



CONDENSED INTERIM FINANCIAL STATEMENT

FIRST QUARTER REPORT FOR THE PERIOD
ENDED SEPTEMBER 30, 2013



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FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited 11 - B, Lalazar M. T. Khan Road, Karachi.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Tariq Mahmood Mr. Muhammad Wasim Mukhtar Mr. Kamran Nishat Mr. M. Shakib Murad Mr. M. Jawaid Iqbal Mr. Khawaja Muhammad Abrar Mr. Farid Ahmed Khan	Chairman CBO
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Wasim Mukhtar Mr. Khawaja Muhammad Abrar	Chairman Member Member
Human Resources Committee:	Mr. Jawaid Iqbal Mr. Kamran Nishat Mr. Farid Ahmed Khan	Chairman Member Member
Chief Executive Officer of The Management Company:	Mr. Farid Ahmed Khan	
Chief Financial Officer & Company Secretary:	Mr. Saqib Math	
Chief Internal Auditor:	Mr. Mubeen Ashraf Bhirmani	
Trustee:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Min'a Shatra-e-Pasani, Karachi - 74400	
Bankers to the fund:	Allied Bank Limited Bank Al- Falah Limited United Bank Limited	
Auditor:	A.F. Ferguson & Co Chartered Accountants State Life Building No. 1-C LI. Chundrigar Road, Karachi.	
Legal Adviser:	Bewany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6 - C1 - 10, Beaumont Road, Civil Lines, Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Stock Fund (ABL-SF), is pleased to present the un-audited Condensed Interim Financial Statements of ABL-SF for the quarter ended September 30, 2013.

ECONOMIC PERFORMANCE REVIEW

Pakistan's economic frailties came to the forefront during 1QFY14 as inflation surged, currency depreciated while growth estimates were slashed. Re-entry in to the IMF program (USD6.64 billion Extended Finance Facility availed) forced the Government to take some tough decisions in order to ensure multilateral agencies' support. With IMF placing stringent conditions related to FX reserve build up and removal of subsidies, inflation jumped to 7.39% in September (1QFY14 average 8.06%) after hitting a low of 5.1% in May while the rupee depreciated by 6.5% during 1QFY14 to close at 106.04 vs. the USD. Weak current account numbers (USD632 million deficit for 2MFY14) and a drive to build up the FX reserves played havoc with the exchange rate over the quarter. At one stage, the Rupee hit a record low of Rs.110 in the interbank before the SBF intervened to arrest the situation. Continuous weakness in key economic indicators and unabated government borrowing (Rs.262 billion for 1QFY14) resulted in the Central Bank taking an earlier than expected U-turn on its monetary stance as it increased the discount rate by 50bps to 9.5% in September's monetary policy statement. The hike in the discount rate ended a monetary easing cycle in which rates were cut by a cumulative 500bps over a period of over 2 years.

In the wake of worsening economic situation the IMF cut Pakistan's growth estimates to 2.3% from earlier projections of 3%. As we look towards FY13-14, it is now clear that we have entered a new phase of monetary tightening. With inflation likely to continue its upward trend due to rupee depreciation, increase in energy/fuel prices and stringent taxation measures, another 100bps policy rate hike over the course of the fiscal year is very much on the cards. Furthermore, Government borrowing is expected to remain high as foreign aid remains sporadic, privatization process is stalled while tax collection remains below targeted levels (Rs.480 billion collected in 1Q, shortfall of Rs.20 billion).

MARKET OVERVIEW

Equities witnessed a highly volatile quarter with the benchmark KSE100 Index gaining 4% QoQ to close the period at 21,833 points after hitting a high of 23,776 points in July 2013. Disappointing corporate results season and macro concerns dented investor confidence towards quarter end. Unexpected hike in Discount Rate of 50bps coupled with major instability in the local currency resulted in investors booking gains and shying away from equities. Foreign outflows to the tune of USD94 million were witnessed in the outgoing quarter while volumes also dwindled (September average daily value traded USD74 million vs. USD106 million for July). June 2013 results season and sector news flow certainly didn't help the situation. Optimism in the energy chain came to a standstill as PSO continued to hold back payouts as circular debt accumulated rapidly over 1QFY14. Cement sector suffered on growing concerns related to sustainability of the pricing arrangement amongst manufacturers while a surprise increase in the minimum profit rate on savings and term deposits for banks, also led to a selloff in the banking sector after the sector rallied post the discount rate hike.

