



NBP FUNDS

Managing Your Savings

Islamic Savings

اعتماد
Aitemaad



اسلامک سیوننگ

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

**QUARTERLY
REPORT
SEPTEMBER
30, 2018**



MISSION STATEMENT

To rank in the top quartile
in performance of
NBP FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.

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NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

FUND'S INFORMATION

Management Company

NBP Fund Management Limited - Management Company

Board of Directors of the Management Company

Mr. Mudassir Husain Khan	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Tariq Jamali	Director
Mr. Abdul Hadi Palekar	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Dr. Foo Chiah Shiung (Kelvin Foo)	Director
Mr. Humayun Bashir	Director
Mr. Wajahat Rasul Khan	Director

Company Secretary & COO

Mr. Muhammad Murtaza Ali

Chief Financial Officer

Mr. Khalid Mehmood

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Tariq Jamali	Member
Dr. Foo Chiah Shiung (Kelvin Foo)	Member
Mr. Humayun Bashir	Member

Human Resource and Remuneration Committee

Mr. Kamal Amir Chinoy	Chairman
Mr. Abdul Hadi Palekar	Member
Mr. Humayun Bashir	Member

Strategy & Business Planning Committee

Mr. Humayun Bashir	Chairman
Mr. Tariq Jamali	Member
Mr. Shehryar Faruque	Member
Dr. Foo Chiah Shiung (Kelvin Foo)	Member

Trustee

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

Bankers to the Fund

Bank Islami Pakistan Limited
United Bank Limited
Dubai Islamic Bank Limited
Allied Bank Limited
JS Bank Limited
Habib Bank Limited

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No.02
Beaumont Road,
Karachi - 75530, Pakistan.

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

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

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

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

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the condensed unaudited financial statements of **NAFA Islamic Active Allocation Fund - II (NIAAF-II)** for the quarter ended September 30, 2018.

Fund's Performance

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of Shari'ah Compliant Equity Fund and Income/Money Market Funds.

NAFA Islamic Active Allocation Fund-II has been constituted in the form of a Trust Scheme that shall invest in following Collective Investment Schemes through five (5) Allocation Plans including NAFA Islamic Active Allocation Plan-VI (NIAAP-VI), NAFA Islamic Active Allocation Plan-VII (NIAAP-VII), NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII), NAFA Islamic Capital Preservation Plan-I (NICPP-I) & NAFA Islamic Capital Preservation Plan-II (NICPP-II).

Islamic Income Fund:	NAFA Active Allocation Riba Free Savings Fund
Islamic Equity Fund:	NAFA Islamic Active Allocation Equity Fund
Islamic Money Market Fund:	NAFA Islamic Money Market Fund

Amid amplified volatility, the stock market struggled during 1QFY2019 as the benchmark KMI-30 Index witnessed a decline of 2.6%. Lackluster performance of the stock market is primarily attributable to continued concerns on the twin deficits issue (Current Account Deficit & Fiscal Deficit) facing the economy. The market started the quarter under review on a negative note on the expectation of hung parliament in the general elections and associated policy dysfunction in the wake of difficult economic backdrop. Initially, the market celebrated the outcome of elections with a decent recovery of 6.4% in the three trading sessions as Imran Khan's Pakistan Tehreek-e-Insaf emerged as the largest party at the center with majority in Punjab and KPK provinces, and significant gains in Sindh and Balochistan provinces that put to rest the uncertainty in the domestic politics. However, the rally at the local bourse proved short lived as the entire focus of investors shifted to the multifaceted challenges confronting the economy. Corporate announcements with mixed showing also failed to provide a catalyst to the market. Moreover, driven by upside risks to inflation and to rein in demand pressures to address ballooning current account deficit coupled with the dwindling FX reserves, the SBP hiked the discount rate by 200 bps to 9%. Foreigners remained net sellers on the local bourse during the quarter with net outflow of USD 189 million which was absorbed mainly by Insurance companies and Individuals. Sell-offs were witnessed in the Emerging Markets such as Turkey and Argentina with high foreign debt and large current account deficits in the wake of rising US interest rates and strengthening US dollar.

Average CPI inflation increased to 5.6% in Jul-Sep FY19 compared to 3.4% during the same period last year owing to increased international oil prices & its pass-through impact, higher regulatory duty on imports, depreciating Pak rupee, and excessive reliance of the government on the banking system for fiscal financing amid shrinking Net Foreign Assets (NFA). Given potential upside risks to inflation and interest rates, investors' preference remained tilted towards short-term government securities as indicated by heavy participation in 3-month T-bills. The sovereign securities responded to the hike in the policy rates, as the yield curve witnessed an upward shift with yield on short-term T-Bills increasing by 136-142 basis points, whereas 3-year, 5-year, and 10-year PIBs yields moved up by 98 basis points, 77 basis points, and 102 basis points, respectively.

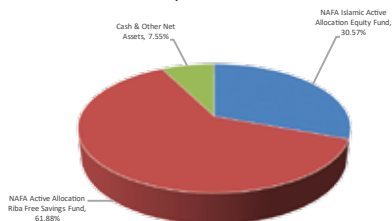
During the period, trading activity in corporate TFCs/Sukuks increased albeit from a low level with a cumulative trade value of around Rs. 3.8 billion as compared to Rs. 2.4 billion in the same period last year with Corporate Sukuk sector making up the lion's share.

NAFA Islamic Active Allocation Plan-VI (NIAAP-VI)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has decreased from Rs. 87.0647 on June 30, 2018 to Rs. 86.6410 on September 30, 2018, thus showing a decrease of 0.49%. The Benchmark decreased by 1.06%. Thus, the Fund has outperformed its Benchmark by 0.57%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VI (NIAAP-VI) has decreased from Rs.100.0000 on May 26, 2017 to Rs.86.6410 on September 30, 2018, thus showing a decrease of 13.36%. The Benchmark decline during the same period was 11.89%. Thus, the Fund has underperformed its Benchmark by 1.47%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.440 million.

NIAAP-VI has incurred loss of Rs.1.64 million during the period. After accounting for expenses of Rs.0.58 million, the net loss is Rs.2.22 million. The asset allocation of the Plan as on September 30, 2018 is as follows:



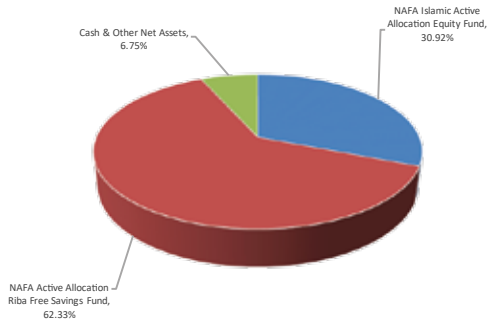
NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

NAFA Islamic Active Allocation Plan-VII (NIAAP-VII)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has decreased from Rs. 93.4852 on June 30, 2018 to Rs.93.0101 on September 30, 2018, thus showing a decrease of 0.51%. The Benchmark decreased by 1.08%. Thus, the Fund has outperformed its Benchmark by 0.57%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VII (NIAAP-VII) has decreased from Rs.100.00 on June 29, 2017 to Rs.93.0101 on September 30, 2018, thus showing a decrease of 6.99%. The Benchmark decreased during the same period was 4.57%. Thus, the Fund has underperformed its Benchmark by 2.42%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.187 million.

