



ABL Government Securities Fund

Annual Report

FOR THE YEAR ENDED JUNE 30, 2018



ABL Asset Management

Discover the potential

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VISION

Creating Investment Solutions within
everyone's reach







Mission & Core Values

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

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

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

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

To enhance Stakeholders Value.

FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hasan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman CEO/Director
Audit Committee:	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Alee Khalid Ghaznavi	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shehzad	
Trustee:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited Faysal Bank Limited JS Bank Limited Sindh Bank Limited	
Auditor:	M/S. A.F. Ferguson & Co. Chartered Accountants State life Building No. 1-C I.I Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Suite # 7, 11th Zamzama Street Phase-V, DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	



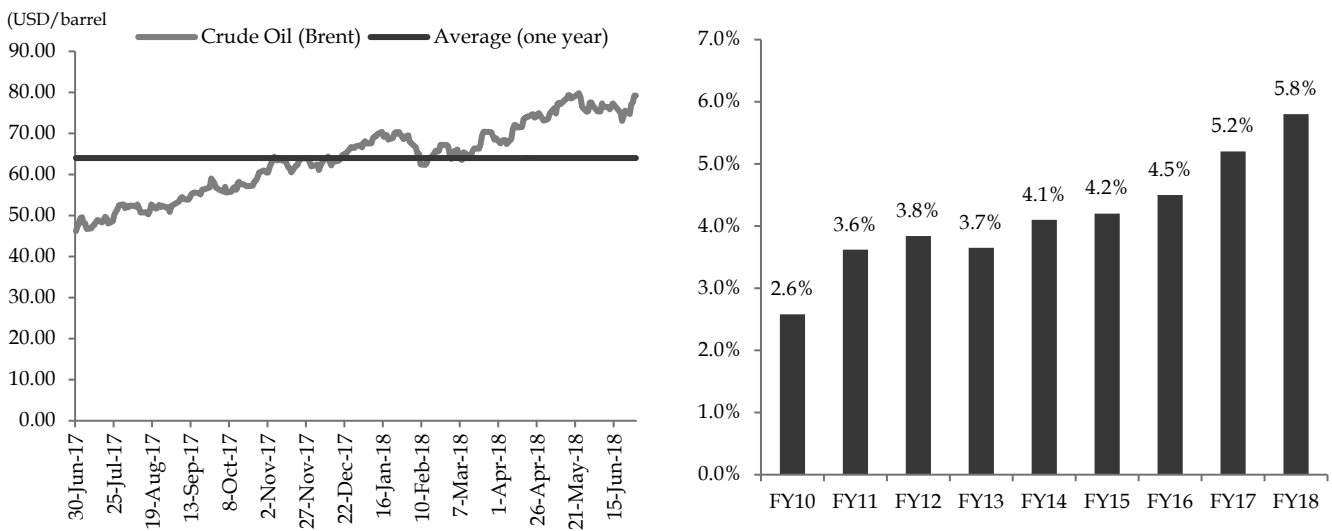
REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Government Securities Fund (ABL-GSF), is pleased to present the Audited Financial Statements of ABL Income Fund for the year ended June 30, 2018.

