



ABL Government Securities Fund

Half Yearly Report

HALF YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2022



ABL Asset Management

Discover the potential

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FUND'S INFORMATION

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. Aizid Razzaq Gill Ms. Saira Shahid Hussain Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent 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. Naveed Nasim	Chairman Member Member Member
Board's Risk Management Committee	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member
Board Strategic Planning & Monitoring Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Naveed Nasim	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shahzad	
Trustee:	Central Depository Company of Pakistan Limited CDC - House, Shara-e-Faisal, Karachi.	
Bankers to the Fund:	Allied Bank Limited Bank Al Falah Limited United Bank Limited	
Auditor:	Crowe Hussain Chaudhury & Co. Chartered Accountants 25 E Main Market, Gulberg II Lahore 54660, Pakistan	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited L - 48, DHA 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 Government Securities Fund (ABL-GSF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Government Securities Fund for the half year ended December 31, 2022.

ECONOMIC PERFORMANCE REVIEW

Pakistan's economy grew by 5.97% in FY22 against 5.74% in the same period last year (SPLY). All three sectors agriculture, industrial, and services sector have contributed to this growth trajectory. The industrial sector remained in limelight by surging 7.19% followed by services and agriculture sectors which swelled by 6.19% and 4.40% during the said period. Within industrial sector, large-scale manufacturing (LSM) grew by 10.48% followed by small scale manufacturing and slaughtering industry. Construction industry contributed least in this growth trajectory due to higher prices of cement & steel backed by rising finance cost and lower spending of PSDP.

During the 6MFY23, the average inflation inched up 25.04%YoY compared to 9.79%YOY in corresponding period last year. Price increase was seen across many sectors, including food, housing and transport. Passing on the upsurge in global oil price locally, not only pushed up the transport index but also reflected in the food index. To curb this inflation and support dwindling foreign exchange reserves central bank raised policy rate by 225 basis points during the said period. On the balance of payment front, the country posted cumulative deficit of USD 3bn against the deficit of USD 7bn in the SPLY. The primary reason behind this reduction was trade deficit which declined by 39% as imports decreased by 31% while exports declined by 21% to close the period at USD 24bn and USD 12bn respectively during the 5MFY23. Remittance has been increased by 10% to clock in at USD 12bn. Foreign exchange reserves of SBP stood at USD 5.82bn as of December 23, 2022, providing total import cover of ~ 1 month.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted a growth of 24.56%YoY (from PKR 1274bn to PKR 1587bn). Islamic and Conventional Money market funds witnessed a huge growth of 59%YoY and 20% YoY to close the period at PKR 373bn and PKR 536bn, respectively. On the flip side conventional and Islamic equity funds declined by 16%YoY and 10% YoY to close at PKR 101bn and PKR 51bn respectively.

Money Market Review:

During 1HFY23, the Monetary Policy Committee (MPC) of SBP raised the policy rate by 225 basis points to 16%. The MPC decision aimed to counter the inflationary pressure and ensure economic sustainability. Average inflation during 1HFY23 remained elevated and stood at 25%, owing to higher energy prices, elevated food prices (led by supply side constraints) and PKR devaluation. SBP expects inflation to average 21% - 23% during the FY23 due to higher food prices and energy prices. The net liquid foreign exchange reserves with SBP stood at USD 5.5 billion (as at 30-Dec-22), posing challenges and persistent risks to the financial stability and fiscal consolidation. Going forward, due to current forex reserves and elevated inflationary pressure, a further rate hike cannot be ruled out.



During the period, SBP held thirteen T-Bills auctions, realizing Rs. 9.4 trillion against a target of Rs. 10.8 trillion and maturity of Rs. 10.6 trillion. The T-Bills yields increased by 1.77%, 2.03% and 1.90% for 3-month, 6month and 12month tenures, respectively. During the 1HFY23, market avoided taking exposure across longer tenure instruments therefore participation in 3M T-Bill remained high. The primary reason for this significant increase is due to the borrowing requirement of the government and uncertainty with regard to further increase in policy rates. In the last auction, cut-off yields of T-bills for 3M, 6M and 12M tenures were noted at 17%, 16.83% and 16.81%, respectively.

During the period, Pakistan Investment Bonds (PIBs) yields increased from 13.96% and 13.07% to 14.00% and 13.45% for 3Y and 5Y tenures, respectively. Participation for 10Y PIBs remained low and at higher rates, however the ministry seemed reluctant to borrow longer term instruments at inflated yields and ended up rejecting majority of the auctions.

During the period, SBP continued with frequent open market operation (OMOs), SBP conducted fifty-three OMOs and remained a net lender of PKR 4,723bn as of 31-dec-2022.

FUND PERFORMANCE

During the first half year of FY23, ABL GSF generated a return of 11.35% against the benchmark return of 15.89%, thereby underperforming the benchmark by 454bps. At the end of 1HY23, fund had 16.03% exposure in T-bills, 30.16% exposure in PIBs, 19.06% exposure in TFCs while 30.59% of the fund's exposure was placed as cash. During the period, AUMs of ABL GSF were reduced to PKR 769.54 million as at Dec 31, 2022 from PKR 1,361.52 million as at 30 June, 2022.

FUTURE OUTLOOK

Going forward, in order to safeguard the portfolio against adverse market movements, the fund will restrict its investment in shorter tenor instruments and floating rate securities including TFCs/Sukuks with competitive spreads and shortest possible resetting.