NIAAP-VII has incurred loss of Rs 0.75 million during the period. After accounting for expenses of Rs.0.28 million, the net loss is Rs.1.03 million. The asset allocation of the Plan as on September 30, 2018 is as follows:

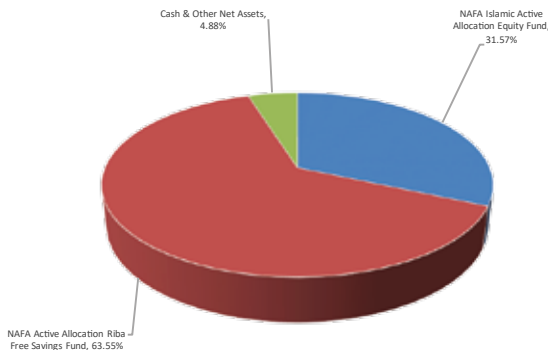


NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII)

Plan's Performance

During the period, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has decreased from Rs. 100.3081 on June 30, 2018 to Rs.99.8226 on September 30, 2018, thus showing a decrease of 0.48%. The Benchmark decreased by 1.08%. Thus, the Fund has outperformed its Benchmark by 0.60%. Since inception, the unit price of NAFA Islamic Active Allocation Plan-VIII (NIAAP-VIII) has decreased from Rs.100.00 on November 03, 2017 to Rs.99.8226 on September 30, 2018, thus showing a decrease of 0.18%. The Benchmark increased during the same period was 0.51%. Thus, the Fund has underperformed its Benchmark by 0.69%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.552 million.

NIAAP-VIII has incurred loss of Rs 2.30 million during the period. After accounting for expenses of Rs.0.70 million, the net loss is Rs.3.0 million. The asset allocation of the Plan as on September 30, 2018 is as follows:



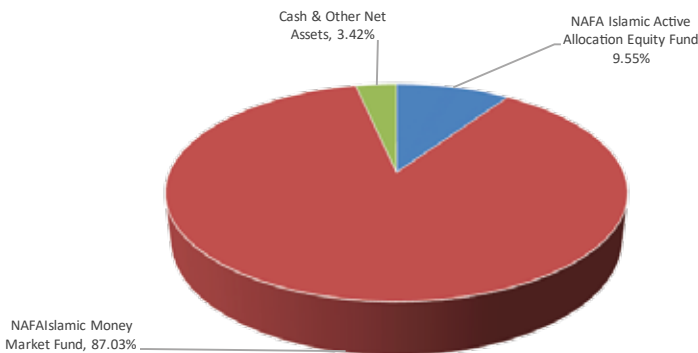
NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

NAFA Islamic Capital Preservation Plan-I (NICPP-I)

Plan's Performance

During the period, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP-I) has increased from Rs. 100.0030 (Ex-Div) on June 30, 2018 to Rs.101.0829 on September 30, 2018, thus showing an increase of 1.08%. The Benchmark increased by 0.42%. Thus, the Fund has outperformed its Benchmark by 0.66%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-I (NICPP-I) has increased from Rs.99.6371 (EX-Div) on February 28, 2018 to Rs.101.0829 on September 30, 2018, thus showing an increase of 1.45%. The Benchmark increased during the same period was 0.65%. Thus, the Fund has outperformed its Benchmark by 0.80%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.1,639 million.

NICPP-I has earned income of Rs 20.01 million during the period. After accounting for expenses of Rs.2.01 million, the net income is Rs.18 million. The asset allocation of the Plan as on September 30, 2018 is as follows:

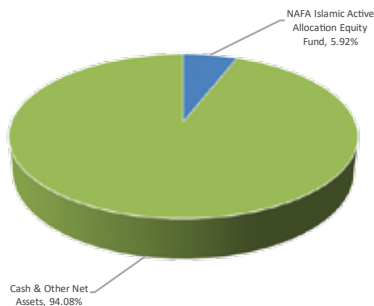


NAFA Islamic Capital Preservation Plan-II (NICPP-II)

Plan's Performance

During the period, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP-II) has increased from Rs. 100.0022 (Ex-Div) on June 30, 2018 to Rs.101.1626 on September 30, 2018, thus showing an increase of 1.16%. The Benchmark increased by 0.51%. Thus, the Fund has outperformed its Benchmark by 0.65%. Since inception, the unit price of NAFA Islamic Capital Preservation Plan-II (NICPP-II) has increased from Rs.99.4286 (EX-Div) on April 27, 2018 to Rs.101.1626 on September 30, 2018, thus showing an increase of 1.74%. The Benchmark increased during the same period was 0.71%. Thus, the Fund has outperformed its Benchmark by 1.03%. This performance is net of management fee and all other expenses. The size of the Fund is Rs.780 million.

NICPP-II has earned income of Rs 12.67 million during the period. After accounting for expenses of Rs.3.29 million, the net income is Rs.9.38 million. The asset allocation of the Plan as on September 30, 2018 is as follows:



NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

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 30, 2018
Place: Karachi.

ڈائریکٹرز رپورٹ

این بی پی فنڈ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز NAFA اسلامک ایکٹیو ایلوکیشن فنڈ-II (NIAAF-II) کی 30 ستمبر 2018 کو ختم ہونے والی سہ ماہی کے لیے کنڈینسڈ غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس کر رہے ہیں۔

فنڈ کی کارکردگی

اس فنڈ کا مقصد سرمایہ کاروں کو عمدہ نظم و نسق والے شریعہ کمپلائنسٹ ایکویٹی فنڈ اور انکم منی مارکیٹ فنڈز سے پرکشش منافع کمانے کا موقع فراہم کرنا ہے۔

NAFA اسلامک ایکٹیو ایلوکیشن فنڈ-II کو ایک ٹرسٹ اسکیم کی شکل میں تیار کیا گیا ہے جو پانچ (5) ایلوکیشنز پلانز کے ذریعے مشتمل سرمایہ کاری کی اسکیموں میں سرمایہ کاری کرے گا۔ جس میں NAFA اسلامک ایکٹیو ایلوکیشن پلان-VI (NIAAP-VI) NAFA اسلامک ایکٹیو ایلوکیشن پلان-VII (NIAAP-VII)، NAFA اسلامک ایکٹیو ایلوکیشن پلان-VIII (NIAAP-VIII) اور NAFA اسلامک کیپیٹل پریزیوریشن پلان-I (NICPP-I) شامل ہیں۔