MUTUAL FUND INDUSTRY REVIEW

Equity funds segment of the mutual fund industry did not perform well during the period under review despite solid gains made at local bounces. Equity funds' AUMs increased by 11.0% during 1QFY14 to close at Rs.68.5billion against 3.9% appreciation in KSE-100 index. Growth in Open-end equity fund AUMs was primarily due to multiple conversions of Close-end funds into Open-end category. Adjusting for these conversions the AUMs actually witnessed a decline during the period. Increasing preference for Capital Protection Products is likely to prop up sizes of equity funds in a rising market and we expect higher influx of funds in the equity segment in the medium term.

FUND PERFORMANCE

ABL Stock Fund's AUM decreased by 10.6% to Rs.700.6million in Sep 30, 2013 compared to Rs.783.4 million on June 30, 2013. The fund posted an absolute return of 0.5% against the benchmark return of 2.3%, an underperformance of 1.8% during the quarter. When measured from its inception date, ABL-SF has four star rating (based on average three years ranking), posting a return of 238.5% as compared to its benchmark return of 118.1%, depicting a significant out-performance of 120.4%.

OUTLOOK

Rising interest rates and continuous pressure on local currency have spoiled near term market sentiments. Sporadic foreign selling is also one of the reasons for growing investor equity. We have consequently reduced our exposure in equity markets (across the board) and moved to cash. Nevertheless, our medium to long term positive outlook on the equities remains intact. Gradual building up of reserves in the wake of planned privatization receipts and healthy foreign commitments should restore investor confidence moving forward. We are now looking to deploy cash in stocks that have corrected sharply from their recent peaks and enjoy sound fundamentals due to favorable regulatory environment or robust pricing power.

AUDITORS

M/s. A.F. Ferguson & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2014 for ABL Stock Fund (ABL-SF).

FUND RANKING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on September 18, 2013 assigned MPR 4-Star to ABL-SF (based on Three years average), which denotes 'good performance'.

MANAGEMENT QUALITY RATING

The Management Quality Rating of ABL Asset Management Limited (ABL AMC) is 'AM Two' (AM2). 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 Karachi Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

Karachi, October 30, 2013

For and on behalf of the Board



FARID AHMED KHAN
Chief Executive Officer

ABL STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2013

Notes	(un-audited)	(Audited)	
	September 30, 2013	June 30, 2013	
ASSETS			
Balances with banks	4	68,283,264	87,063,365
Investments	5	606,783,447	708,390,910
Dividend and profit receivable		12,313,778	1,331,583
Security deposits and prepayments		2,617,415	2,600,000
Receivable against sale of investments		24,345,839	1,738
Preliminary expenses and flotation costs		534,565	715,161
Receivable against sale of units		3,201,168	-
Total assets		718,079,496	800,102,777
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company		4,349,112	4,122,483
Payable to Central Depository Company of Pakistan Limited - Trustee		125,189	140,350
Payable to Securities and Exchange Commission of Pakistan		193,828	413,628
Accrued expenses and other liabilities	6	12,763,623	11,538,489
Payable against redemption of units		60,522	590,000
Total liabilities		17,492,274	16,714,950
NET ASSETS		700,587,222	783,387,827
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		700,587,222	783,387,827
CONTINGENCIES AND COMMITMENTS			
	7	Number of units	
NUMBER OF UNITS IN ISSUE		62,757,873	49,358,380
NET ASSETS VALUE PER UNIT			
		11.1633	15.9750
FACE VALUE PER UNIT			
		10.0000	10.0000