The fund will also continue to look for options on banking deposit side in order to minimize the interest rate risks. However due to the ADR restriction on commercial banks, the profit rates are no longer as competitive as they used to be. In-order to generate higher profits, the fund has and will continue to place calculated deposits in daily product accounts with Microfinance banks possessing strong credit rating and outlook.

Over the longer run, the fund shall stay clear of long term fixed bonds till overall economic conditions start showing signs of improvements.

AUDITORS

M/s. Crowe Hussain Chaudhury & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2023 for ABL Government Securities Fund (ABL-GSF).

FUND STABILITY RATING

On December 30, 2022: VIS Credit Rating Company Limited (VIS) has reaffirmed the Fund Stability Rating (FSR) of ABL Government Securities Fund (ABL GSF) at 'AA- (f)' (Double AA Minus (f)).



MANAGEMENT QUALITY RATING

On October 26, 2022: The Pakistan Credit Rating Agency Limited (PACRA) has upgraded the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM1' (AM-One). Outlook on the assigned rating is 'Stable'.

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



Director
Lahore, February 14, 2023



Saqib Matin
Company Secretary



**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.

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Email: info@cdcpak.com



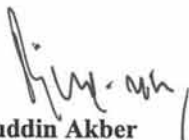
TRUSTEE REPORT TO THE UNIT HOLDERS

ABL GOVERNMENT SECURITIES FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of ABL Government Securities Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 23, 2023



INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **ABL Government Securities Fund** (the Fund) as at December 31, 2022 and the related condensed interim income statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the half year ended December 31, 2022, together with the notes forming part thereof (here-in-after referred to as the condensed interim financial statements). The Management Company (ABL Asset Management Company Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

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

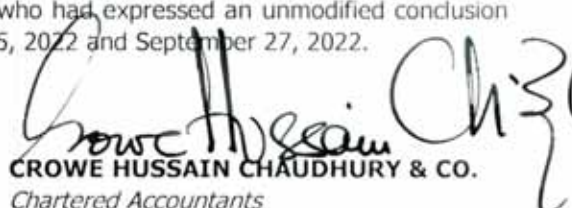
Other Matter

The figures included in the condensed interim income statement for the quarter ended December 31, 2022 and December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

The condensed interim financial statements of the Fund for the half year ended December 31, 2021 and the financial statements for the year ended June 30, 2022 were reviewed and audited respectively by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 25, 2022 and September 27, 2022.

Lahore
Dated: 23 FEB 2023



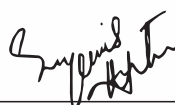

CROWE HUSSAIN CHAUDHURY & CO.
 Chartered Accountants

**ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	----- (Rupees in '000') -----	
Assets			
Bank balances	4	249,657	761,647
Investments	5	535,734	634,411
Interest / profit accrued	6	15,552	7,280
Deposits, prepayments and other receivables	7	20,104	18,276
Total Assets		821,047	1,421,614
Liabilities			
Payable to ABL Asset Management Company Limited - Management Company	8	50,039	50,528
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	40	76
Payable to the Securities and Exchange Commission of Pakistan		75	185
Payable against redemption of units		-	26
Accrued expenses and other liabilities	11	1,351	9,284
Total Liabilities		51,505	60,099
Net Assets		<u>769,542</u>	<u>1,361,515</u>
Unit holders' fund (as per statement attached)		<u>769,542</u>	<u>1,361,515</u>
Contingencies and Commitments	12		
		----- (Number of units) -----	
Number of Units in issue		<u>72,152,802</u>	<u>134,958,948</u>
		----- (Rupees)-----	
Net Asset Value per unit		<u>10.6654</u>	<u>10.0884</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director

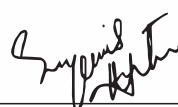


ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

	Note	For the half year ended December 31,		For the quarter ended December 31,	
		2022	2021	2022	2021
------(Rupees in '000')-----					
Income					
Income from government securities		35,255	19,663	23,523	6,883
Income from term finance certificates and sukuk		3,781	7,110	2,302	1,973
Profit on savings accounts		19,859	14,460	4,894	8,669
Loss on sale of investments - net		(10,460)	(10,016)	(13,858)	(7,646)
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.5	(804)	319	(54)	1,651
Total Income		47,631	31,536	16,807	11,531
Expenses					
Remuneration of ABL Asset Management Company Limited - Management Company	8.1	4,617	6,177	2,303	2,404
Punjab sales tax on the remuneration of Management Company	8.2	739	988	369	384
Accounting and operational charges	8.4	556	741	279	288
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	205	302	103	106
Sindh sales tax on remuneration of the Trustee	9.2	27	39	14	13
Annual fee to the Securities and Exchange Commission of Pakistan Limited	10.1	75	99	38	39
Securities transaction cost		428	584	339	46
Settlement and bank charges		3	215	2	129
Legal and professional charges		364	31	364	31
Auditors' remuneration		329	299	179	176
Printing charges		101	101	51	51
Listing fee		14	14	7	7
Rating fee.		134	134	67	67
Total Operating Expenses		7,592	9,724	4,115	3,741
Reversal of Provision for Sindh Workers' Welfare Fund		-	10,609	-	-
Net Income for the Period before Taxation		40,039	32,421	12,692	7,790
Taxation	13	-	-	-	-
Net Income for the Period after Taxation		40,039	32,421	12,692	7,790
Other comprehensive income for the period		-	-	-	-
Total Comprehensive Income for the Period		40,039	32,421	12,692	7,790
Earnings per Unit	14				
Allocation of Net Income for the Period:					
Net income for the period after taxation		40,039	32,421	12,692	7,790
Income already paid on units redeemed		(5,595)	(6,914)	(3,060)	(1,293)
		34,444	25,507	9,632	6,497
Accounting Income Available for Distribution:					
Relating to capital gains		-	-	-	-
Excluding capital gains		34,444	25,507	9,632	6,497
		34,444	25,507	9,632	6,497

