



NBP FUNDS

Managing Your Savings

AM1

Rated by PACRA

NBP MONEY MARKET FUND



HALF YEARLY REPORT
DECEMBER 31, 2020



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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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
Ms. Mehnaz Salar	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
Ms. Mehnaz Salar	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

MCB Bank Limited	Allied Bank Limited
Summit Bank Limited	BankIslami Pakistan Limited
JS Bank Limited	National Bank of Pakistan
Meezan Bank Limited	Samba Bank Limited
Habib Bank Limited	Zarai Taraqiat Bank Limited
United Bank Limited	MCB Islamic Bank Limited
Bank Alfalah Limited	Faysal Bank Limited
Bank Al Habib Limited	Dubai Islamic Bank Limited
Askari Bank Limited	
Habib Metropolitan Bank Limited	



Auditors

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.nbpffunds.com

Lahore Office:

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

Islamabad Office:

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

Peshawar Office:

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

Multan Office:

Khan Center, 1st Floor, Abdali Road, Multan.
Phone No. : 061-4540301-6, 061-4588661-2 & 4



DIRECTORS' REPORT

The Board of Directors of NBP Fund Management Limited is pleased to present the reviewed financial statements of **NBP Money Market Fund (NMMF)** for the half year ended December 31, 2020.

Fund's Performance

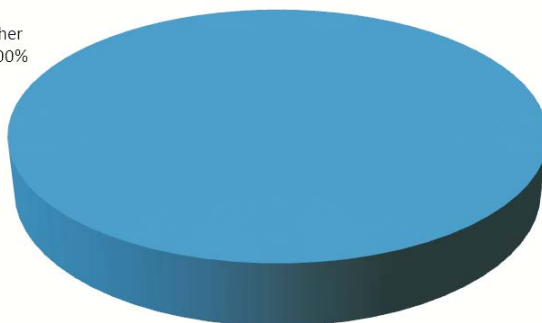
The size of NBP Money Market Fund has increased from Rs. 28,236 million to Rs. 30,313 million during the period, a growth of 7%. During the period, the unit price of the Fund has increased from Rs. 9.5959 (Ex-Div) on June 30, 2020 to Rs. 9.8997 on December 31, 2020, thus showing a return of 6.3% p.a. as compared to the benchmark return of 6.7% p.a. for the same period. The performance of the Fund is net of management fee and all other expenses.

NMMF's stability rating awarded by PACRA is 'AA (f)', which denotes a very strong capacity to maintain relative stability in returns with very low exposure to risks. Being a Money Market scheme, the Fund has strict investment guidelines. The authorized investments of the Fund include T-Bills, Bank Deposits and Money Market instruments. Minimum rating requirement is 'AA', while the Fund is not allowed to invest in any security exceeding six months maturity. The weighted average time to maturity of the Fund cannot exceed 90 days.

During 1HFY21, the SBP held two Monetary Policy Committee (MPC) meetings wherein it left the Policy Rate unchanged at 7%, citing the prevailing accommodative monetary policy stance appropriate for the nascent economic recovery. Inflation as measured by the CPI clocked-in at 8% for December 2020, owing to supply side issues and rise in prices of perishable food items. During the period under review, T-Bills yields increased by 2 bps, 13 bps and 23 bps for 3-month, 6-month and 12-month tenures, respectively. This uptick in short-term sovereign yields is primarily reflective of demand versus supply side factors. The SBP realized Rs. 5.1 trillion in thirteen T-Bills auctions during this period. The market interest tilted towards shorter tenors given the market expectation of the bottoming out of the Policy Rate and the likelihood of reversal of monetary easing cycle. In the last auction, cut-off yields on T-Bill for 3-month, 6-month, and 12-month tenures were noted at 7.15%, 7.20% and 7.29%, respectively.

The Fund has earned a total income of Rs. 1092.23 million during the period. After deducting total expenses of Rs. 142.98 million, the net income is Rs. 949.25 million. The chart below presents the asset allocation and the weighted average credit rating of each of the sub-asset classes of NMMF.

Cash Equivalents & Other
Net Assets (AA+), 100.00%



Income Distribution

The Board of Directors of the Management Company has approved interim cash dividend of 2.95% of the opening ex-NAV (2.91% of the par value) during the period ended December 31, 2020.

Acknowledgement

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

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

On behalf of the Board of
NBP Fund Management Limited

Chief Executive

Director

Date: **February 26, 2021**

Place: Karachi.

ڈائریکٹرز رپورٹ

NBP فنڈ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بصد مسرت 31 دسمبر 2020ء کو ختم ہونے والی ششماہی کے لئے NBP منی مارکیٹ فنڈ (NMMF) کے جائزہ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

