



**ABL ISLAMIC DEDICATED STOCK FUND**  
FOR THE YEAR ENDED JUNE 30, 2018

# ANNUAL REPORT



**ABL Asset Management**

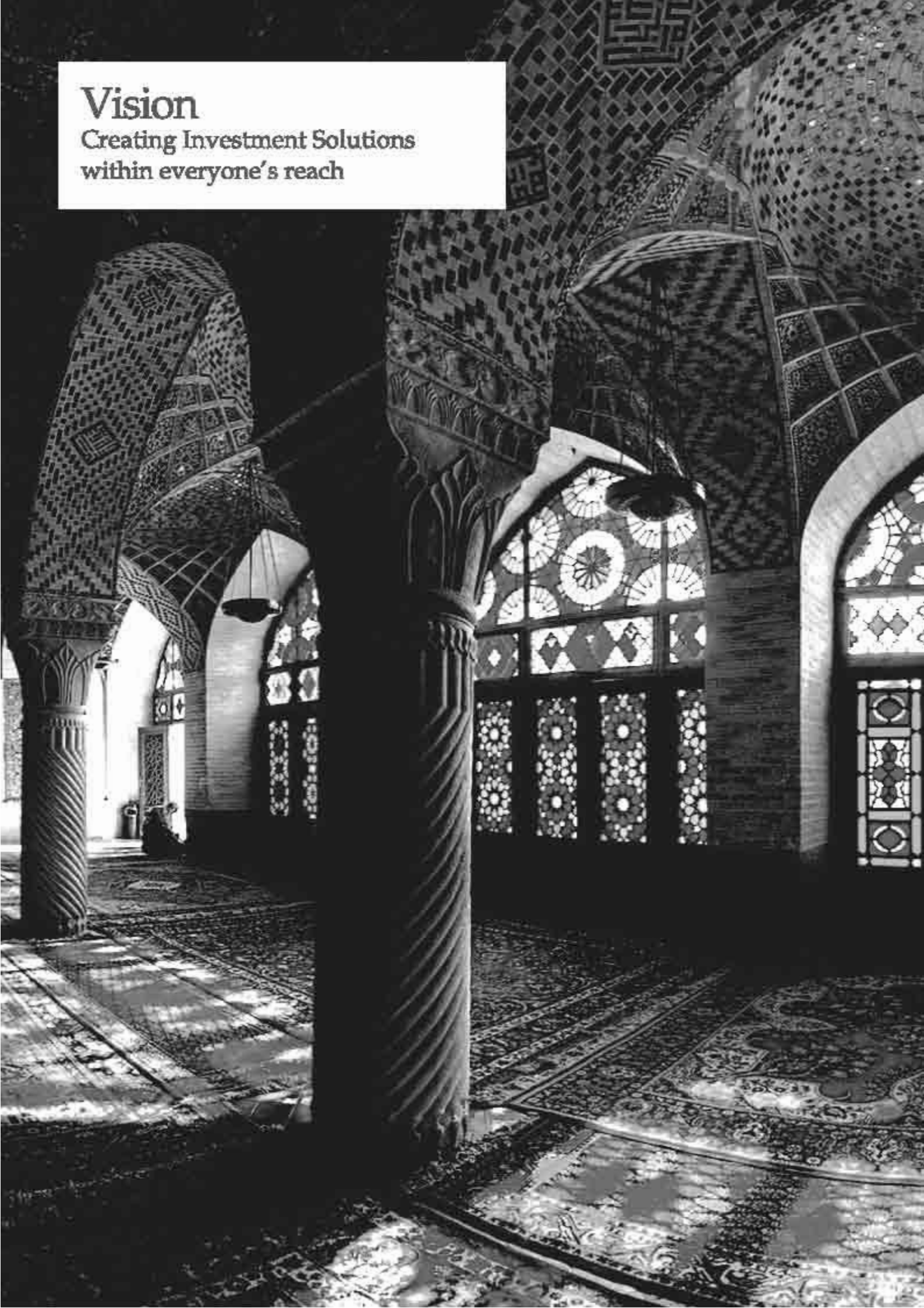
Discover the potential

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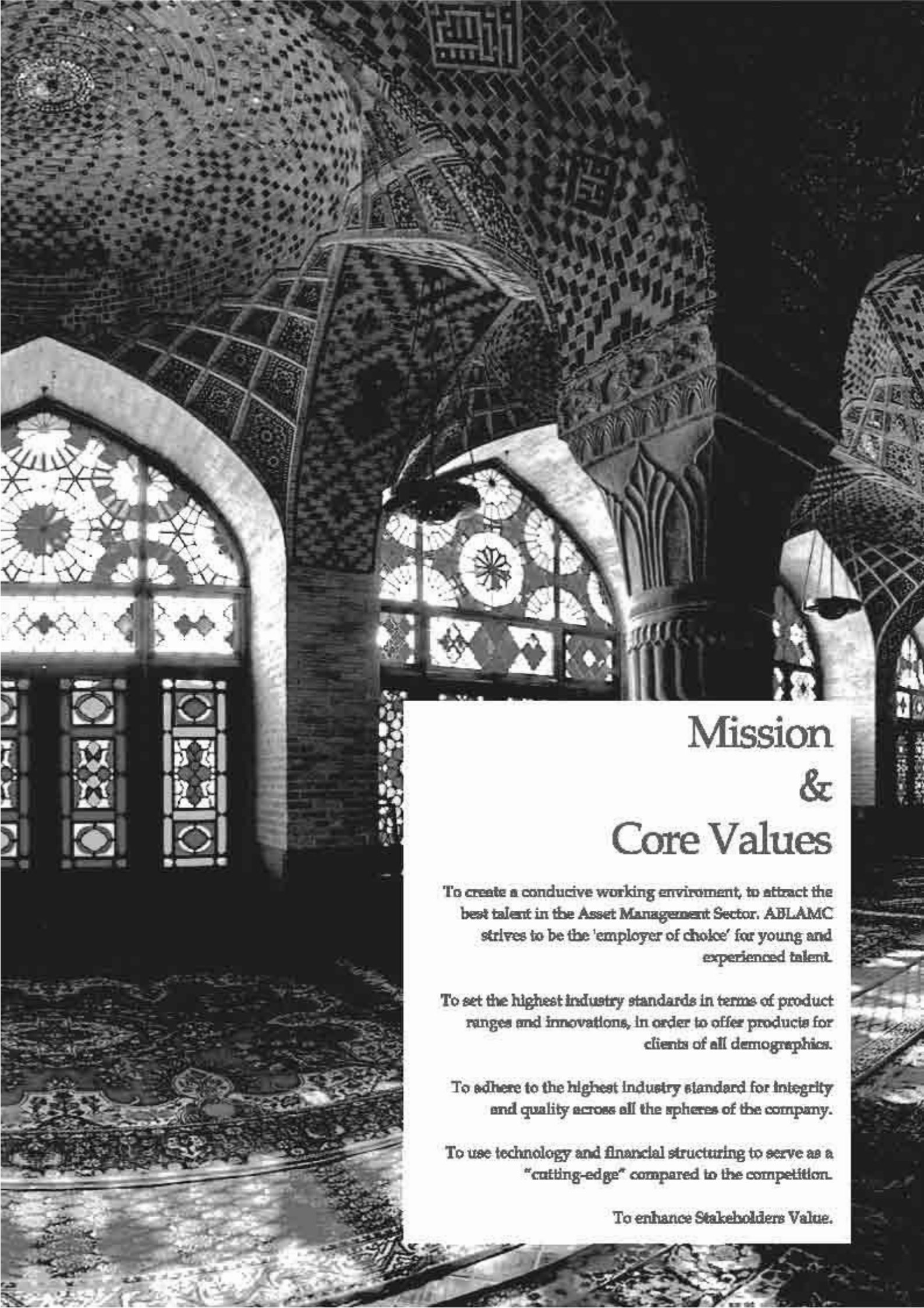
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# Vision

Creating Investment Solutions  
within everyone's reach







## Mission & Core Values

To create a conducive working environment, to attract the best talent in the Asset Management Sector. ABLAMC strives to be the 'employer of choice' for young and experienced talent.

To set the highest industry standards in terms of product ranges and innovations, in order to offer products for clients of all demographics.

To adhere to the highest industry standard for integrity and quality across all the spheres of the company.

To use technology and financial structuring to serve as a "cutting-edge" compared to the competition.

To enhance Stakeholders Value.



## FUND'S INFORMATION

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Management Company:	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hasan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman     CEO/Director
Audit Committee:	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Alee Khalid Ghaznavi	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shehzad	
Trustee:	MCB Financial Services Limited 4th Floor, Perdesi House Old Queens Road Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited	
Auditor:	M/S. A.F. Ferguson & Co. Chartered Accountants State life Building No. 1-C I.I Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Suite # 7, 11th Zamzama Street Phase-V, DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500.	

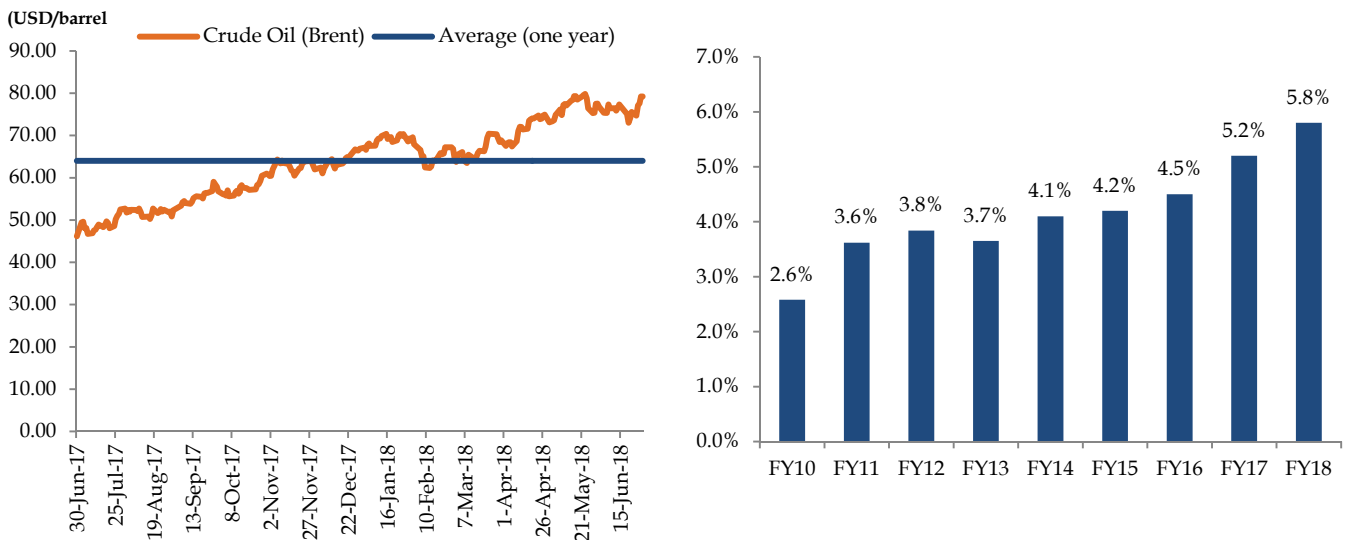
## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Dedicated stock Fund (ABL-IDSF), is pleased to present the Audited Financial Statements of ABL Islamic Dedicated Stock Fund for the year ended June 30, 2018.

### ECONOMIC PERFORMANCE REVIEW

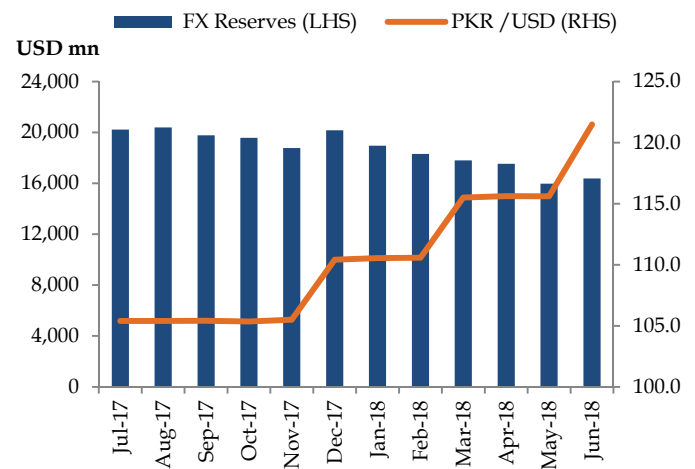
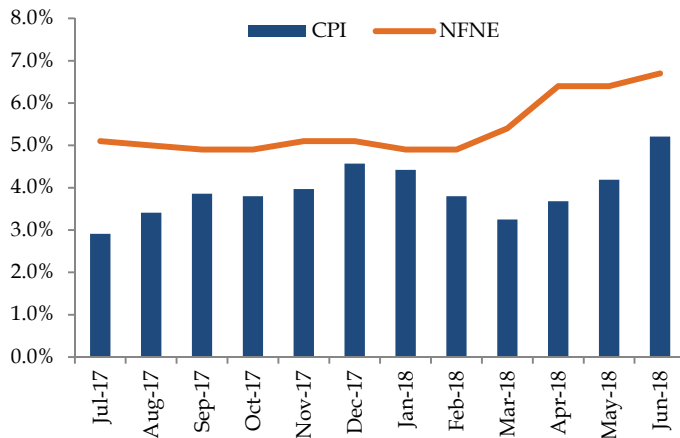
The major theme for Pakistan's macro-economy in FY18 was proliferating twin deficits leading to quickly-depleting reserves. The government took monetary tightening measures in 2HFY18; however, external account deficits continued to widen, while inflationary pressures mounted towards the end of FY18, all indicators of an over-heating economy. Although missing its ambitious target of 6.0%, GDP growth clocked in at 5.8% in FY18, crossing the 13-year high-watermark with all three constituents on an upward trajectory (services/industrial/ agriculture up 6.4%/5.8%/3.8%YoY). Key catalysts for growth included the ongoing implementation of early harvest infrastructure projects under the ambit of CPEC, net energy supply growth (net generated units up 8.4%YoY for 11MFY18), and sustained credit uptick (11MFY18 private sector credit stock grew 18%YoY, adding PKR 780bn offtake during the period). However, the fiscal deficit as percentage of GDP is expected to clock in at 6.8% of GDP (revised upward from 5.5% of GDP estimate given in May 2018).

GDP growth



The Current Account Deficit (CAD) increased 45%YoY to USD 18bn during FY18. A favorable impact of a strong recovery of exports (up 13.2%YoY in FY18) and 3%YoY higher worker's remittances was more than offset by growing imports (up 15.1%YoY in FY18). The SBP devalued PKR by 15.9% against greenback during FY18 in three rounds, beginning in December 2017 to control the increasing imports, without much avail. Besides the drain from the external account, debt repayments during the period added to the steep slide in foreign exchange reserves. As a result, FY18 saw Pakistan going back to the international capital market, raising USD 1.5bn of 10-year Eurobond at 6.875% and USD 1.0bn 5-year Sukuk at 5.625%.

Despite strong growth, headline inflation has remained well below the government's target of 6.0%YoY for FY18, averaging at 3.9%YoY in FY18 (vs. 4.2%YoY in FY17). However, reversal in international oil prices (Arab light up 24.5% during the fiscal year) and an expensive greenback during 2HFY18 led to buildup of inflationary pressures with CPI reaching 5.2%YoY in June 2018 (Core inflation NFNE at 7.1%YoY vs. 5.5%YoY last year). Subsequently, the SBP raised the policy rate by 75bps in 2HFY18, beginning by 25bps rate hike to 6.00% in January 2018. In March 2018 MPS, however, SBP did not raise the policy rates again, where it reasoned that the effects of the recent PKR depreciation and rebound in exports needed to be gauged before any further rate hikes. However, with core inflation rising to 7.0% in April 2018, SBP raised policy rate by 50bps to 6.50% in May 2018 MPS.



Fiscal deficit for 9MFY18 clocked in at PKR 1,481bn (~4.3% of GDP), reflecting an increase of 20%YoY remaining largely a function of expenditures outpacing revenue collection growth for the period. Growth in development expenditure remained healthy (37%YoY in 9MFY18 beating the 13%YoY growth in current expenditure) supporting the ongoing growth momentum in the economy.

## MUTUAL FUND INDUSTRY REVIEW

Total Assets under management (AUMs) of Pakistan's open-end mutual fund industry posted a slight decline of 2.8% in FY18 from PKR 680bn to PKR 661bn. This decline was predominantly led by the Islamic Equity and Income funds categories which declined by 20% and 16%, respectively. On the other hand, the industry witnessed increasing investor interest in the money market funds, as AUMs under the money market funds increased by 77% in FY18 due to the prevailing rising interest rate environment.

On a cumulative basis, the Equity category (comprising of Equity and Islamic Equity funds) registered a decrease of 16.1%YoY to close at PKR 242bn in June 2018 compared to PKR 288bn in June 2017. Weak stock market performance in FY18, due to worsening macro-economic indicator and political uncertainty, allowed the Equity Funds to post a decline of 12.4%YoY to close at PKR 137bn. Similarly, Islamic equity funds posted a steep decline of 20.4%YoY to reach at PKR 104bn.

## MARKET OVERVIEW

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## EQUITY MARKET OVERVIEW

Pakistan stock market (PSX) showed negative performance in FY18 against continued positive returns for the previous 8 years. KMI-30 index (benchmark for Shariah compliant funds) declined by 9.6% to close the year at 71,060 points. This lackluster performance was largely attributable to political and economic uncertainty during the year. Moreover, despite upgrade of Pakistan by Morgan Stanley Capital International (MSCI) from a Frontier Market (FM) to an Emerging Market (EM) index in June 2017, foreign investors remained net sellers in the local bourse with net outflows of USD 289mn in FY18. On the other hand, the insurance sector came out as the major ally of the market with net buying of USD 204mn. The major laggards among KMI-30 stocks were LUCK/DGKC/PAEL, contributing 39%/22%/18%, respectively, to the index fall. In contrast, the Oil and Gas Exploration & Production (E&P) sector (consisting of PPL and POL) supported the index by positively contributing 36% and 28% to the index change. Cement stocks were down due to increasing input costs (coal up 20%YoY along with ~22% PKR depreciation) and over supply concerns post upcoming expansions. In contrast, oil stocks performed well due to a rebound in international oil prices (Arab Light prices went up ~28% during the year). On the trading front, average daily volumes of KMI-30 index decreased by 38% to reach 45mn shares in FY18 against 72mn shares last year. Moving ahead, we expect the market to remain volatile until the political and economic situation stabilizes. Pakistan Stock Exchange closed the period at an estimated P/E of 7.6x, a 21% discount to the EM index and a dividend yield (DY) of 6.3%.