ECONOMIC PERFORMANCE REVIEW

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

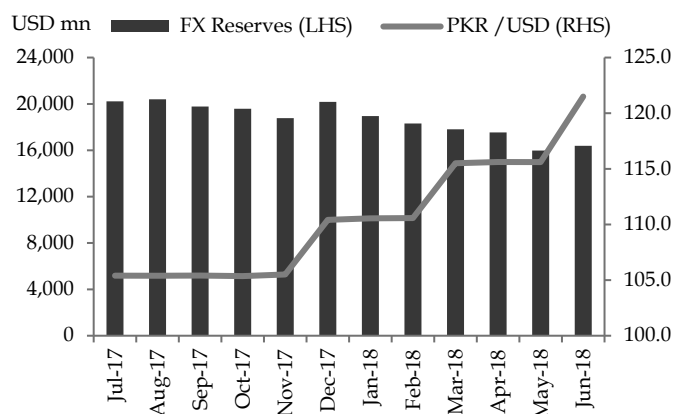
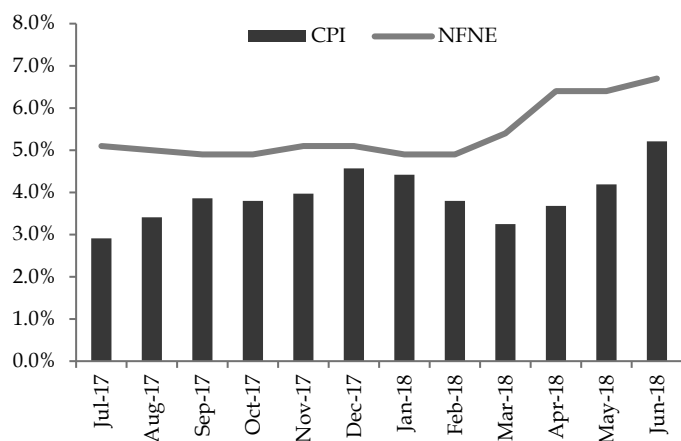
GDP growth



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

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





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

MUTUAL FUND INDUSTRY REVIEW

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

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

MONEY MARKET REVIEW

During the year, the Fixed Income market remained uncertain due to expected changes in policy rate. The market overall maintained a shorter duration and avoided heavy participation in longer duration instruments. To cater the increasing inflation, SBP increased the policy rate twice in FY18 (75bps increase in total). The policy rate increased from 5.75% to 6% in January 2018 and further to 6.5% in May 2018 (as opposed to a constant rate of 5.75% during FY17).

Inflation clocked in at ~3.9%YoY for FY18 as compared to ~4.2%YoY in FY17. This was as a result of higher food items and fuel prices. While the headline inflation remained in check during the year, pressure on the external side continued to disrupt the position of PKR in the international market, raising concerns regarding spike in inflation during the next fiscal year. Moreover, the core inflation continued to rise during 2HFY18 with June 2018 figure clocking in at 7.1%YoY. Pakistan investment bond (PIBs) trading yields went up ranging from 86bps to 170bps, with a significant tilt towards shorter tenor instruments. Money market mostly remained liquid and traded near the policy rate throughout the year as SBP ensured the availability of liquidity via frequent open market operations (OMOs). OMO maturity size swelled to a level of PKR 1,460bn in June 2018 as market increased their exposure in government securities to exploit arbitrage against the policy rate. In anticipation of an interest rate hike, interest remained heavily tilted towards short term exposure. During the year, participation in PIBs was recorded at PKR 564bn whereas the treasury bills (T-Bills) segment witnessed massive participation of PKR 19,232bn. However, the government accepted bids of PIBs worth only PKR 120bn against a total auction target of PKR 1,000bn and of T-Bills worth PKR 15,969bn versus a target of PKR 16,375bn. On the maturities front, PIBs and T-Bills worth of PKR 819bn and PKR 15,970bn, respectively matured during the year

On the Islamic side, money market remained fairly liquid where placements were made 25-50bps below 6-months T-Bill due to massive deposit growth of 22.5%YoY (deposits as on March 30, 2018). The market share of Islamic Banking Institutions’ deposits in overall banking deposits stood at 14.6% by the end of March 2018 in comparison to 13.7% in June 2017. Similarly, total assets of Islamic Banking in overall banking size also increased to 13.5% by March 2018 as compared to 11.6% in June 2017. No fresh issuance of Ijara Sukuks in local as well as international market took place by the government. On the corporate side, PKR 19,530bn worth of Sukuks were issued by Dawood Hercules Corporation Ltd., International Brands Ltd., Dubai Islamic Bank Pakistan Ltd. and Aspin Pharma (Pvt) Ltd during the FY18.