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director

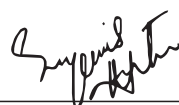


ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended December 31, 2022			Half year ended December 31, 2021		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	------(Rupees in '000')-----					
Net Assets at the Beginning of the Period (audited)	1,345,012	16,503	1,361,515	2,859,996	15,505	2,875,501
Issue of 32,456,575 (2021: 33,824,372) units						
Capital value (at net asset value per unit at the beginning of the period)	327,434	-	327,434	340,814	-	340,814
Element of income	14,816	-	14,816	8,465	-	8,465
Total proceeds on issuance of units	342,250	-	342,250	349,279	-	349,279
Redemption of 95,262,721 (2021: 239,414,881) units						
Capital value (at net asset value per unit at the beginning of the period)	961,045	-	961,045	2,412,344	-	2,412,344
Element of loss	7,622	5,595	13,217	6,570	6,914	13,484
Total payments on redemption of units	968,667	5,595	974,262	2,418,914	6,914	2,425,828
Total comprehensive income for the period	-	40,039	40,039	-	32,421	32,421
Net Assets at the End of the Period (un-audited)	718,595	50,947	769,542	790,361	41,012	831,373
Undistributed Income Brought Forward						
Realised income		16,035			6,517	
Unrealised income		468			8,988	
		<u>16,503</u>			<u>15,505</u>	
Accounting Income Available for Distribution						
Relating to capital gains		-			-	
Excluding capital gains		34,444			25,507	
		<u>34,444</u>			<u>25,507</u>	
Distribution during the period		-			-	
Undistributed income carried forward		<u>50,947</u>			<u>41,012</u>	
Undistributed Income Carried Forward						
Realised income		51,751			40,693	
Unrealised (loss) / income		(804)			319	
		<u>50,947</u>			<u>41,012</u>	
				Rupees		Rupees
Net assets value per unit at beginning of the period				<u>10.0884</u>		<u>10.0760</u>
Net assets value per unit at end of the period				<u>10.6654</u>		<u>10.4193</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer





Naveed Nasim
Chief Executive Officer



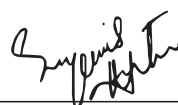
Pervaiz Iqbal Butt
Director

**ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Half year ended December 31,	
	2022	2021
Note	------(Rupees in '000')-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	40,039	32,421
Adjustments for:		
Income from government securities	(35,255)	(19,663)
Income from term finance certificates and sukuk	(3,781)	(7,110)
Profit on savings accounts	(19,859)	(14,460)
Loss on sale of investments - net	10,460	10,016
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	804	(319)
	(47,631)	(31,536)
Increase in assets		
Deposits, prepayments and other receivables	(1,828)	(6,963)
(Decrease) / increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	(489)	1,186
Payable to the Central Depository Company of Pakistan Limited - Trustee	(36)	(139)
Payable to the Securities and Exchange Commission of Pakistan	(110)	(577)
Accrued expenses and other liabilities	(7,933)	(17,416)
	(8,568)	(16,946)
Income received from government securities	27,780	127,102
(Loss) / Income received from term finance certificates and sukuk	(211)	9,879
Profit received on savings accounts	23,054	16,511
Net amount received on purchase and sale of investments	219,045	81,864
Net cash Generated from Operating Activities	251,680	212,332
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	342,250	349,279
Amount paid on redemption of units	(974,288)	(2,436,613)
Net cash Used in Financing Activities	(632,038)	(2,087,334)
Net decrease in Cash and Cash Equivalents	(380,358)	(1,875,002)
Cash and cash equivalents at the beginning of the period	761,647	2,658,279
Cash and Cash Equivalents at the End of the Period	4.3 <u>381,290</u>	<u>783,277</u>

The annexed notes 1 to 19 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director



ABL GOVERNMENT SECURITIES FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

Note 1

Legal Status And Nature Of Business

ABL Government Securities Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 01, 2011 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has not been revised. Furthermore, the Offering Document of the Fund has been revised through the First, Second, Third, Fourth, Fifth and Sixth Supplements dated January 12, 2012, May 31, 2012, July 30, 2013, February 10, 2014, October 01, 2014 and October 06, 2016 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. NBFC-II / ABLAMC / 439 / 2011 dated October 31, 2011 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 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).

- 1.1** The Fund has been categorised as an open ended income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. 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 November 29, 2011 and are transferable and redeemable by surrendering them to the Fund.
- 1.2** The objective of the scheme is to deliver optimal risk adjusted returns by investing mainly in mix of short to long term Government securities and other debt instruments. The investment objectives and policies are explained in the Fund's offering document.
- 1.3** PACRA Credit Rating Company Limited has determined the asset manager rating of the Management Company of AM1 (2021: AM2++ on December 31, 2021) on October 26, 2022. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, VIS Credit Rating Company Limited has maintained the stability rating of the Fund to "AA-(f)" (2021: "AA-(f)" on January 18, 2022) on December 30, 2022.
- 1.4** The title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.5** During the year ended June 30, 2022, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.



2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2022.

- 3.1** The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2022.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2022.



3.3 Amendments to accounting and reporting standards that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2022. However, these are not expected to have any significant impacts on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.