☆ اسلامک انکم فنڈ NAFA ایکٹیو ایلوکیشن ریفری سیونگ فنڈ

☆ اسلامک منی مارکیٹ فنڈ NAFA اسلامک منی مارکیٹ فنڈ

☆ اسلامک ایکویٹی فنڈ NAFA اسلامک ایکٹیو ایلوکیشن ایکویٹی فنڈ

بڑھتی ہوئی اُتار چڑھاؤ کی بنا پر مالی سال 2019 کی پہلی سہ ماہی میں مارکیٹ وباؤ کا شکار رہی اور KMI 30 انڈیکس مقررہ حد سے 2.6% نیچے گر گیا۔ اسٹاک مارکیٹ کی متزلزل کارکردگی کی بڑی وجہ معیشت کے باب میں دوہرے خساروں کے مسائل (کرنٹ اکاؤنٹ کا خسارہ اور مالیاتی خسارہ) تھے۔ زیر جائزہ سہ ماہی کا آغاز مارکیٹ میں منفی اثر سے ہوا جو عام انتخابات کے نتیجے میں ایک معلق پارلیمنٹ کی توقع اور اس سے وابستہ ایک مشکل معاشی پس منظر میں ناقص پالیسی کے باعث تھا۔ ابتدائی طور پر الیکشن کے نتائج سے مارکیٹ میں کچھ خوشی کی لہر دو گئی اور تین تجارتی اجلاسوں میں 6.4% کی بحالی آئی۔ انتخابات کے نتائج سے عمران خان کی پاکستان تحریک انصاف مرکز میں سب سے بڑی پارٹی بن کر ابھری جب کہ پنجاب اور کے پی کے میں بھی اکثریت کے ساتھ کامیاب ہوئی۔ اس کے علاوہ سندھ اور بلوچستان کے صوبوں میں بھی اسے نمایاں مقام حاصل ہوا جس کی وجہ سے ملکی سیاست میں غیر یقینی کی کیفیت ختم ہوئی۔ تاہم مقامی سطح پر سرمایہ کار کا جوش وقتی عاقبت ہوا کیونکہ سرمایہ کاروں کی پوری توجہ معیشت کو درپیش ہمہ جہت چیلنجز کی طرف ہو گئی۔ کارپوریٹ اعلانات بھی مارکیٹ کو غیر متزلزل کرنے میں ناکام ہو گئی۔ اس کے علاوہ بڑھتے ہوئے اکاؤنٹ کے خسارے کی روک تھام کے لئے افراط زر میں خدشات کے پیش نظر اور زرمبادلہ کے ذخائر میں کمی کے باعث اسٹیٹ بینک آف پاکستان نے پالیسی کی شرح 200 بیس پوائنٹ اضافے کے ساتھ 9% کر دی۔ اس سہ ماہی کے دوران غیر ملکی سرمایہ کار خالص فروخت کنندہ رہے اور 189 ملین امریکی ڈالر سرمایہ ملک سے باہر گیا جس کا بڑا حصہ انٹرنیشنل کمپنیز اور انفرادی سرمایہ کار کے حصے میں آیا۔ ابھرتی ہوئی مارکیٹس جیسے ترکی اور اردن جتناؤں میں حصص کی فروخت کے رجحان دیکھنے میں آیا جس کی وجہ بلند غیر ملکی قرضہ جات اور امریکی شرح سود میں اضافے کے باعث کرنٹ اکاؤنٹ میں خسارہ رہا۔

جولائی - ستمبر مالی سال 19 میں اوسط CPI افراط زر میں 5.6% کا اضافہ ہوا جب کہ اس کے مقابلے میں گزشتہ سال اسی مدت میں 3.4% کا اضافہ ہوا تھا اس کی وجہ بین الاقوامی تیل کی قیمتوں میں اضافہ اور اس کے اثرات، درآمدات پر ریگولیری ڈیوٹی میں اضافہ، پاکستانی روپے کی قدر میں کمی اور خالص غیر ملکی اثاثہ جات میں کمی کے ساتھ ساتھ مالی فنانسنگ کے لئے حکومت کا بینکنگ کے شعبے پر بہت زیادہ انحصار کا تھا۔ افراط زر کے خدشات اور شرح سود میں اضافے کے پیش نظر سرمایہ کاروں نے حکومت کی قلیل المدت سیکورٹیز کو ترجیح دی جس کا اندازہ 3-month ٹی بلز میں ان کی بھاری تعداد میں شرکت سے ہوتا ہے۔ پالیسی کی شرح میں اضافے سے بڑی سیکورٹیز پر نمایاں اثر پڑا اور قلیل المدت ٹی بلز کے نتائج میں 142-136 بیس پوائنٹ کا اضافہ ہوا جبکہ 3-سال، 5-سال اور 10-سال کے PIBs میں بالترتیب 98 بیس پوائنٹ، 77 بیس پوائنٹ اور 102 بیس پوائنٹ کا اضافہ ہوا۔

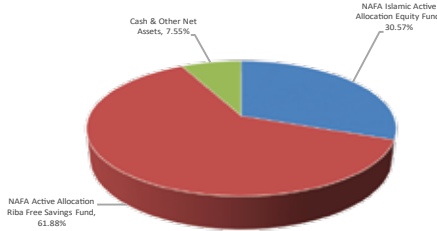
NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

اس مدت میں کارپوریٹ TFCs / اسٹاک میں تجارتی سرگرمیوں کی چھٹی سطح میں اضافہ ہوا اور مجموعی تجارتی قیمت اس سال تقریباً 3.8 بلین روپے ہو گئی جبکہ گزشتہ سال یہ 2.4 بلین روپے تھی جو کہ کارپوریٹ اسٹاک کے شعبہ میں سب سے بڑا حصہ ہے۔

NAFA اسلامک ایکٹیو ایلوکیشن پلان-VI (NIAAP-VI) فنڈ کی کارکردگی

اس مدت کے دوران NAFA اسلامک ایکٹیو ایلوکیشن پلان-VI (NIAAP-VI) کے یونٹ کی قیمت 30 جون 2018 کو 87.0647 روپے سے کم ہو کر 30 ستمبر 2018 کو 86.6410 روپے ہو گئی ہے، لہذا 0.49% کی کمی ظاہر کی ہے۔ بیچ مارک 1.06% سے گھٹ گیا۔ لہذا فنڈ نے اپنے بیچ مارک کے مقابلے میں 0.57% کی بہتر کارکردگی کا مظاہرہ کیا۔ 26 مئی 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹیو ایلوکیشن پلان-VI (NIAAP-VI) کے یونٹ کی قیمت 100.0000 روپے سے 30 ستمبر 2018 کو 86.6410 روپے تک کمی ہو چکی ہے، لہذا 13.36% کی کمی دکھائی۔ اسی مدت کے دوران بیچ مارک خسارہ 11.89% تھا۔ لہذا فنڈ نے اپنے بیچ مارک سے 1.47% اہتر کارکردگی کا مظاہرہ کیا ہے۔ یہ کارکردگی منجھت فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 440 ملین روپے ہے۔

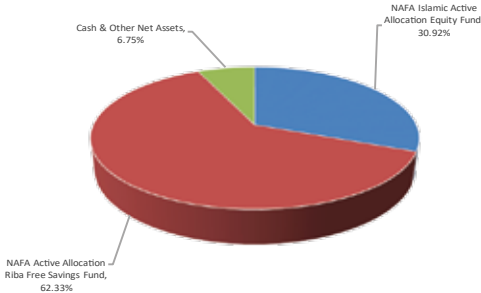
NAFA اسلامک ایکٹیو ایلوکیشن پلان-VI (NIAAP-VI) کو اس مدت کے دوران 1.64 بلین روپے کا مجموعی نقصان ہوا۔ 0.58 بلین روپے کے اخراجات منہا کرنے کے بعد خالص نقصان 2.22 بلین روپے رہا۔ فنڈ کی ایسیٹ ایلوکیشن 30 ستمبر 2018 کو بمطابق ذیل ہے:



NAFA اسلامک ایکٹیو ایلوکیشن پلان-VII (NIAAP-VII) فنڈ کی کارکردگی

اس مدت کے دوران NAFA اسلامک ایکٹیو ایلوکیشن پلان-VII (NIAAP-VII) کے یونٹ کی قیمت 30 جون 2018 کو 93.4852 روپے سے کم ہو کر 30 ستمبر 2018 کو 93.0101 روپے ہو گئی ہے، لہذا 0.51% کی کمی ظاہر کی ہے۔ بیچ مارک 1.08% سے گھٹ گیا۔ لہذا فنڈ نے اپنے بیچ مارک کے مقابلے میں 0.57% کی بہتر کارکردگی کا مظاہرہ کیا۔ 29 جون 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹیو ایلوکیشن پلان-VII (NIAAP-VII) کے یونٹ کی قیمت 100.00 روپے سے 30 ستمبر 2018 کو 93.0101 روپے تک کمی ہو چکی ہے، لہذا 6.99% کی کمی دکھائی۔ اسی مدت کے دوران بیچ مارک خسارہ 4.57% تھا۔ لہذا فنڈ نے اپنے بیچ مارک سے 2.42% اہتر کارکردگی کا مظاہرہ کیا ہے۔ یہ کارکردگی منجھت فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 187 ملین روپے ہے۔