M2 growth for FY18 clocked-in at 10.6% compared to 13.7% in SPLY. Decrease in money supply was mainly attributable to increase of 17% (up by PKR2,336 bn) in Net Domestic Assets (NDA) as credit to private sector remained subdued in FY18. We also attribute this decrease to increase in government borrowings by 16.6% YoY (PKR 1,495bn) to fund the fiscal deficit. Net Foreign Assets (NFA) posted a significant decline of 132%YoY in FY18 in comparison to 40%YoY decline in SPLY due to extensive external debt servicing. Government borrowing from commercial banks had decreased by PKR 77bn in FY18 as compared to an increase of PKR 179bn in SPLY. Government borrowings from SBP increased by PKR 1,439bn compared to an increase of PKR 908bn in SPLY.

FUND PERFORMANCE

For the Year ended FY'18, annualized return of ABL GSF stood at 5.09% against the benchmark performance of 6.20%, thereby underperforming the benchmark by 111 bps. Throughout the year ABL GSF maintained top position in the Government Securities Fund category. During the year, ABL GSF's AUM decreased further by 17.34% to PKR 3.136 billion as on June 30, 2018 from PKR 3.794 billion as on June 30, 2017. Fund's exceptional return is attributed towards frequent trading gains on Government Securities and Corporate bond portfolio.

Throughout the FY'18 the, fund maintained a minimal exposure in PIBs while the exposure in PIBs as on June 30,2018 stood at 0.00% of total assets compared to 6.60% at June end FY'17. The Fund's placement in shorter tenor T-bills stood at 40.70% whereas 44.68% of total assets were placed in cash assets due to high profit rates being offered by top commercial banks at June end.

ADDITIONAL MATTERS

1. The detail of Directors of the Management Company is disclosed in this Annual Report.
2. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's fund;
3. Proper books of accounts of the Fund have been maintained.
4. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;
5. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements;
6. The system of internal control is sound in design and has been effectively implemented and monitored;
7. There have been no significant doubts upon the Funds' ability to continue as going concern;
8. Performance table of the Fund is given on page # 13 of the Annual Report;
9. There is no statutory payment on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;
10. The statement as to the value of investments of Provident Fund is not applicable in the case of the Fund as employees retirement benefits expenses are borne by the Management Company;
11. The pattern of unit holding as at June 30, 2018 is given in note No. 25 of the Financial Statements.

AUDITORS

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

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on January 16, 2018, has reaffirmed the Fund Stability Rating of ABL Government Securities Fund at 'A(f)' (Single A (f)).



MANAGEMENT QUALITY RATING

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

OUTLOOK

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

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

ACKNOWLEDGEMENT

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

For & on behalf of the Board



Alee Khalid Ghaznavi
Chief Executive Officer

Lahore, September 6, 2018



FUND MANAGER REPORT

OBJECTIVE

The objective of ABL Government Securities Fund is to deliver optimal risk adjusted returns by investing mainly in mix of short to long term Government Securities and other debt instrument.

FIXED INCOME MARKET REVIEW

During the year, the Fixed Income market remained uncertain due to expected changes in policy rate. The market overall maintained a shorter duration and avoided heavy participation in longer duration instruments. To cater the increasing inflation, SBP increased the policy rate twice in FY18 (75bps increase in total). The policy rate increased from 5.75% to 6% in January 2018 and further to 6.5% in May 2018 (as opposed to a constant rate of 5.75% during FY17).