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


FARID ANJUM KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


KAMRAN NISBAT
 DIRECTOR

**ABL STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013**

	Notes	For the Quarter ended September 30, 2013	For the Quarter ended September 30, 2012
		Rupees	
INCOME			
Dividend income		13,256,200	4,838,125
Capital gain on sale of investments - net		27,850,511	8,970,206
Profit on bank deposits		1,574,773	730,873
Bank and loan		403	-
		42,681,889	14,539,206
Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	5.2	(20,086,961)	18,256,779
		22,594,928	32,795,979
EXPENSES			
Remuneration of ABL Asset Management Company Limited- Management Company		6,120,841	2,306,424
Sindh sales tax on remuneration of Management Company		979,335	368,982
Federal Excise Duty on management fee		979,296	-
Remuneration of Central Depository Company of Pakistan Limited- Trustee		406,056	176,439
Annual fee - Securities and Exchange Commission of Pakistan		193,826	73,037
Brokerage and securities transaction costs		1,438,941	988,945
Auditor's remuneration		100,821	100,737
Amortisation of preliminary expenses and flotation costs		180,596	190,596
Printing charges		37,812	37,812
Annual rating fee		34,863	27,692
Legal and professional charges		88,395	-
Listing fee		12,585	7,300
Settlement and bank charges		76,211	71,657
Other expenses		156,707	-
Total operating expenses		10,808,285	4,339,820
Net income from operating activities		11,786,643	28,456,159
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		27,642,902	5,639,401
Provision for Workers' Welfare Fund	6.1	(782,583)	(681,933)
Net income for the period before taxation		38,640,962	33,413,627
Taxation	9	-	-
Net income for the period after taxation		38,640,962	33,413,627
Other comprehensive income for the period		-	-
Total comprehensive income for the period		38,640,962	33,413,627
Earnings per unit	10		

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


FARID ANSHU KHAN
CEO

For ABL Asset Management Company Limited
(Management Company)


KAMRAN NISBAT
DIRECTOR

ABL STOCK FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	For the Quarter ended September 30, 2013	For the Quarter ended September 30, 2012
	Rupees	
Undistributed income brought forward		
- Realised income	217,351,928	2,686,688
- Unrealised income	<u>75,651,274</u>	<u>3,530,730</u>
	293,003,202	6,217,418
 Net income for the period after taxation	 38,640,962	 33,413,627
 Distribution during the period		
- Rs. Nil per unit (2013: Rs 7.4938 per unit on August 05, 2013)		
- Cash distribution	(53,273,290)	-
- Issue of bonus units (2013: 16,878,820 units)	(205,361,227)	-
 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed-net	 27,642,902	 5,639,401
	<u>100,652,549</u>	<u>45,270,446</u>
 Undistributed income comprising:		
Realised income	120,739,510	27,013,673
Unrealised income/(loss)	(20,086,961)	18,256,773
	<u>100,652,549</u>	<u>45,270,446</u>

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


FAHID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
 (Incorporated Company)


KAMRAN NISRATI
 DIRECTOR

**ABL STOCK FUND
CONDENSED INTERIM MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013**

	For the Quarter ended September 30, 2013	For the Quarter ended September 30, 2012
	Rupees	
Net assets at the beginning of the period	783,387,987	255,749,187
Issue of 14,766,939 units (2012: 6,880,419 units)	201,035,823	76,406,890
Redemption of 17,925,265 units (2011: 1,545,308 units)	(241,561,358)	(17,416,033)
	(40,525,535)	58,990,857
Issue of 16,878,820 bonus units	205,361,227	-
Element of (income) and (capital gains) included in prices of units issued less those in units redeemed		
- amount representing income and capital gains transferred to Income Statement	(27,642,902)	(5,639,401)
Other net income for the period	30,877,412	6,186,648
Net capital gain on sale of investments	27,850,511	8,970,206
Unrealized (diminution) / appreciation on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading	(20,086,961)	18,256,773
	38,640,962	33,413,626
Final Distribution at the rate of Rs.5.3270 per unit declared on Aug 05, 2013		
- Cash distribution	(33,273,290)	-
- Issue of bonus units	(205,361,227)	-
Net assets at the end of the period	<u>700,587,222</u>	<u>342,514,268</u>