Note 4

Bank Balances

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	------(Rupees in '000')-----	
Balances with banks in:			
Savings accounts	4.1	249,625	761,614
Current accounts	4.2	32	33
		<u>249,657</u>	<u>761,647</u>

4.1 This includes balance of Rs. 62.380 million (June 30, 2022: Rs. 753.258 million) maintained with Allied Bank Limited (a related party) that carries profit ranging from 12.25% to 14.5% (June 30, 2022: 16.15%) per annum. Other savings accounts of the Fund carry profit rates ranging from 13.00% to 16.25% (June 30, 2022: 11.75% to 16.15%) per annum.

4.2 This represents balance maintained with Allied Bank Limited (a related party).

4.3 Cash and cash equivalents:

		(Un-audited) For the half year ended December 31,	
		2022	2021
	Note	------(Rupees in '000')-----	
Bank balances		249,657	783,277
Market Treasury Bill with original maturity of less than 3 months	5.2	131,633	-
		<u>381,290</u>	<u>783,277</u>

Note 5

Investments

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	------(Rupees in '000')-----	
At fair value through profit or loss			
Government securities - Pakistan Investment Bonds	5.1	247,638	44,091
Government securities - Market Treasury Bills	5.2	131,633	541,246
Term finance certificates	5.3	109,098	49,074
GOP Ijarah sukuks	5.4	47,365	-
		<u>535,734</u>	<u>634,411</u>





5.1 Government securities - Pakistan Investment Bonds

Issue date	Tenor	Face value (Rupees in '000')				Rupees in '000'		Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 1, 2022	Purchased during the period	Disposed / matured during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022		
August 5, 2021	3 year	50,000	-	50,000	-	-	-	0.00%	0.00%
October 22, 2020	3 year	-	800,000	800,000	-	-	-	0.00%	0.00%
August 4, 2022	3 year	-	1,060,000	946,500	113,500	100,377	99,601	18.59%	12.94%
September 19, 2019	5 year	100	-	-	100	100	90	0.02%	0.01%
October 13, 2022	5 year	-	2,030,000	2,030,000	-	-	-	0.00%	0.00%
November 17, 2022	5 year	-	155,000	-	155,000	148,160	147,948	27.61%	19.23%
April 29, 2022	5 year	-	900,000	900,000	-	-	-	0.00%	0.00%
Total as at December 31, 2022						248,637	247,638	46.22%	32.18%
Total as at June 30, 2022						44,302	44,091	6.95%	3.24%

5.1.1 These carry purchase yield ranging from 9.61% to 17.13% (June 30, 2022: 9.10% to 13.56%) and will mature latest by November 17, 2022.

5.2 Government securities - Market Treasury Bills

Tenor	Face Value (Rupees in '000')				Rupees in '000'		Market value as a percentage of total investments	Market value as a percentage of net assets	
	As at July 1, 2022	Purchased during the period	Disposed of / matured during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022			
3 Months	-	6,111,000	5,978,000	133,000	131,538	131,633	95	24.57%	17.10%
6 Months	-	2,250,000	2,250,000	-	-	-	-	0.00%	0.00%
12 Months	614,800	3,644,800	4,259,600	-	-	-	-	0.00%	0.00%
Total as at December 31, 2022					131,538	131,633	95	24.57%	17.10%
Total as at June 30, 2022					541,860	541,246	(614)	85.31%	39.75%

5.2.1 This carries purchase yield of 16.45% (June 30, 2022: 14.69% to 15.40%) and will mature latest by January 26, 2023.

Note 5. Investments - Continued ...



5.3 Term Finance Certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	Number of certificates			As at July 1, 2022	Purchases during the period	Sales / redemptions during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation / (diminution)	Percentage in relation to	
				As at July 1, 2022	Purchases during the period	Sales / redemptions during the period								As at December 31, 2022	Total market value of investment
Commercial Banks															
The Bank of Punjab - TFC I (AA-, PACRA, traded) (Face value of 99,760 per certificate)	Semi-annually	December 23, 2026	6 months KIBOR plus base rate of 1%	-	100	-	100	-	100	9,876	9,976	100	1.86%	1.30%	
Samba Bank Limited - PPTFC (AA-, PACRA, traded) (Face value of 99,940 per certificate)	Semi-annually	March 01, 2031	6 months KIBOR plus base rate of 1.35%	-	650	-	650	-	650	64,864	64,864	-	12.11%	8.43%	
Investment Companies															
Jahangir Siddiqui & Company Limited - TFC X (AA+, PACRA, non-traded) (Face value of 1,250 per certificate)	Semi-annually	July 18, 2023	6 months KIBOR plus base rate of 1.4%	22,900	-	-	22,900	-	22,900	29,876	29,138	(737)	5.44%	3.79%	
Jahangir Siddiqui & Company Limited - TFC XI (AA+, PACRA, non-traded) (Face value of 1,666 per certificate)	Semi-annually	September 06, 2023	6 months KIBOR plus base rate of 1.4%	3,000	-	-	3,000	-	3,000	5,248	5,121	(127)	0.96%	0.67%	
Total as at December 31, 2022										109,864	109,098	(765)	20.37%	14.19%	
Total as at June 30, 2022										47,781	49,074	1,293	7.73%	3.61%	

5.4 GOP Ijarah sukuk

Name of the security	Profit payments	Maturity date	Profit rate	Number of certificates			As at July 1, 2022	Purchases during the period	Sales / redemptions during the period	As at December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation	Percentage in relation to	
				As at July 1, 2022	Purchases during the period	Sales / redemptions during the period								As at December 31, 2022	Total market value of investment
GoP Ijarah Sukuk Certificates - XXIII FRR (note 5.4.1)	Semi-annually	December 15, 2026	Fixed Rental Rate of 11.4%	-	10,000	-	10,000	-	10,000	46,500	47,365	865	8.84%	6.15%	
Total as at December 31, 2022										46,500	47,365	865	8.84%	6.15%	
Total as at June 30, 2022										-	-	-	-	-	

5.4.1 The nominal value of these sukuk certificates is Rs. 5,000 each.

Note 6, Investments - Continued ...