## SECTOR OVERVIEW

The E&P sector outperformed all other sectors as it was up 20.2%YoY in FY18. Oil price rose a staggering 28%YoY as OPEC-Russia resolutely cut supplies to stabilize global prices. The PKR also depreciated ~16% YoY amid a balance of payment crisis. Pakistan E&Ps benefited from the same and thus posted cumulative PAT growth of 34%YoY in 9MFY18 results. However, there was a notable slowdown in oil production (up only 2% YoY), majorly due to a decline in large assets like Nashpa and Tal. This was also attributed to government of Pakistan curtailing furnace oil (FO) based generation which affected offtake from refineries in the North of the country. Major discoveries included Jhandial which was a significant find (oil reserves of 23mn barrels) for the operator Pakistan Oilfields (POL); however, production at the field faced issues and declined from 1400bpd of oil at commissioning to 600bpd at year end. Other major events included: government of Pakistan imposing windfall levy on oil on those fields which have been converted to newer policies under Supplementary Agreement via 2012 Petroleum Policy. All affected E&Ps challenged the same in Islamabad High Court, where the case is still sub judice.

Oil Marketing Companies (OMCs) have had a tough FY18 as the sector was down 15.8% YoY while KSE-100 was down by 10.0% during the same period. This was mainly driven by a 41.6%YoY drop in Shell Pakistan Limited's (SHEL) share price while Pakistan State Oil (PSO) increased by 5.3%YoY. Attock Petroleum (APL) and HASCOL Petroleum (HASCOL) remained almost flat at 1.2% and 1.0%, respectively. Primary reason for a poor show for OMCs during FY18 can be attributed to steep currency devaluation (down 15.9% in FY18), the FO debacle, and drop in profitability. Industry petroleum sales were down by 4.2%YoY to 24.4mn tons, mainly due to dip in FO volumes by 24.1%YoY to 7.1mn tons. Drop in FO sales can be associated to government of Pakistan sudden decision to restrict FO imports as surplus power generation on different fuel bases was available. Excluding FO, POL product sales rose by 7.4% YoY to 17.3mn tons. The surge in volumes was led by Motor gasoline (+15.5% YoY) and high speed diesel (+6.2% YoY). Petroleum prices trended up (+26-29% YoY), following crude oil (+68.9% YoY), boosting profitability, on the back of inventory gains. Thus, 9MFY18 profits (ex-SHEL) were down 3%YoY. HASCOL continued to outperform the industry increasing its market share by 3.2% to 11.8%. On the other hand, PSO and SHEL's market share witnessed attrition by 4.5% and 2.7% to 50.8% and 6.6% respectively. APL's market share inched up by 0.6% to 8.8%. As for circular debt, it continues to exacerbate which has dampened the sentiment for PSO. Consequently, PSO does not have the cash flows for CAPEX which is necessary to maintain their market share; hence rising competition continues to nibble on PSO's market share.

Cement sector nosedived in FY18 with negative annual return of 42% as compared to -10% by the benchmark index. The dismal performance of the sector was attributable to i) increasing input costs where coal prices averaged at USD 94/ton during the year (up 20%YoY) and closed at USD104/ton, ii) PKR depreciation of 16% to further increase imported coal prices, iii) PKR25/bag additional Federal Excise Duty imposed during the year which further dented profitability, iv) increasing risk of cement bag price volatility owing to upcoming expansions of around 17mn tons (up 33% from existing capacity) in coming two years, and v) deteriorating economic situation and demand side concerns post elections. On the dispatches front, the sector witnessed positive performance where cumulative dispatches grew by 14%YoY (highest in 9 years), settling at 46mn tons. During the year, local dispatches recorded a decent growth of 15%YoY to post a record high of 41mn tons. The growth in local demand can be attributed to historic election year phenomena and increasing private sector construction activities. Moreover, total country's exports improved by 2%YoY, reversing an 8-year declining trend. The improvement was due to higher exports to Afghanistan in the period and increasing export trend from south region (thanks to 2.5mn tons brownfield expansions coming online in south). Going forward, we expect the recent increase in cement bag prices (where manufacturers are trying to pass on the increasing input cost impact) would be positive for the sector in short run but volatile bag prices are expected once expansion related dispatches start hitting the market including DGKC's 2.8mn tons, CHCC 2.1mn tons, MLCF's 2.2mn tons, and Power 2.3mn tons.

Fertilizer sector started off FY18 with a massive 1.2m tons urea inventory, which kept industry pricing power under pressure. However, the demand/supply situation turned completely post export of 600K tons of urea. Along with this, closure of LNG based plants also resulted in lower inventory levels of 330K tons at May 2018. The restoration in sentiments resulted in sector outperformance during FY18, up 12% vs. KSE-100 index negative return of 10%. During 11MFY18, urea sales settled at 5,281K tons down 1% from 5,312K tons in SPLY, while DAP off-take grew 4% to 2,281K tons from 2,184K tons in the previous year. Urea production during 11MFY18 stood at 5,096K tons, down 6% from 5,419K tons in the preceding year due to closure of LNG based plants (Last year production of LNG based plants was 571K tons). The outlook for this sector remains positive on grounds of increased local fertilizer prices. Urea price in the local market increased from PKR 1,377/bag in FY17 to PKR 1,405/bag on average in FY18. Similarly DAP price increased from PKR 2,589/bag on average in FY17 to PKR 2,890/ton in FY18. International urea and DAP prices have recovered 11%/17% since FY17, currently standing at ~USD 250/ton for urea and USD 420/ton for DAP. This rising trend of international nutrients prices has provided enough room to local players to safely increase the prices and pass on gas price hike impact by still keeping imports unfeasible.

The textile sector remained an underperformer, correcting 21% over FY18. The currency weakened by 15.8%YoY on average over the mentioned period; however the export-oriented sector margins remained under pressure as a result of 25%YoY higher average oil price and uptick in cotton price (up 6.3%YoY to average at PKR 6,870/maund in FY18 but closed at PKR 7,600/maund). During the year, the government of Pakistan relaxed the conditions for earlier announced export package by removing 10% growth requirement from 50% of rebate booking in FY18. However, the slower disbursement of cash rebates along with pending sales tax refunds reduced the impact of the package. Moreover, despite increasing demand of package extension, the government of Pakistan only extended the package for value added segments with lower budgeted allocation of PKR 65bn/annum against PKR 180bn package announced earlier. On the profitability front, the 9MFY18 earnings for NML, NCL and KTML clocked in at PKR 5.3bn, down 22%YoY, where lower dividend income from the subsidiaries further dragged the bottom-line growth. However on the export front, according to the available figures, textile exports increased to USD 12.4bn in 11MFY18 as compared to USD 11.3bn in 11MFY17, up 10%YoY.

Chemical sector posted a flat return of 0.47% in FY18 compared to negative return of 8.04% on the KSE-100 index. The outperformance is attributable to improved PTA-PX margins and PVC-ethylene core delta. Moreover, boom in domestic caustic soda market also contributed to the outperformance of the sector. The PTA-PX margins currently stand at USD 180/ton compared to last year's average of ~USD 80/ton on the back PX supply glut and increased demand of PTA for the production of PSF in China due low cultivation of cotton. Moreover PVC-ethylene core delta has also shown a positive trend in 3QFY18 reaching ~USD 390/ton compared to historical average of USD 350/ton. This is due increased PVC demand on the back of solid construction activity in the region. Going forward it is expected that chemical sector will continue to provide decent return in FY19 due to favorable international margins and demand outlook.

During 9MFY18, volumes of automobile industry rose by 22%YoY to 193K units, led by the economy and SUV segments. Amid capacity constraints, INDU and HCAR also increased capacity due to de-bottlenecking by 18% and 10%, respectively. However, PKR weakness and commodity upcycle squeezed margins (sector gross margin of 12.6% in 9MFY18 vs 14.6% in 9MFY17) and Auto-OEM profitability grew by a meagre 4%YoY in 9MFY18. In the tractor space, volumes and profits depicted 9MFY18 YoY growth of 37% and 36%, respectively amid lower GST of 5% and improved farmer income. Overall, the sector market cap shed by 30% with risks such as worsening macros, ban on car sales to non-filer, expected increase in GST on tractors, etc hang on the sector.

Engineering sector posted a negative return of 30.5% compared to -8.0% on KSE-100 index. The underperformance is mainly attributable to increased raw material cost (HRC and scrap) due PKR devaluation. Moreover, oversupply concerns due to massive expansions by all major players have also marred returns of the sector. In the flat steel category, CRC and HRC margins have shrunk to a historical low of USD 61/ton compare to the average of USD 100/ton. Moreover, both ISL and ASL have undergone major expansions, boosting the total flat steel capacity of the country to 1.6mn tons per annum which is slightly higher than the total expected demand of the country that is around 1.5mn tons per annum, thereby creating concerns of oversupply. In the rebar category, power shortage, higher scrap prices and oversupply due to massive expansions have remained a source of concern for the investor. Moreover going forward, PSDP cuts are expected given the surmounting macroeconomic challenges, thereby hurting the demand of long steel in the future.

Independent Power Producers (IPPs) is expected to remain in limelight taking into consideration the economic scenario of Pakistan in FY18. The PKR /USD exchange rate has witnessed a devaluation by ~16%YoY to reach at PKR 121.74/USD during FY18. By having a dollar dominated return, the major edge of IPPs in comparison to other sectors is that they were able to pass on the devaluation impact to consumers. IPP's have a natural hedge against devaluation of PKR. The rising interest rate environment (75bps increase during last six months till June 2018) directly impacted the debt service component inflating the capacity payments. Knowing the fact that power producers are compensated for the increase in debt service component, there is another relief in the pockets of IPPs. Going forward, PKR devaluation coupled with rising interest rate environment, higher international oil, and coal prices will increase the cost of generation putting burden on the other sectors that are dependent upon the national grid. So far, the government has maintained an aggressive focus on increasing the total nameplate capacity as well as power generation. As of June 2018, total net capacity of power generation has reached 30,342 MWh. The total capacity will further increase in the future, as new plants are expected to come online.

According to our estimate, total net capacity may reach ~33,000 MWh in FY19. Furthermore, power curtailment has been reduced tremendously in comparison to recent years but could not be eliminated due to weak transmission and distribution infrastructure. The transmission and distribution losses, higher international oil and coal prices, power theft, and poor recoveries of electricity bills translated into surged circular debt problems (PKR935bn) during the FY18. The rising interest rate environment and expected PKR devaluation in FY19 is expected to add up further in circular debt. IPPs underperformed the market with a negative return of 21.89%YoY compared to the benchmark KSE-100 index which reported a negative return of 10%YoY. The negative result can be attributed to NPL and NCL, which lost their values of ~33% and ~35.3% respectively, due to risk of closure faced by FO plant. KEL's issue regarding tariff with NEPRA triggered the negative sentiment resulting in an approximate decline of 28% in its market value.

## FUND PERFORMANCE

ABL-IDSF delivered a negative return of 16.40% against the benchmark return of negative 9.59%, reflecting an underperformance of 6.81%.. During the year under review, ABL Islamic Dedicated Stock Fund's AUM decreased by 38.16% to Rs. 1692.57 million.

## ADDITIONAL MATTERS

1. The detail of Directors of the Management Company is disclosed in this Annual Report.
2. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's fund;
3. Proper books of accounts of the Fund have been maintained.
4. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;
5. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements;
6. The system of internal control is sound in design and has been effectively implemented and monitored;
7. There have been no significant doubts upon the Funds' ability to continue as going concern;
8. Performance table of the Fund is given on page # 14 of the Annual Report;
9. There is no statutory payment on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;
10. The statement as to the value of investments of Provident Fund is not applicable in the case of the Fund as employees retirement benefits expenses are borne by the Management Company;
11. The pattern of unit holding as at June 30, 2018 is given in note No. 23 of the Financial Statements.

## AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2019 for ABL Islamic Dedicated Stock Fund (ABL-IDSF).

## MANAGEMENT QUALITY RATING

On December 29, 2017, JCR-VIS Credit Rating Company Limited (JCR-VIS) has upgraded the Management Quality Rating of ABL Asset Management Company Limited (ABL AMC) to 'AM2++' (AM-Two-Double Plus) from 'AM2+' (AM Two Plus). Outlook on the assigned rating is 'Stable'.



## OUTLOOK

Both political uncertainty and economic headwinds are expected to carry on into FY19. While on economic side, external vulnerabilities would continue due to high oil prices. As a result, Pak Rupee will most likely continue losing its strength, inflation will gather further traction, and corrective monetary tightening should carry on. With around USD25bn gross financing requirement, Pakistan is expected begin talks with IMF soon. This could result in cut in development spending, de-subsidization of tariffs and reduction in subsidies

Looking at the aforementioned, stock market is expected to remain volatile. With interest rates expected to reach the double digit mark, valuations have started losing their charm. A defensive investment strategy suits prevailing economic environment. Focus on players that have USD linked returns and/or are steeply undervalued i.e E&Ps, Power, Steels, Banks and selected cements. Major derating is possible if hung parliament is formed in the 2018 election.

## ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board



**Alee Khalid Ghaznavi**  
Chief Executive Officer

Lahore, September 6, 2018

## FUND MANAGER REPORT

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### OBJECTIVE

To provide capital appreciation to investors of 'Fund of Funds' schemes by investing in Shariah compliant equity securities.

### EQUITY MARKET REVIEW

Pakistan stock market (PSX) showed negative performance in FY18 against continued positive returns for the previous 8 years. KMI-30 index (benchmark for Shariah compliant funds) declined by 9.6% to close the year at 71,060 points. This lackluster performance was largely attributable to political and economic uncertainty during the year. Moreover, despite upgrade of Pakistan by Morgan Stanley Capital International (MSCI) from a Frontier Market (FM) to an Emerging Market (EM) index in June 2017, foreign investors remained net sellers in the local bourse with net outflows of USD 289mn in FY18. On the other hand, the insurance sector came out as the major ally of the market with net buying of USD 204mn. The major laggards among KMI-30 stocks were LUCK/DGKC/PAEL, contributing 39%/22%/18%, respectively, to the index fall. In contrast, the Oil and Gas Exploration & Production (E&P) sector (consisting of PPL and POL) supported the index by positively contributing 36% and 28% to the index change. Cement stocks were down due to increasing input costs (coal up 20%YoY along with ~22% PKR depreciation) and over supply concerns post upcoming expansions. In contrast, oil stocks performed well due to a rebound in international oil prices (Arab Light prices went up ~28% during the year). On the trading front, average daily volumes of KMI-30 index decreased by 38% to reach 45mn shares in FY18 against 72mn shares last year. Moving ahead, we expect the market to remain volatile until the political and economic situation stabilizes. Pakistan Stock Exchange closed the period at an estimated P/E of 7.6x, a 21% discount to the EM index and a dividend yield (DY) of 6.3%.

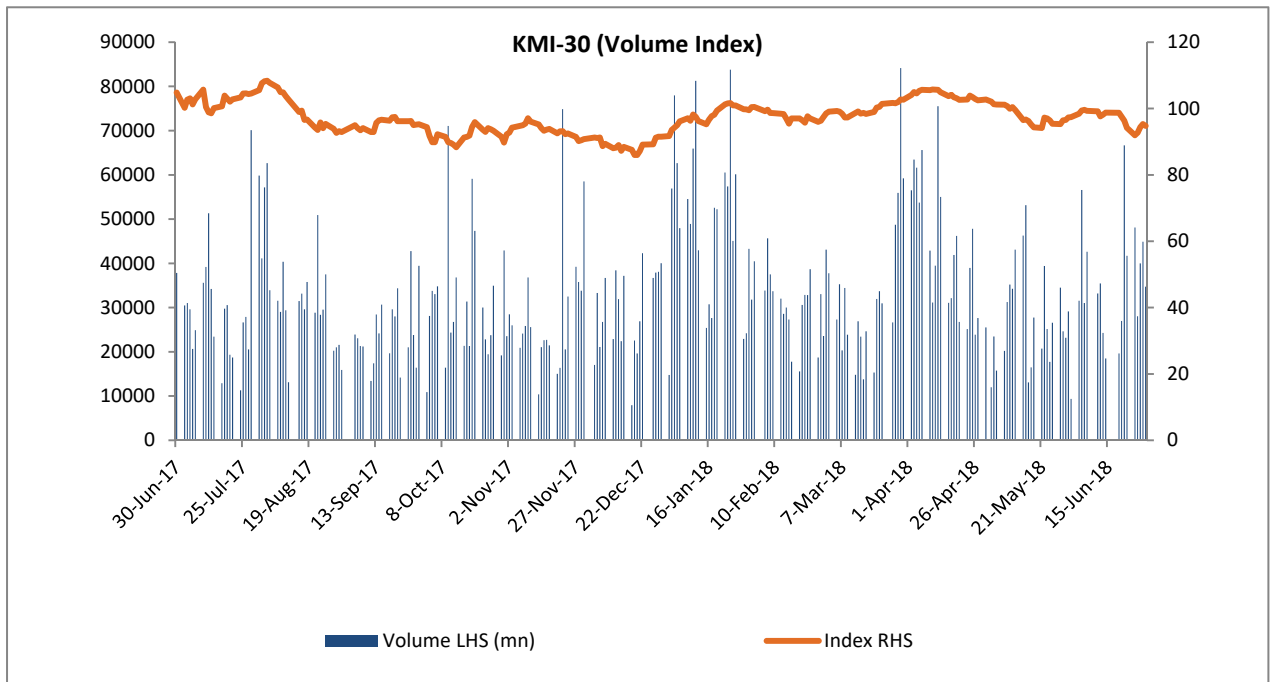
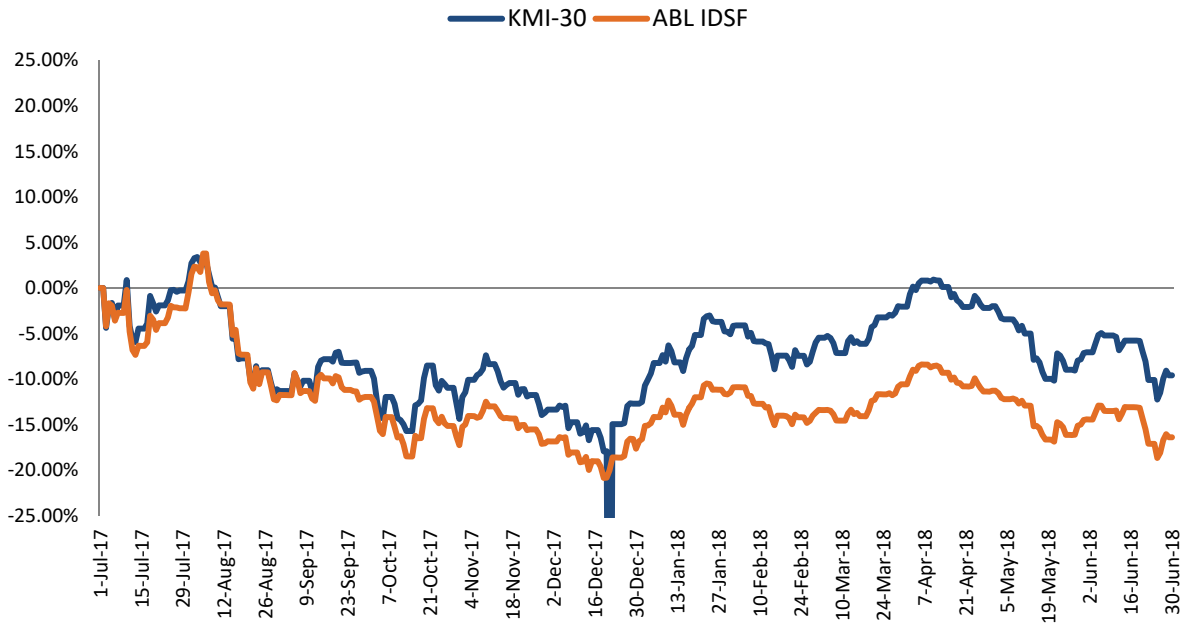
### FUND PERFORMANCE

ABL-IDSF delivered a negative return of 16.40% against the benchmark return of negative 9.59%, reflecting an underperformance of 6.81%. During the year under review, ABL Islamic Dedicated Stock Fund's AUM decreased by 38.16% to Rs. 1692.57 million.