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


FARID AHMED KHAN
CBO

For ABL Asset Management Company Limited
(Management Company)


KAMRAN NISBAT
DIRECTOR

ABL STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	For the Quarter ended September 30, 2013	For the Quarter ended September 30, 2012
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	38,640,962	33,413,627
Adjustments:		
Unrealized appreciation / (depreciation) on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading - net	20,086,961	(18,256,773)
Dividend Income	(13,256,200)	(4,838,125)
Element of (income) and capital (gains) included in prices of units issued less those in units redeemed	(27,642,902)	(3,639,401)
Amortisation of preliminary expenses and foundation costs	180,596	180,596
	18,009,417	4,859,924
(Increase) / decrease in assets		
Investments - net	81,520,502	(71,132,396)
Profit receivable	373,905	16,348
Security deposits and payables	(17,415)	(22,500)
Receivables against sale of investments	(24,344,101)	756,518
Receivable against sale of units	(3,201,168)	(5,183,940)
	54,331,723	(75,585,969)
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	416,093	(1,920,269)
Payable to Central Depository Company of Pakistan Limited - Trustee	(13,161)	64,427
Payable to Securities and Exchange Commission of Pakistan	(219,800)	(900,939)
Payable against purchase of investments	-	8,745,607
Accrued expenses and other liabilities	1,035,830	3,613,759
	1,216,962	10,202,583
Dividend received	1,900,100	183,524
Net cash generated/ (used in) from operating activities	75,458,202	(60,339,936)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units	201,033,823	58,990,854
Payments on redemption of units	(242,000,836)	4,062,867
Cash Dividend Paid	(53,273,290)	-
Net cash (used in) / generated from financing activities	(94,239,303)	63,053,721
Net (decrease) / increase in cash and cash equivalents	(18,780,101)	2,713,784
Cash and cash equivalents at the beginning of the period	87,063,365	20,845,250
Cash and cash equivalents at the end of the period	68,283,264	23,559,034

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


FARID ANSHIR KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


KAMRAN NISBAT
 DIRECTOR

**ABL STOCK FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2013**

1 LEGAL STATUS AND NATURE OF BUSINESS

ABL Stock Fund (the Fund) was established under a trust deed executed on April 23, 2009 between ABL Asset Management Company Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorized the constitution of the Trust Deed vide letter no. NBFC-II/DD/ABLAMC/422/09 on April 10, 2009 in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2009.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on December 7, 2007. The Registered office of the Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

The Fund is an open-ended fund and is listed on the Karachi Stock Exchange (Gowatma) Limited. The units of the Fund are offered for public subscription on a continuous basis and are transferrable and redeemable by surrendering them to the Fund.

The Fund has been categorized as an open-end equity scheme as per the criteria laid down by the SECP for categorization of Collective Investment Schemes (CIS).

The objective of the Fund is to provide higher risk adjusted returns to investors by investing in diversified portfolio of equity instruments. The investment objectives and policies of the Fund are more fully explained in the Fund's offering document.

JCR-VIS Credit Rating Company Limited has assessed the Fund's performance ranking at 'MFR 3-Star'(JCR VIS) Based on one year weighted average ranking), 'MFR 5-Star'(JCR VIS)(Based on two year weighted average ranking), 'MFR 4-star'(JCR VIS) (Based on three year weighted average ranking for the period ended September18, 2013. Management quality rating of 'AMZ(stable outlook) has been assigned by JCR-VIS Credit Rating Company Limited to ABL Asset Management Company Limited.

Titls to the assets of the fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2009 (the NBFC Rules), the Non-Banking Finance and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements does 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 financial statements of the Fund for the year ended June 30, 2013.

3 ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2013.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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.

The significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2013.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2013.