فنڈ کی کارکردگی

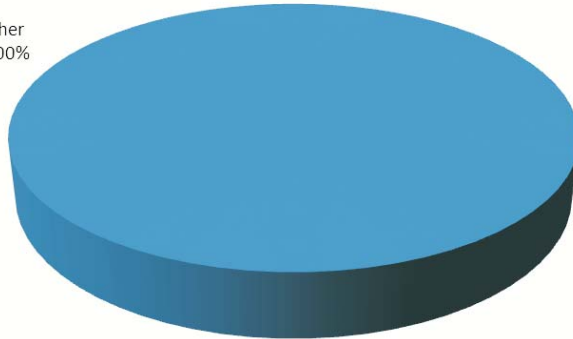
موجودہ مدت کے دوران NBP منی مارکیٹ فنڈ کا ساٹھ لاکھ روپے سے بڑھ کر 30,313 ملین روپے ہو گیا ہے یعنی 7% کا اضافہ ہوا۔ زیر جائزہ مدت کے دوران فنڈ کے پونٹ کی قیمت 30 جون 2020 کو 9.5959 روپے (EX-Div) سے بڑھ کر 31 دسمبر 2020ء کو 9.8997 روپے ہو گئی، لہذا فنڈ نے اسی مدت میں 6.7% بیچ مارک منافع کے مقابلے میں 6.3% منافع دیا۔ فنڈ کی یہ کارکردگی مینجمنٹ فیس اور دیگر تمام اخراجات کے بعد خالص ہے۔

NMMF کو PACRA کی طرف سے AA(f) کی مستحکم ریٹنگ دی گئی ہے جو منافع جات میں متعلقہ استحکام برقرار رکھنے کی زبردست اہلیت اور خطرات کی زد میں آنے کے بہت معمولی امکانات کی نشان دہی کرتی ہے۔ فنڈ کی منظور شدہ انویسٹمنٹس میں ٹی بلز، بینک ڈپازٹس اور منی مارکیٹ انسٹرومنٹس شامل ہیں۔ ریٹنگ کا کم از کم تقاضا AA ہے، جب کہ فنڈ کو چھ ماہ سے زائد میچورٹی والی کسی سیکورٹی میں انویسٹ کرنے کی اجازت نہیں ہے۔ فنڈ کی میچورٹی کی نئی تلی اوسط مدت 90 دن سے زائد نہیں ہو سکتی۔

سال 2021 کی پہلی ششماہی میں اسٹیٹ بینک آف پاکستان نے مانیٹری پالیسی کمیٹی (MPC) کے دو اجلاس طلب کئے جس میں موجودہ معاشی بحالی کے لئے موزوں مانیٹری پالیسی کا حوالہ دیتے ہوئے، پالیسی کی شرح 7% کو تبدیل نہیں کیا۔ ایشیائی خورد و نوش کی قیمتوں میں اضافے اور رسد کی فراہمی جیسے مسائل کے باعث CPI انفرافلز کی شرح دسمبر 2020 میں 8 فیصد رہی۔ زیر جائزہ مدت کے دوران T-Bills کے منافع میں 3 ماہ، 6 ماہ اور 12 ماہ کے عرصے میں بالترتیب 2bps، 13bps، اور 23bps کا اضافہ ہوا۔ قلیل مدتی گورنمنٹ منافع میں یہ اضافہ بنیادی طور پر طلب کے مقابلے میں رسد کی عکاسی کرتا ہے۔ اسٹیٹ آف بینک پاکستان نے اس عرصے کے دوران تیرہ T-Bills کی نیلامی کی، جس میں مجموعی طور پر 5.1 ٹریلین روپے حاصل کئے۔ پالیسی کی شرح کا کم ترین سطح پر پہنچنے کی توقع اور آئندہ مہینوں میں مانیٹری آسانی کے باعث واپسی کے امکان کی وجہ سے مارکیٹ کی دلچسپی مختصر مدت کی سرمایہ کاری کی طرف مائل ہوئی۔ گزشتہ نیلامی میں، T-Bills کی کٹ آف منافع 3 ماہ، 6 ماہ اور 12 ماہ کی مدت کے لئے بالترتیب 7.15 فیصد، 7.20 فیصد اور 7.29 فیصد رہا۔

فنڈ کو مدت کے دوران 1092.23 ملین روپے کل آمدنی ہوئی۔ 142.98 ملین روپے کے مجموعی اخراجات منہا کرنے کے بعد، خالص آمدنی 949.25 ملین روپے ہے۔ درج ذیل چارٹ NMMF کی ایٹ ابلیکیشن اور اس کے ذیلی اثاثوں کے تمام درجوں کی پیمائش شدہ اوسط کرڈٹ ریٹنگ پیش کرتا ہے:

Cash Equivalents & Other
Net Assets (AA+), 100.00%



آمدنی کی تقسیم

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے 31 دسمبر 2020ء کو ختم ہونے والی مدت کے لئے اوپننگ ex-NAV کا 2.95% (بنیادی قدر کا 2.91%) عبوری نقد ڈیویڈنڈ منظور کیا ہے۔



اظہار تشکر

بورڈ اس موقع سے فائدہ اٹھاتے ہوئے مینجمنٹ کمیٹی 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 تخلص رویہ کا بھی اعتراف کرتا ہے۔

بورڈ اپنے اسٹاف اور ڈسٹری بیوٹرز 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 فنانس مینجمنٹ لمیٹڈ

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 26 فروری 2021ء

مقام: کراچی



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of NBP Money Market Fund (the Fund) are of the opinion that NBP Fund Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2020 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 26, 2021