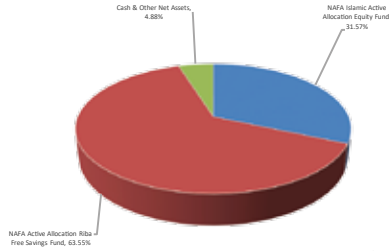
NAFA اسلامک ایکٹیو ایلوکیشن پلان-VII (NIAAP-VII) کو اس مدت کے دوران 0.75 بلین روپے کا مجموعی نقصان ہوا۔ 0.28 بلین روپے کے اخراجات منہا کرنے کے بعد خالص نقصان 1.03 بلین روپے رہا۔ فنڈ کی ایسیٹ ایلوکیشن 30 ستمبر 2018 کو بمطابق ذیل ہے:



NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

NAFA اسلامک ایکٹیو ایلوکیشن پلان-VIII (NIAAP-VIII) فنڈ کی کارکردگی

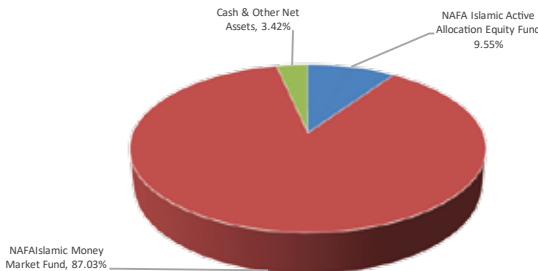
اس مدت کے دوران NAFA اسلامک ایکٹیو ایلوکیشن پلان-VIII (NIAAP-VIII) کے یونٹ کی قیمت 30 جون 2018 کو 100.3081 روپے سے کم ہو کر 30 ستمبر 2018 کو 99.8226 روپے ہو گئی ہے، لہذا 0.48% کی کمی ظاہر کی ہے۔ بیچ مارک 1.08% سے گھٹ گیا۔ لہذا فنڈ نے اپنے بیچ مارک کے مقابلے میں 0.60% کی بہتر کارکردگی کا مظاہرہ کیا۔ 03 نومبر 2017 کو اپنے قیام کے وقت NAFA اسلامک ایکٹیو ایلوکیشن پلان-VIII (NIAAP-VIII) کے یونٹ کی قیمت میں 100.00 روپے سے 30 ستمبر 2018 کو 99.8226 روپے تک کمی ہو چکی ہے، لہذا 0.18% کی کمی دکھائی۔ اسی مدت کے دوران بیچ مارک میں اضافہ 0.51% تھا۔ لہذا فنڈ نے اپنے بیچ مارک سے 0.69% بہتر کارکردگی کا مظاہرہ کیا ہے۔ یہ کارکردگی منجھٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 552 ملین روپے ہے۔ NAFA اسلامک ایکٹیو ایلوکیشن پلان-VIII (NIAAP-VIII) کو اس مدت کے دوران 2.30 ملین روپے کا مجموعی نقصان ہوا۔ 0.70 ملین روپے کے اخراجات منہا کرنے کے بعد خالص نقصان 3.0 ملین روپے رہا۔ فنڈ کی ایسیٹ ایلوکیشن 30 ستمبر 2018 کو بمطابق ذیل ہے:



NAFA اسلامک کیپیٹل پریزرویشن پلان-I (NICPP-I) فنڈ کی کارکردگی

اس مدت کے دوران NAFA اسلامک کیپیٹل پریزرویشن پلان-I (NICPP-I) کے یونٹ کی قیمت 30 جون 2018 کو 100.003 روپے (Ex-Div) سے بڑھ کر 30 ستمبر 2018 کو 101.0829 روپے ہو گئی ہے، لہذا 1.08% کا اضافہ ظاہر ہوا ہے۔ بیچ مارک 0.42% سے بڑھ گیا۔ لہذا فنڈ نے اپنے بیچ مارک کے مقابلے میں 0.66% کی بہتر کارکردگی کا مظاہرہ کیا۔ 28 فروری 2018 کو اپنے قیام کے وقت NAFA اسلامک کیپیٹل پریزرویشن پلان-I (NICPP-I) کے یونٹ کی قیمت میں 99.6371 روپے (Ex-Div) سے 30 ستمبر 2018 کو 101.0829 روپے تک بڑھ چکی ہے، لہذا 1.45% کا اضافہ دکھایا۔ اسی مدت کے دوران بیچ مارک بڑھ کر 0.65% تھا۔ لہذا فنڈ نے اپنے بیچ مارک سے 0.80% کی بہتر کارکردگی کا مظاہرہ کیا ہے۔ یہ کارکردگی منجھٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 1,639 ملین روپے ہے۔

NAFA اسلامک کیپیٹل پریزرویشن پلان-I (NICPP-I) نے اس مدت کے دوران 20.01 ملین روپے کی مجموعی آمدنی کمائی۔ 2.01 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 18 ملین روپے رہی۔ فنڈ کی ایسیٹ ایلوکیشن 30 ستمبر 2018 کو بمطابق ذیل ہے:



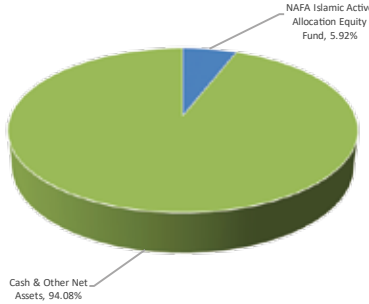
NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

NAFA اسلامک کیپیٹل پریزرویشن پلان II (NICPP-II)

فنڈ کی کارکردگی

اس مدت کے دوران NAFA اسلامک کیپیٹل پریزرویشن پلان II (NICPP-II) کے یونٹ کی قیمت 30 جون 2018 کو 100.0022 روپے (Ex-Div) سے بڑھ کر 30 ستمبر 2018 کو 101.1626 روپے ہو گئی ہے، لہذا 1.16% کا اضافہ ظاہر ہوا ہے۔ بیچ مارک 0.51% سے بڑھ گیا۔ لہذا فنڈ نے اپنے بیچ مارک کے مقابلے میں 0.65% کی بہتر کارکردگی کا مظاہرہ کیا۔ 27 اپریل 2018 کو اپنے قیام کے وقت NAFA اسلامک کیپیٹل پریزرویشن پلان II (NICPP-II) کے یونٹ کی قیمت 99.4286 روپے (Ex-Div) سے 30 ستمبر 2018 کو 101.1626 روپے تک بڑھ چکی ہے، لہذا 1.74% کا اضافہ دکھایا۔ اسی مدت کے دوران بیچ مارک بڑھ کر 0.71% تھا۔ لہذا فنڈ نے اپنے بیچ مارک سے 1.03% کی بہتر کارکردگی کا مظاہرہ کیا ہے۔ یہ کارکردگی منجسٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔ فنڈ کا سائز 780 ملین روپے ہے۔

NAFA اسلامک کیپیٹل پریزرویشن پلان II (NICPP-II) نے اس مدت کے دوران 12.67 ملین روپے کی مجموعی آمدنی کمائی۔ 3.29 ملین روپے کے اخراجات منہا کرنے کے بعد خالص آمدنی 9.38 ملین روپے رہی۔ فنڈ کی ایسیٹ ایلوکیشن 30 ستمبر 2018 کو بمطابق ذیل ہے:



اظہارِ تشکر

بورڈ اس موقع کا فائدہ اٹھاتے ہوئے منجسٹ کیپٹی برا 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 سے بھی ان کی سرپرستی اور رہنمائی کے لیے پُر خلوص اظہارِ تشکر کرتا ہے۔

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

منجانب بورڈ آف ڈائریکٹرز

NBP فنڈ منجسٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

بتاریخ

30 اکتوبر 2018ء

مقام: کراچی

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

	Un-Audited SEPTEMBER 30, 2018						Audited JUNE 30, 2018					
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total
Note -----(Rupees in 000)-----												
ASSETS												
Bank balances	34,651	13,383	27,627	57,454	730,909	864,024	28,028	11,647	38,206	105,550	803,059	986,490
Investments	406,843	174,272	525,538	1,583,648	46,207	2,736,510	422,322	184,774	551,446	1,658,717	46,914	2,864,173
Profit receivable on bank deposits	219	100	239	355	4,430	5,343	168	74	214	599	4,541	5,596
Advance and other receivable	45	14	11	120	1,230	1,420	40	8	6	39	707	800
Preliminary expenses and floatation costs	115	14	81	317	168	695	149	23	102	374	197	845
Total assets	441,874	187,783	553,496	1,641,895	782,944	3,607,992	450,707	196,526	589,974	1,765,279	855,418	3,857,904
LIABILITIES												
Payable to NBP Fund Management Company Limited	1,290	510	390	1,172	1,891	5,253	1,421	565	579	1,491	1,933	5,989
Payable to Central Depository Company of Pakistan Limited - Trustee	33	14	42	126	103	318	35	15	45	149	67	311
Payable to Securities and Exchange Commission of Pakistan	106	45	136	405	196	888	563	204	417	656	149	1,989
Accrued expenses and other liabilities	490	356	553	977	736	3,112	382	273	429	394	277	1,755
Total liabilities	1,918	925	1,121	2,681	2,926	9,572	2,401	1,057	1,470	2,690	2,426	10,044
NET ASSETS	439,956	186,858	552,375	1,639,214	780,018	3,598,422	448,306	195,469	588,504	1,762,589	852,992	3,847,860
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)	439,956	186,858	552,375	1,639,214	780,018	3,598,422	448,306	195,469	588,504	1,762,589	852,992	3,847,860
CONTINGENCIES AND COMMITMENTS												
Number of units in issue	5,077,916	2,009,001	5,533,570	16,216,541	7,710,535		5,149,118	2,090,911	5,866,968	17,561,393	8,480,989	
-----Rupees-----												
NET ASSET VALUE PER UNIT	86.6410	93.0101	99.8226	101.0829	101.1626		87.0647	93.4852	100.3081	100.3672	100.5769	

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

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	QUARTER ENDED SEPTEMBER 30, 2018					QUARTER ENDED SEPTEMBER 30, 2017			
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	Total
INCOME	(Rupees in 000)								
Profit on bank deposits	597	268	716	1,081	1,081	16,042	1,007	450	1,457
Dividend income	2,539	1,376	4,556	19,839	13,379	28,309	6,225	1,850	8,575
Capital (loss) / gain on sale of investments - net	(3,848)	(1,715)	(5,087)	(252)	-	(10,903)	(7,082)	30	(7,052)
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(929)	(684)	(2,486)	(655)	(706)	(5,461)	(55,354)	(14,253)	(69,607)
Total (loss) / income	(1,642)	(755)	(2,301)	20,013	12,673	27,987	(54,704)	(11,923)	(66,627)
EXPENSES									
Remuneration to NBP Fund Asset Management Limited - Management Company	100	42	119	127	1,943	2,332	182	133	315
Sindh sales tax on remuneration of the Management Company	13	6	16	17	253	303	24	17	41
Remuneration of Central Depository Company Of Pakistan Limited - Trustee	90	39	116	349	206	800	195	58	253
Sindh Sales Tax on Remuneration Of the Trustee	12	5	15	45	27	104	25	8	33
Annual fee - Securities and Exchange Commission of Pakistan	106	45	136	405	196	888	185	55	240
Allocation of expenses related to registrar services, accounting, operation and valuation services	111	48	143	426	206	935	195	1	196
Auditors' remuneration	56	32	61	53	89	291	74	34	108
Legal fee	9	7	8	45	-	69	14	5	19
Printing charges	11	12	11	23	46	103	6	2	-
Shariah advisor fee	30	18	28	46	28	149	23	-	23
Settlement and bank charges	9	18	32	57	85	200	12	3	15
Amortisation of preliminary expenses and flotation cost	34	9	21	57	29	150	179	26	205
Total Expenses	580	282	705	1,650	3,106	6,323	1,114	342	1,456
Net (loss) / income from operating activities	(2,223)	(1,037)	(3,006)	18,363	9,567	21,664	(55,818)	(12,265)	(68,083)
Provision for Sindh Workers' Welfare Fund	7	-	-	(367)	(191)	(559)	-	-	-
Net (loss) / income for the period before taxation	(2,223)	(1,037)	(3,006)	17,996	9,376	21,106	(55,818)	(12,265)	(68,083)
Taxation	8	-	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(2,223)	(1,037)	(3,006)	17,996	9,376	21,106	(55,818)	(12,265)	(68,083)
Allocation of net (loss) income for the period									
Net income / (loss) for the period	(2,223)	(1,037)	(3,006)	17,996	9,376	21,106	(55,818)	(12,265)	(68,083)
Income already paid on units redeemed	-	-	-	(609)	(443)	(1,052)	-	-	-
	(2,223)	(1,037)	(3,006)	17,386	8,933	20,053	(55,818)	(12,265)	(68,083)
Earnings per unit									

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

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	QUARTER ENDED SEPTEMBER 30, 2018						QUARTER ENDED SEPTEMBER 30, 2017		
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	Total
	------(Rupees in 000)-----								
Net (loss) / income for the period	(2,223)	(1,037)	(3,006)	17,996	9,376	21,106	(55,818)	(12,265)	(68,083)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	(2,223)	(1,037)	(3,006)	17,996	9,376	21,106	(55,818)	(12,265)	(68,083)