5.5 Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
-----Rupees in '000'-----			
Market value of investments	5.1, 5.2, 5.3, 5.4	535,734	634,411
Carrying value of investments	5.1, 5.2, 5.3, 5.4	(536,538)	(633,943)
		<u>(804)</u>	<u>468</u>

Note 6

Interest / Profit Accrued

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
----- (Rupees in '000') -----		
Interest / profit accrued on:		
Bank balances	56	3,251
Term finance certificates and sukuk certificates	6,607	2,615
Government securities - Pakistan Investment Bonds	8,889	1,414
	<u>15,552</u>	<u>7,280</u>

Note 7

Deposits, Prepayments and Other Receivables

	Note	(Un-audited) December 31, 2022	(Audited) June 30, 2022
-----Rupees in '000'-----			
Security deposit with Central Depository Company of Pakistan Limited*		100	100
Advance tax	7.1	18,382	17,998
KSE listing fee prepaid		14	-
Balance in Investor Portfolio Securities (IPS) account*		1,608	178
		<u>20,104</u>	<u>18,276</u>

* related party balances



Note 7, Deposits, Prepayments and Other Receivables - Continued ...

- 7.1** 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, withholding taxes on profit on bank balances and profit on debt securities paid to the Fund were 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 withholders. The tax withheld on profit on bank balances and profit on debt securities amounts to Rs. 18.382 million (June 30, 2022: Rs. 17.998 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Pension Fund Manager) 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. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Pension Fund Manager and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding taxes deducted on profit received by the Fund on bank balances and on debt securities have been shown as other receivable as at December 31, 2022 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

Note 8

Payable to ABL Asset Management Company Limited - Related Party

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	-----Rupees in '000'-----	
Remuneration payable to Management Company	8.1	749	1,501
Punjab sales tax on remuneration of the Management Company	8.2	120	240
Federal excise duty on remuneration of Management Company	8.3	48,138	48,138
Accounting and operational charges payable	8.4	279	649
Other payable		333	-
Sales load payable		420	-
		50,039	50,528

- 8.1** As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.25% (December 31, 2021: 1.25%) per annum of the average net assets of the Fund during the period ended December 31, 2022. The remuneration is payable to the Management Company monthly in arrears.
- 8.2** During the period, an amount of Rs. 0.739 million (December 31, 2021: Rs. 0.988 million) was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012 at the rate of 16% (December 31, 2021: 16%).



8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 48.138 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2022 would have been higher by Re 0.667 (June 30, 2022: Re 0.357) per unit.

8.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The Management Company based on its own discretion has currently fixed a maximum capping of 0.15% of the average annual net assets of the scheme for allocation of such expenses to the Fund.

Note 9

Payable to Central Depository Company of Pakistan Limited - Trustee - Related Party

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	-----Rupees in '000'-----	
Trustee fee payable	9.1	35	67
Sindh Sales Tax payable on trustee fee	9.2	5	9
		40	76



Note 9, Payable to Central Depository Company of Pakistan Limited - Trustee - Related Party - Continued ...

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.055% (December 31, 2021: 0.055%) per annum of net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.
- 9.2** During the period, an amount of Rs 0.027 million (December 31, 2021: Rs 0.039 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (December 31, 2021: 13%).

Note 10

Payable to Securities and Exchange Commission of Pakistan

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	-----Rupees in '000'-----	
Fee payable	10.1	<u>75</u>	<u>185</u>

- 10.1** In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (December 31, 2021: 0.02%) of the daily net assets of the Fund.

Note 11

Accrued Expenses and Other Liabilities

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
Auditors' remuneration payable	329	356
Brokerage payable	61	36
Rating fee payable	134	-
Printing charges payable	100	100
Withholding tax payable	-	6,662
Capital gain tax payable	66	1,469
Other payable	661	661
	<u>1,351</u>	<u>9,284</u>

Note 12

Contingencies and Commitments

There were no contingencies and commitments outstanding as at the December 31, 2022 (June 30, 2022: Nil).



Note 13

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 90% 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 unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2023 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

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.

Note 14

Earnings Per Unit

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

Note 15

Total Expense Ratio

The annualised total expense ratio (TER) of the Fund based on the current period is 1.03% (December 31, 2021: 1.99%) which includes 0.11% (December 31, 2021: 0.25%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 2.5% (December 31, 2021: 2.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "Income" scheme.

Note 16

Transactions with Connected Persons / Related Parties

- 16.1** Connected persons include ABL Asset Management Company Limited being the Management Company, the Central Depository Company of Pakistan 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.
- 16.2** 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.



Note 16, Transactions with Connected Persons / Related Parties - Continued ...