INDEPENDENT AUDITORS' REVIEW REPORT TO THE UNITHOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **NBP Money Market Fund** (the Fund) as at December 31, 2020, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, condensed interim statement of cash flow and notes to and forming part of the condensed interim financial statements for the half year ended December 31, 2020 (here-in-after referred to as the 'condensed interim financial statements'). **NBP Fund Management Limited** (the Management Company) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim income statement and condensed interim statement of comprehensive income, for the quarter ended December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

Yousuf Adil

Chartered Accountants

Engagement Partner

Naresh Kumar

Date: February 27, 2021

Place: Karachi



CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2020

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
	Note	----- Rupees in '000 -----	
ASSETS			
Bank balances	4	30,545,868	22,428,934
Investments	5	-	6,043,726
Mark-up accrued	6	33,193	17,435
Deposit and prepayment	7	114	337
Receivable against transfer of units		5,600	118,817
Total assets		30,584,775	28,609,249
LIABILITIES			
Payable to NBP Fund Management Limited - Management Company	8	38,196	66,177
Payable to Central Depository Company of Pakistan Limited - Trustee	9	1,731	1,724
Payable to the Securities and Exchange Commission of Pakistan	10	3,099	5,730
Payable against redemption of units		47	82,968
Accrued expenses and other liabilities	11	229,127	216,488
Total liabilities		272,200	373,087
NET ASSETS		30,312,575	28,236,162
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		30,312,575	28,236,162
Contingencies and commitments	12	----- Number of units -----	
Number of units in issue		3,061,976,119	2,857,199,837
		----- Rupees in '000 -----	
Net asset value per unit		9.8997	9.8825

The annexed notes from 1 to 19 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 HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020

	Half year ended		Quarter ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Note ----- Rupees in '000 -----				
INCOME				
Return / mark-up on:				
- letter of placements	52,640	-	-	-
- bank balances	383,776	1,525,706	238,296	698,377
- government securities	616,004	186,179	273,343	143,310
- Certificate of Investments	60,157	-	17,010	-
- commercial papers	-	100,636	-	81,071
- sukuk income	-	16,006	-	172
Net (loss) / gain on sale of investments	(20,341)	(14,200)	96	(13,742)
Total income	1,092,236	1,814,327	528,745	909,188
EXPENSES				
Remuneration of NBP Fund Management Limited - Management Company	8.1	23,242	53,361	10,656
Sindh Sales Tax on remuneration of the Management Company	8.2	3,022	6,937	1,386
Reimbursement of operational expenses to the Management Company	8.3	16,761	12,955	8,371
Selling and marketing expenses	8.4	64,846	86,224	24,433
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	10,071	8,421	4,617
Sindh Sales Tax on remuneration of the Trustee	9.2	1,309	1,095	600
Annual fee to the Securities and Exchange Commission of Pakistan	10	3,099	2,591	1,421
Bank charges		183	542	91
Auditors' remuneration		472	458	236
Legal and professional charges		62	39	31
Fund rating fee		237	215	177
Printing charges		41	24	21
Annual listing fee		14	14	7
Settlement charges		255	122	72
Total expenses		123,614	172,998	52,124
Net income from operating activities		968,622	1,641,329	476,621
Provision for Sindh Workers' Welfare Fund		(19,372)	(32,827)	(9,532)
Net income for the period before taxation		949,250	1,608,502	467,089
Taxation	13	-	-	-
Net income for the period after taxation		949,250	1,608,502	467,089
Allocation of net income for the period:				
Net income for the period after taxation		949,250	1,608,502	467,089
Income already paid on units redeemed		(114,952)	(226,872)	(48,380)
		834,298	1,381,630	418,709
Accounting income available for distribution:				
- Relating to capital gain		-	-	-
- Excluding capital gain		834,298	1,381,630	418,709
		834,298	1,381,630	418,709

The annexed notes from 1 to 19 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 HALF YEAR ENDED DECEMBER 31, 2020

	Half year ended		Quarter ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
----- Rupees in '000 -----				
Net income for the period after taxation	949,250	1,608,502	467,089	806,871
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	949,250	1,608,502	467,089	806,871

The annexed notes from 1 to 19 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 HALF YEAR ENDED DECEMBER 31, 2020

	Half year ended December 31,					
	2020			2019		
	Rupees in '000					
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Net assets at beginning of the period	28,065,892	170,270	28,236,162	20,465,978	132,984	20,598,962
Issue of 4,229,536,547 units (2019: 4,057,318,065 units)						
- Capital value	41,798,401	-	41,798,401	40,040,457	-	40,040,457
- Element of income	113,888	-	113,888	226,547	-	226,547
Total proceeds on issuance of units	41,912,289	-	41,912,289	40,267,004	-	40,267,004
Redemption of 4,024,760,265 units (2019: 3,664,616,418 units)						
- Capital value	(39,774,694)	-	(39,774,694)	(36,164,999)	-	(36,164,999)
- Element of loss	(5,618)	(114,952)	(120,570)	(34,870)	(226,872)	(261,742)
Total payments on redemption of units	(39,780,312)	(114,952)	(39,895,264)	(36,199,869)	(226,872)	(36,426,741)
Total comprehensive income for the period	-	949,250	949,250	-	1,608,502	1,608,502
Interim distributions during the period (Note 17)	(106,018)	(783,844)	(889,862)	(185,104)	(1,341,186)	(1,526,290)
Net assets at end of the period	30,091,852	220,724	30,312,575	24,348,010	173,428	24,521,437
Undistributed income brought forward						
- Realised		158,881			132,984	
- Unrealised		11,389			-	
		170,270			132,984	
Accounting income available for distribution						
- Relating to capital gain		-			-	
- Excluding capital gain		834,298			1,381,630	
		834,298			1,381,630	
Interim distribution during the period		(783,844)			(1,341,186)	
Undistributed income carried forward		220,724			173,428	
Undistributed income carried forward						
- Realised		220,724			173,428	
- Unrealised		-			-	
		220,724			173,428	
			- Rupees -			- Rupees -
Net assets value per unit at beginning of the period			9.8825			9.8687
Net assets value per unit at end of the period			9.8997			9.8877