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

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	QUARTER ENDED SEPTEMBER 30, 2018																	
	NIAAP-VI			NIAAP-VII			NIAAP-VIII			NICPP-I			NICPP-II			Total		
	(Rupees in 000)			(Rupees in 000)			(Rupees in 000)			(Rupees in 000)			(Rupees in 000)			(Rupees in 000)		
Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	Value	Undistributed income	Total	
Net assets at beginning of the Period	565,565	(117,259)	448,306	209,801	(14,332)	195,469	587,207	1,297	588,504	1,756,151	6,438	1,762,589	848,098	4,894	852,992	3,966,822	(118,962)	3,847,860
Issue of: Nil units NIAAP-VI, Nil units NIAAP-VII, Nil units NIAAP-VIII, Nil units NICPP-I and Nil units NICPP-II including 51,445 additional units of NICPP-I and 41,312 additional units of NICPP-II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Refund Of Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Element of income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of: 71,202 units NIAAP-VI, 81,910 units NIAAP-VII, 333,398 units NIAAP-VIII, 1,396,298 units NICPP-I, 811,765 units NICPP-II	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Element of income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total payments on redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(6,199)	-	(6,199)	(7,657)	-	(7,657)	(33,443)	-	(33,443)	(339,634)	-	(339,634)	(81,378)	-	(81,378)	(268,111)	-	(268,111)
- Cash Distribution	72	-	72	83	-	83	320	-	320	127	-	127	15	-	15	(428)	617	(1,052)
- Refund of Capital	(6,127)	-	(6,127)	(7,574)	-	(7,574)	(33,123)	-	(33,123)	(339,507)	-	(339,507)	(609)	-	(609)	(81,606)	(267,494)	(1,052)
Final Distribution - Rs.0.3642 of NICPP-I and Rs.0.5747 of NICPP-II declared on July 31, 2018	-	(2,223)	(2,223)	-	(1,037)	(1,037)	-	(3,006)	(3,006)	-	-	-	-	-	-	-	-	-
- Cash Distribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Refund of Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net assets at end of the period	559,438	(119,482)	439,956	202,227	(15,369)	186,858	554,084	(1,709)	552,375	1,621,786	17,428	1,639,214	771,066	8,953	780,018	3,708,601	(110,128)	3,598,473
Undistributed loss brought forward	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Realised	-	(61,905)	(61,905)	-	(79)	(79)	-	-	-	-	-	-	-	-	-	-	-	(61,984)
- Unrealised	-	(5,144)	(5,144)	-	(14,233)	(14,233)	-	1,297	1,297	-	6,438	-	4,894	-	-	-	-	(69,667)
Final distribution for the year ended June 30, 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cash distribution of Rs.0.3642 per unit in NICPP-I and Rs.0.5747 per unit in NICPP-II declared on June 30, 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounting income available for distribution:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Relating to capital gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Excluding capital gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the period	(2,223)	-	(2,223)	(1,037)	-	(1,037)	(3,006)	-	(3,006)	17,386	-	17,386	8,933	-	8,933	-	-	20,053
Undistributed loss carried forward	(119,482)	-	(119,482)	(15,369)	-	(15,369)	(1,709)	-	(1,709)	17,428	-	17,428	8,953	-	8,953	-	-	(110,128)
Undistributed loss carried forward	(118,552)	-	(118,552)	(14,685)	-	(14,685)	777	-	777	18,084	-	18,084	9,609	-	9,609	-	-	(104,718)
- Realised	(299)	-	(299)	(684)	-	(684)	(2,486)	-	(2,486)	(655)	-	(655)	(788)	-	(788)	-	-	(5,481)
- Unrealised	(119,482)	-	(119,482)	(15,369)	-	(15,369)	(1,709)	-	(1,709)	17,428	-	17,428	8,953	-	8,953	-	-	(110,128)
		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)
Net assets value per unit at beginning of the period		87.0647		93.4852		100.3081		100.1627		100.1627		100.5769		100.5769		101.1626		101.1626
Net assets value per unit at end of the Period		86.6410		93.0101		99.8226		101.0829		101.0829		101.1626		101.1626		101.1626		101.1626

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

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

	-----Un-Audited----- QUARTER ENDED SEPTEMBER 30, 2018						-----Un-Audited----- QUARTER ENDED SEPTEMBER 30, 2017		
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	Total	NIAAP-VI	NIAAP-VII	Total
	----- (Rupees in 000) -----						----- (Rupees in 000) -----		
CASH FLOW FROM OPERATING ACTIVITIES									
Net (loss) / profit for the period	(2,223)	(1,037)	(3,006)	17,996	9,376	21,106	(55,818)	(12,265)	(68,083)
Adjustments									
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	929	684	2,486	655	706	5,461	55,354	14,253	69,607
Amortisation of preliminary expenses and flotation costs	34	9	21	57	29	150	179	26	205
	(1,260)	(344)	(499)	18,707	10,111	26,716	(285)	2,014	1,729
Decrease / (Increase) in assets									
Investments	14,549	9,818	23,422	74,414	-	122,203	169,199	(130,519)	38,680
Profit Receivable	(51)	(26)	(25)	244	111	253	655	(52)	603
Other Receivable	(5)	(6)	(5)	(81)	(523)	(620)	(3)	(6)	(9)
	14,493	9,786	23,391	74,576	(412)	121,835	169,851	(130,577)	39,274
(Decrease) / Increase in liabilities									
Payable to NBP Fund Management Limited - Management Company	(131)	(55)	(189)	(319)	(42)	(4,817)	133	1,487	1,620
Payable to Central Depository Company of Pakistan Limited - Trustee	(2)	(1)	(3)	(23)	36	7	(21)	20	(1)
Payable to Securities and Exchange Commission of Pakistan	(457)	(159)	(281)	(251)	47	(1,101)	101	54	155
Payable against purchase of investments	-	-	-	-	-	-	-	(92,805)	(92,805)
Accrued expenses and other liabilities	108	83	124	583	459	1,357	(1,144)	58	(1,086)
	(483)	(132)	(349)	(9)	500	(4,553)	(931)	(91,186)	(92,117)
Net cash generated from/(Used in) operating activities	12,751	9,311	22,543	93,274	10,200	143,998	168,635	(219,749)	(51,114)
CASH FLOW FROM FINANCING ACTIVITIES									
Amount received against issuance of units	-	-	-	5,142	4,131	9,273	-	91,542	91,542
Amount paid against redemption of units	(6,128)	(7,575)	(33,123)	(140,116)	(81,606)	(268,548)	(173,944)	(33,354)	(207,298)
Distributions Paid	-	-	-	(6,396)	(4,874)	(11,270)	-	-	-
Net cash generated from/(used in) financing activities	(6,128)	(7,575)	(33,123)	(141,370)	(82,349)	(270,546)	(173,944)	58,188	(115,756)
Net increase/(decrease) in cash and cash equivalents during the period	6,623	1,736	(10,580)	(48,096)	(72,149)	(126,548)	(5,309)	(161,561)	(166,870)
Cash and cash equivalents at the beginning of the period	28,028	11,647	38,206	105,550	803,059	986,490	68,640	176,697	245,337
Cash and cash equivalents at the end of the period	34,651	13,383	27,627	57,454	730,909	864,024	63,331	15,136	78,467

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

For NBP Fund Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Un-Audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Islamic Active Allocation Fund - II (the Fund) was established under a Trust Deed executed between NBP Fund Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 24 March 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 13 April 2017 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008).

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

The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange. During the year ended 30 June 2017, the Fund has offered two plans namely NAFA Islamic Active Allocation Plan – VI (NIAAP - VI) and NAFA Islamic Active Allocation Plan – VII (NIAAP - VII). Further, during the year the Fund has offered three new plans namely NAFA Islamic Active Allocation Plan – VIII (NIAAP - VIII) on 4 November 2017, NAFA Islamic Capital Preservation Plan -- I (NICPP - I) on 28 February 2018 and NAFA Islamic Capital Preservation Plan -- II (NICPP - II) on 27 April 2018 in which the offer of units was discontinued after the subscription period. However, the subscription in units may be reopened for fresh issuance by the Management Company with prior approval of the SECP after intimation to the Trustee. The units of the Plan VI was initially offered for public subscription from 24 May 2017 to 26 May 2017 at initial price of Rs. 100 and received Rs. 985.106 million against IPO from various investors upto 26 May 2017. Accordingly the Fund commenced its business activities on 27 May 2017. The units of the plans are transferable and can be categorised as an Open-End "Shariah Compliant Fund of Funds" as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CIS).

The objective of the Fund is to provide investors an opportunity to earn attractive return from an actively managed portfolio of shariah compliant equity fund, income fund and money market fund. The allocation plan intends to dynamically switch between equity asset class (NAFA Islamic Active Allocation Equity Fund) and moderate risk income asset class (NAFA Active Allocation Riba Free Savings Fund) and low risk asset class (NAFA Islamic Money Market Fund) and Bank Deposits. Investors of the Fund may hold different types of Allocation Plans and may invest in any one or more of the available allocation plans. The Management Company may also invest in any other Collective Investment Schemes available to it with the prior approval of the SECP.