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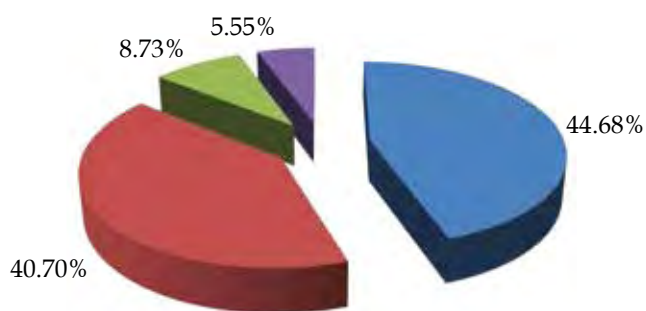
OUTLOOK AND STRATEGY

While Economic growth remained on track throughout the year, risks related to CPI and Balance of Payments position worsened significantly as compared to last year leading to rupee depreciation and around 75 bps increase in policy rate. On the external side, trend of widening trade deficit and current account deficit and declining remittances continued throughout the year on account of increase in international oil prices and ever increasing exports.

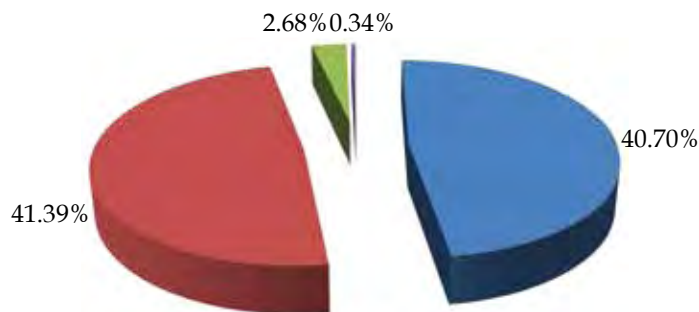
Based on the above assumptions, we believe that SBP will continue to increase policy rate in FY19 Hence; we will maintain a low duration portfolio while optimizing the accrual base via placement of funds in floating rate instruments along with deposit placements with bank and DFIs.

ABL Government Securities Fund Performance	FY -2018
Yield	5.09%
6 Months PKRV rates	6.20%
Weighted Average Time to Maturity of Net Assets (days)	328
Asset under management as at June 30, 2018 (PKR mn)	3136.62
Closing NAV per unit as on June 30, 2018 (PKR) (Ex-Dividend)	10.5283

Asset Allocation (% of Total Assets)



Credit Quality (% of Total Assets)



■ Cash ■ T-Bills ■ TFCs ■ Placements with banks (TDRs)

■ Govt Securities ■ AA- ■ AA ■ Others / Unrated



PERFORMANCE TABLE

	2018	2017	2016	2015	2014
	----- (Rupees in '000) -----				
Net Assets	3,136,615	3,794,278	9,496,252	9,185,360	4,394,902
Net Income	145,639	212,684	313,465	498,024	217,559
	----- (Rupees per unit) -----				
Net Assets value	10.5283	10.0180	10.0424	10.0324	10.0412
Interim distribution	-	0.6839	0.7935	-	0.8118
Final distribution	-	-	-	1.5242	0.0388
Distribution date final	-	-	-	June 12, 2015	June 23, 2014
Closing offer price	10.6862	10.1683	10.1930	10.1829	10.1918
Closing repurchase price	10.5283	10.0180	10.0424	10.0324	10.0412
Highest offer price	10.6862	10.8257	10.9505	11.8405	10.3917
Lowest offer price	10.1736	10.1558	10.1656	10.1552	10.1502
Highest repurchase price per unit	10.5283	10.6657	10.7887	11.6655	10.2381
Lowest repurchase price per unit	10.0233	10.0057	10.0154	10.0051	10.0002
	----- Percentage -----				
Total return of the fund					
- capital growth	5.09%	-0.25%	0.09%	-0.10%	0.66%
- income distribution	0.00%	6.84%	7.94%	15.24%	8.51%
Average return of the fund					
First Year	5.09%	6.59%	8.02%	15.14%	9.17%
Second Year	6.01%	7.57%	12.18%	12.85%	11.02%
Third Year	7.00%	10.86%	11.93%	13.51%	11.48%
Fourth Year	9.83%	11.18%	12.95%	13.75%	-
Fifth Year	10.42%	12.36%	13.37%	-	-
Sixth Year	11.67%	12.88%	-	-	-
Seventh Year / Since inception	12.25%	-	-	-	-
Weighted average Portfolio duration in days	328	338	234	548	117