	Rate	(unaudited) September 30, 2013	(audited) June 30, 2013
4 BALANCES WITH BANKS		<u>Rs</u>	
Savings accounts	4.1	68,283,264	87,863,365

4.1 These accounts carry bank-up at rates ranging from 6.00% to 8.50% (June 30, 2013: 6.00% to 9.50%) per annum.

	Rate	2013	2013
5 INVESTMENTS		<u>Rs</u>	
Marketable assets at fair value through profit or loss			
- Listed equity securities	5.1	606,783,447	708,306,510

5.1 Listed equity securities

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

Name of investee company	Number of Shares				Balances as at September 30, 2013			Market value as a percentage of total market value of investments	Market value as a percentage of paid up capital of investee company
	As at June 30, 2013	Purchases during the period	Sales / right issues during the period	Sales during the period	As at September 30, 2013	Carrying value	Market value		
<u>Rs</u>									
Oil and Gas									
Oil and Gas Development									
Coastway Limited	276,280	33,200	-	133,300	134,300	33,908,868	36,243,386	334,718	3.99%
Pakistan Oilfield Services Limited	139,580	9,500	-	55,900	113,300	55,264,824	48,428,363	(7,774,661)	7.99%
Pakistan Petroleum Limited	333,000	22,700	37,800	122,500	298,800	31,489,872	33,382,360	3,818,488	9.33%
Pakistan State Oil Company Limited	217,240	61,700	-	106,300	172,640	33,430,273	45,234,186	(11,796,889)	7.46%
	<u>965,940</u>	<u>127,100</u>	<u>37,800.00</u>	<u>419,800</u>	<u>736,640</u>	<u>189,823,838</u>	<u>185,295,895</u>	<u>(13,697,543)</u>	<u>30.55%</u>
Chemicals									
Eugen Corporation Limited									
Eugen Corporation Limited	371,880	201,800	-	285,500	338,300	45,680,641	45,907,318	216,577	7.57%
Fafan Fertiliser Company Limited	1,228,000	1,288,500	-	1,848,500	698,800	18,936,258	17,362,060	(431,742)	2.86%
Fuji Fertiliser Bin Qum Limited	-	264,800	-	111,800	83,000	3,480,883	3,128,889	(208,263)	6.51%
Fuji Fertiliser Company Limited	58,000	291,100	-	73,800	266,300	28,183,690	26,574,537	(1,338,848)	4.45%
	<u>1,641,880</u>	<u>2,048,400</u>	<u>-</u>	<u>2,332,800</u>	<u>1,385,200</u>	<u>94,130,362</u>	<u>93,776,775</u>	<u>(788,786)</u>	<u>13.89%</u>