- 16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 16.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 16.5** Accounting and operational charges and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 16.6** The details of transactions with related parties / connected persons during the period are as follow:

	(Un-audited)	
	For the half year ended	
	December 31,	
	2022	2021
	------(Rupees in '000')-----	
ABL Asset Management Company Limited		
- Management Company		
Issue of 156 (2021: 19,354) units	2	199
Redemption of 156 (2021: Nil) units	2	-
Remuneration for the period	4,617	6,177
Punjab sales tax on remuneration	739	988
Accounting and operational charges	556	741
Central Depository Company of Pakistan Limited		
- Trustee		
Remuneration for the period	205	302
Sindh sales tax on remuneration of Trustee	27	39
Settlement charges	3	37
Allied Bank Limited		
Profit on savings account	1,788	284
Bank charges	-	107
Coronet Foods (Private) Limited***		
Issue of 4,951 (2021: Nil) units	-	-
Redemption of 32,765 (2021: 58,053,198) units	-	585,908
English Biscuit Manufacturers (Private) Limited***		
Issue of 7,655 (2021: Nil) units	-	-
Redemption of 37,590 (2021: 119,576,416) units	-	1,206,837
ABL Financial Planning Fund		
- Conservative Allocation Plan		
Redemption of 69,821 (2021: 142,015) units	720	1,455
Irfan Ahmed**		
Issue of 4,579,978 (2021: Nil) units	46,600	-



Note 16, Transactions with Connected Persons / Related Parties - Continued ...

**Highnoon Laboratories Limited Workers
Profit Participation Fund****

Issue of 7,509,774 (2021: Nil) units	80,052	-
Redemption of 383,329 (2021: Nil) units	4,000	-

Chief Executive Officer*

Issue of Nil (2021: Nil) units	-	-
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16.7 The details of balances outstanding at the period / year end with connected persons are as follows:

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
	------(Rupees in '000')-----	
ABL Asset Management Company Limited		
- Management Company		
Remuneration payable	749	1,501
Punjab sales tax on remuneration of the Management Company	120	240
Federal Excise duty on remuneration of the Management Company	48,138	48,138
Accounting and operational charges payable	279	649
Sales load payable	420	-
Other payable	333	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	35	67
Sindh sales tax on remuneration of Trustee	5	9
Security deposit	100	100
Allied Bank Limited		
Balances held	62,412	753,291
Interest receivable on savings account	1	357
ABL Financial Planning Fund		
- Conservative Allocation Plan		
Outstanding 1,409,770 (June 30, 2022: 1,479,591) units	15,036	14,927
Irfan Ahmed**		
Outstanding 12,822,579 (June 30, 2022: 8,242,601) units	136,758	-
Highnoon Laboratories Limited Workers Profit Participation Fund**		
Outstanding 13,333,238 (June 30, 2022: Nil) units	142,204	-
Usman Salahuddin***		
Outstanding Nil (June 30, 2022: 15,184,542) units	-	153,188
Director and Key Management Personnel		
Aizid Razzaq Gill		
Outstanding 1,037 (June 30, 2022: 1,037) units	11	10



Chief Executive Officer*

Outstanding Nil (June 30, 2022: Nil) units

* Nil amount due to rounding off.

** Current period figure has been presented as the person is classified as a related party / connected person of the Fund as at December 31, 2022. This party was not connected person / related party as at December 31, 2021 and June 30, 2022.

*** Current period figure has not been presented as the person is not classified as a related party / connected person of the Fund as at December 31, 2022.

Note 17

Fair Value of Financial Instruments

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

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

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.

Fair value of investments is determined as follows:

- Investments in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan.
- Listed and unlisted debt securities, other than government securities, are valued on the basis of rates determined by Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities.
- Fair value of all other financial assets and financial liabilities of the Fund approximate their carrying amounts due to short term maturities of these instruments

17.1 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 December 31, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value:



Note 17, Fair Value of Financial Instruments - Continued ...

(Un-audited)				
As at December 31, 2022				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000') -----				
At fair value through profit or loss				
Government securities - Market Treasury Bills	-	131,633	-	131,633
Government securities - Pakistan Investment Bonds	-	247,638	-	247,638
Government securities - GOP Ijarah sukuks	-	47,365	-	47,365
Term finance certificates	-	109,098	-	109,098
	-	535,734	-	535,734
<hr/>				
(Audited)				
As at June 30, 2022				
Level 1	Level 2	Level 3	Total	
----- (Rupees in '000') -----				
At fair value through profit or loss				
Government securities - Market Treasury Bills	-	541,246	-	541,246
Government securities - Pakistan Investment Bonds	-	44,091	-	44,091
Term finance certificates	-	49,074	-	49,074
	-	634,411	-	634,411

Note 18

Date of Authorisation for Issue

These condensed interim financial statements were authorized by the Board of Directors of the Management Company on February 14, 2023.

Note 19

General

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

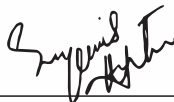
Corresponding figures have been re-arranged, wherever necessary, to facilitate comparison. Following re-arrangements have been made during the period:



Note 19, General- Continued ...