### OUTLOOK AND STRATEGY

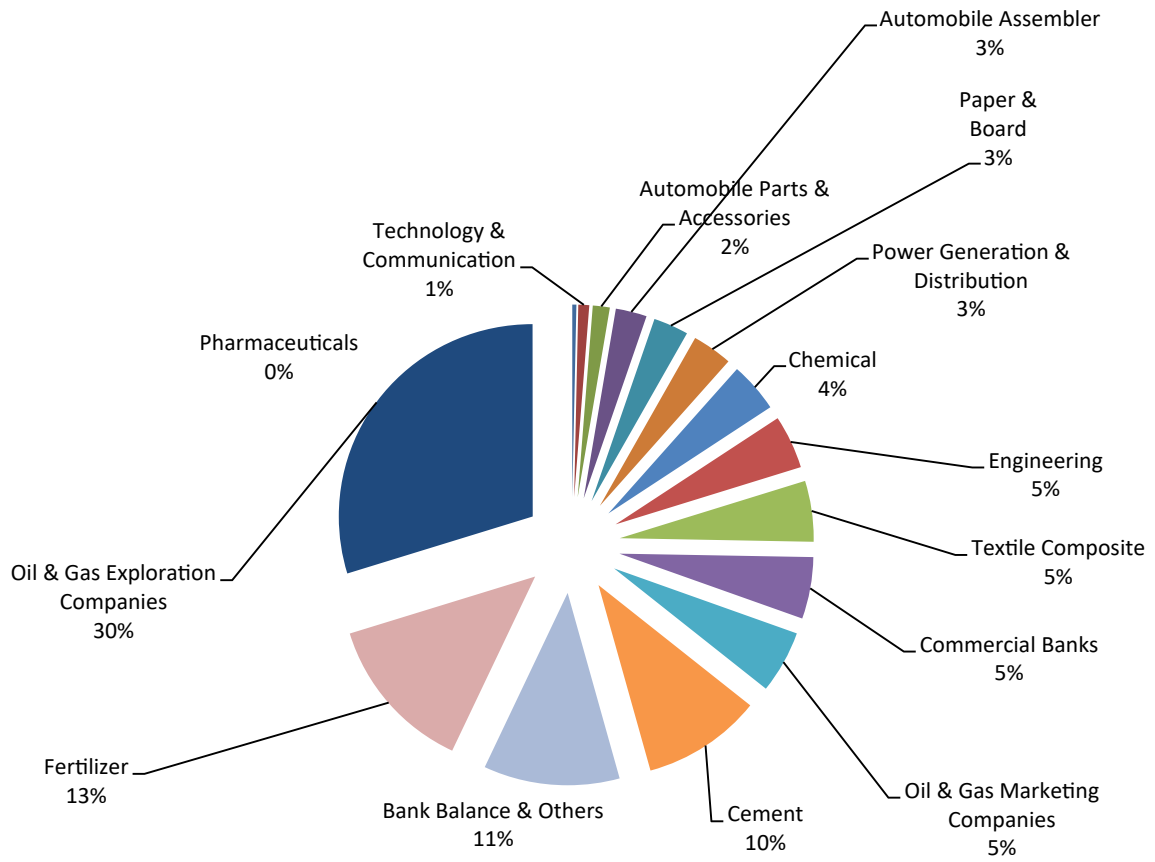
Both political uncertainty and economic headwinds are expected to carry on into FY19. While on economic side, external vulnerabilities would continue due to high oil prices. As a result, Pak Rupee will most likely continue losing its strength, inflation will gather further traction, and corrective monetary tightening should carry on. With around USD25bn gross financing requirement, Pakistan is expected begin talks with IMF soon. This could result in cut in development spending, de-subsidization of tariffs and reduction in subsidies

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## ALLOCATION (% OF TOTAL ASSETS)



## PERFORMANCE TABLE

	Note	2018	2017
		----- Rupees in '000 -----	
Net Assets		1,692,567	2,737,089
Net (loss) / Income		(379,205)	76,107
		----- (Rupees per unit) -----	
Net Assets value		8.4308	10.2860
Interim distribution		-	-
Final distribution		0.2048	-
Interim Distribution date		-	-
Distribution date final		August 07, 2017	-
Closing offer price		8.4308	10.2860
Closing repurchase price		8.4308	10.2860
Highest offer price		10.5261	11.7271
Lowest offer price		7.9804	9.9476
Highest repurchase price per unit		10.5261	11.7271
Lowest repurchase price per unit		7.9804	9.9476
		----- Percentage -----	
Total return of the fund			
- capital growth		-18.45%	2.86%
- income distribution		2.05%	0.00%
Average return of the fund			
First Year		-16.40%	2.86%
Second Year / Since inception		-14.01%	-

### Disclaimer

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.



# MCB FINANCIAL SERVICES LIMITED

## REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

### ABL ISLAMIC DEDICATED STOCK FUND

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

ABL Islamic Stock Dedicated Fund, an open-end Scheme established under a Trust Deed dated 16 November 2016 executed between ABL Asset Management Company Limited, as the Management Company and MCB Financial Services Limited, as the Trustee. The Securities & Exchange Commission of Pakistan (SECP) approved the appointment of MCB Financial Services Limited as the trustee of fund on 10<sup>th</sup> November 2016.

1. ABL Asset Management Company Limited, the Management Company of ABL Islamic Dedicated Stock Fund has, in all material respects, managed ABL Islamic Dedicated Stock Fund during the year ended 30<sup>th</sup> June 2018 in accordance with the provisions of the following:
  - (i) investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
  - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
  - (iii) the creation and cancellation of units are carried out in accordance with the deed;
  - (iv) and any regulatory requirement

Karachi: September 4, 2018

Khawaja Anwar Hussain  
Chief Executive Officer  
MCB Financial Services Limited.

4th Floor, Perdesi House, 2/1, R-Y-16, Old Queens Road, Karachi - 74200  
Direct Nos. 021-32430485, 32415454, 32415204, 32428731 PABX No. 021-32419770, Fax No. 021-32416371  
Website: <http://www.mcbisl.com.pk>

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



August 30, 2018

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2018 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in ABL Islamic Dedicated Equity Fund (ABL-IDEF) managed by ABL Asset Management Company are halal and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt) Limited.

Mufti Irshad Ahmad Aijaz  
Member Shariah Council

For Faraz Younus Bandukda, CFA  
Chief Executive

#### Al-Hilal Shariah Advisors (Pvt) Limited

Suite# 619, 6th Floor, Clifton Centre, Sechen Circle, Block - 5 Clifton,  
Karachi, Pakistan. Tel :+92-21-35305931-37, Web: www.alhilal.com





## STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

---

ABL Islamic Dedicated Stock Fund (ABL-IDSF) has fully complied with the Shariah principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2018. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 6, 2018  
Lahore



Alee Khalid Ghaznavi  
Chief Financial Officer





**INDEPENDENT REASONABLE ASSURANCE REPORT TO THE UNIT HOLDERS OF ABL ISLAMIC DEDICATED STOCK FUND ON THE STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES**

**Introduction**

We were engaged by the Board of Directors of **ABL Asset Management Company Limited** (the Management Company) to report on the Management Company's assessment of compliance with the Shariah Principles of **ABL Islamic Dedicated Stock Fund** (the Fund), as set out in the annexed Statement of Compliance with the Shariah Principles (the Statement) prepared by the Management Company for the year ended June 30, 2018, in the form of an independent reasonable assurance conclusion about whether the annexed statement reflects, in all material respects the status of compliance of the Fund with the Shariah Principles as specified in the Trust Deed and the guidelines issued by the Shariah Advisor. Our engagement was conducted by a team of assurance practitioners.

**Applicable Criteria**

The criteria for the assurance engagement against which the annexed statement has been assessed comprises of the Shariah Principles as specified in the Trust Deed and the guidelines issued by the Shariah Advisor (the Shariah Principles).

**Management's Responsibility for Shariah Compliance**

The Management Company of the Fund is responsible for preparation of the annexed statement that is free from material misstatement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the annexed statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Fund with the Shariah Principles.

**Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The Firm applies International Standard on Quality Control (ISQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Our responsibility and summary of work performed**

Our responsibility is to examine the annexed statement and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the annexed statement reflects the status of compliance of the Fund with the Shariah Principles as specified in the Trust Deed and the guidelines issued by the Shariah Advisor, in all material respects.

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

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The procedures selected depend on our judgment, including the assessment of the risks of material non-compliance with the Shariah Principles, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the Fund's compliance with the Shariah Principles, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of the Management Company's internal control over the Fund's compliance with the Shariah Principles. A system of internal control, because of its nature, may not prevent or detect all instances of non-compliance with Shariah Principles, and consequently cannot provide absolute assurance that the objective of compliance with the Shariah Principles, will be met. Also, projection of any evaluation of effectiveness to future periods is subject to the risk that the controls may become inadequate or fail.

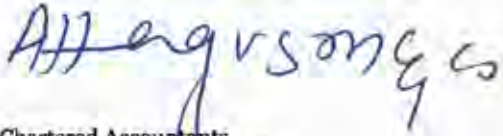
The procedures performed primarily comprised the following:

- checking compliance of specific guidelines relating to charity, maintaining bank accounts and for making investments of the Fund.
- checking that the Shariah Advisor has certified that the operations of the Fund, its investments and placements made during the year ended June 30, 2018 are in compliance with the Shariah Principles.

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our conclusion.

#### Conclusion

Based on the procedures performed during our reasonable assurance engagement, we report that in our opinion, the annexed statement presents fairly, in all material respects, the status of the Fund's compliance with the Shariah Principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisor for the year ended June 30, 2018.

  
Chartered Accountants  
Dated: September 27, 2018  
Karachi



**INDEPENDENT AUDITOR'S REPORT**

**To the Unitholders of ABL Islamic Dedicated Stock Fund**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of ABL Islamic Dedicated Stock Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2018, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2018, and of its financial performance, its cash flows and transactions for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S. No.	Key Audit Matters	How the matter was addressed in our audit
1	<p><b>Amendments to NBFC Regulations, 2008</b> (Refer note 3.10 to the annexed financial statements)</p> <p>The Securities and Exchange Commission of Pakistan (the SECP) through its notification [SRO 756(1) / 2017] dated August 3, 2017 made certain amendments in the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The impact of these amendments have been incorporated in the financial statements of the Fund for the year ended June 30, 2018. These amendments mainly include changes with respect to recognition, measurement and presentation of "element of income", addition of certain disclosures with respect to 'Income Statement' (relating to allocation of net</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>understood the requirements of the SECP notification and made inquiries from the management in respect of their methodology for implementing the changes with respect to recording of element of income.</li> <li>verified transactions on a test basis with the underlying records of the reports provided by the management to ensure their compliance with the revised regulations.</li> </ul>

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S. No.	Key Audit Matters	How the matter was addressed in our audit
	<p>income for the year) and 'Statement of Movement in Unit Holders' Fund'.</p> <p>The Fund has changed its accounting policy during the current year in respect of accounting for "element of income" consequent to the issuance of the above mentioned notification. The change in accounting policy has been applied prospectively from July 1, 2017 based on the clarification issued by the SECP. With this change in accounting policy the element of income which was previously recognized as part of the income for the year in the Income Statement is now considered as a "capital contribution" and taken to the Statement of Movement in Unit Holders' Fund. Element of income is explained in note 3.10.</p> <p>The above matters are significant accounting and regulatory developments / events for the mutual fund industry affecting the financial statements for the current year and therefore we considered these developments as key audit matter.</p>	<ul style="list-style-type: none"> <li>verified disclosures relating to change in accounting policy to ensure that these are in compliance with the applicable accounting and reporting framework.</li> </ul>
2	<p><b>Net Asset Value</b></p> <p>(Refer notes 4 and 5 to the annexed financial statements)</p> <p>The investments and bank balances constitute the most significant component of the net asset value (NAV). The investments of the Fund as at June 30, 2018 amounted to Rs 1,516.11 million and bank balances aggregated to Rs 183.02 million.</p> <p>The proper valuation of investments and bank balances for the determination of NAV of the Fund as at June 30, 2018 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>tested the design and operating effectiveness of the key controls for valuation of investments.</li> <li>obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2018 and reconciled it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed.</li> <li>re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.</li> <li>obtained bank reconciliation statements and tested reconciling items on a sample basis.</li> </ul>

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If,

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based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with board of directors of the management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the management company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the management company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

*Afferguson & Co*

Chartered Accountants

Karachi

Date: September 27, 2018

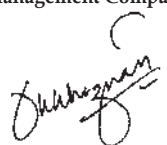
**ABL ISLAMIC DEDICATED STOCK FUND**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT JUNE 30, 2018**

ASSETS	Note	2018	2017
		----- Rupees in '000 -----	
Bank Balances	4	183,023	133,895
Investments	5	1,516,112	2,599,428
Dividend and profit receivables	6	5,827	13,913
Advance and deposits	7	4,603	2,603
Preliminary expenses and floatation costs	8	749	965
<b>Total assets</b>		<b>1,710,314</b>	<b>2,750,804</b>
<b>LIABILITIES</b>			
Payable to ABL Asset Management Company Limited - Management Company	9	7,355	9,468
Payable to MCB Financial Services Limited - Trustee	10	129	195
Payable to the Securities and Exchange Commission of Pakistan	11	1,847	841
Accrued expenses and other liabilities	12	8,416	3,211
<b>Total liabilities</b>		<b>17,747</b>	<b>13,715</b>
<b>NET ASSETS</b>		<b>1,692,567</b>	<b>2,737,089</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>1,692,567</b>	<b>2,737,089</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	13		
-----Number of units-----			
<b>NUMBER OF UNITS IN ISSUE</b>		<b>200,760,311</b>	<b>266,098,112</b>
-----Rupees-----			
<b>NET ASSET VALUE PER UNIT</b>		<b>8.4308</b>	<b>10.2860</b>

The annexed notes 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
SAQIB MATIN  
CHIEF FINANCIAL OFFICER

  
ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

  
ABL Islamic Dedicated Stock Fund

 ABL Asset Management  
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# ABL ISLAMIC DEDICATED STOCK FUND

## INCOME STATEMENT

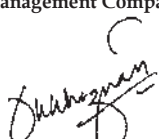
### FOR THE YEAR ENDED JUNE 30, 2018

	Note	For the year ended June 30, 2018	For the period from December 13, 2016 to June 30, 2017
----- Rupees in '000 -----			
<b>INCOME</b>			
Profit earned		12,399	4,389
Dividend income - net		76,639	23,913
(Loss) / gain on sale of investments - net		(264,116)	27,060
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2	(141,179)	(171,576)
		(405,295)	(144,516)
<b>Total loss</b>		(316,257)	(116,214)
<b>EXPENSES</b>			
Remuneration of ABL Asset Management Company Limited - Management Company	9.1	38,860	17,701
Punjab / Sindh Sales Tax on remuneration of the Management Company	9.2	6,077	2,301
Accounting and operational expenses	9.3	1,944	893
Selling and marketing expenses	9.4	7,776	3,161
Remuneration of MCB Financial Services Limited - Trustee		1,513	702
Sindh Sales Tax on remuneration of the Trustee		197	91
Annual fees to the Securities and Exchange Commission of Pakistan		1,847	841
Securities transaction cost		3,142	3,181
Auditors' remuneration	14	570	320
Amortisation of floatation costs	8.1	216	115
Legal and professional charges		117	20
Printing charges		155	129
Shariah advisory fee		488	239
Bank charges		46	250
Provision for Sindh Workers' Welfare Fund	12.2	-	1,553
<b>Total operating expenses</b>		62,948	31,497
<b>Net loss from operating activities</b>		(379,205)	(147,711)
Element of income and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	3.10	-	223,819
<b>Net (loss) / income for the year / period before taxation</b>		(379,205)	76,108
Taxation	16	-	-
<b>Net (loss) / income for the year / period after taxation</b>		(379,205)	76,108
<b>Allocation of net income for the year / period:</b>			
Net income for the year / period after taxation		-	-
Income already paid on units redeemed		-	-
<b>Accounting income available for distribution:</b>			
-Relating to capital gains		-	-
-Excluding capital gains		-	-