The annexed notes from 1 to 19 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 HALF YEAR ENDED DECEMBER 31, 2020

	Half year ended	
	December 31, 2020	December 31, 2019
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	949,250	1,608,502
Adjustments:		
Return / markup on:		
- government securities	(616,004)	(186,179)
- commercial papers	-	(100,636)
- letter of placement	(52,640)	-
- sukuk income	-	(16,006)
- certificate of investment	(60,157)	-
- bank balances	(383,776)	(1,525,707)
Provision for Sindh Workers' Welfare Fund	19,372	32,827
	(1,093,205)	(1,795,701)
	(143,955)	(187,199)
Decrease / (increase) in assets		
Investments	6,043,726	(1,398,910)
Deposits and prepayments	223	201
	6,043,949	(1,398,709)
(Decrease) / increase in liabilities		
Payable to the Management Company	(27,981)	22,708
Payable to the Trustee	7	(218)
Payable to the Securities and Exchange Commission of Pakistan	(2,631)	(15,461)
Accrued expenses and other liabilities	(6,733)	10,783
	(37,338)	17,812
Mark-up received on;		
- government securities	616,004	186,179
- commercial paper	-	100,636
- sukuks	-	16,523
- letter of placement	52,640	-
- certificate of investments	60,157	-
- bank balances	368,018	1,523,395
	1,096,819	1,826,733
Net cash generated from operating activities	6,959,475	258,637
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units	41,919,488	40,081,899
Amounts paid on redemption of units	(39,978,185)	(36,416,913)
Distributions paid	(783,844)	(1,341,186)
Net cash generated from financing activities	1,157,459	2,323,800
Net increase in cash and cash equivalents during the period	8,116,934	2,582,438
Cash and cash equivalents at the beginning of the period	22,428,934	19,789,023
Cash and cash equivalents at the end of the period	30,545,868	22,371,461

The annexed notes from 1 to 19 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 HALF YEAR ENDED DECEMBER 31, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Money Market 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 May 4, 2011 and was approved by Securities and Exchange Commission of Pakistan (SECP) on April 14, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

The Management Company of the Fund has been licensed to act as an asset management company under the NBFC rules through a certificate of registration issued by 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 categorised as "money market 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 stable income stream for its unit holders while ensuring capital preservation by investing in AA and above rated banks and money market instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained an asset manager rating of 'AM1' to the Management Company on June 24, 2020, and a stability rating of 'AA(f)' to the Fund.

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

1.2 Impact of COVID -19

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, "stay-at-home" or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic.

The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund for the period ended December 31, 2020 due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations. However, to reduce the impact on the performance of the Fund, regulators / governments across the country have introduced a host of measures on both the fiscal and economic fronts by issuing certain circulars and notifications from time to time.

The management of the Fund is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.



2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has 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 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 ; and
- The requirements of the Trust Deed , the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (The "NBFC Regulation") and the directives issued by the SECP.

Wherever provisions of and directives issued under the Companies Act , 2017, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulation or the directives issued by the SECP differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

- 2.1.1** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and, therefore, should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2020.
- 2.1.2** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2020.

2.2 Basis of Measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements has been presented in Pak Rupees, which is the functional and presentation currency of the Fund.

3. SIGNIFICANT ACCOUNTING POLICIES, RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

The principal accounting policies applied in the preparation of this condensed interim financial statements as set out below:

- 3.1** The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2020.



- 3.2** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.
- 3.3** There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in this condensed interim financial information.
- 3.4** The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2020.

4. BANK BALANCES	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- Rupees in '000 -----	
Current accounts	4.1	10,306	13,491
Savings accounts	4.2 & 4.3	30,535,562	22,415,443
		30,545,868	22,428,934

- 4.1** These include bank balances of Rs. 0.166 million (June 30, 2020: Rs. 0.166 million), maintained with National Bank of Pakistan (related parties).
- 4.2** These savings accounts carry mark-up at rates ranging from 4.50% to 9% per annum (June 30, 2020: 10.25% to 14.35%) per annum.
- 4.3** These include a bank balance of Rs.2.83 million (June 30 2020: Rs.2.097 million) and 2.55 million (June 30,2020: Rs Nil) which is maintained with National Bank of Pakistan and BankIslami Pakistan Limited respectively, related parties, and carries mark-up at the rate of 5.5% ((June 30,2020: 11.25%) and 7% respectively (June 30,2020: Nil) per annum.