Nature	From	To	December 31, 2021 Rupees in '000'
Gain / (loss) on sale of investments	Net amount received on purchase and sale of investments (Cash Flow)	Loss on sale of investments - net (Cash Flow)	10,016

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director



آڈیٹر

میسرز کرو حسین چوہدری اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کو ، اے بی ایل گورنمنٹ سیکورٹیز فنڈ (اے بی ایل جی ایس ایف) کے لئے 30 جون 2023 کو ختم ہونے والے سال کے لئے آڈیٹر مقرر کیا گیا ہے۔

فنڈ استحکام کی درجہ بندی

30 دسمبر 2022 کو: VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) نے ABL گورنمنٹ سیکورٹیز فنڈ (ABL GSF) کی فنڈ اسٹیبلٹی ریٹنگ (FSR) کی (f) 'AA-' (ڈبل AA مائنس (f)) پر دوبارہ تصدیق کی ہے۔

مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

6 اکتوبر 2022 کو: پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ABL ایسیٹ مینجمنٹ کمپنی (ABL AMC) کی مینجمنٹ کوالٹی ریٹنگ (MQR) کو (AM-One) (AM1) پر اپ گریڈ کر دیا ہے۔ تفویض کردہ درجہ بندی پر اوٹ لک 'مستحکم' ہے۔

اعتراف

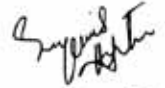
ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ، ٹرسٹی (سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے انتظامیہ کی ان کی مسلسل رہنمائی اور مدد کے لئے ان کا شکریہ بھی ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کے ذریعہ کی جانے والی کوششوں کی بھی تعریف کرتے ہیں۔

بورڈ کی طرف سے اور بورڈ کے لئے



ڈائریکٹر

لاہور 14 فروری ، 2023



ثاقب متین

کمپنی سیکرٹری



استحکام اور مالی استحکام کے لیے چیلنجز اور مستقل خطرات کا باعث تھے۔ آگے بڑھتے ہوئے، موجودہ غیر ملکی زرمبادلہ کے ذخائر اور بلند افراط زر کے دباؤ کی وجہ سے، شرح میں مزید اضافے کو مسترد نہیں کیا جا سکتا۔

اس مدت کے دوران، SBP نے تیرہ ٹی بلز کی نیلامی کی، جس سے روپے کی وصولی ہوئی۔ 9.4 ٹریلین روپے کے ہدف کے خلاف 10.8 ٹریلین اور میچورٹی روپے 10.6 ٹریلین۔ T-Bills کی پیداوار میں بالترتیب 3 ماہ، 6 ماہ اور 12 ماہ کی مدت کے لیے 1.77%، 2.03% اور 1.90% کا اضافہ ہوا۔ 1HFY23 کے دوران، مارکیٹ نے طویل مدتی آلات میں نمائش لینے سے گریز کیا لہذا 3M T-Bill میں شرکت زیادہ رہی۔ اس اہم اضافے کی بنیادی وجہ حکومت کی قرض لینے کی ضرورت اور پالیسی ریٹ میں مزید اضافے کے حوالے سے غیر یقینی صورتحال ہے۔ پچھلی نیلامی میں، بالترتیب 17%، 16.83% اور 16.81% پر M3، 6M اور M12 مدتوں کے T-Bills کی کٹ آف پیداوار نوٹ کی گئی۔ اس مدت کے دوران، پاکستان انویسٹمنٹ بانڈز (PIBs) کی پیداوار Y3 اور Y5 مدتوں کے لیے بالترتیب 13.96% اور 13.07% سے بڑھ کر 14.00% اور 13.45% ہو گئی۔ Y PIBs10 کی شرکت کم اور زیادہ شرحوں پر رہی، تاہم وزارت افراط زر کی پیداوار پر طویل مدتی آلات ادھار لینے میں بچکچاہٹ کا شکار نظر آئی اور اس نے نیلامی کی اکثریت کو مسترد کر دیا۔

اس مدت کے دوران، SBP نے بار بار اوپن مارکیٹ آپریشن (OMOs) کے ساتھ جاری رکھا، SBP نے تریں OMO کا انعقاد کیا اور 31 دسمبر 2022 تک PKR 4,723bn کا خالص قرض دہندہ رہا۔

فنڈ کی کارکردگی

FY23 کی پہلی ششماہی کے دوران، ABL GSF نے 15.89% کے بینچ مارک ریٹرن کے مقابلے میں 11.35% کی ریٹرن پیدا کی، اس طرح کارکردگی bps454 بینچ مارک سے کم رہی۔ 1HY23 کے اختتام پر، فنڈ کی T-Bills میں 16.03% نمائش، PIBs میں 30.16%، TFCs میں 19.06% نمائش جبکہ فنڈ کی 30.59% نمائش نقد کے طور پر رکھی گئی۔ اس مدت کے دوران، ABL GSF کے AUMs 30 جون، 2022 کو PKR 1,361.52 ملین سے کم ہو کر 31 دسمبر 2022 کو PKR 769.54 ملین ہو گئے۔

اؤٹ لک اور اسٹریٹیجی

آگے بڑھتے ہوئے، مارکیٹ کی منفی حرکات سے پورٹ فولیو کی حفاظت کے لیے، فنڈ مختصر مدت کے آلات اور فلوتنگ ریٹ سیکیورٹیز بشمول مسابقتی اسپریڈز اور کم سے کم ممکنہ ری سیٹنگ کے ساتھ TFCs/Sukuks میں اپنی سرمایہ کاری کو محدود کر دے گا۔

سود کی شرح کے خطرات کو کم کرنے کے لیے فنڈ بینکنگ ڈپازٹ سائیڈ پر بھی آپشنز تلاش کرتا رہے گا۔ تاہم کمرشل بینکوں پر ADR کی پابندی کی وجہ سے منافع کی شرحیں اب اتنی مسابقتی نہیں رہیں جتنی پہلے تھیں۔ زیادہ منافع حاصل کرنے کے لیے، فنڈ کے پاس مائیکرو فنانس بینکوں کے ساتھ روزانہ کی مصنوعات کے کھاتوں میں حسابی ڈپازٹ ہے اور جاری رہے گا جن کے پاس مضبوط کریڈٹ ریٹنگ اور اؤٹ لک ہے۔