Name of investee company	Number of Shares					Balance as at September 30, 2013			Market value as a percentage of total market value of investments	Market value as a percentage of paid-up capital of investee company	
	As at June 30, 2013	Purchases during the period	Divest / right issue during the period	Sales during the period	As at September 30, 2013	Carrying value	Market value	Appreciation / (depreciation)			
Construction and materials (Consent)											
D/G Khan Cement Limited	784,500	52,000	-	587,500	919,000	26,718,004	21,989,330	(4,728,674)	3.62%	0.50%	
Fuji Cement Company Limited	1,301,000	1,333,000	-	2,284,500	1,441,500	20,178,008	15,680,275	(4,497,733)	2.58%	0.12%	
Fecto Cement Limited	120,500	-	-	120,500	-	-	-	-	-	-	
Nipah Leaf Cement Factory Limited	2,319,000	663,500	-	2,383,500	599,000	13,414,360	12,886,620	(527,740)	2.11%	0.24%	
Lucky Cement Limited	-	216,500	-	76,900	130,600	32,738,782	32,282,084	(456,704)	5.32%	1.80%	
	3,525,000	2,287,000	-	3,382,900	2,489,100	93,030,761	82,764,309	(10,266,452)	13.67%	1.66%	
General industries											
Packages Limited	45,500	96,500	-	15,500	126,500	30,165,531	32,780,350	2,614,799	3.48%	3.88%	
	45,500	96,500	-	15,500	126,500	30,165,531	32,780,350	2,614,799	3.48%	3.88%	
Personal goods (Textiles)											
Nisat Mills Limited	323,000	126,500	-	381,500	347,500	33,178,283	32,212,092	(966,191)	3.31%	0.916%	
Nisat (Clothing) Limited	-	26,500	-	26,500	26,500	1,570,530	1,491,620	(79,200)	0.25%	0.062%	
Gadsons Textile Limited	54,000	-	-	54,000	-	-	-	-	-	-	
	367,000	153,000	-	362,000	374,000	34,748,813	33,703,712	(1,045,101)	3.56%	0.986%	
Food Processing											
Ryco Foods Limited	-	145,000	-	145,000	-	-	-	-	-	-	
	-	145,000	-	145,000	-	-	-	-	-	-	
Fixed Line Telecommunications											
Pakistan Telecommunication Company Limited	800,000	12,000	-	246,000	566,000	12,602,264	14,206,560	1,604,296	2.44%	0.839%	
	800,000	12,000	-	246,000	566,000	12,602,264	14,206,560	1,604,296	2.44%	0.839%	
Electricity											
Nisat Power Limited	779,000	114,000	-	257,000	637,000	21,044,623	19,311,600	(1,733,023)	3.18%	0.55%	
The Hub Power Company Limited	1,154,500	36,000	-	329,000	813,500	50,226,719	51,844,333	1,617,588	6.54%	0.45%	
	1,924,500	150,000	-	686,000	1,450,500	71,271,342	71,156,933	(115,409)	11.72%	0.99%	
Commercial Banks											
Bank Al Habib Limited	-	472,000	-	44,500	427,500	15,423,332	15,325,423	(97,909)	2.90%	0.15%	
MCB Bank Limited	-	72,700	-	72,700	-	-	-	-	-	-	
Habib Metropolitan Bank Limited	-	306,000	-	16,500	289,500	6,510,809	6,053,575	(457,234)	1.80%	0.06%	
United Bank Limited	203,000	65,000	-	122,000	145,200	16,953,239	19,287,874	2,334,635	3.17%	0.18%	
Bank Alfalah Limited	-	1,318,000	-	193,000	1,125,000	31,023,194	29,388,220	(1,634,974)	4.80%	0.22%	
National Bank of Pakistan	1,500	577,000	-	123,000	454,000	22,115,512	22,461,555	346,043	3.79%	0.11%	
	204,500	1,610,700	-	486,500	2,725,200	61,962,102	62,846,491	884,389	13.36%	0.69%	
Non Life Insurance											
KIT Insurance Limited	8,000	-	-	8,000	-	-	-	-	-	-	
	8,000	-	-	8,000	-	-	-	-	-	-	
Total - September 30, 2013	11,676,260	1,630,700	-	37,403,000	9,941,600	9,822,750	626,878,406	696,285,447	(29,086,951)	100%	14.08%

4.1.1 The above investment includes shares having a market value (in aggregate) amounting to Rs 88,369,890 (2013: Rs 57,714,200) 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:

- D.G. Khan Cement Limited: 50,000 (June 30, 2013: Nil) shares.
- Engro Corporation Limited : 50,000 (June 30, 2013: Nil) shares.
- Fajri Fertilizer Company Limited: Nil (June 30, 2013: 8,000) shares.
- Oil & Gas Development Company Limited: 65,000 (June 30, 2013: 15,000) shares.
- Pakistan Oilfields Limited: 63,000 (June 30, 2013: 33,000) shares.
- Pakistan Petroleum Limited: 90,000 (June 30, 2013: 60,000) shares.
- Pakistan State Oil Company Limited: 30,000 (June 30, 2013: Nil) shares
- The Hub Power Company Limited: 170,000 (June 30, 2013: 70,000) shares.