5. INVESTMENTS	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- Rupees in '000 -----	
Financial assets at fair value through profit or loss			
Government securities - Market treasury bills	5.1	-	6,043,726
		-	6,043,726



5.1 Investment in government securities

Issue date	Tenure	Face value			As at December 31, 2020	Market value as at December 31, 2020	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2020	Purchases during the period	Sales / matured during the period				
----- Rupees in '000 -----								
September 12, 2019	12 Months	-	2,650,000	2,650,000	-	-	-	-
September 12, 2019	12 Months	-	2,650,000	2,650,000	-	-	-	-
September 26, 2019	12 Months	98,000	3,200,000	3,298,000	-	-	-	-
October 10, 2019	12 Months	1,583,000	7,727,000	9,310,000	-	-	-	-
November 7, 2019	12 Months	-	5,335,000	5,335,000	-	-	-	-
November 21, 2019	12 Months	-	500,000	500,000	-	-	-	-
December 5, 2019	12 Months	-	4,500,000	4,500,000	-	-	-	-
December 19, 2019	12 Months	-	6,200,000	6,200,000	-	-	-	-
March 26, 2020	6 Months	1,405,000	1,000,000	2,405,000	-	-	-	-
April 9, 2020	6 Months	1,575,000	2,450,000	4,025,000	-	-	-	-
April 23, 2020	6 Months	1,375,000	4,650,000	6,025,000	-	-	-	-
May 7, 2020	6 Months	-	11,210,815	11,210,815	-	-	-	-
June 18, 2020	6 Months	125,000	-	125,000	-	-	-	-
July 16, 2020	3 Months	-	3,075,000	3,075,000	-	-	-	-
July 16, 2020	6 Months	-	75,000	75,000	-	-	-	-
August 27, 2020	3 Months	-	5,641,000	5,641,000	-	-	-	-
August 27, 2020	6 Months	-	3,050,000	3,050,000	-	-	-	-
September 10, 2020	3 Months	-	550,000	550,000	-	-	-	-
September 24, 2020	3 Months	-	425,000	425,000	-	-	-	-
October 8, 2020	3 Months	-	3,700,000	3,700,000	-	-	-	-
October 22, 2020	3 Months	-	7,162,500	7,162,500	-	-	-	-
November 5, 2020	3 Months	-	6,170,000	6,170,000	-	-	-	-
November 19, 2020	3 Months	-	4,826,000	4,826,000	-	-	-	-
Total as at December 31, 2020					-	-	-	-
Carrying value before mark to market as at December 31, 2020					-	-	-	-

(Un-audited) (Audited)
December 31, June 30,
2020 2020
----- Rupees in '000 -----

6. MARK-UP ACCRUED

Mark-up accrued on bank balances	<u><u>33,193</u></u>	<u><u>17,435</u></u>
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7. DEPOSIT AND PREPAYMENT

Security deposit with Central Depository Company of Pakistan Limited	100	100
Prepayments	14	237
	<u><u>114</u></u>	<u><u>337</u></u>



		(Un-audited) December 31, 2020	(Audited) June 30, 2020
	Note	----- Rupees in '000 -----	
8. PAYABLE TO NBP FUND MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration of the Management Company	8.1	3,537	3,575
Sindh Sales Tax on remuneration of the Management Company	8.2	460	465
Operational expenses	8.3	8,371	8,703
Selling and marketing expenses	8.4	24,433	52,530
Other payable		25	-
Transfer and sales load		971	559
Sindh Sales Tax and Federal Excise Duty on sales load		399	345
		38,196	66,177

8.1 Under the provisions of Non-Banking Finance Companies and Notified Entities Regulations 2008, an Asset Management Company shall be entitled to an accrued remuneration. During the period, Management Company has charged remuneration as follows:

- 1% per annum on the daily income of the Fund subject to minimum 0.15% as average of NAV and maximum 1% of average NAV, applicable from December 13, 2019 onwards.

For the purpose of above calculation, daily net income is equals to gross income minus all expenses of the Fund excluding management remuneration and related sales tax and federal excise duty thereon.

8.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8.3 As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS) are chargeable to the scheme. Accordingly, the Management Company has charged 0.1% of the average annual net assets, and from October 27, 2020 the rate has been revised to 0.125% of the average annual net assets.

8.4 The SECP through its Circular No. SCD/PRDD/Circular/394/2018 (Circular No. 5 of 2018) dated June 04, 2018 allowed to charge selling and marketing expenses to all categories of mutual funds (except fund of funds and money market funds) subject to the Board approval of and cap of 0.4% per annum of net assets or actual, whichever is lower. In current year, SECP through its Circular No. 11 of 2019 dated July 5, 2019, has now removed the later requirement of capping (except "Fund of Funds"). Further, all the payments are required to be approved by the Trustee.

In pursuance of above circular, the Board has approved the limits to be charged in respect of these expenses. Accordingly effective from May 11, 2020, the Fund has charged 0.5% of daily net asset value of the Fund, thereafter, this has been further revised by the Board as follows;

- 0.4% per annum of daily net asset value of the Fund, applicable from September 14, 2020 till October 26, 2020;
- 0.35% per annum of daily net asset value of the Fund, applicable from October 27, 2020 till November 23, 2020;
- 0.30% per annum of daily net asset value of the Fund, applicable from November 24, 2020 onwards;



		(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- Rupees in '000 -----	
9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note		
Remuneration of the Trustee		1,532	1,526
Sindh Sales Tax on remuneration of the Trustee	9.1	199	198
	9.2	<u>1,731</u>	<u>1,724</u>

9.1 This amount represents the Trustee is entitled to a monthly remuneration for services rendered to the Fund at the rate of 0.065% per annum of average net assets.