The annexed notes 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
SAQIB MATIN  
CHIEF FINANCIAL OFFICER

  
ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

**ABL ISLAMIC DEDICATED STOCK FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2018**

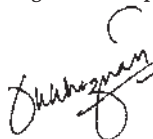
	For the year ended June 30, 2018	For the period from December 13, 2016 to June 30, 2017
	Rupees in '000	
Net (loss) / income for the year / period after taxation	(379,205)	76,108
Other comprehensive income / (loss) for the year / period	-	-
<b>Total comprehensive (loss) / income for the year / period</b>	<b>(379,205)</b>	<b>76,108</b>

The annexed notes 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)



SAQIB MATIN  
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

**ABLDSF**  
ABL Islamic Dedicated Stock Fund

**ABL Asset Management**  
Discover the potential

# ABL ISLAMIC DEDICATED STOCK FUND

## STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

### FOR THE YEAR ENDED JUNE 30, 2018

For the year ended June 30, 2018				For the period from December 13, 2016 to June 30, 2017	
Rupees in '000					
Capital Value	Undistributed income	Unrealised appreciation/ (diminution) on available for sale investments	Total	Total	
Net assets at beginning of the year / period	2,660,981	76,108	-	2,737,089	-
Issue of 74,578,854 units (2017: 270,223,479 units)					
- Capital value (at net asset value per unit at the beginning of the year / period)	765,347	-	-	765,347	2,702,235
- Element of loss	(107,227)	-	-	(107,227)	223,727
Total proceeds on issuance of units	658,120	-	-	658,120	2,925,962
Redemption of 139,916,655 units (2017: 4,125,367 units)					
- Capital value (at net asset value per unit at the beginning of the year / period)	1,437,006	-	-	1,437,006	41,254
- Element of income	(158,061)	-	-	(158,061)	(92)
Total payments on redemption of units	1,278,945	-	-	1,278,945	41,162
Element of (income) and capital (gains) included in prices of units issued less those in units redeemed - net	-	-	-	-	223,819
Total comprehensive (loss) / income for the year / period	-	(379,205)	-	(379,205)	76,108
Distribution during the year / period	-	(44,492)	-	(44,492)	-
Net (loss) / income for the year / period less distribution	-	(423,697)	-	(423,697)	76,108
Net assets at end of the year / period	2,040,156	(347,589)	-	1,692,567	2,737,089
Undistributed income brought forward					
- Realised		247,684			-
- Unrealised loss		(171,576)			-
		76,108			-
Distribution during the period		(44,492)			-
Accounting income available for distribution:					
- Relating to capital gains		-			-
- Excluding capital gains		-			-
		-			-
Net (loss) / income for the year / period after taxation		(379,205)			76,108
Undistributed (loss) / income carried forward		(347,589)			76,108
- Realised		(206,410)			247,684
- Unrealised loss		(141,179)			(171,576)
		(347,589)			76,108
				(Rupees)	(Rupees)
Net assets value per unit at beginning of the year / period				10.2860	-
Net assets value per unit at end of the year / period				8.4308	10.2860

The annexed notes 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)



SAQIB MATIN  
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR



# ABL ISLAMIC DEDICATED STOCK FUND

## CASH FLOW STATEMENT

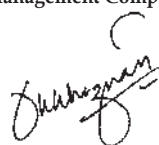
### FOR THE YEAR ENDED JUNE 30, 2018

	Note	For the year ended June 30, 2018	For the period from December 13, 2016 to June 30, 2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
----- Rupees in '000 -----			
Net (loss) / income for the year / period before taxation		(379,205)	76,108
<b>Adjustments for non-cash and other items:</b>			
Profit earned		(12,399)	(4,389)
Dividend income - net		(76,639)	(23,913)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' element of income and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	5.2	141,179	171,576
Amortisation of preliminary expenses and floatation costs	3.10	-	(223,819)
Provision for Sindh Workers' Welfare Fund	12.2	216	115
		-	1,553
		52,357	(78,877)
<b>Increase in assets</b>			
Other receivable		(1,332)	(1,479)
Advances and deposits		(2,000)	(2,603)
		(3,332)	(4,082)
<b>Increase in liabilities</b>			
Payable to ABL Asset Management Company Limited - Management Company		(1,033)	8,388
Payable to MCB Financial Services Limited - Trustee		(66)	195
Payable to the Securities and Exchange Commission of Pakistan		1,006	841
Accrued expenses and other liabilities		5,205	1,658
		5,112	11,082
Payment of preliminary expenses and floatation cost		(1,080)	-
Profit received		12,231	3,611
Dividend received		86,225	12,257
Net amount received / (paid) on purchase and sale of investment		942,137	(2,771,004)
<b>Net cash generated from / (used in) operating activities</b>		<b>714,445</b>	<b>(2,750,905)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance of units during the year / period		658,120	2,925,962
Payments against redemption of units during the year / period		(1,278,945)	(41,162)
Cash dividend paid		(44,492)	-
<b>Net cash (used in) / generated from financing activities</b>		<b>(665,317)</b>	<b>2,884,800</b>
<b>Net increase in cash and cash equivalents</b>		<b>49,128</b>	<b>133,895</b>
Cash and cash equivalents at the beginning of the year / period		133,895	-
<b>Cash and cash equivalents at the end of the year / period</b>		<b>183,023</b>	<b>133,895</b>

The annexed notes 1 to 31 form an integral part of these financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
SAQIB MATIN  
CHIEF FINANCIAL OFFICER

  
ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

  
ABL Islamic Dedicated Stock Fund

 ABL Asset Management  
Discover the potential

# ABL ISLAMIC DEDICATED STOCK FUND

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED JUNE 30, 2018

#### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Islamic Dedicated Stock Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 17, 2016 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Trust Deed was executed in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. AMCW / ABLAMC / 305 / 2016 dated November 10, 2016 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the The Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 The Fund has been categorised as a Shariah compliant equity scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from December 14, 2016 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of ABL Islamic Dedicated Stock Fund is to provide capital appreciation to investors of 'Fund of Funds' schemes by investing in Shariah compliant equity securities.

1.4 The title to the assets of the Fund is held in the name of MCB Financial Services Limited as the Trustee 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 standards) 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
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

## 2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amended standards and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2017 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

## 2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

The following standards have been adopted in Pakistan and would be effective from the dates mentioned below against the respective standards:

<b>Standard</b>	<b>Effective date (accounting periods beginning on or after)</b>
- IFRS 9 - Financial Instruments	July 01, 2018
- IFRS 15 - Revenue from Contracts with Customers	July 01, 2018
- IFRS 16 - Leases	January 01, 2019

These standards may impact the financial statements of the Fund on adoption. The Management is currently in the process of assessing the full impact of these standards on the financial statements of the Fund.

## 2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.3 and 5) and provision for taxation (notes 3.14 and 16).

## 2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair values.

## 2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The principal accounting policies applied in the preparation of these financial statements are set out below. These

policies have been applied consistently to all the years presented except for the change in accounting policy as explained in note 3.10 below.

## **3.2 Cash and cash equivalents**

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

## **3.3 Financial assets**

### **3.3.1 Classification**

The management determines the appropriate classification of the financial assets of the Fund in accordance with the requirements of International Accounting Standard (IAS) 39: 'Financial Instruments: Recognition and Measurement' at the time of the purchase of the financial assets and re-evaluates this classification on a regular basis. The classification depends on the purpose for which the financial assets are acquired. The financial assets of the Fund are categorised as follows:

#### **a) Financial instruments at fair value through profit or loss**

These are acquired principally for the purpose of generating profits from short-term fluctuations in prices.

#### **b) Available-for-sale**

These are those non-derivative financial assets that are designated as available for sale or are not classified as (a) financial assets at fair value through profit or loss, or (b) loans and receivables. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price.

#### **c) Loans and receivables**

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

### **3.3.2 Regular way contracts**

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

### **3.3.3 Initial recognition and measurement**

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

### **3.3.4 Subsequent measurement**

Subsequent to initial recognition, financial assets are valued as follows:

a) 'Financial assets at fair value through profit or loss' and 'available-for-sale financial assets'

## Basis of valuation of equity securities

The investments of the Fund in equity securities are valued on the basis of closing quoted market prices available at the stock exchange. A security listed on the stock exchange is valued at the closing price determined by such exchange in accordance with its regulations.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

Net gains and losses arising from changes in the fair value of financial assets classified as available for sale are taken to other comprehensive income until these are derecognised or impaired. At this time, the cumulative gain or loss previously recognised directly in the other comprehensive income is transferred to the Income Statement.

### **b) Loans and receivables**

These are carried at amortised cost using the effective interest method.

Gains or losses are recognised in the Income Statement through the amortisation process or when the financial assets carried at amortised cost are derecognised or impaired.

### **3.3.5 Impairment**

The Fund assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount.

#### **a) Available-for-sale financial assets**

##### **Impairment loss on equity securities**

A significant or prolonged decline in the fair value of the security below its cost is considered as an objective evidence of impairment. In case of impairment of available for sale securities, the cumulative loss previously recognised in other comprehensive income is removed therefrom and included in the Income Statement. Impairment losses recognised in the income statement on equity securities are only reversed when the equity securities are derecognised.

#### **b) Loans and receivables**

For financial assets classified as 'loans and receivables', a provision for impairment is established when there is an objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The amount of the provision is determined based on the provisioning criteria specified by the SECP.

### **3.3.6 Derecognition**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

## **3.4 Financial Liabilities**

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.



A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

### **3.5 Offsetting of financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### **3.6 Provisions**

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

### **3.7 Net asset value per unit**

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

### **3.8 Issue and redemption of units**

Units issued are recorded at the offer price, determined by the Management Company for the application received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption application during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

### **3.9 Distributions to unit holders**

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

### **3.10 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed**

The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the r

revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' (relating to allocation of net income for the year) and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting period which pertained to unrealised appreciation / (diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period was recognised in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosure requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 based on the clarification issued by the SECP. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations through the aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the loss of the Fund would have been lower by Rs 50.834 million with no effect on the NAV per unit of the Fund. However, the change in accounting policy does not have any impact on the 'Cash flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

### 3.11 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date on which the transaction takes place.
- Unrealised appreciations / (diminutions) in the value of investments classified as "Financial Assets as at fair value through profit of loss" are included in the income statement in the period in which they arise.
- Dividend income is recognised when the Fund's right to receive the same is established.
- Profit on bank deposits is recognised on an accrual basis

### 3.12 Expenses

All expenses including management fee and trustee fee are recognised in the Income Statement on an accrual basis.

### 3.13 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

### 3.14 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders in cash.

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

### 3.15 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income of the year before taxation of the Fund by the weighted average number of units outstanding during the year.

### 3.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistan Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

		2018	2017
	Note	----- (Rupees in '000) -----	-----
<b>4</b>	<b>BANK BALANCES</b>		
	Balances with banks in:		
	Saving accounts	4.1 177,718	133,895
	Current account	4.2 5,305	-
		<u>183,023</u>	<u>133,895</u>
<b>4.1</b>	This includes balance of Rs 1.937 million (2017: Rs 5.109 million) maintained with (Allied Bank Limited) (a related party) that carries profit at 3.75% per annum (2017: 5.55%). Other profit and loss sharing accounts of the Fund carries profit rates ranging from 2.87% to 6.50% per annum (2017: 2.87% to 5.60% per annum).		
<b>4.2</b>	This balance is maintained with Allied Bank Limited (a related party).		
<b>5</b>	<b>INVESTMENTS</b>	2018	2017
		----- (Rupees in '000) -----	-----
	At fair value through profit or loss - held for trading		
	Quoted equity securities	5.1 <u>1,516,112</u>	<u>2,599,428</u>

Shares of listed companies - fully paid up ordinary shares with a face value of Rs 10 each.

Name of investee company	As at July 01, 2017	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018	Appreciation (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up
	----- Number of shares held -----					----- Rupees in '000 -----			----- Percentage -----		
<b>OIL AND GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited (Note 5.12)	378,000	97,000	70,800	349,500	196,300	65,990	62,484	(3,506)	3.69%	4.12%	0.60%
Sui Northern Gas Pipelines Limited.	931,500	801,000	-	1,461,500	271,000	28,804	27,160	(1,644)	1.60%	1.79%	0.43%
						94,794	89,644	(5,150)	5.29%	5.91%	
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
Oil and Gas Development Company Limited	809,000	469,700	-	519,600	759,100	108,883	118,131	9,248	6.98%	7.79%	0.18%
Pakistan Oilfields Limited	60,000	229,950	-	130,800	159,150	91,576	106,915	15,339	6.32%	7.05%	0.67%
Pakistan Petroleum Limited	730,100	429,500	-	490,000	669,600	22,538	143,897	21,359	8.50%	9.49%	0.34%
Mari petroleum Company Limited	110,400	-	-	17,040	93,360	147,102	140,617	(6,485)	8.31%	9.27%	0.85%
						470,099	509,560	39,461	30.11%	33.60%	
<b>FERTILIZERS</b>											
Engro Fertilizer Limited	1,330,000	705,500	-	933,500	1,102,000	67,227	82,551	15,324	4.88%	5.44%	0.83%
Fauji Fertilizer Company Limited	-	195,000	-	70,000	125,000	11,486	12,361	875	0.73%	0.82%	0.10%
						78,713	94,912	16,199	5.61%	6.26%	
<b>HOLDING COMPANY</b>											
Engro Corporation Limited	267,000	348,800	-	200,000	415,800	12,130	130,503	9,203	7.71%	8.61%	0.79%
						12,130	130,503	9,203	7.71%	8.61%	
<b>ENGINEERING</b>											
International Steels Limited	675,000	140,000	-	353,000	462,000	57,326	46,985	(10,341)	2.78%	3.10%	106%
Amreli Steel Limited	365,000	165,000	-	108,000	422,000	49,261	29,772	(19,489)	1.76%	1.96%	142%
						106,587	76,757	(29,830)	4.54%	5.06%	
<b>CEMENT</b>											
Kohat Cement Company Limited	-	154,200	-	20,000	134,200	25,816	16,516	(9,300)	0.98%	1.09%	0.87%
Maple Leaf Cement Factory	-	495,500	-	-	495,500	38,212	25,142	(13,070)	1.49%	1.66%	0.83%
Pioneer Cement Limited	355,000	135,000	-	150,000	340,000	38,334	15,932	(22,402)	0.94%	1.05%	150%
D.G. Khan Cement Company Limited	524,000	700,000	-	820,200	403,800	62,982	46,231	(16,751)	2.73%	3.05%	0.92%
Lucky Cement Limited	143,900	71,050	-	84,000	130,950	98,284	66,513	(31,771)	3.93%	4.39%	0.40%
						263,628	170,334	(93,294)	10.07%	11.24%	
<b>PAPER &amp; BOARD</b>											
Packages Limited	204,150	-	-	118,700	85,450	59,437	41,847	(17,590)	2.47%	2.76%	0.96%
Century Paper & Board Mills	-	125,000	-	-	125,000	9,094	7,938	(1,156)	0.47%	0.52%	0.85%
						68,531	49,785	(18,746)	2.94%	3.28%	
<b>AUTOMOBILE ASSEMBLER</b>											
Ghandhara Industries Limited	7,700	-	-	-	7,700	5,006	5,442	436	0.32%	0.36%	0.36%
Pakistan Suzuki Motor Company Limited	88,650	65,950	-	146,050	8,550	5,508	3,363	(2,145)	0.20%	0.22%	0.10%
Millat Tractors Limited	60,000	1,000	-	31,000	30,000	41,069	35,642	(5,427)	2.11%	2.35%	0.68%
Honda Atlas Cars Pakistan Limited	77,000	-	-	77,000	-	-	-	-	-	-	0.00%
						51,583	44,447	(7,136)	2.63%	2.93%	
<b>TECHNOLOGY &amp; COMMUNICATION</b>											
Systems Limited	-	152,500	-	-	152,500	13,936	15,436	1,500	0.91%	1.02%	136%
						13,936	15,436	1,500	0.91%	1.02%	
<b>SUGAR &amp; ALLIED INDUSTRIES</b>											
Faran Sugar Mills Limited	25,000	-	-	25,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>TEXTILE COMPOSITE</b>											
Nishat Mills Limited	926,500	162,700	-	510,000	579,200	90,967	81,621	(9,346)	4.82%	5.38%	165%
Kohinoor Textile Mills Limited	-	100,000	-	-	100,000	6,980	5,499	(1,481)	0.32%	0.36%	0.33%
						97,947	87,120	(10,827)	5.14%	5.74%	

Name of investee company	As at July 01, 2017	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018	Appreciation (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up
	----- Number of shares held -----					----- Rupees in '000 -----			----- Percentage -----		
<b>AUTOMOBILE PARTS &amp; ACCESORIES</b>											
Thal Limited *	314,700	6,500	-	282,950	38,250	23,029	18,266	(4,763)	108%	120%	0.24%
General Tyre & Rubber Company of Pakistan	325,500	-	-	290,100	35,400	10,744	5,883	(4,861)	0.34%	0.39%	0.59%
						33,773	24,149	(9,624)	142%	159%	
<b>PHARMACEUTICALS</b>											
The Searle Company Limited (Note 5.12)	134,600	-	22,810	140,300	17,110	7,300	5,809	(1,491)	0.34%	0.38%	0.09%
						7,300	5,809	(1,491)	0.34%	0.38%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
The Hub Power Company Limited	1,302,200	187,000	-	865,700	623,500	70,041	57,462	(12,579)	3.39%	3.79%	0.54%
K-Electric Limited *	-	2,000,000	-	2,000,000	-	-	-	-	-	-	0.00%
						70,041	57,462	(12,579)	3.39%	3.79%	
<b>COMMERCIAL BANKS</b>											
Meezan Bank Limited	928,000	158,680	-	-	1,086,680	84,222	88,803	4,581	5.25%	5.86%	102%
						84,222	88,803	4,581	5.25%	5.86%	
<b>LEATHER &amp; TANNERIES</b>											
Service Industries Limited	800	-	-	800	-	-	-	-	-	-	-
<b>REFINERY</b>											
National Refinery Limited	-	35,500	-	35,500	-	-	-	-	-	-	-
Attock Refinery Limited	-	55,000	-	55,000	-	-	-	-	-	-	-
<b>CABLE &amp; ELECTRICAL GOODS</b>											
Pak Electron	875,000	140,000	-	1,015,000	-	-	-	-	-	-	-
<b>CHEMICAL</b>											
I.C.I Pakistan Limited	113,500	-	-	33,500	80,000	87,564	64,120	(23,444)	3.79%	4.23%	0.87%
Engro Polymer & Chemicals	-	210,000	-	-	210,000	7,273	6,586	(687)	0.39%	0.43%	0.32%
Engro Polymer & Chemicals - Right	-	-	77,690	-	77,690	-	685	685	0.04%	0.07%	-
						94,837	71,391	(23,446)	4.22%	4.73%	
Total - June 30, 2018						1,657,291	1,516,112	(141,179)	89.57%	100.00%	
Total - June 30, 2017						2,771,004	2,599,428	(171,576)	94.97%	100.00%	

\*Shares of listed companies - Shares of K-Electric Limited and Thal Limited which have face value of Rs. 3.5 and Rs. 5 respectively.