	(unaudited) September 30, 2013	(audited) June 30, 2013
	Rupees	
5.1		
Derivative appreciation/ (depreciation) on re-valuation of investments classified as fair value through profit or loss - net		
Market value of securities	606,783,447	708,390,930
Less: carrying value of securities	626,870,498	627,759,826
	<u>00,086,961</u>	<u>75,631,274</u>
	(unaudited) September 30, 2013	(audited) June 30, 2013
	Rupees	
6		
ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	383,759	284,936
Rating fee	29,324	110,000
Brokerage and other charges	980,966	585,680
Provision for Workers' Welfare Fund	10,907,816	9,994,969
Other payables	459,558	560,824
	<u>12,763,423</u>	<u>11,538,409</u>

6.1 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2005 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry filed its response against the constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in the Court.

During the year ended June 30, 2012, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinances, 1971 through the Finance Act, 2006 and the Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Honourable Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinances, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in the WWF Ordinances 1971 about applicability of WWF to the CIEs which is still pending before the Court. Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 10,9078 million (including Rs 0,7858 million for the current year) in these financial statements. Had the same not been made the net asset value per unit of the Fund as at September 30, 2013 would have been higher by Rs 0.1738 per unit.

7 PROVISION FOR FEDERAL EXCISE DUTY

As per the requirement of Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of Messager.net Company has been applied effective June 13, 2013. The management is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. The matter has been taken up collectively by the Mutual Fund Association of Pakistan where various options are being considered. As a matter of abundant caution, the fund has made a provision with effect from June 13, 2013, aggregating to Rs.266,410.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2013.

9 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The management intends to distribute atleast 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision in respect of taxation has been made in these condensed interim financial statements.

10 EARNINGS PER UNIT (EPU)

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

11 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

11.1 Detail of transactions with connected persons during the period are as follows:

	(un-audited)	
	For the Quarter ended September 30, 2013	For the Quarter ended September 30, 2012
	Rupees	
ABL Asset Management Company Limited - Management Company		
Remuneration for the period	6,120,841	2,386,424
Stamp duty tax on Management fee	979,335	368,982
Federal Excise duty on Management fee	979,296	-
Allied Bank Limited		
Markup income for the period	1,582,537	523,390
Bank charges	18,439	10,440

	(un-audited)	
	For the Quarter ended	For the Quarter ended
	September 30, 2013	September 30, 2012
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	408,056	176,439
Settlement charges and connection fee	42,403	11,250
Key Management personnel - Executives		
Issue of Nil units (2012: 49,943 units)	-	781,445
Redemption of Nil units (2012: 9,554 units)	-	108,335

11.3 Detail of balances outstanding at the period / year end with connected persons are as follows:

	(unaudited)	(audited)
	September 30, 2013	June 30, 2013
	Rupees	
ABL Asset Management Company Limited - Management Company		
Remuneration payable	1,855,360	2,082,775
Preliminary expenses and flotation costs payable	717,013	1,433,575
Federal Excise Duty on remuneration of Management company	1,168,680	189,384
Sales lead payable	311,201	83,427
Units held 2,318,381 (June 30, 2013: 1,612,416)	25,890,779	25,756,564
Sindh Sales Tax on Management company's remuneration	296,858	333,244
ATfed Bank Limited		
Profit receivable on saving accounts	371,398	602,878
Bank balance	67,211,296	84,083,493
Units held 10,000,000	111,633,000	159,739,080
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	125,189	140,350
Security deposit	100,000	100,000
Blodd Province Pension Fund		
Units held 7,614,661 (June 30, 2013: 5,295,937)	85,004,749	84,602,594

12 GENERAL

12.1 Figures have been rounded off to the nearest rupee.

12.2 Certain prior figures have been reclassified/ re-arranged for the purpose of comparison. However, there were no material reclassification to report.

13 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 30, 2013 by the Board of Directors of the Management Company.


FARID ANSHIR KHAN
CEO

For ABL Asset Management Company Limited
(Management Company)


KAMRAN NISBAT
DIRECTOR



ABL Asset Management

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