Each allocation plan under the Fund announces separate NAV which ranks pari passu according to the number of units of the respective allocation plans. The books and records of each plan have been maintained separately.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of 'AM1' to the Management Company. The Fund has not yet been rated.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as a Trustee of the Fund. The Fund property of different types of allocations plans shall be accounted for and maintained separately in books of accounts which shall collectively constitute the Fund property of the Scheme.

The duration of the Fund / allocation plans is perpetual. However, the initial maturities of NIAAP - VI and NIAAP - VII shall be two years from the close of the subscription period. Management Company may open the subscription of units after initial maturities with the prior approval of the SECP. SECP or the Management Company may wind allocation plans on the occurrence of certain events as specified in offering document of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standards (IFRS) 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 VIII A of the repealed Companies Ordinance, 1984; and Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and 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.

3 SUMMARY OF ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these unaudited condensed interim financial statements are the same as those applied in the Fund's annual audited financial statements for the year ended June 30, 2018.

IFRS 9: Financial Instruments ("IFRS 9"):

Effective July 1, 2018, the Fund adopted IFRS 9, which sets out requirements for recognition and measurement, impairment, derecognition, and general hedge accounting. This standard simplifies the classification of a financial asset as either at amortized cost or at fair value as opposed to the multiple classifications which were permitted under IAS 39. This standard also requires the use of a single impairment method as opposed to the multiple methods in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Impairment of financial assets is based on an expected credit loss ("ECL") model under IFRS 9, rather than the incurred loss model under IAS 39. However, SECP vide its letter to MUFAP dated November 21, 2017 relaxed the applicability of IFRS 9 impairment requirements for debt securities on mutual funds and deferred it till further instructions. The standard also adds guidance on the classification and measurement of financial liabilities.

There was no material impact of transition to IFRS 9 on the Fund's financial position at July 1, 2018.

4 INVESTMENTS

Financial assets 'at fair value through Profit or loss' - held for trading

Investment in mutual funds¹ - related parties

	UNAUDITED						AUDITED					
	SEPTEMBER 30, 2018						JUNE 30, 2018					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	(Rupees in '000)											
4.1	406,843	174,272	525,538	1,583,648	46,207	2,736,510	422,322	184,774	551,446	1,658,717	46,914	2,864,173

4.1 Investment in mutual funds - related parties

NAFA Islamic Active Allocation Plan VI

Name of the investee company

	As at 01 July 2018	Purchased during the period	Redeemed during the period	As at 30 Sep 2018	Market value / carrying value as at 30 Sep 2018	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Number of units)			(Rupees in '000)		(%)	
NAFA Islamic Active Allocation Equity Fund	19,414,785	-	7,376,812	12,037,973	134,485	30.57	33.06
NAFA Active Allocation Riba Free Savings Fund	19,390,218	7,425,986	-	26,816,204	272,359	61.91	66.94
Total	38,805,003	7,425,986	7,376,812	38,854,177	406,843	92.48	100.00

Carrying value before fair value adjustment as at 30 Sep 2018

407,773

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

NAFA Islamic Active Allocation Plan VII

Name of the investee company

NAFA Islamic Active Allocation Equity Fund
NAFA Active Allocation Riba Free Savings Fund
Total

Carrying value before fair value adjustment as at 30 Sep 2018

NAFA Islamic Active Allocation Plan VIII

Name of the investee company

NAFA Islamic Active Allocation Equity Fund
NAFA Active Allocation Riba Free Savings Fund
Total

Carrying value before fair value adjustment as at 30 Sep 2018

NAFA Islamic Capital Preservation Fund I

Name of the investee company

NAFA Islamic Active Allocation Equity Fund
NAFA Islamic Money Market Fund
Total

Carrying value before fair value adjustment as at 30 Sep 2018

NAFA Islamic Capital Preservation Fund II

Name of the investee company

NAFA Islamic Active Allocation Equity Fund

Carrying value before fair value adjustment as at 30 Sep 2018

As at 01 July 2018	Purchased during the period	Redeemed during the period	As at 30 Sep 2018	Market value / carrying value as at 30 Sep 2018	Market value as a percentage of net assets	Market value as a percentage of total investments
----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
8,457,689	-	3,286,775	5,170,914	57,768	30.92	33.15
8,523,463	2,947,427	-	11,470,890	116,504	62.35	66.85
16,981,152	2,947,427	3,286,775	16,641,804	174,272	93.27	100.00
				174,956		

As at 01 July 2018	Purchased during the period	Redeemed during the period	As at 30 Sep 2018	Market value / carrying value as at 30 Sep 2018	Market value as a percentage of net assets	Market value as a percentage of total investments
----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
25,318,769	-	9,709,992	15,608,777	174,377	31.57	33.18
25,353,618	9,221,467	-	34,575,085	351,162	63.57	66.82
50,672,387	9,221,467	9,709,992	50,183,862	525,538	95.14	100.00
				528,024		

As at 01 July 2018	Purchased during the period	Redeemed during the period	As at 30 Sep 2018	Market value / carrying value as at 30 Sep 2018	Market value as a percentage of net assets	Market value as a percentage of total investments
----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
14,014,133	-	-	14,014,133	156,562	9.55	9.89
147,733,600	2,241,664	9,302,141	140,673,123	1,427,087	87.06	90.11
161,747,733	2,241,664	9,302,141	154,687,256	1,583,648	96.61	100.00
				1,584,303		

As at 01 July 2018	Purchased during the period	Redeemed during the period	As at 30 Sep 2018	Market value / carrying value as at 30 Sep 2018	Market value as a percentage of net assets	Market value as a percentage of total investments
----- (Number of units) -----				(Rupees in '000)	----- (%) -----	
4,136,118	-	-	4,136,118	46,207	5.92	100.00
				46,914		

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

5 ACCRUED EXPENSES AND OTHER LIABILITIES

	-----UNAUDITED-----						-----AUDITED-----					
	SEPTEMBER 30, 2018						JUNE 30, 2018					
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	Total
	(Rupees in '000)											
Provision for Sindh Workers' Welfare Fund	-	-	101	532	297	929	-	-	101	165	105	371
Auditors' remuneration	176	143	191	114	150	775	121	111	130	61	61	484
Bank charges	45	34	67	53	59	257	37	18	45	39	31	170
Printing charges	29	30	29	52	65	205	20	20	20	32	19	111
Legal fee	39	37	42	75	29	222	30	30	32	31	28	151
Shariah advisor fee	200	112	124	86	45	567	171	93	97	40	17	418
Withholding tax	1	-	1	50	80	132	3	1	4	13	6	27
Capital gain tax	-	-	-	13	13	26	-	-	-	13	10	23
	490	356	553	977	736	3,112	382	273	429	394	277	1,755

6 CONTINGENCIES AND COMMITMENTS

There were no contingencies outstanding as at September 30, 2018 and June 30, 2018.

7 PROVISION FOR SINDH WORKERS' WELFARE FUND

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on asset management companies and not on mutual funds.

As at September 30, 2018, the provision in relation to SWWF amounted to Rs. 0.100 million in NIAAP-VIII, Rs. 0.532 million in NICPP-I and 0.296 million in NICPP-II respectively. Had the provision not being made, the net asset value per unit as at September 30, 2018 would have been higher by Rs.0.0182 in NIAAP VIII, Rs.0.0328 in NICPP-I and 0.385 in NICPP-II per unit respectively.

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.