5.1.1 The above investments include shares having a market value amounting to Rs 249.352 million (2017: 276.608 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

	June 30, 2018		June 30, 2017	
	Number of Shares	Rupees in '000	Number of Shares	Rupees in '000
Engro Fertilizer Limited	396,500	29,702	500,000	27,620
Meezan Bank Limited	-	-	500,000	39,500
Nishat Mills Limited	300,000	42,276	300,000	47,604
Oil and Gas Development Company Limited	600,000	93,372	600,000	84,414
The Hub Power Company Limited	100,000	9,213	-	-
Pakistan Petroleum Limited	200,000	42,968	-	-
Pakistan State Oil Company Limited	100,000	31,821	200,000	77,470
	1,696,500	249,352	2,100,000	276,608



5.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the fund deposit tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitution petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

As at June 30, 2018, the following bonus shares of the Fund have been withheld by certain companies at the time of declaration of bonus shares. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

2018		2017	
Bonus Shares			
Number of shares withheld	Market value as at June 30, 2018	Number of shares withheld	Market value as at June 30, 2017
-----Rupees in '000 -----			
The Searle Company Limited	1,474	500	280
Pakistan State Oil Company Limited	3,540	1,127	-
	<u>1,627</u>		<u>143</u>

5.2 **Unrealised diminution on re-measurement of investments classified as Financial assets at fair value through profit or loss**

	Note	2018 ----- (Rupees in '000) -----	2017
Market value of investments	5.1	1,516,112	2,599,428
Carrying value of investments	5.1	(1,657,291)	(2,771,004)
		<u>(141,179)</u>	<u>(171,576)</u>

6 **DIVIDEND AND OTHER RECEIVABLE**

Dividend receivable		2,070	11,656
Profit receivable on bank balances		946	778
Other receivable	6.1	2,811	1,479
		<u>5,827</u>	<u>13,913</u>

- 6.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during the year ended June 30, 2018, withholding tax on dividend income paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. No. 1(43) DG (WHT) / 2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on dividend income amounts to Rs 2.811 million.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividend income has been shown as other receivables as at June 30, 2018 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7	Note	2018 ----- (Rupees in '000) -----	2017
<b>ADVANCE AND DEPOSITS</b>			
Central Depository Company of Pakistan Limited		103	103
National Clearing Company of Pakistan Limited		2,500	2,500
Advance against IPO subscription		2,000	-
		<b>4,603</b>	<b>2,603</b>
<b>8 PRELIMINARY EXPENSES AND FLOATATION COSTS</b>			
At the beginning of the year / period		965	-
Preliminary expenses and floatation costs incurred		-	1,080
Less: amortisation for the year / period	8.1	(216)	(115)
At the end of the year / period		<b>749</b>	<b>965</b>
8.1	Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.		
<b>9 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED Note</b>			
<b>- MANAGEMENT COMPANY - RELATED PARTY</b>		<b>2018</b>	<b>2017</b>
		----- (Rupees in '000) -----	
Management fee payable	9.1	2,863	4,685
Punjab / Sindh Sales Tax on remuneration of the Management Company	9.2	458	750
Accounting and operational expenses payable	9.3	442	567
Preliminary expenses and floatation costs payable		-	1,080
Selling and marketing payable	9.4	3,592	2,268
Other payable		-	118
		<b>7,355</b>	<b>9,468</b>



- 11.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as a shariah compliant equity scheme is required to pay to the Securities and Exchange Commission of Pakistan an amount equal to 0.095% of the average annual net assets of the Fund as annual fee.

	Note	2018	2017
		----- (Rupees in '000) -----	
<b>12 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		300	320
Brokerage payable		272	1,205
Printing charges payable		100	70
Shariah advisory fee payable		85	41
Charity payable	12.1	6,077	-
Provision for Sindh Workers' Welfare Fund	12.2	1,553	1,553
Other payable		29	22
		<b>8,416</b>	<b>3,211</b>

- 12.1 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes.

During the year ended June 30, 2018, non-shariah compliant income amounting to Rs 7.870 million was charged as an expense in the books of the Fund. This will be distributed as charity after the approval of the Shariah Advisor. The dividend income is recorded net of amount given as charity.

- 12.2 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.

The registered office of the Management Company of the Fund has been relocated from the Province of Sindh to the Province of Punjab. Accordingly, the Fund has not recorded provision in respect of SWWF during the current year. However, as a matter of abundant caution the provision for SWWF made for the period from May 21, 2015 till June 30, 2017 amounting to Rs 1.553 million (June 30, 2017: Rs 1.553 million) is being retained in these financial statements of the Fund till the final decision in respect of SWWF.

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from December 13, 2016 to June 30, 2017, the net asset value of the Fund as at June 30, 2018 would have been higher by Re. 0.008 per unit (2017: Re 0.006 per unit).

## 13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2018 and June 30, 2017.

	Note	2018	2017
		----- (Rupees in '000) -----	
<b>14 AUDITORS' REMUNERATION</b>			
Annual audit fee		300	250
Half yearly review of condensed interim financial statements		125	-
Sindh Sales Tax on services		24	20
Out of pocket expenses		121	50
		<u>570</u>	<u>320</u>

## 15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2018 is 3.24% which includes 0.44% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulations for a collective investment scheme categorised as a equity scheme.

## 16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The Fund has not recorded any tax liability as the Fund has incurred a net loss during the year.

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

## 17 LOSS PER UNIT

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

## 18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

**18.1** Connected persons include ABL Asset Management Company being the Management Company, MCB Financial Services Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, 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, directors and their close family members and key management personnel of the Management Company.

**18.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.



- 18.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 18.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 18.5 The details of transactions carried out by the Fund with connected persons during the year / period and balances with them as at year end are as follows:

	For the year ended June 30, 2018	For the period from December 13, 2016 to June 30, 2017
	----- (Rupees in '000) -----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration charged	38,860	17,701
Punjab / Sindh Sales Tax on remuneration of the Management Company	6,077	2,301
Accounting and operational charges	1,944	893
Selling and Marketing expenses	7,776	3,161
Preliminary expenses and floatation costs - paid	1,080	-
Payment made to the Management Company	56,770	15,786
<b>MCB Financial Services Limited - Trustee</b>		
Remuneration of the Trustee	1,513	702
Sindh Sales Tax on remuneration of the Trustee	197	91
Payment made to Trustee	1,776	598
<b>ABL Islamic Financial Planning Fund - Active Allocation Plan</b>		
Issue of 15,380,292 units (2017: 132,470,643 units)	137,414	1,407,354
Redemption of 53,722,311 units (2017: 4,125,367 units)	485,192	41,163
Outstanding 90,003,257 units (2017: 128,345,276 units)	758,799	1,320,160
<b>ABL Islamic Financial Planning Fund - Conservative Allocation Plan</b>		
Issue of 1,339,939 (2017: 5,231,442 units)	12,014	55,520
Redemption of 4,148,949 units (2017: Nil units)	36,414	-
Outstanding 2,422,432 units (2017: 5,231,442 units)	20,423	53,811
<b>ABL Islamic Financial Planning Fund - Aggressive Allocation Plan</b>		
Issue of 10,913,373 (2017: 16,112,167 units)	96,504	173,180
Redemption of 12,588,723 units (2017: Nil units)	108,612	-
Outstanding 14,436,817 units (2017: 16,112,167 units)	121,714	165,730
<b>ABL Islamic Financial Planning Fund - Strategic Allocation Plan</b>		
Issue of 5,313,084 (2017: 45,053,443 units)	46,836	490,000
Redemption of 25,149,841 units (2017: Nil units)	239,170	-
Outstanding 25,216,686 units (2017: 45,053,443 units)	212,597	463,420
<b>ABL Islamic Financial Planning Fund - Strategic Allocation Plan - II</b>		
Issue of 8,827,968 (2017: 49,700,743 units)	77,973	558,962
Redemption of 22,952,928 units (2017: Nil units)	214,075	-
Outstanding 35,575,783 units (2017: 49,700,743 units)	299,932	511,224
<b>ABL Islamic Financial Planning Fund - Strategic Allocation Plan - III</b>		
Issue of 14,766,185 (2017: 21,655,041 units)	128,298	240,945
Redemption of 19,874,478 units (2017: Nil units)	182,280	-
Outstanding 16,546,748 units (2017: 21,655,041 units)	139,500	222,744

For the year ended June 30, 2018      For the period from December 13, 2016 to June 30, 2017

**ABL Islamic Financial Planning Fund - Strategic Allocation Plan - IV**

Issue of 18,038,015 (2017: Nil units)

Redemption of 1,479,426 units (2017: Nil units)

Outstanding 16,558,588 units (2017: Nil units)

----- (Rupees in '000) -----

159,081

-

13,202

-

139,602

-

**19 FINANCIAL INSTRUMENTS BY CATEGORY**

June 30, 2018

**Financial assets**

Bank Balances

Investments

Dividend and other receivables

Advance and deposits

**Financial liabilities**

Payable to ABL Asset Management Company - Management Company

Payable to MCB Financial Services Limited - Trustee

Accrued expenses and other liabilities

Loans and receivables	Financial assets at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
183,023	-	-	183,023
-	1,516,112	-	1,516,112
3,016	-	-	3,016
4,603	-	-	4,603
190,642	1,516,112	-	1,706,754
-	-	7,355	7,355
-	-	129	129
-	-	6,863	6,863
-	-	14,347	14,347

June 30, 2017

**Financial assets**

Bank Balances

Investments

Dividend and other receivables

Advance and deposits

**Financial liabilities**

Remuneration payable to ABL Asset Management Company - Management Company

Payable to MCB Financial Services Limited - Trustee

Accrued expenses and other liabilities

Loans and receivables	Financial assets at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
133,895	-	-	133,895
-	2,599,428	-	2,599,428
12,434	-	-	12,434
2,603	-	-	2,603
148,932	2,599,428	-	2,748,360
-	-	9,468	9,468
-	-	195	195
-	-	1,658	1,658
-	-	11,321	11,321

**20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

## 20.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk, and price risk.

### (i) Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2018, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

### a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been higher/lower by Rs. 0.009 million.

### b) Sensitivity analysis for fixed rate instruments

As at June 30, 2018, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value interest rate risk.

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2018 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

Particulars	As at June 30, 2018					Total
	Effective yield / profit rate	Exposed to Yield / Interest risk			Not exposed to Yield / Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	-----Rupees in '000-----				
<b>On-balance sheet financial instruments</b>						
<b>Financial assets</b>						
Bank Balances	2.87% - 6.50%	177,718	-	-	5,305	183,023
Investments		-	-	-	1,516,112	1,516,112
Dividend and other receivables		-	-	-	3,016	3,016
Advance and deposits		-	-	-	4,603	4,603
<b>Sub total</b>		<u>177,718</u>	<u>-</u>	<u>-</u>	<u>1,529,036</u>	<u>1,706,754</u>
<b>Financial liabilities</b>						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	7,355	7,355
Payable to MCB Financial Services Limited - Trustee		-	-	-	129	129
Accrued expenses and other liabilities		-	-	-	6,863	6,863
<b>Sub total</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>14,347</u>	<u>14,347</u>
<b>On-balance sheet gap</b>		<u>177,718</u>	<u>-</u>	<u>-</u>	<u>1,514,689</u>	<u>1,692,407</u>
<b>Total profit rate sensitivity gap</b>		<u>177,718</u>	<u>-</u>	<u>-</u>	<u>1,514,689</u>	<u>1,692,407</u>
<b>Cumulative profit rate sensitivity gap</b>		<u>177,718</u>	<u>177,718</u>	<u>177,718</u>		

Particulars	As at June 30, 2017					Total
	Effective yield / profit rate	Exposed to Yield / Interest risk			Not exposed to Yield / Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	-----Rupees in '000-----				
<b>On-balance sheet financial instruments</b>						
<b>Financial assets</b>						
Bank Balances	2.87% - 5.60%	133,895	-	-	-	133,895
Investments		-	-	-	2,599,428	2,599,428
Dividend and other receivables		-	-	-	12,434	12,434
Advance and deposits		-	-	-	2,603	2,603
<b>Sub total</b>		<u>133,895</u>	<u>-</u>	<u>-</u>	<u>2,614,465</u>	<u>2,748,360</u>
<b>Financial liabilities</b>						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	9,468	9,468
Payable to MCB Financial Services Limited - Trustee		-	-	-	195	195
Accrued expenses and other liabilities		-	-	-	1,658	1,658
<b>Sub total</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>11,321</u>	<u>11,321</u>
<b>On-balance sheet gap</b>		<u>133,895</u>	<u>-</u>	<u>-</u>	<u>2,603,144</u>	<u>2,737,039</u>
<b>Total profit rate sensitivity gap</b>		<u>133,895</u>	<u>-</u>	<u>-</u>	<u>2,603,144</u>	<u>2,737,039</u>
<b>Cumulative profit rate sensitivity gap</b>		<u>133,895</u>	<u>133,895</u>	<u>133,895</u>		

## (ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

## (iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of

changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 40% of the net assets.

In case of 5% increase / decrease in KMI Meezan Index (KMI 30) index on June 30, 2018, with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 75.805 million (2017: Rs. 34.335 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2018 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

## 20.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:



2018					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Total

-----Rupees in '000-----

**Financial Assets**

Bank Balances	183,023	-	-	-	-	183,023
Investments	1,516,112	-	-	-	-	1,516,112
Dividend and other receivables	3,016	-	-	-	-	3,016
Advance and deposits	4,603	-	-	-	-	4,603
<b>Total assets</b>	<b>1,706,754</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,706,754</b>

**Financial liabilities**

Payable to ABL Asset Management Company Limited - Management Company	7,355	-	-	-	-	7,355
Payable to MCB Financial Services Limited - Trustee	129	-	-	-	-	129
Accrued expenses and other liabilities	6,863	-	-	-	-	6,863
<b>Total liabilities</b>	<b>14,347</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,347</b>

**Net assets / (liabilities)**

	1,692,407	-	-	-	-	1,692,407
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2017					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Total

-----Rupees in '000-----

**Financial Assets**

Bank Balances	133,895	-	-	-	-	133,895
Investments	2,599,428	-	-	-	-	2,599,428
Dividend and other receivables	12,434	-	-	-	-	12,434
Advance and deposits	2,603	-	-	-	-	2,603
<b>Total assets</b>	<b>2,748,360</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,748,360</b>

**Financial liabilities**

Payable to ABL Asset Management Company Limited - Management Company	9,468	-	-	-	-	9,468
Payable to MCB Financial Services Limited - Trustee	195	-	-	-	-	195
Accrued expenses and other liabilities	1,658	-	-	-	-	1,658
<b>Total liabilities</b>	<b>11,321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,321</b>

**Net assets / (liabilities)**

	2,737,039	-	-	-	-	2,737,039
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## 20.3 Credit risk

20.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2018		2017	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	-----Rupees in '000-----			
Bank Balances	183,023	183,023	133,895	133,895
Investments	1,516,112	-	2,599,428	-
Dividend and other receivables	5,827	3,016	13,913	12,434
Advance and deposits	4,603	4,603	2,603	2,603
	<u>1,709,565</u>	<u>190,642</u>	<u>2,749,839</u>	<u>148,932</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2018 is the carrying amount of the financial assets.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

### 20.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements with banks and mark-up accrued thereon, is as follows:

Rating	% of financial assets exposed to credit risk	
	2018	2017
AA+	0.42%	0.19%
A+	10.30%	1.05%
	10.72%	1.24%

## 21 FAIR VALUE MEASUREMENT

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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

## 21.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets 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;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2018, the Fund held the following financial instruments measured at fair value:

	----- 2018 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
<b>Financial assets</b>				
Financial assets at fair value through profit or loss -				
Investment in listed equity securities	1,516,112	-	-	1,516,112
	----- 2017 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
<b>Assets</b>				
Financial assets at fair value through profit or loss -				
Investment in listed equity securities	2,599,428	-	-	2,599,428

## 22 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown in the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

23 UNIT HOLDING PATTERN OF THE FUND

Category	2018			2017		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Associated companies	7	1,692,567	100	6	2,737,089	100
	7	1,692,567	100	6	2,737,089	100

24 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2018		2017	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Next Capital Limited	10.75%	Alfalah Securities (Private) Limited	10.83%
DJM Securities Limited	9.62%	BMA Capital Management Limited	10.01%
Arif Habib Limited	9.07%	Insight Securities (Private) Limited	9.32%
Optimus Capital Management (Private) Limited	8.43%	Next Capital	9.26%
BMA Capital Management Limited	7.65%	Inter Market Securities (Private) Limited	8.85%
Intermarkets Securities Limited	7.56%	Optimus Capital Management (Private) Limited	8.61%
Topline Securities Limited	6.95%	AKD Securities Limited	8.44%
Insight Securities (Private) Limited	6.45%	DJM Securities (Private) Limited	8.39%
AKD Securities Limited	5.09%	Topline Securities (Private) Limited	6.66%
EFG Hermes Pakistan Limited	4.59%	Adam Securities Limited	5.41%

25 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Alee Khalid Ghaznavi	Chief Executive Officer	MBA	17
Kashif Rafi	Chief Investment Officer	MBA-Finance	16
Saqib Matin	CFO & Company Secretary	ACA & APFA	19
Fahad Aziz	Fund Manager - Fixed Income	MBA-Finance	12
M. Abdul Hayee	Fund Manager - Equity	MBA-Executive & CFA	10
Aniel Victor	Head of Risk Management	BS-Actuarial Sciences and Risk Management	11
Ali Ahmed Tiwana	Head of Equity	CIMA	8

26 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Abdul Hayee	Fund Manager	MBA, CFA	ABL Islamic stock Fund

## 27 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 52nd, 53rd, 54th and 55th Board of Directors meetings were held on August 23, 2017, October 26, 2017, February 19, 2018 and April 26, 2018, respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S.No.	Name	Number of meetings			Meetings not attended
		Held	Attended	Leave Granted	
1	Sheikh Mukhtar Ahmed	4	4	-	-
2	Mohammad Naeem Mukhtar	4	1	3	52nd, 54th , 55th
3	Muhammad Waseem Mukhtar	4	4	-	-
4	Tahir Hasan Qureshi	4	4	-	-
5	Kamran Nishat*	3	2	1	52nd
6	Muhammad Kamran Shehzad	4	4	-	-
7	Pervaiz Iqbal Butt**	1	1	-	-
8	Alee Khalid Ghaznavi	4	4	-	-
9	Other persons Saqib Matin***	4	4	-	-

\* Retired in the 10th AGM held on April 2, 2018

\*\* Elected as new director in the 10th AGM

\*\*\* Saqib Matin attended the meetings as Company Secretary.