طویل مدت کے دوران، فنڈ طویل مدتی فکسڈ بانڈز سے پاک رہے گا جب تک کہ مجموعی معاشی حالات بہتری کے آثار دکھانا شروع نہ کریں۔



مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل گورنمنٹ سیکیورٹیز فنڈ (اے بی ایل جی ایس ایف) کی انتظامی کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2022 کو ختم ہونے والے نصف سال کے لئے اے بی ایل گورنمنٹ سیکیورٹیز فنڈ کے کنڈینسڈ عبوری فنانشل اسٹیٹمنٹ (غیر آڈٹ شدہ) پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

پاکستان کی معیشت کی شرح نمو مالی سال 22 میں 5.97 فیصد رہی جو گزشتہ سال کی اسی مدت (SPLY) میں 5.74 فیصد تھی۔ تینوں شعبوں زراعت، صنعتی اور خدمات کے شعبے نے اس ترقی کی رفتار میں حصہ ڈالا ہے۔ صنعتی شعبہ 7.19 فیصد اضافے کے ساتھ سرخیوں میں رہا جس کے بعد خدمات اور زراعت کے شعبے اس مدت کے دوران 6.19 فیصد اور 4.40 فیصد بڑھے۔ صنعتی شعبے کے اندر، بڑے پیمانے پر مینوفیکچرنگ (ایل ایس ایم) میں 10.48 فیصد اضافہ ہوا جس کے بعد چھوٹے پیمانے پر مینوفیکچرنگ اور ذبح کرنے کی صنعت تھی۔ سیمنٹ اور سٹیل کی بڑھتی ہوئی قیمتوں اور PSDP کے کم اخراجات کی وجہ سے تعمیراتی صنعت نے ترقی کی اس رفتار میں کم سے کم حصہ ڈالا۔

6MFY23 کے دوران، اوسطاً افراط زر گزشتہ سال کی اسی مدت میں YOY%9.79 کے مقابلے میں YoY%25.04 اضافہ ہوا۔ خوراک، رہائش اور ٹرانسپورٹ سمیت کئی شعبوں میں قیمتوں میں اضافہ دیکھا گیا۔ مقامی سطح پر تیل کی عالمی قیمتوں میں اضافے سے نہ صرف ٹرانسپورٹ انڈیکس میں اضافہ ہوا بلکہ فوڈ انڈیکس میں بھی اس کی عکاسی ہوئی۔ اس افراط زر کو روکنے اور زرمبادلہ کے کم ہوتے ذخائر کو سہارا دینے کے لیے مرکزی بینک نے مذکورہ مدت کے دوران پالیسی ریٹ میں 225 بیسز پوائنٹس کا اضافہ کیا۔ ادائیگی کے توازن کے محاذ پر، ملک نے SPLY میں USD 7bn کے خسارے کے مقابلے میں USD 3bn کا مجموعی خسارہ پوسٹ کیا۔ اس کمی کے پیچھے بنیادی وجہ تجارتی خسارہ تھا جس میں 39% کی کمی واقع ہوئی کیونکہ درآمدات میں 31% کی کمی واقع ہوئی تھی جب کہ برآمدات میں 21% کمی واقع ہوئی تھی اور 5MFY23 کے دوران بالترتیب USD 24bn اور USD 12bn پر بند ہوئی تھی۔ ترسیلات زر میں 10 فیصد اضافہ کر کے 12 بلین امریکی ڈالر تک پہنچ گیا ہے۔ اسٹیٹ بینک کے زرمبادلہ کے ذخائر 23 دسمبر 2022 تک 5.82 بلین امریکی ڈالر تھے، جو 1 ماہ کا کل درآمدی احاطہ فراہم کرتے ہیں۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے زیر انتظام کل اثاثہ جات (AUMs) نے %24.56 (YoY 1274bn PKR سے 1587bn تک) کا اضافہ کیا۔ اسلامی اور روایتی کرنسی مارکیٹ فنڈز نے مدت کے اختتام تک بالترتیب %59 YoY اور %20 YoY کی زبردست ترقی دیکھی (بالترتیب 373bn PKR اور 536bn PKR پر بند ہوئے)۔ دوسری طرف روایتی اور اسلامی ایکویٹی فنڈز میں بالترتیب %16 YoY اور %10 YoY کی کمی واقع ہوئی (بالترتیب 101bn PKR اور 51bn PKR پر بند ہوئے)۔

منی مارکیٹ کا جائزہ

1HFY23 کے دوران، SBP کی مانیٹری پالیسی کمیٹی (MPC) نے پالیسی ریٹ کو 225 بیسز پوائنٹس سے بڑھا کر %16 کر دیا۔ MPC کے فیصلے کا مقصد افراط زر کے دباؤ کا مقابلہ کرنا اور معاشی استحکام کو یقینی بنانا تھا۔ 1HFY23 کے دوران اوسط افراط زر بلند رہا اور %25 پر کھڑا رہا، جس کی وجہ توانائی کی بلند قیمتوں، خوراک کی قیمتوں میں اضافہ (سپلائی سائیڈ کی رکاوٹوں کی وجہ سے) اور PKR کی قدر میں کمی ہے۔ SBP خوراک کی قیمتوں اور توانائی کی قیمتوں میں اضافے کی وجہ سے مالی سال 23 کے دوران اوسطاً %21 - %23 مہنگائی کی توقع کرتا ہے۔ SBP کے پاس خالص غیر ملکی زرمبادلہ کے ذخائر 5.5 بلین امریکی ڈالر (30-دسمبر-22 تک) تھے، جو مالی





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