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

9 EARNINGS PER UNIT

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

10 TOTAL EXPENSE RATIO

Total expense ratio (all the expenses incurred during the period divided by Average net assets value for the period) is 0.52%, 0.59%, 0.49%, 0.47% and 1.60% p.a. including 0.12%, 0.12%, 0.11%, 0.19% and 0.32% of NIAAP-VI, NIAAP-VII, NIAAP-VIII, NICPP-I AND NICPP-II respectively representing government levies on collective Investment Scheme such as Sales tax, Worker's Welfare Fund and Securities & Exchange Commission of Pakistan fee for the period.

11 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

11.1 Connected persons include NBP Fund Management Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, National Bank of Pakistan (NBP) and its connected persons, and Alexandra Fund Management Pte. Limited 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 10 percent or more units of the Fund.

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

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

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

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

	QUARTER ENDED SEPTEMBER 30, 2018					QUARTER ENDED SEPTEMBER 30, 2017			
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	TOTAL	NIAAP - VI	NIAAP - VII	TOTAL
	(Rupees in '000)								
NBP Fund Management Limited- Management Company									
Remuneration to Management Company	100	42	119	127	1,943	2,332	182	133	315
Sindh Sales Tax on remuneration of Management Company	13	6	16	17	253	303	24	17	41
Allocation of expenses related to registrar services, accounting, operation and valuation services	111	48	143	426	206	935	195	1	196
Preliminary expenses and floatation costs	34	9	21	57	29	150	179	26	205
Central Depository Company of Pakistan Limited - Trustee									
Remuneration to the Trustee	90	39	116	349	206	800	195	58	253
Sindh Sales Tax on remuneration to Trustee	12	5	15	45	27	104	25	8	33
Employees of the Management Company									
Units Redeem: 2,257 units (NICPP - I)	-	-	-	225	-	225	-	-	-

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

	QUARTER ENDED SEPTEMBER 30, 2018					QUARTER ENDED SEPTEMBER 30, 2017			
	NIAAP - VI	NIAAP - VII	NIAAP - VIII	NICPP - I	NICPP - II	TOTAL	NIAAP - VI	NIAAP - VII	TOTAL
	------(Rupees in '000)-----								
Investment in NAFA Islamic Active Allocation Equity Fund									
Units purchased: Nil units [2017: 4,859,890 units]	-	-	-	-	-	-	55,911	37,839	93,750
(NIAAP-VI) Units purchased: Nil units [2017: 3,061,843 units]									
(NIAAP-VII) Units purchased Nil Units (NIAAP - VIII)									
Cash distributions during the period	-	-	-	-	-	-	6,725	1,850	8,575
Units Sold:									
Units sold: 7,376,812 units [2017: 5,517,677] (NIAAP - VI)	79,823	35,565	105,049	-	-	220,437	66,250	-	66,250
Units sold: 3,286,775 units [2017: Nil units] (NIAAP - VII)									
Units sold: 9,709,992 units (NIAAP - VIII)									
Investment in NAFA Islamic Active Allocation Riba									
Free Savings Fund									
Units purchased: 7,425,986 units [2017: 993,295 units] (NIAAP-VI)	69,122	27,462	86,714	-	-	183,297	10,000	128,636	138,636
Units purchased: 2,947,427 units [2017: 12,823,138 units] (NIAAP - VII)									
Units purchased: 9,221,467 units (NIAAP - VIII)									
Cash distributions during the period									
Units sold: Nil units [2017: 16,775,823 units] (NIAAP - VI)	-	-	-	-	-	-	168,502	-	168,502
Units sold: Nil units [2017: 3,772,093 units] (NIAAP - VII)	-	-	-	-	-	-	-	37,839	37,839
Investment in NAFA Islamic Money Market Fund									
Units Purchased: 2,241,664 units (NICPP - I)	-	-	-	19,839	-	19,839	-	-	-
Units sold: 9,302,141 units (NICPP - I)	-	-	-	94,000	-	94,000	-	-	-
BankIslami Pakistan Limited									
Mark-up on balances	217	97	234	-	-	548	284	81	365

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

11.6 Amounts outstanding as at period end

	-----Un-Audited----- -----SEPTEMBER 30,2018-----					Total	-----Audited----- -----JUNE 30,2018-----					Total
	NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II		NIAAP-VI	NIAAP-VII	NIAAP-VIII	NICPP-I	NICPP-II	
	----- (Rupees in '000) -----											
NBP Fund Management Limited - Management Company												
Management remuneration payable					613	726	31	13	39	82	695	860
Sindh Sales Tax payable	4	2	4	4	80	94	4	2	5	11	90	112
Allocation of expenses related to registrar services,accounting, operation and valuation services	111	48	143	426	206	935	245	103	325	691	157	1,521
Sales load and transfer load payable	391	304	-	201	668	1,564	391	304	-	201	668	1,564
Sindh Sales Tax on sales load	51	39	-	26	87	203	51	39	-	26	87	203
Preliminary expenses and floatation costs payable	679	89	195	461	216	1,641	679	89	195	460	216	1,639
Other payable	20	15	15	20	20	90	20	15	15	20	20	90
Units held : 499,812 units [June 2018: 499,812 units] (NIAAP-VII)	-	46,488	-	-	-	46,488	-	46,725	-	-	-	46,725
Employees of the Management Company												
Units held: 1,935 units [2018: 1,935 units] (NIAAP-VI)	168	10	194	1,206	244	1,821	169	10	195	1,419	241	2,034
Units held: 103 units [2018: 103 units] (NIAAP-VII)												
Units held: 1,940 units [2018: 1,940 units] (NIAAP-VIII)												
Units held: 11,928 units [2018: 14,141 units] (NICPP - I)												
Units held: 2,412 units [2018: 2,400 units] (NICPP - II)												
Central Depository Company of Pakistan Limited - Trustee												
Remuneration payable	29	12	37	112	91	282	31	13	40	132	59	275
Sindh Sales Tax payable on remuneration to Trustee	4	2	5	15	12	37	4	2	5	17	8	36
NAFA Islamic Active Allocation Equity Fund												
Units held: 12,037,973 units [2018: 12,037,972 units] (NIAAP-VI)	134,485	57,768	174,377	156,562	46,207	569,398	220,212	95,931	287,178	158,955	46,914	809,190
Units held: 5,170,914 units [2018: 8,457,689 units] (NIAAP-VII)												
Units held: 15,608,776 units [2018: 25,318,768 units] (NIAAP-VIII)												
Units held: 14,014,133 units [2018: 14,014,133 units] (NICPP-I)												
Units held: 4,136,118 units [2018: 4,136,118 units] (NICPP-II)												
NAFA Active Allocation Riba Free Savings Fund												
Units held: 26,816,204 units [June 2018: 19,390,218 units] (NIAAP-VI)	272,359	116,504	351,162	-	-	740,025	202,110	88,843	264,268	-	-	555,221
Units held: 11,470,892 units [June 2018: 8,523,464 units] (NIAAP-VII)												
Units held: 34,575,083 units [June 2018: 25,353,616 units] (NIAAP-VIII)												
NAFA Islamic Money Market Fund												
Units held: 140,673,122 units [June 2018: 147,733,560 units] (NICPP-II)	-	-	-	1,427,087	-	1,427,087	-	-	-	1,499,762	-	1,499,762
BankIslami Pakistan Limited												
Bank balances	32,930	13,183	26,903	-	-	73,016	26,236	11,499	37,453	-	-	75,188

NAFA ISLAMIC ACTIVE ALLOCATION FUND-II

12 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on October 30, 2018.

13 GENERAL

Corresponding figures have been rearranged or reclassified, where necessary, for the purposes of better presentation. Except mentioned in Note no. 3, no significant rearrangement or reclassification was made in these condensed interim financial statements during the current period.

**For NBP Fund Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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