## 28 RATING OF THE FUND AND THE MANAGEMENT COMPANY

The JCR-VIS Credit Rating Company Limited has upgraded the asset manager rating of the Management Company to AM2++ (2017: AM2+) on date December 29, 2017. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

## 29 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

## 30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on September 06, 2018.


## 31 GENERAL

Figures have been rounded off to the nearest thousand Rupee unless otherwise stated.

For ABL Asset Management Company Limited  
(Management Company)



SAQIB MATIN  
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR



منسلک ہے اور ایپیل کی تلاش و پیداوار (E&P)، بجلی، اسٹیل، پینکس اور سینٹ سیکٹر کے منتخب اسٹاکس، شامل ہیں۔ اگر عام انتخابات 2018 میں کوئی ایک جماعت واضح اکثریت حاصل نہ کر پائی تو اسٹاکس کی ریٹنگ میں بڑی کمی ممکن ہے۔

#### اعتراف

ہمارے قابل قدر سرمایہ کاروں نے ہم پر جس طرح بھروسے کا اظہار کیا ہے، اس کے لیے ہم ان کے مشکور ہیں۔ بورڈ، مسلسل رہنمائی اور معاونت پر، سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان، ڈبلیو (سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکس چینج لمیٹڈ کا بھی شکر گزار ہے۔ بورڈ، مینجمنٹ ٹیم کی کاوشوں کو بھی سراہتا ہے۔

بورڈ کی جانب سے



علی خالد غزنوی

چیف ایگزیکٹو آفیسر

لاہور، 6 ستمبر 2018

## اضافی معاملات

1. اس سالانہ رپورٹ میں مینجمنٹ کمیٹی کے ڈائریکٹرز کی تفصیلات درج ہیں۔
2. مالیاتی گوشواروں میں، فنڈ کے معاملات، آپریشنز کے نتائج، رقومات کے بہاؤ اور یونٹ ہولڈرز میں تبدیلیوں کو شفاف طور پر پیش کیا گیا ہے۔
3. فنڈ کے حسابات کے لیے کھاتوں کی کتب کو درست طور پر مرتب کیا گیا ہے۔
4. مالیاتی گوشواروں کی تیاری میں ہر جگہ حسابات کی درست پالیسیوں کا اطلاق کیا گیا ہے اور حسابات کے تخمینے مناسب ترین اور قابل فہم فیصلوں کی بنیاد پر لگائے گئے ہیں۔
5. مالیاتی گوشواروں کی تیاری میں، پاکستان میں لاگو بین الاقوامی حسابات کے معیارات، نان بینکنگ فنانس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشن) قوانین 2003 اور نان بینکنگ فنانس کمپنیز اینڈ ٹریڈنگ ریگولیشنز 2008 کی پروویژنز، ٹرسٹ ڈیڈ کی ضروریات اور سیکیورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کی ہدایات پر عمل درآمد کیا گیا ہے۔
6. اندرونی کنٹرول کا نظام کی تشکیل نہایت مضبوط ہے اور اس کا نفاذ اور نگرانی مؤثر طور پر کی جا رہی ہے۔
7. موجودہ حیثیت میں کام جاری رکھنے کے لیے فنڈ کی اہلیت میں کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
8. فنڈ کی کارکردگی کا ٹیبل، سالانہ رپورٹ کے صفحہ نمبر 14 پر دیا گیا ہے۔
9. محصولات، ڈیویڈنڈ، لیویز اور چارجز کی مد میں کوئی رقم واجب الادا نہیں ہے، ماسوائے اس کے جو مالیاتی گوشواروں میں درج ہے۔
10. اس فنڈ میں، پراویڈنٹ فنڈ کی سرمایہ کاری کے حجم کا اسٹیٹ منٹ لاگو نہیں ہوتا، کیونکہ ملازمین کی ریٹائرمنٹ کے فوائد پر اٹھنے والے اخراجات مینجمنٹ کمپنی برداشت کرتی ہے۔
11. 30 جون 2018 کو یونٹ ہولڈنگ کے طرز کی تفصیل مالیاتی گوشواروں کے نوٹ نمبر 23 میں دی گئی ہے۔

## آڈیٹرز

- 30 جون 2019 کو ختم ہونے والے مالی سال کے لیے، میسرز اے۔ ایف۔ فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کا اے بی ایل اسلامک ڈیٹیلڈ انویسٹمنٹ من فنڈ (ABL IDSF) کے آڈیٹرز کے طور پر دوبارہ تقرر کیا گیا ہے۔

## مینجمنٹ کوالٹی کی ریٹنگ

- 29 دسمبر 2017 کو جے سی آر۔ وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسیٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی مینجمنٹ کوالٹی درجہ بندی AM2+ (اے ایم ٹو پلس) سے بڑھا کر AM2++ (اے ایم ٹو ڈبل پلس) کر دی ہے۔ دی گئی درجہ بندی (ریٹنگ) کے تحت آؤٹ لک کو مستحکم رکھا گیا ہے۔

## مستقبل کا منظر نامہ

مالی سال 2019 میں، سیاسی بے یقینی اور معاشی مشکلات، دونوں کے جاری رہنے کا خدشہ ہے۔ معاشی محاذ پر، تیل کی بلند قیمتوں کے باعث، بیرونی خطرات درپیش رہیں گے۔ نتیجتاً، پاکستانی روپے کی قدر میں کمی کا رجحان جاری رہے گا، افراط زر مزید زور پکڑے گا اور ڈالر کی قیمتیں بڑھنے لگیں گی۔ 25 ارب ڈالر کے لگ بھگ مجموعی فنانسنگ کی ضرورت کے پیش نظر، توقع ہے کہ پاکستان جلد آئی ایم ایف کے ساتھ مذاکرات کا آغاز کرے گا۔ اس کے نتیجے میں، ترقیاتی اخراجات میں کٹوتی، ٹیرف پرسبسڈی کا خاتمہ اور دیگر پرسبسڈیز میں کمی متوقع ہے۔

اس ساری صورتحال کے پیش نظر، اسٹاک مارکیٹ میں اونچ نیچ کے رجحان کی توقع ہے۔ شرح سود کے ڈہرے ہندسوں تک پہنچ جانے کی توقعات کے باعث، اسٹاکس اپنی تخمینہ قیمت میں کٹس کھو رہے ہیں۔ موجودہ معاشی صورتحال میں، سرمایہ کاری کا دفاعی لائحہ عمل اختیار کرنا مناسب ہے۔ ان اسٹاکس پر توجہ مرکوز رکھی جائے جن کا منافع امریکی ڈالر سے

اور اس عرصے میں گاڑیاں تیار کرنے والی کمپنیوں کے منافع میں سالانہ بنیاد پر محض 4 فیصد کا معمولی اضافہ ہوا۔ اس عرصے کے دوران، ٹریڈر پیداوار کے شعبے میں، جی ایس ٹی شرح کے 5 فیصد کی کم سطح پر رہنے اور کسانوں کی آمدنی میں اضافے باعث، حجم اور منافع میں بالترتیب 37 فیصد اور 36 فیصد اضافہ ہوا۔ مجموعی طور پر، بگڑتی میکر و صورت حال، نان فاکٹرز کو گاڑیوں کی فروخت پر پابندی، ٹریڈروں پر جی ایس ٹی میں متوقع اضافے وغیرہ کے باعث، آٹوموبل سیکٹور کی مارکیٹ مالیت میں 30 فیصد کمی ریکارڈ کی گئی۔

انجینئرنگ سیکٹور کے ایس ای-100 انڈیکس پر منفی 8 فیصد کے مقابلے میں منفی 30.5 فیصد منافع دیا۔ اس سیکٹور کی بڑی کارکردگی کی وجہ، روپے کی قدر میں کمی کے باعث خام مال (ہیچ آرسی اور اسکرپ) کی لاگت میں اضافے کے مرہون منت ہے۔ مزید برآں، تمام بڑی کمپنیوں کی جانب سے وسیع پیمانے پر پیداوار میں توسیع کے باعث، طلب کے مقابلے میں زیادہ رسد کے خدشات نے بھی اس سیکٹور کے منافع پر منفی اثر مرتب کیا۔ فلیٹ اسٹیل کے شعبے میں، سی آرسی اور ایچ آرسی کے اوسط مارجن 100 ڈالر فی ٹن سے 61 ڈالر فی ٹن کی کم ترین سطح پر گر گئے ہیں۔ مزید برآں، انٹرنیشنل اسٹیل اور عائشہ اسٹیل، دونوں کمپنیاں، پیداوار میں بڑے پیمانے پر اضافے کے منصوبے پر عمل پیرا ہیں، جس کے بعد ملک کی فلیٹ اسٹیل پیدا کرنے کی سالانہ استعداد بڑھ کر 16 لاکھ ٹن ہو جائے گی، جبکہ متوقع کل طلب 15 لاکھ ٹن کے لگ بھگ رہنے کی توقع ہے، اس طرح اور سپلائی کے خدشات پیدا ہو گئے ہیں۔ علاوہ ازیں، Rebar کے شعبے میں، بجلی کی قلت، اسکرپ کی زائد قیمتوں اور بڑے توسیعی منصوبوں کے پیش نظر اور سپلائی کے خدشات، سرمایہ کاروں کے لیے تشویش کی وجوہات ہیں۔ بڑھتی میکر واکنام مشکلات کے پیش نظر حکومت کے ترقیاتی اخراجات میں کٹوتی متوقع ہے، جس سے مستقبل میں اسٹیل کی طلب میں کمی آئے گی۔

مالی سال 2018 میں پاکستان کی میکر واکنام صورت حال کو دیکھتے ہوئے توقع کی جاسکتی ہے کہ نجی شعبے میں بجلی پیدا کرنے والا شعبہ (IPPs) سرمایہ کاروں کی توجہ کا مرکزی رہے گا۔ مالی سال 2018 کے دوران، پاکستانی روپے کے مقابلے میں امریکی ڈالر کی شرح تبادلہ 16 فیصد کمی کے بعد 121.74 روپے ہو گئی۔ آئی پی بیگز کا منافع ڈالر سے منسلک ہونے کی وجہ سے، اس شعبے کو دیگر شعبہ جات پر ایک برتری یہ حاصل ہے کہ یہ شرح تبادلہ میں کمی کا اثر صارفین کو منتقل کر دیتا ہے۔ پاکستانی کرنسی کی قدر میں گراؤ کے خلاف آئی پی بیگز کو فطری تحفظ حاصل ہے۔ بڑھتی شرح سود کے ماحول (جون 2018 تک کے چھ ماہ میں 75 بیس پوائنٹس اضافہ) نے قرضہ جات کی ادائیگی کو متاثر کیا، جس سے آئی پی بیگز کو استعدادی ادائیگی (Capacity Payment) بڑھ گئیں۔ مستقبل میں، پاکستانی روپے کی قدر میں کمی، بڑھتی شرح سود، بین الاقوامی تیل اور کوئلے کی قیمتوں میں اضافے کے ماحول میں بجلی کی پیداواری لاگت بڑھ گی، جس کا بوجھ ان شعبہ جات پر پڑے گا، جن کا دار و مدار قومی گرڈ پر ہوتا ہے۔ ابھی تک، حکومت، بجلی کی پیداواری استعداد اور بجلی کی حقیقی پیداوار بڑھانے کی جارحانہ حکمت عملی پر عمل پیرا ہے۔ جون 2018 تک، بجلی کی خالص پیداواری استعداد 34,320 میگا واٹ آرتھ تک پہنچ چکی ہے۔ نئے بجلی گھروں کے آن لائن آنے کے بعد مستقبل میں بجلی کی پیداواری استعداد میں مزید اضافہ ہوگا۔ ہمارا تخمینہ ہے کہ مالی سال 2019 میں، بجلی کی خالص پیداواری استعداد 33,000 میگا واٹ آور ہو جائے گی۔ مزید برآں، حالیہ برسوں کے مقابلے میں، بجلی کی لوڈ شیڈنگ میں بڑی کمی آچکی ہے تاہم بجلی کی ترسیل اور تقسیم کے کمزور ڈھانچے کے باعث لوڈ شیڈنگ کو بالکل ختم نہیں کیا جاسکا۔ ترسیل و تقسیم کے نقصانات، بین الاقوامی تیل اور کوئلے کی قیمتوں میں اضافے، بجلی چوری اور بجلی کے بلوں کی کمزور وصولی نے گزشتہ قرضہ جات (1935 ارب روپے) کے مسئلے کو مالی سال 2018 کے دوران مزید بگاڑ دیا۔ شرح سود میں مزید متوقع اضافے اور پاکستانی کرنسی کی قدر میں کمی کے پیش نظر، مالی سال 2019 میں گزشتہ قرضہ مزید بڑھ سکتا ہے۔ زیر جائزہ سال کے دوران، آئی پی بیگز نے سالانہ بنیاد پر 21.89 فیصد کا منفی منافع دیا، جبکہ ایس ای-100 انڈیکس نے سالانہ بنیاد پر 10 فیصد کا منفی منافع دیا۔ اس سیکٹور کی منفی کارکردگی کی وجہ، نشاط اور اور نشاط چوینیاں کی قیمت میں بالترتیب 33 فیصد اور 35.3 فیصد کمی آئی ہے، جس کی وجہ فرانس آئل سے بجلی بنانے والے کارخانوں کو درپیش بندش کے خطرات ہیں۔ کراچی الیکٹرک کے نہر کے ساتھ ٹیٹھ سے متعلق مسائل نے سرمایہ کاروں میں منفی رجحان کو جنم دیا اور اس کی مارکیٹ مالیت میں تقریباً 28 فیصد کمی گراؤ دیکھی گئی۔

## فنڈ کی کارکردگی

اے بی ایل اسلامک ڈیڈیکٹڈ انویسٹمنٹ فنڈ نے منفی 9.59 فیصد کی بیچ مارک کارکردگی کے مقابلے میں 16.40 فیصد منفی کارکردگی کا مظاہرہ کیا، اس طرح 6.81 فیصد زیادہ بدتر کارکردگی دکھائی۔ زیر جائزہ سال کے دوران، اے بی ایل اسلامک ڈیڈیکٹڈ انویسٹمنٹ فنڈ کے زیر انتظام کل اثاثہ جات 38.16 فیصد کمی کے بعد 1692.57 ملین روپے ہو گئے۔

30 ہزار ٹن ہوگئی۔ اس پیشرفت کے بعد، فریٹلائزر سیکٹر میں سرمایہ کاروں کا مثبت رجحان پیدا ہوا اور اس طرح 12 فیصد منافع کے ساتھ اس سیکٹر نے کے ایس ای-100 کی منفی 10 فیصد کارکردگی کو پیچھے چھوڑ دیا۔ مالی سال 2018 کے ابتدائی 11 ماہ کے دوران یوریا کی فروخت 1 فیصد کمی کے بعد 5,281 ٹن رہی، جبکہ گزشتہ سال اسی عرصے میں یہ 5,312 ٹن رہی تھی۔ البتہ ڈائی امونیوم فاسفیٹ (DAP) کی فروخت 4 فیصد اضافے کے ساتھ گزشتہ سال کے 2,184 ٹن سے بڑھ کر 2,281 ٹن ہوگئی۔ مالی سال 2018 کے ابتدائی 11 ماہ میں، یوریا کی پیداوار 6 فیصد کمی کے بعد گزشتہ سال کے 5,419 ٹن کے مقابلے میں 5,096 ٹن رہ گئی، اس کمی کی وجہ ایل این جی پر چلنے والے فریٹلائزر کارخانوں کی بندش تھی (اس سے گزشتہ سال ایل این جی پر چلنے والے فریٹلائزر کارخانوں سے 571 ٹن پیداوار حاصل کی گئی تھی)۔ مقامی فریٹلائزر کی قیمتوں میں اضافے کے باعث، اس سیکٹر سے اچھی کارکردگی کی توقع ہے۔ مالی سال 2018 کے دوران، مقامی مارکیٹ میں یوریا کی اوسط قیمت 1,405 روپے فی بوری ہوگئی، جبکہ مالی سال 2017 میں فی بوری اوسط قیمت 1,377 روپے رہی تھی۔ اسی طرح، مالی سال 2017 میں DAP کی اوسط فی بوری قیمت 2,589 روپے رہی تھی، جو مالی سال 2018 میں بڑھ کر اوسط 2,890 روپے فی بوری ہوگئی۔ مالی سال 2017 سے اب تک، یوریا اور DAP کی بین الاقوامی قیمتوں میں 11 فیصد اور 17 فیصد اضافہ ہو چکا ہے، جس کے بعد یوریا کی موجودہ قیمت 250 ڈالر فی ٹن اور DAP کی قیمت 420 ڈالر فی ٹن ہے۔ بین الاقوامی کھادوں کی قیمتوں میں اضافے کے رجحان نے مقامی مینوفیکچررز کو بھی ان کی قیمتیں بڑھانے کا موقع فراہم کیا ہے اور گیس کی قیمتوں میں اضافے کا اثر منتقل کرنے کے باوجود بھی کھاد کی درآمد کو بحال بنا رکھا ہے۔