9.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (2019: 13%) on remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of the NBFC Regulations, a collective investment scheme categorised as an "money market scheme" is required to pay as annual fee to the Securities and Exchange Commission of Pakistan. Effective from July 1, 2019, fee has been changed to 0.02% per annum. The fee is paid annually in arrears.

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- Rupees in '000 -----	
11. ACCRUED EXPENSES AND OTHER LIABILITIES	Note		
Auditors' remuneration		761	788
Federal Excise Duty on remuneration of the Management Company	11.1	44,146	44,146
Provision for Sindh Workers' Welfare Fund	11.2	161,199	141,827
Withholding tax		14,805	17,093
Capital gains tax		587	4,780
Legal and professional charges		92	127
Bank charges		298	265
Printing charges		50	79
Brokerage payable		-	194
Others		7,189	7,189
		<u>229,127</u>	<u>216,488</u>

11.1 The legal status of applicability of Federal Excise Duty (FED) on the Fund is same as disclosed in note 14.1 to the annual audited financial statements of the Fund for the year ended June 30, 2020, and the appeal, filed by tax authorities against the order in the Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, being prudent, is carrying provision for FED aggregating to Rs. 44.146 million as at December 31, 2020.

Had the provision not being made, the net asset value per unit as at December 31, 2020 would have been higher by Rs.0.0144 per unit (June 30, 2020: Rs.0.0155 per unit).



- 11.2** The legal status of applicability of Worker's Welfare Fund and Sindh Workers' Welfare Fund is same as that disclosed in note 18 to the annual audited financial statements of the Fund for the year ended June 30, 2020.

As at December 31, 2020, the provision in relation to SWWF amounted to Rs. 161.199 million (June 30, 2020 : 141.827). Had the provision not being made, the net asset value per unit as at December 31, 2020 would have been higher by Rs.0.0526 per unit (June 30, 2020: Rs. 0.0496 per unit).

12. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2020 and June 30, 2020.

13. TAXATION

The Fund's income is exempt from income tax as per Clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the 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 has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute in cash at least 90% of the Fund's accounting income for the year ending June 30, 2020 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

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.

14. TOTAL EXPENSE RATIO

Total Expense Ratio (all the expenses incurred during the period divided by average net assets value for the period) is 0.92% per annum including 0.17% representing government levies on collective investment scheme such as sales tax, Sindh Worker's Welfare Fund and securities and exchange Commission of Pakistan fee for the period. However, as per SECP 639 (I)/2020 date June 30, 2020, total expense ratio has been limited to 2% for Money Market Funds.

15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS AND RELATED PARTIES

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

- 15.2** The transactions with connected persons and related parties are carried at agreed rates and terms

- 15.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations.

- 15.4** Remuneration of the Trustee is determined in accordance with the rates agreed between the Management Company and the Trustee.



15.5 Details of transactions with connected persons and related parties are as follows:

----- (Un-audited) -----
Half year ended
December 31, December 31,
2020 2019
----- Rupees in '000 -----

NBP Fund Management Limited (Management Company)

Remuneration of the Management Company	23,242	53,361
Sindh Sales Tax on remuneration of the Management Company	3,022	6,937
Reimbursement of operational expenses to the Management Company	16,761	12,955
Selling and marketing expenses	64,846	86,224
Sales load and Transfer load	412	1,435
Re-investment of dividend Nil units (2019:4,005)	-	39
Units issued / transferred in Nil units (2019: 4,957,092)	-	49,294
Units redeemed / transferred out Nil units (2019:5,441,522)	-	54,203

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	10,071	8,421
Sindh Sales Tax on remuneration of the Trustee	1,309	1,095

Employees of the Management Company

Re-investment of dividend units 17,546 (2019:148,401)	173	1,465
Units issued / transferred in 5,892,679 units (2019: 4,249,686)	58,269	42,001
Units redeemed / transferred out 7,015,538 units (2019: 4,176,074)	69,473	41,479

National Clearing Company of Pakistan Limited-Related Party

Dividend Re-Invest Units Issued 13,374 units (2019: Nil)	132	-
Units issued / transferred in 14,153,630 units (2019: 15,774,920)	139,873	155,678
Units redeemed / transferred out 14,103,896 units (2019: 15,656,684)	140,050	156,081

****NBP Financial Sector Income Fund
(Fund Managed by Management Company)**

Purchase of Treasury Bills	179,758	-
Sale of Treasury Bills	799,035	-

**National Bank of Pakistan
(Parent of Management Company)**

Purchase of Treasury Bills	443,170	-
Mark-up on bank balances	181	179

****NBP Mahana Amdani Fund
(Fund Managed by Management Company)**

Sale of Treasury Bills	807,815	-
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**NBP Savings Fund
(Fund Managed by Management Company)**

