
Carrying Value as at September 30, 2019							**35,000,000**	

4.4 **Commercial Paper**

4.4.1 **Debt Sub-Fund**

Issue	Issue date	Issue date	As at July 1, 2019	Purchases during the period	Matured/Sold during the period	As at September 30, 2019	Market value	Market value as a % of net assets of the Sub-Fund
			----------Face value (Rupees)----------				------Rupees------	
K-Electric Limited	August 28, 2019	February 28, 2020	-	25,000,000	-	25,000,000	23,543,343	4.56
			-	**25,000,000**	**-**	**25,000,000**	**23,543,343**	**4.56**
Carrying Value as at September 30, 2019							**23,543,343**	

4.4.2 **Money Market Sub-Fund**

Issue	Issue date	Issue date	As at July 1, 2019	Purchases during the period	Matured/Sold during the period	As at September 30, 2019	Market value	Market value as a % of net assets of the Sub-Fund
			----------Face value (Rupees)----------				------Rupees------	
K-Electric Limited	August 28, 2019	February 28, 2020	-	30,000,000	-	30,000,000	28,252,011	5.47
			-	**30,000,000**	**-**	**30,000,000**	**28,252,011**	**5.47**
Carrying Value as at September 30, 2019							**28,252,011**	

4.5 These carry markup rate of 13.0% & 13.65% per annum and having maturity at October 02, 2019 and October 28, 2019 respectively (2019: 13.60%).

5 PROVISION FOR SINDH WORKERS' WELFARE FUND

The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2019.

In current year, SWWF recognised in all sub funds except equity sub fund as there is net loss in it. Had the provision not been made in the financial statements of the Fund, the net asset value of the Equity sub fund, Debt sub fund and Money Market sub fund as at September 30, 2019 would have been higher by Rs. 1.8672, Rs. 0.4047 and Rs. 0.3578 per unit respectively (June 30, 2019: Rs. 1.7665, Re. 0.3276 and Re. 0.3142)

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2019 and June 30, 2019.

7 TAXATION

No provision for taxation for the period ended September 30, 2019 has been made in view of the exemption available under clause 57 (3) (viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

8 CONTRIBUTION TABLE

	Quarter ended 30 September 2019							
	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	188,776	43,682,337	223,226	30,565,993	498,826	69,693,112	910,828	143,941,442
	188,776	**43,682,337**	**223,226**	**30,565,993**	**498,826**	**69,693,112**	**910,828**	**143,941,442**

	Quarter ended 30 September 2018							
	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Total	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	185,123	54,290,220	296,825	23,671,834	489,347	49,483,713	971,295	127,445,767
	185,123	**54,290,220**	**296,825**	**23,671,834**	**489,347**	**49,483,713**	**971,295**	**127,445,767**

9 TRANSACTIONS WITH CONNETED PERSONS

9.1 Connected persons and related parties include NBP Fund Management Limited being the Pension fund manager, Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) being the parent company of pension fund manager and Baltoro Growth Fund being the sponsor of the pension fund manager. It also includes associated companies of Management Company due to common directorship, post-employment benefit funds of the Pension fund manager, its parent and sponsor. It also includes subsidiaries and associated companies of the Parent of the Pension fund manager and other collective investment schemes (CIS) managed by the Pension fund manager, directors and key management personnel of the Pension fund manager and any person or company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

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

9.3 Remuneration payable to the Pension Fund manager and Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

9.4 Details of the transactions with connected persons are as follows:

	Quarter ended 30 September 2019				Quarter ended 30 September 2018			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
	Rupees				Rupees			
NBP Fund Management Limited - Pension Fund Manager								
Management fee	3,036,445	1,949,849	2,425,474	7,411,768	4,289,655	1,436,783	1,688,554	7,414,992
Sales tax on remuneration of Pension Fund Manager	394,738	253,480	315,312	963,530	557,655	186,782	219,512	963,949
Central Depository Company of Pakistan Limited - Trustee								
Remuneration	254,552	163,510	203,434	621,496	376,499	128,280	150,837	655,616
Sales tax on remuneration of Trustee	33,092	21,257	26,446	80,795	48,946	16,676	19,609	85,231
DR. AMJAD WAHEED - CHEIF EXECUTIVE - CEO								
Amount of units issued	2,345,000	2,285,000	2,285,000	6,915,000	-	-	-	-
Number of units issued	10,328	16,832	16,493	43,653	-	-	-	-
Amount of units redeemed	4,571,000	2,344,000	-	6,915,000	-	-	-	-
Number of units redeemed	18,693	16,832	-	35,525	-	-	-	-
Employees of the Company								
Amount of units issued	34,315,000	133,000	17,647,000	52,095,000	767,519	233,440	195,902	1,196,861
Number of units issued	158,038	969	127,025	286,032	2,557	1,825	1,514	5,896
Amount of units redeemed	17,064,000	103,000	26,100,000	43,267,000	-	-	-	-
Number of units redeemed	71,762	739	185,008	257,509	-	-	-	-
Taurus Securities Limited								
Brokerage Paid	15,209	-	-	15,209	15,764	-	-	15,764
BankIslami Pakistan Limited (Common directorship with the Management Company)								
Placement of Term deposit receipts	-	306,000,000	390,000,000	696,000,000	-	-	-	-

9.5 **Amounts outstanding as at period end**

	Quarter ended 30 September 2019					Year ended 30 June 2019				
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
	---Rupees---					---Rupees---				
NBP Fund Management Limited - Pension Fund Manager										
Management fee payable	976,231	642,723	794,924	-	2,413,878	1,131,080	612,233	647,211	-	2,390,524
Sindh Sales tax payable on management fee	126,910	83,554	103,335	-	313,799	147,040	79,590	84,132	-	310,762
Preliminary expenses and floatation cost payable	75,000	75,000	75,000	-	225,000	75,000	75,000	75,000	-	225,000
Number of units held	-	-	-	-	-	-	-	-	-	-
Amount of units held	-	-	-	-	-	-	-	-	-	-
Sales load inclusive of Sales Tax and Federal Excise Duty	-	-	-	1,740,188	1,740,188	-	-	-	834,173	834,173
Dr. Amjad Waheed - Cheif Executive Officer										
Number of units held	10,328	-	16,493	-	26,821	18,693	-	-	-	18,693
Amount of units held	2,344,610	-	2,344,998	-	4,689,608	4,515,000	-	-	-	4,515,000
Employees of the Company										
Number of units held	207,728	3,384	74,745	-	285,857	121,453	3,154	132,729	-	257,336
Amount of units held	47,157,351	471,307	10,627,349	-	58,256,007	29,335,000	428,000	18,369,000	-	48,132,000
Central Depository Company of Pakistan Limited - Trustee										
Trustee Fee payable	81,874	53,909	66,677	-	202,460	94,849	51,342	54,272	-	200,463
Sindh Sales Tax payable	10,645	7,009	8,668	-	26,322	12,330	6,675	7,055	-	26,060
BankIslami Pakistan Limited (Common directorship with the Management Company)										
Mark-up on bank balances	242,203	155,544	321,123	-	718,870	324,343	1,262,682	462,948	-	2,049,973
Term deposit receipts	-	103,000,000	125,000,000	-	228,000,000	-	-	-	-	-

10 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on October 24, 2019 by the Board of Directors of the Management Company.

11 GENERAL

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

11.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation. No significant rearrangement or reclassification was made in these condensed interim financial statements during the current period.

For NBP Fund Management Limited
(Pension Fund Manager)

Chief Financial Officer	Chief Executive Officer	Director

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