ٹیکسٹائل سیکٹر بھی اچھی کارکردگی کا مظاہرہ نہ کر سکا اور مالی سال 2018 کے دوران اس میں 21 فیصد کمی گرواٹ دیکھی گئی۔ اگرچہ، اس عرصے میں کرنسی کی قدر میں 15.8 فیصد گرواٹ دیکھی گئی، لیکن تیل کی قیمتوں میں سالانہ بنیاد پر اوسط 25 فیصد اضافے اور کپاس کی قیمتوں میں سالانہ بنیاد پر اوسط 6.3 فیصد اضافے نے اس سیکٹر کے منافع کو دباؤ میں رکھا (مالی سال 2018 میں کپاس کی اوسط قیمت 6,870 روپے فی من رہی، تاہم سال کا اختتام 7,600 روپے فی من پر ہوا)۔ سال کے دوران، حکومت نے پہلے سے اعلان کردہ ایکسپورٹ پیکیج کی سہولیات کے تحت 50 فیصد ریپیٹ سے فائدہ اٹھانے کے لیے برآمدات میں 10 فیصد اضافے کی شرط میں نرمی کردی۔ تاہم کیش ریپیٹ کے اجراء میں سست روی معیلتز ٹیکس ری فنڈ میں التوا کے باعث، اس پیکیج کا اثر کم رہا۔ مزید برآں، پیکیج میں توسیع کے بڑھتے مطالبات کے باوجود، حکومت پاکستان نے اس پیکیج میں صرف ویلیو ایڈیڈ شعبہ جات کے لیے توسیع کا اعلان کیا اور سابقہ اعلان کردہ 180 ارب روپے کے پیکیج کے مقابلے میں بجٹ میں صرف 65 ارب روپے مختص کیے۔ منافع کے محاذ پر، مالی سال 2018 کے ابتدائی 9 ماہ میں، نشاط ملز، نشاط چوینا اور کوہ نور ٹیکسٹائل ملز کا منافع سالانہ بنیاد پر 22 فیصد کمی کے بعد 5.3 ارب روپے رہا۔ مزید برآں، ذیلی کمپنیوں سے کم ڈیویڈنڈ آمدنی نے ان کے منافع پر مزید اثر ڈالا۔ البتہ، برآمدات کے میدان میں، دستیاب اعداد و شمار کے مطابق، مالی سال 2018 کے ابتدائی 11 ماہ میں، ٹیکسٹائل برآمدات سالانہ بنیاد پر 10 فیصد اضافے کے ساتھ 12.4 ارب ڈالر رہیں، جو کہ مالی سال 2017 کے 11 ماہ میں 11.3 ارب ڈالر رہی تھیں۔

مالی سال 2018 میں، کیمیکل سیکٹر نے 0.47 فیصد کا انتہائی معمولی منافع دیا۔ کے ایس ای-100 انڈیکس پر 8.04 فیصد کے منفی منافع کے مقابلے میں، اس سیکٹر کی اچھی کارکردگی کی وجہ PTA-PX اسپرٹ اور PVC-Ethylene کورڈیٹا (مارجن) میں بہتری کو قرار دیا جاسکتا ہے۔ مزید برآں، مقامی کاسٹک سوڈا مارکیٹ میں تیزی نے بھی اس سیکٹر کی بہتر کارکردگی میں کردار ادا کیا۔ اس وقت PTA-PX مارجن 180 ڈالر فی ٹن ہے، جو گزشتہ سال اوسط 80 ڈالر فی ٹن رہا تھا، اس اضافے کی وجہ رسد میں خلل اور چین میں کپاس کی پیداوار میں کمی کے باعث پی ایف کی پیداوار کے لیے PTA کی طلب میں اضافہ ہونا ہے۔ اسی طرح PVC-Ethylene کورڈیٹا نے بھی مالی سال 2018 کی تیسری سہ ماہی میں مثبت رجحان دکھایا اور یہ مارجن 350 ڈالر فی ٹن کے تاریخی اوسط سے بڑھ کر 390 ڈالر فی ٹن ہو گیا۔ اس کی وجہ خطے میں تعمیراتی سرگرمیوں میں اضافے کے باعث PVC کی طلب کا بڑھ جانا ہے۔ توقع ہے کہ مثبت بین الاقوامی مارجن اور طلب کی صورت حال کے پیش نظر مالی سال 2019 میں بھی کیمیکل سیکٹر اچھا منافع دینے میں کامیاب رہے گا۔

آٹو سیکٹر کا جائزہ لیا جائے تو، مالی سال 2018 کے ابتدائی 9 ماہ میں، آٹو موبیل انڈسٹری کا حجم سالانہ بنیاد پر 22 فیصد اضافے کے ساتھ 1.1 لاکھ 93 ہزار یونٹ ہو گیا، جس میں نمایاں کردار چھوٹی اور اسپورٹس گاڑیوں کا رہا۔ استعداد میں اضافے کے لیے انڈس اور ہنڈا کار نے پیداوار کے مراحل میں حائل رکاوٹوں کو ختم کرتے ہوئے (De-bottlenecking) اپنی پیداوار میں بالترتیب 18 فیصد اور 10 فیصد اضافہ کیا۔ البتہ روپے کی قدر میں گرواٹ اور اس کے نتیجے میں چیزوں کی قیمتوں میں اضافے نے سیکٹر کے مارجنز پر دباؤ ڈالا (مالی سال 2017 کے 9 ماہ میں 14.6 فیصد مارجن کے مقابلے میں مالی سال 2018 کے 9 ماہ میں مارجن کی شرح 12.6 فیصد رہی)

تیل کی مارکیٹنگ کرنے والی کمپنیوں (OMCs) کے لیے مالی سال 2018 مشکل رہا، جہاں سالانہ بنیاد پر یہ سیکٹر 15.8 فیصد گراؤ کا شکار ہوا، جبکہ کے ایس ای-100 انڈیکس میں اسی عرصے کے دوران 10.0 فیصد کمی دکھی گئی۔ اس کی بڑی وجہ شیل پاکستان (SHEL) کے حصص کی قیمت میں 41.6 فیصد کمی کی آنا تھا، جبکہ پاکستان اسٹیٹ آئل (PSO) کی حصص کی قیمت میں سالانہ بنیاد پر 5.3 فیصد اضافہ ہوا۔ اٹک پیٹرولیم (APL) اور حیسکول پیٹرولیم (HASCOL) کی قیمتیں بالترتیب 1.2 فیصد اور 1.0 فیصد اضافے کے ساتھ مستحکم رہیں۔ مالی سال 2018 کے دوران، تیل کی مارکیٹنگ کرنے والی کمپنیوں کی بری کارکردگی کی وجہ، کرنسی کی قدر میں شدید گراؤ (مالی سال 2018 کے دوران قدر میں 15.9 فیصد کمی)، فرنس آئل کی کھپت اور مجموعی منافع میں کمی رہی۔ انڈسٹری کی پیٹرولیم مصنوعات کی فروخت، سالانہ بنیاد پر 4.2 فیصد کمی کے بعد 24.4 ملین ٹن رہی، جس کی بڑی وجہ، فرنس آئل (FO) کے حجم میں 24.1 فیصد کمی آنا تھا، جس کے بعد فرنس آئل کی پیداوار 71 لاکھ ٹن رہ گئی۔ فرنس آئل کی فروخت میں کمی کی وجہ، حکومت پاکستان کے اس اچانک فیصلے کو قرار دیا جاسکتا ہے، جس کے تحت فرنس آئل کی درآمدات کو فوری طور پر کم کرنا تھا، کیونکہ اضافی بجلی کی پیداوار دیگر ایندھن کے ذریعے دستیاب تھی۔ فرنس آئل کے علاوہ، دیگر پیٹرولیم مصنوعات کی فروخت سالانہ بنیاد پر 7.4 فیصد اضافے کے ساتھ 1 کروڑ 73 لاکھ ٹن رہی۔ حجم میں اضافے میں بڑا کردار پیٹرول (سالانہ بنیاد پر 15.5 فیصد اضافہ) اور ہائی اسپید ڈیزل (سالانہ بنیاد پر اضافہ 6.2 فیصد) نے ادا کیا۔ خام تیل کی قیمتوں میں اضافے (سالانہ بنیاد پر 68.9 فیصد اضافہ) کے باعث پیٹرولیم مصنوعات کی قیمتوں میں اضافے کا رجحان رہا (سالانہ بنیاد پر 26 سے 29 فیصد اضافہ)؛ نتیجتاً، انوینٹری پر فائدے کے باعث سیکٹر کے منافع میں اضافہ ہوا۔ پس، مالی سال 2018 کے ابتدائی 9 ماہ کے دوران سیکٹر کے منافع (شیل کے علاوہ) میں سالانہ بنیاد پر 3 فیصد گراؤ دکھی گئی۔ حیسکول اپنی اعلیٰ کارکردگی کی بنیاد پر انڈسٹری سے آگے رہا اور اپنا مارکیٹ شیئر 3.2 فیصد اضافے کے ساتھ 11.8 فیصد کر دیا۔ اس کے برعکس، پی ایس او اور شیل کے مارکیٹ شیئر میں 4.5 فیصد اور 2.7 فیصد کمی دکھی گئی، جس کے بعد ان کا مارکیٹ شیئر بالترتیب 50.8 فیصد اور 6.6 فیصد ہو گیا۔ اٹک پیٹرولیم کا مارکیٹ شیئر 0.6 فیصد اضافے سے 8.8 فیصد ہو گیا۔ جہاں تک، گردش قرضے کا تعلق ہے، اس میں اضافے کا سلسلہ برقرار رہا، جس نے پی ایس او کے لیے منفی رجحان کو جنم دیا۔ نتیجتاً، پی ایس او کے پاس توسیعی منصوبوں کے لیے رقم کا بہاؤ موجود نہیں، جو اس کے مارکیٹ شیئر کو برقرار رکھنے کے لیے ضروری ہے، یہی وجہ ہے کہ بڑھتے ہوئے مسابقتی رجحان میں پی ایس او کا مارکیٹ شیئر کم ہو رہا ہے۔

مالی سال 2018 میں، سیمنٹ سیکٹر کی کارکردگی مایوس کن رہی، جس نے بیچ مارک انڈیکس میں 10 فیصد کمی کے مقابلے میں، سالانہ بنیاد پر 4.2 فیصد کا منفی منافع دیا۔ سیمنٹ سیکٹر کی بدترین کارکردگی کی وجوہات یہ رہی، (i) بڑھتی پیداواری لاگت، جہاں سال کے دوران کونسلے کی قیمتیں اوسط 94 ڈالر فی ٹن (سالانہ بنیاد پر 20 فیصد اضافہ) رہیں اور سال کا اختتام 104 ڈالر فی ٹن پر کیا، (ii) پاکستانی کرنسی کی قدر میں 16 فیصد کمی نے درآمدی کونسلے کی قیمتیں مزید بڑھادیں، (iii) بچھری روپے فی بوری اضافی فیڈرل ایکسائز ڈیوٹی کا اطلاق، جس نے سال کے دوران سیکٹر کے منافع کو مزید نقصان پہنچایا، (iv) آنے والے دو برسوں میں 1 کروڑ 70 لاکھ ٹن کی اضافی پیداوار (موجودہ پیداواری صلاحیت سے 33 فیصد زائد) کے باعث، سیمنٹ بوری کی قیمتوں میں مزید عدم استحکام کا خطرہ، اور (v) عام انتخابات کے بعد، معاشی صورت حال میں مزید ابتری اور طلب میں کمی کے خدشات۔ اگر سیمنٹ کی فروخت کی بات کریں تو سیکٹر میں مثبت رجحان دیکھا گیا، سالانہ بنیاد پر سیمنٹ کی فروخت مجموعی طور پر 14 فیصد اضافے کے ساتھ (9 سال میں سب سے زیادہ اضافہ) 4 کروڑ 60 لاکھ ٹن رہی۔ سال کے دوران، سیمنٹ کی مقامی فروخت سالانہ بنیاد پر 15 فیصد اضافے کے ساتھ 4 کروڑ 10 لاکھ ٹن کی سطح پر رہی۔ مقامی طلب میں اضافے کی وجہ، انتخابات کے موسم اور نجی شعبے میں بڑھتی تعمیراتی سرگرمیوں کو قرار دیا جاسکتا ہے۔ مزید برآں، ملک سے سیمنٹ کی برآمدات میں 2 فیصد اضافہ ریکارڈ کیا گیا اور اس طرح سیمنٹ برآمدات میں 8 سال سے جاری منفی رجحان بدل کر مثبت ہو گیا۔ بہتری کی وجہ اس عرصے میں افغانستان کو برآمدات بڑھنے اور ملک کے جنوبی خطے سے برآمدات میں اضافے کو قرار دیا جاسکتا ہے (جنوب میں پہلے سے موجود سیمنٹ کارخانوں نے اپنی پیداوار میں 25 لاکھ ٹن کی توسیع کی)۔ ہم توقع رکھتے ہیں کہ سیمنٹ کی فی بوری قیمت میں حالیہ اضافہ (مینیو فیکچررز بڑھتی پیداواری لاگت کے اثر کو صارفین کو منتقل کرنے کی کوشش کر رہے ہیں) قلیل مدت میں سیمنٹ سیکٹر کے لیے مثبت ثابت ہوگا، تاہم، ڈی جی خان سیمنٹ کی 28 لاکھ ٹن، چراٹ سیمنٹ کی 21 لاکھ ٹن، مہمیل لیف کی 22 لاکھ ٹن اور پاور سیمنٹ کی 23 لاکھ ٹن کی توسیعی پیداوار آنے کے بعد سیمنٹ بوری کی قیمتوں میں ایک بار پھر عدم استحکام پیدا ہونے کا امکان ہے۔

فریٹلائزر سیکٹر نے مالی سال 2018 کا آغاز 12 لاکھ ٹن یوریا کی انوینٹری سے کیا، جس کے باعث یوریا کی قیمتیں دباؤ کا شکار رہیں۔ البتہ، 6 لاکھ ٹن یوریا برآمد کرنے کے بعد طلب ورسد کی صورتحال یکسر بدل گئی۔ اس کے ساتھ، ایل این جی سے چلنے والے فریٹلائزر کارخانوں کی بندش کے باعث مئی 2018 کے اختتام پر انوینٹری کی سطح مزید کم ہو کر 3 لاکھ



کی گئی، جبکہ جون 2017 میں ان کی مالیت 288 ارب روپے تھی۔ مالی سال 2018 میں، میکرو اکنامک اشاریوں میں پیدا ہونے والی اُتری اور سیاسی بے یقینی کے باعث اسٹاک مارکیٹ کی کارکردگی کمزور رہی، جس کے باعث ایکویٹی فنڈز سالانہ بنیاد پر 12.4 فیصد کمی کے بعد 137 ارب روپے مالیت کی سطح پر بند ہوئے۔ اسی طرح، اسٹاک ایکویٹی فنڈز میں سالانہ بنیاد پر 20.4 فیصد کمی شدیدی کمی ریکارڈ کی گئی اور یہ 104 ارب روپے کی سطح پر بند ہوئے۔

### ایکویٹی مارکیٹ کا جائزہ

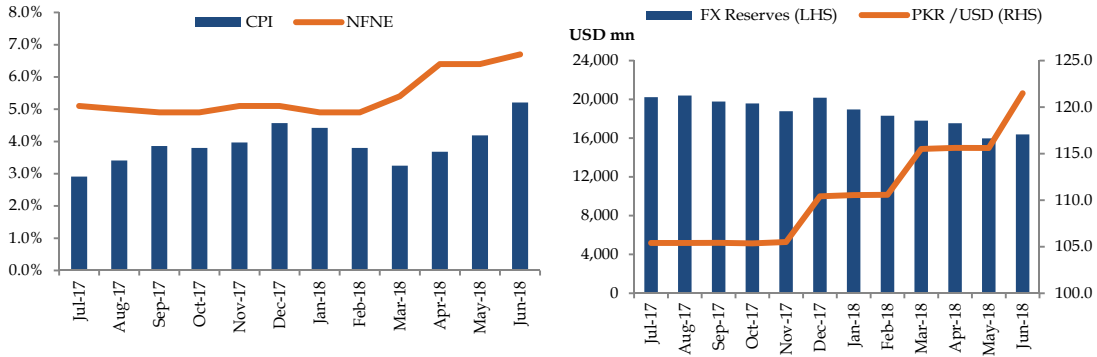
گزشتہ 8 سال سے مسلسل منافع دینے والی پاکستان اسٹاک ایکس چینج (PSX) کی کارکردگی مالی سال 2018 کے دوران منفی رہی۔ کے ایم آئی تھرٹی (KMI-30) انڈیکس (شرعی اصولوں کے مطابق کاروبار کرنے والی کمپنیوں کا بیچ مارک انڈیکس) 9.6 فیصد کمی کے بعد 71,060 پوائنٹس پر بند ہوا۔ اس قدر بُری کارکردگی کا ذمہ دار، سال کے دوران سیاسی اور معاشی بے یقینی کی کیفیت کو قرار دیا جاسکتا ہے۔ مزید برآں، جون 2017 میں، مورگن اسٹیٹل کیپٹل انٹرنیشنل (MSCI) کی جانب سے پاکستان کو فونڈ ٹریڈر مارکیٹ (FM) سے اپ گریڈ کر کے ایمرجنگ مارکیٹ (EM) میں شامل کیے جانے کے باوجود، غیر ملکی سرمایہ کار، مقامی مارکیٹ میں خالص فروخت کنندہ رہے اور مالی سال 2018 کے دوران، 28 کروڑ ڈالر مارکیٹ سے نکال لیے۔ اس کے برعکس، انشورنس سیکٹور نے مارکیٹ کو بڑا سہارا دیا، جس میں 20 کروڑ 40 لاکھ ڈالر کی خالص خریداری دیکھی گئی۔ کے ایم آئی-30 انڈیکس میں سب سے بری کارکردگی لکی سینٹ (LUCK)، ڈی جی خان سینٹ (DGKC)، پاک الیکٹران (PAEL) کی رہی، جنہوں نے انڈیکس کی گروٹھ میں بالترتیب 39 فیصد، 22 فیصد اور 18 فیصد حصہ ڈالا۔ ان کے مقابلے میں، تیل اور گیس کی تلاش و پیداوار (E&P) کے شعبے نے (جو کہ پاکستان پیٹرولیم (PPL) اور پاکستان آئل فیلڈز (POL) پر مشتمل ہے، نے انڈیکس کی تبدیلی میں 36 فیصد اور 28 فیصد کا مثبت حصہ ڈالا۔ سینٹ اسٹاکس بڑھتی پیداواری لاگت (سالانہ بنیاد پر کونسلے کی قیمتوں میں 20 فیصد اضافہ مع پاکستانی کرنسی کی قدر میں 22 فیصد گراؤ) اور آنے والی اضافی پیداوار کے باعث طلب کے مقابلے میں رسد بڑھ جانے کے خدشات کے باعث گروٹھ کا شکار رہے۔ تاہم، بین الاقوامی تیل کی قیمتوں میں دوبارہ اضافے (سال کے دوران عرب لائٹ کی قیمتوں میں 28 فیصد اضافہ) کے باعث آئل اسٹاکس نے اچھی کارکردگی کا مظاہرہ کیا۔