Purchase of Treasury Bills	68,921	-
Sale of Treasury Bills	-	34,370

***NBP Income opportunity fund
(Fund Managed by Management Company)**

Sale of Treasury Bills	-	147,300
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----- (Un-audited) -----
Half year ended
December 31, December 31,
2020 2019
----- Rupees in '000 -----

Dr. Amjad Waheed (Chief Executive Officer of the Management Company)

Re-investment of dividend 16,609 units (2019:10,751)	164	106
Units issued / transferred In 4,705,020 units (2019: 3)	46,500	-
Units redeemed / transferred out 4,992,665 units (2019: Nil)	49,481	-

Humayun Bashir (Director of Management Company)

Re-investment of dividend 19,343 units (2019:Nil)	191	-
Units issued / transferred in 1,977,157 units (2019:Nil)	19,539	-
Units redeemed / transferred out 1,996,500 units (2019:Nil)	19,790	-

Muhammad Murtaza Ali (Company Secretary of the Management Company)

Units redeemed / transferred out Nil units (2019: 779)	-	8
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National Fullerton Asset Management Employee Provident Fund (Provident Fund of the Management Company)

Dividend Re-Invest Units Issued 612 (2019: Nil)	6	-
Units issued / transferred in 12,189,937 units (2019: 292,938)	120,484	2,893
Units redeemed / transferred out 10,277,900 units (2019: 226,085)	102,079	2,650

****Syed Hasan Irtiza Kazmi - Director**

Dividend Re-Invest Units Issued 5,154 (2019: Nil)	51	-
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The Hub Power Company Limited (Common Directorship with the Management Company)

Buy Commercial paper	-	464,708
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Pakistan Stock Exchange Limited (Common Directorship with the Management Company)

Listing Fees	14	14
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Fauji Fertilizer Company Limited-Related Party

Re-investment of dividend 11,665,652 units (2019: 28,329,867)	115,306	279,677
Units issued / transferred in 1,586,141,860 units (2019: 506,242,305)	15,675,032	5,000,573
Units redeemed / transferred out 840,292,943 units (2019: 410,427,066)	8,325,259	4,070,000

****Mutual Funds Association of Pakistan - Related Party**

Dividend Re-invest units issued 1,525 Units (2019: Nil)	15	-
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Reliance Enterprises- Related Party

Dividend Re-Invest Units Issued 72 units (2019:2,503)	1	25
Units issued / transferred in Nil units (2019:1)	-	-
Units redeemed / transferred out Nil units (2019 : 140,511)	-	1,400



----- (Un-audited) -----
Half year ended
December 31, December 31,
2020 2019
----- Rupees in '000 -----

****Baltoro Partners (Pvt) Limited - Related Party**

Dividend Re-Invest Units Issued 23,247 units (2019: Nil)	230	-
Units redeemed / transferred out 302,474 units (2019 : Nil)	3,000	-

Portfolios Managed by the Management Company

Dividend Re-Invest Units Issued 526,184 units (2019: 1,932,276)	5,202	19,075
Units issued / transferred in 207,643,485 units (2019: 135,110,373)	2,054,685	1,335,024
Units redeemed / transferred out 155,096,746 units (2019: 11,734,183)	1,538,644	1,168,869

* Current period transactions with these parties have not been disclosed as they did not remain connected persons and related parties.

** Prior period balances with these parties have not been disclosed as they were not connected persons and related parties during prior periods.

15.6 Amounts outstanding as at period / year end are as follows:

	(Un-audited) December 31, 2020	(Audited) June 30, 2020
	----- Rupees in '000 -----	

NBP Fund Management Limited (Management Company)

Remuneration of the Management Company	3,537	3,575
Sindh Sales Tax on remuneration of the Management Company	460	465
Operational expenses	8,371	8,703
Selling and marketing expenses	24,433	52,530
Other payable	25	-
Sales load	971	559
Sindh Sales Tax and FED on sales load	399	345

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	1,532	1,526
Sindh Sales Tax on remuneration of the Trustee	199	198
Security deposit	100	100

**National Bank of Pakistan
(Parent of the Management Company)**

Bank balances		
- in savings account	2,834	2,097
- in current account	166	166
Accrued markup	23	61

**National Clearing Company of Pakistan Limited
(Common Directorship with the Management Company)**

Investment held in the Fund: 2,862,684 units (June 30, 2020 : 2,799,576)	28,340	27,667
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	(Un-audited) December 31, 2020	(Audited) June 30, 2020
	----- Rupees in '000 -----	
**Pakistan Stock Exchange Limited (Common Directorship with the Management Company)		
Listing Fees	14	-
*BankIslami Pakistan Limited (Common Directorship with the Management Company)		
Bank balance in savings account	2,548	-
Accrued markup	1	-
Dr. Amjad Waheed-(Chief Executive Officer of the Management Company)		
Investment held in the Fund: 203,361 (June 30, 2020: 474,397)	2,013	4,688
Syed Hasan Irtiza Kazmi-Director of Management Company		
Investment held in the Fund: 208,559 (June 30, 2020: 203,405)	2,065	2,010
Employees of the Management Company		
Investment held in the Fund: 651,666 units (June 30, 2020 : 1,758,071)	6,451	17,374
National Fullerton Asset Management Employee Provident Fund (Provident Fund of Management Company)		
Investment held in the Fund: 2,198,951 units (June 30, 2020: 286,302)	21,769	2,829
Reliance Enterprises (COO Holding more than 10% in RE)		
Investment held in the Fund: 2,924 units (June 30, 2020: 2,852)	29	28
Fauji Fertilizer Company Limited (Common Directorship with the Management Company)		
Investment held in the Fund: 757,514,569 (June 30, 2020: Nil)	7,499,167	-
Portfolios Managed By The Management Company		
Investment held in the Fund: 78,861,313 Units (June 30, 2012: 27,052,457)	780,702	267,345
Mutual Fund Association of Pakistan-Related Party		
Investment held in the Fund: 61,733 Units (June 30, 2020, 60,207)	611	595
Baltoro Partners (Pvt) Limited-Related Party		
Investment held in the Fund: 740,486 Units (June 30, 2020, 1,019,710)	7,331	10,077
*Ibrahim Holdings Private Limited-Holding More than 10%		
Investment held in the Fund: Nil Units (June 30, 2020, 310,581,797)	-	3,069,325