کاروباری حجم کا جائزہ لیا جائے تو کے ایم آئی-30 انڈیکس میں مالی سال 2018 کے دوران، اوسط یومیہ کاروباری حجم 38 فیصد کمی کے بعد 4 کروڑ 50 لاکھ حصص رہا، جو کہ مالی سال 2017 میں 7 کروڑ 20 لاکھ حصص رہا تھا۔ آئندہ کی بات کریں، تو ہم توقع رکھتے ہیں کہ سیاسی اور معاشی صورتحال میں بہتری نہ آنے تک مارکیٹ میں عدم استحکام کا رجحان رہے گا۔ پاکستان اسٹاک ایکس چینج اس عرصے میں 7.6x کے تخمینہ کردہ پرائس ٹو آرنگ شرح پر بند ہوئی، جو کہ 6.3 فیصد کی منافع منقسمہ پیداوار (ڈیویڈنڈ ایبلڈ- DY) کے ساتھ دیگر ایمرجنگ مارکیٹ (EM) سے 21 فیصد ڈس کاؤنٹ پر ہے۔

### شعبہ جاتی جائزہ

مالی سال 2018 میں کارکردگی کے لحاظ سے تیل اور گیس کی تلاش و پیداوار کے شعبے نے باقی سب شعبوں کو پیچھے چھوڑ دیا اور اس میں سالانہ بنیاد پر 20.2 فیصد اضافہ ہوا۔ عالمی تیل کی قیمتوں میں استحکام لانے کے لیے اوپیک اور روس نے رسد میں کٹوتی کی، جس کے نتیجے میں تیل کی قیمتوں میں سالانہ بنیاد پر 28 فیصد نمایاں اضافہ ہوا۔ مزید برآں، ادائیگیوں کے توازن میں بحران کے باعث پاکستانی کرنسی کی قدر میں سالانہ بنیاد پر 16 فیصد کمی گراؤ دیکھی گئی۔ پاکستان کی تیل اور گیس کی تلاش و پیداوار کی کمپنیوں نے اس سے فائدہ اٹھایا اور مالی سال 2018 کے ابتدائی 9 ماہ کے نتائج میں مجموعی طور پر بعد از ٹیکس منافع میں 34 فیصد اضافہ دکھایا۔ البتہ، تیل کی پیداوار میں نمایاں سست روی دیکھی گئی (سالانہ بنیاد پر صرف 2 فیصد اضافہ)، جس کی وجہ ناشپا اور ٹل بلاکس سے پیداوار میں کمی رہی۔ اس کی ایک وجہ، حکومت کا فرنس آئل (FO) سے بجلی کی پیداوار میں کمی لانا بھی رہی، جس کے باعث، ملک کے شمالی علاقوں میں ریفرنڈم کی پیداوار متاثر ہوئی۔ جھنڈیال فیلڈ، اس کے آپریٹر پاکستان آئل فیلڈز کے لیے تیل کی ایک بڑی تلاش ثابت ہوئی (تیل کے 23 کروڑ بیرل کے ذخائر)، تاہم فیلڈ سے تیل کی پیداوار مسائل سے دوچار ہو گئی اور آغاز پر 1400 بیرل یومیہ کا پیداواری حجم سال کے آخر میں کم ہو کر 600 بیرل یومیہ ہو گیا۔ دیگر اہم واقعات میں، 2012 پیٹرولیم پالیسی کے ذریعے سپلیمنٹری ایگری منٹ کے تحت، وہ فیلڈز جنہیں نئی پالیسی پر منتقل کیا گیا ہے، وہاں تیل کی پیداوار پر حکومت پاکستان کی جانب سے وٹڈ فال لیوی کا عائد کرنا شامل تھا۔ تمام متاثرہ ای اینڈ پی (E&P) کمپنیوں نے اس حکومتی اقدام کو اسلام آباد ہائی کورٹ میں چیلنج کر دیا، جہاں یہ کیس ابھی زیر سماعت ہے۔

جنوری 2018 میں 25 پیسر پوائنٹس (bps) اضافے کے ساتھ شروعات کرتے ہوئے، مالی سال 2018 کی دوسری شش ماہی کے دوران، مجموعی طور پر بنیادی شرح سود میں 75 پیسر پوائنٹس (bps) اضافہ کر دیا۔ تاہم، اسٹیٹ بینک آف پاکستان نے، مارچ 2018 کے زری پالیسی بیان میں پالیسی ریٹ میں اضافے کے رجحان کو جاری نہ رکھا، جس کا جواز مرکزی بینک نے یہ پیش کیا کہ، شرح سود میں مزید اضافے سے پہلے، روپے کی قدر میں حالیہ کمی اور برآمدات میں اضافے کے اثرات کو جانچنا ضروری ہے۔ البتہ، اپریل 2018 میں بنیادی افراط زر (Core Inflation) کی شرح 7.0 فیصد کی رفتار سے بڑھنے کے بعد، مئی 2018 کے زری پالیسی بیان میں مرکزی بینک نے پالیسی ریٹ 50 پیسر پوائنٹس بڑھاتے ہوئے 6.50 فیصد کر دیا۔



مالی سال 2018 کے ابتدائی 9 ماہ میں مالی خسارہ 1,481 ارب روپے تک پہنچ گیا (جی ڈی پی کا 4.36 فیصد)، جو سالانہ بنیادوں پر 20 فیصد کا اضافہ بنتا ہے، جس کی بڑی وجہ، اس عرصے کے دوران، محصولات میں ہونے والے اضافے کے مقابلے میں اخراجات میں ہونے والے اضافے کا زیادہ تیزی سے بڑھنا ہے۔ ترقیاتی اخراجات کی شرح میں صحت مندانہ اضافہ ہوا (مالی سال 2018 کے ابتدائی 9 ماہ میں ترقیاتی اخراجات میں سالانہ بنیادوں پر 37 فیصد اضافے نے جاری اخراجات میں سالانہ بنیاد پر 13 فیصد اضافے کو پیچھے چھوڑ دیا)، جس نے معیشت میں نمو کے رجحان کو بڑھا دیا۔

#### میوچل فنڈ انڈسٹری کا جائزہ

مالی سال 2018 کے دوران، پاکستان کی اوپن اینڈ میوچل فنڈ انڈسٹری کی انتظامت کے تحت مجموعی اثاثہ جات (AUMs)، 2.8 فیصد کی معمولی کمی کے بعد 680 ارب روپے سے 661 ارب روپے کی سطح پر آ گئے۔ اس کمی کی بڑی وجہ اسلامک ایکویٹی اور اکم فنڈ کیٹگریز میں بالترتیب 20 فیصد اور 16 فیصد کی گراوٹ ہے۔ دوسری طرف، اس انڈسٹری نے منی مارکیٹ فنڈز میں سرمایہ کاروں کی دلچسپی کو بڑھتے دیکھا، جیسا کہ مالی سال 2018 کے دوران، شرح سود میں اضافے کے رجحان کے باعث، منی مارکیٹ فنڈز کے زیر انتظام مجموعی اثاثہ جات کی مالیت میں 77 فیصد کا اضافہ ریکارڈ کیا گیا۔

مجموعی طور پر، ایکویٹی کیٹگری (جو کہ ایکویٹی اور اسلامک ایکویٹی فنڈز پر مشتمل ہے) کی مالیت جون 2018 میں سالانہ بنیاد پر 16.1 فیصد کمی کے بعد 242 ارب روپے ریکارڈ کی گئی، جبکہ جون 2017 میں ان کی مالیت 288 ارب روپے تھی۔ مالی سال 2018 میں، میکرو اکنامک اشاریوں میں پیدا ہونے والی ابتری اور سیاسی بے یقینی کے باعث اسٹاک مارکیٹ کی کارکردگی کمزور رہی، جس کے باعث ایکویٹی فنڈز سالانہ بنیاد پر 12.4 فیصد کمی کے بعد 137 ارب روپے مالیت کی سطح پر بند ہوئے۔ اسی طرح، اسلامک ایکویٹی فنڈز میں سالانہ بنیاد پر 20.4 فیصد کی شدید کمی ریکارڈ کی گئی اور یہ 104 ارب روپے کی سطح پر بند ہوئے۔

#### مارکیٹ کا جائزہ

مالی سال 2018 کے دوران، پاکستان کی اوپن اینڈ میوچل فنڈ انڈسٹری کی انتظامت کے تحت مجموعی اثاثہ جات (AUMs)، 2.8 فیصد کی معمولی کمی کے بعد 680 ارب روپے سے 661 ارب روپے کی سطح پر آ گئے۔ اس کمی کی بڑی وجہ اسلامک ایکویٹی اور اکم فنڈ کیٹگریز میں بالترتیب 20 فیصد اور 16 فیصد کی گراوٹ ہے۔ دوسری طرف، اس انڈسٹری نے منی مارکیٹ فنڈز میں سرمایہ کاروں کی دلچسپی کو بڑھتے دیکھا، جیسا کہ مالی سال 2018 کے دوران، شرح سود میں اضافے کے رجحان کے باعث، منی مارکیٹ فنڈز کے زیر انتظام مجموعی اثاثہ جات کی مالیت میں 77 فیصد کا اضافہ ریکارڈ کیا گیا۔

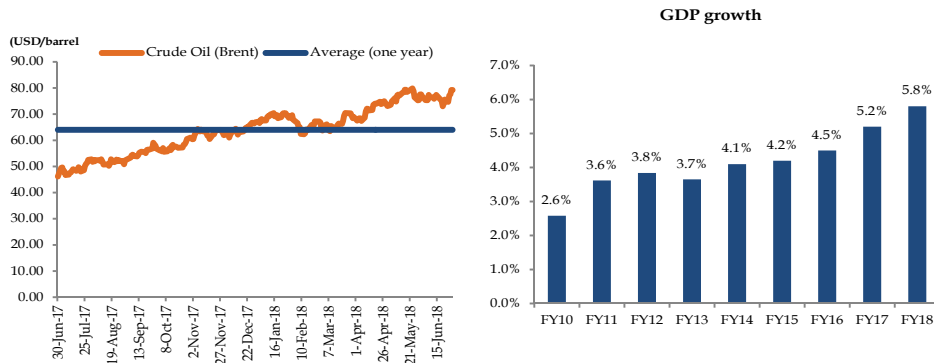
مجموعی طور پر، ایکویٹی کیٹگری (جو کہ ایکویٹی اور اسلامک ایکویٹی فنڈز پر مشتمل ہے) کی مالیت جون 2018 میں سالانہ بنیاد پر 16.1 فیصد کمی کے بعد 242 ارب روپے ریکارڈ

## میجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل ایسٹ میجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز، جو کہ اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ (ABL-IDSF) کی میجمنٹ کمپنی ہے، نہایت مسرت کے ساتھ 30 جون 2018 کو ختم ہونے والے سال کیلئے الائیڈ بینک اسلامک ڈیڈیکٹڈ اسٹاک فنڈ کے آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

### اقتصادی کارکردگی کا جائزہ

مالی سال 2018 میں پاکستان کی میکرو معیشت کے لیے سب سے بڑا مسئلہ جڑیں پکڑتا جڑواں خسارہ رہا، جس کے نتیجے میں غیر ملکی زرمبادلہ کے ذخائر تیزی سے کم ہو رہے ہیں۔ حکومت نے صورتحال پر قابو پانے کے لیے مالی سال 2018 کی دوسری شش ماہی میں زری پالیسی کو سخت کرنے کے اقدامات کیے، البتہ بیرونی کھاتوں کے خسارے میں اضافے کا رجحان برقرار رہا، جبکہ مالی سال 2018 کے اختتامی عرصے میں مہنگائی کے دباؤ میں بھی اضافہ ہوا، یہ تمام اشاریے ظاہر کرتے ہیں کہ معیشت اور۔ ہینگ کا شکار ہو رہی ہے۔ اگرچہ، معاشی شرح نمو 6.0 فیصد کا فراخ دلانہ ہدف حاصل کرنے میں کامیاب نہ ہو سکی، مالی سال 2018 میں مجموعی قومی پیداوار میں نمو کی شرح 5.8 فیصد رہی اور تینوں شعبوں (خدمات/ صنعت/ زراعت) میں سالانہ بنیاد پر بالترتیب 6.4 فیصد، 5.8 فیصد اور 3.8 فیصد اضافہ ہوا) میں بہتری کے ساتھ یہ 13 سال کی بلند ترین سطح عبور کر گئی۔ سی پیک کے تحت جلد مکمل ہونے والے ڈھانچے جاتی منصوبوں پر جاری پیشرفت، توانائی کی خالص رسد میں اضافہ (مالی سال 2018 کے 11 ماہ میں پیدا کردہ یوٹس میں سالانہ بنیاد پر خالصتاً 8.4 فیصد اضافہ ہوا) اور قرضہ جات کے حصول میں مستحکم بنیادوں پر مسلسل اضافہ (مالی سال 2018 کے 11 ماہ میں نجی شعبے کو جاری قرضہ جات میں سالانہ بنیاد پر 18 فیصد اضافہ ہوا، جس سے اس عرصے کے دوران قرضہ جات کا حجم 780 ارب روپے بڑھ گیا) معاشی نمو کی اہم وجوہات رہیں۔ البتہ، مجموعی قومی پیداوار کے تناسب سے مالی خسارہ جی ڈی پی کے 6.8 فیصد رہنے کی توقع ہے (جو کہ مئی 2018 میں تخمینہ کردہ جی ڈی پی کے 5.5 فیصد کے مقابلے میں بڑھ گیا ہے)۔



مالی سال 2018 میں سالانہ بنیادوں پر رواں کھاتوں کے خسارے (CAD) میں 45 فیصد اضافہ ہوا اور یہ 18 ارب ڈالر کی سطح تک جا پہنچا۔ برآمدات میں مستحکم اضافے (مالی سال 2018 میں سالانہ بنیادوں پر 13.2 فیصد اضافہ) اور سمندر پار پاکستانیوں کی جانب سے بھیجی جانے والی رقوم میں سالانہ بنیاد پر 3 فیصد اضافے کے مثبت رجحان کو بڑھتی درآمدات (مالی سال 2018 میں سالانہ بنیاد پر 13.2 فیصد اضافہ) نے زائل کر دیا۔ بڑھتی درآمدات پر قابو پانے کے لیے، اسٹیٹ بینک آف پاکستان نے مالی سال 2018 میں، دسمبر 2017 سے آغاز کرتے ہوئے، تین مراحل میں امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں مجموعی طور پر 15.9 فیصد کمی کی، تاہم اس کا کوئی فائدہ نہ ہوا۔ بیرونی کھاتے پر دباؤ کے علاوہ، اس عرصے کے دوران قرضہ جات کی واپسی کے باعث غیر ملکی زرمبادلہ ذخائر میں شدید کمی دیکھی گئی۔ نتیجتاً، مالی سال 2018 کے دوران ہم نے پاکستان کو بین الاقوامی کمپنیل مارکیٹ میں واپس جاتے دیکھا، جہاں 6.875 فیصد کی شرح پر 1.5 ارب ڈالر مالیت کا 10 سالہ یورو بانڈ اور 5.625 فیصد کی شرح پر ایک ارب ڈالر مالیت کا 5 سالہ سلوک جاری کیا گیا۔








مضبوط معاشی نمو کے باوجود، عمومی مہنگائی کی شرح، مالی سال 2018 کے لیے 6.0 فیصد کے حکومتی ہدف سے کم رہی اور اس دوران سالانہ بنیاد پر مہنگائی کی شرح میں اوسط 3.9 فیصد اضافہ ہوا (مالی سال 2017 میں سالانہ بنیاد پر مہنگائی کی اوسط شرح 4.2 فیصد کے مقابلے میں)۔ البتہ، تیل کی بین الاقوامی قیمتوں میں دوبارہ اضافے (مالی سال کے دوران عرب لائٹ کی قیمتیں 24.5 فیصد بڑھ گئیں) اور مالی سال 2018 کی دوسری شش ماہی میں امریکی ڈالر مہنگا ہوجانے کے باعث، مہنگائی کے دباؤ میں اضافہ ہونے لگا اور جون 2018 میں کنزیومر پرائس انڈیکس (CPI) میں سالانہ بنیاد پر اضافے کی شرح بڑھ کر 5.2 فیصد ہو گئی (بنیادی زرخیز یعنی غیر غذائی غیر توانائی (NFNE) مہنگائی سالانہ بنیاد پر 7.1 فیصد کی اوسط شرح سے بڑھ گئی جو گزشتہ مالی سال سالانہ بنیاد پر اوسط 5.5 فیصد رہی تھی)۔ بعد ازاں، اسٹیٹ بینک آف پاکستان نے،










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