* Current period balances with these parties have not been disclosed as they did not remain connected persons and related parties during the period.

** Prior period balances with these parties have not been disclosed as they were not connected persons and related parties during prior periods.



16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

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

	Note	Carrying amount			Fair value			
		At Fair value through profit or loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
December 31, 2020		Rupees in '000						
Financial assets not measured at fair value								
Bank balances	4	-	30,545,868	30,545,868	-	-	-	-
Accrued mark-up on bank balances	6	-	33,193	33,193	-	-	-	-
Deposit	7	-	100	100	-	-	-	-
Receivable against transfer of Units		-	5,600	5,600	-	-	-	-
		-	30,584,761	30,584,761	-	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company	8	-	38,196	38,196	-	-	-	-
Remuneration payable to the Trustee	9	-	1,731	1,731	-	-	-	-
Accrued expenses and other liabilities	11	-	8,390	8,390	-	-	-	-
Payable against redemption of units		-	47	47	-	-	-	-
Net Assets attributable to redeemable units		-	28,236,162	28,236,162	-	-	-	-
		-	28,284,526	28,284,526	-	-	-	-



	Note	Carrying amount			Fair value			
		At Fair value through profit or loss	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
June 30, 2020		----- Rupees in '000 -----						
Financial assets measured at fair value								
Government securities - Treasury Bills	5	6,043,726	-	6,043,726	-	6,043,726	-	6,043,726
		6,043,726	-	6,043,726	-	6,043,726	-	6,043,726
Financial assets not measured at fair value								
Bank balances	4	-	22,428,934	22,428,934	-	-	-	-
Accrued mark-up on bank balances	6	-	17,435	17,435	-	-	-	-
Deposit	7	-	100	100	-	-	-	-
Receivable against transfer of Units		-	118,817	118,817				
		-	22,565,286	22,565,286	-	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company	8	-	66,177	66,177	-	-	-	-
Remuneration payable to the Trustee	9	-	1,724	1,724	-	-	-	-
Accrued expenses and other liabilities	11	-	8,563	8,563	-	-	-	-
Payable against redemption of units		-	82,968	82,968	-	-	-	-
Net Assets attributable to redeemable units		-	30,312,575	30,312,575				
		-	30,472,007	30,472,007	-	-	-	-

17. INTERIM DISTRIBUTIONS MADE DURING THE PERIOD

	Rate per unit	Declaration date	Cash distribution		
			Capital value	Undistributed income	Total
----- For the period ended December 31, 2020 -----					
----- Rupees in '000 -----					
For the month of July 2020	Re. 0.0390	July 28, 2020	(21,334)	(114,110)	(135,444)
For the month of August 2020	Re. 0.0467	August 28, 2020	(11,246)	(123,698)	(134,944)
For the month of September 2020	Re. 0.0534	September 28, 2020	(20,360)	(159,417)	(179,777)
For the month of October 2020	Re. 0.0532	October 27, 2020	(15,419)	(135,246)	(150,665)
For the month of November 2020	Re. 0.0511	November 26, 2020	(12,813)	(132,894)	(145,707)
For the month of December 2020	Re. 0.0482	December 23, 2020	(24,846)	(118,479)	(143,325)
			(106,018)	(783,844)	(889,862)



----- For the period ended December 31, 2019 -----					
----- Rupees in '000 -----					
For the month of July 2019	Re. 0.0968	July 30, 2019	(47,977)	(189,543)	(237,520)
For the month of August 2019	Re. 0.1014	August 29, 2019	(30,492)	(240,420)	(270,912)
For the month of September 2019	Re. 0.1018	September 28, 2019	(24,516)	(236,314)	(260,830)
For the month of October 2019	Re. 0.1071	October 29, 2019	(26,400)	(256,504)	(282,904)
For the month of November 2019	Re. 0.0937	November 28, 2019	(27,916)	(224,059)	(251,975)
For the month of December 2019	Re. 0.1009	December 27, 2019	(27,803)	(194,346)	(222,149)
			(185,104)	(1,341,186)	(1,526,290)

18. GENERAL

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

18.2 These condensed interim financial statements are unaudited and have been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2020 in these condensed interim financial statements, wherever appearing, have not been reviewed by the auditors.

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 26, 2021 by the Board of Directors of the Management Company.

For NBP Fund Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

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