2017	
Date	Rate Per Unit
July 28, 2016	0.0182
June 19, 2017	0.6657

2016	
Date	Rate Per Unit
June 21, 2016	0.2599
June 23, 2016	0.5336

Monthly Distribution	2014	
	Date of distribution	Distribution Per Unit
	CLASS A & B	CLASS B
1st Interim distribution	30 July 2013	0.0580
2nd Interim distribution	29 August 2013	0.0454
3rd Interim distribution	October 25, 2013	0.0556
4th Interim distribution	28 November 2013	0.0713
5th Interim distribution	30 January 2014	0.0790
6th Interim distribution	27 February 2013	0.0814
7th Interim distribution	30 April 2014	0.2381
8th Interim distribution	30 May 2014	0.0130

Quarterly Distribution	2014
	CLASS B
First quarter Interim distribution	0.0286
Date of distribution - Interim	27 September, 2013
Second quarter Interim distribution	0.0700
Date of distribution - Interim	30 December 2013
Third quarter Interim distribution	0.0714
Date of distribution - Interim	27 March 2014

Final Distribution	2014
	CLASS B
Final Distribution	0.0388
Date of distribution - Final	23 June 2014

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shabra-e-Faisal,
Karachi - 74400, Pakistan
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ABL GOVERNMENT SECURITIES FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V 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 year ended June 30, 2018 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.

Aftab Ahmed Diwan
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 19, 2018





INDEPENDENT AUDITOR'S REPORT

To the Unitholders of ABL Government Securities Fund

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

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

AA/S

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

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S. No.	Key Audit Matters	How the matter was addressed in our audit
	<p>The Fund has changed its accounting policy during the current year in respect of accounting for "element of income" consequent to the issuance of the above mentioned notification. The change in accounting policy has been applied prospectively from July 1, 2017 based on the clarification issued by the SECP. With this change in accounting policy the element of income which was previously recognized as part of the income for the year in the Income Statement is now considered as a "capital contribution" and taken to the Statement of Movement in Unit Holders' Fund. Element of income is explained in note 3.10.</p> <p>The SECP notification also stipulates that the accounting income available for distribution as appearing in the "Income Statement" excludes income already paid on units redeemed during the year. Accordingly, the net amount appearing on the "Income Statement" after deducting the income already paid on units redeemed is to be considered as the distributable amount.</p> <p>In order to avail tax exemption, the Fund has to distribute 90 percent of its accounting income (excluding realised and unrealised capital gains). However, at the time of distribution of income, the element of income contributed on issue of units recognized in the equity during the year is required to be refunded on the units in the same proportion in which income is distributed from the Income Statement i.e. after taking into account the amount of income already paid on units redeemed. Management has developed a system for carrying out the calculations for such distributions.</p> <p>These calculations are important from the point of view of ensuring compliance with the applicable requirements. The above matters are significant accounting and regulatory developments / events for the mutual fund industry affecting the financial statements for the current year and therefore we considered these developments as key audit matter.</p>	<p>requirements and in this respect obtained reports of distribution of income and refund of capital by the Fund.</p> <ul style="list-style-type: none"> ▪ verified transactions on a test basis with the underlying records of the reports provided by the management to assess their compliance with the revised regulations. ▪ recalculated the profit available for distribution taking into account amount already distributed at the time of redemption. ▪ verified the accuracy of the management report for allocation of distributable amount between "distribution out of income" and "refund of capital". This included testing the parameters of the report. ▪ verified disclosures relating to change in accounting policy to ensure that these are in compliance with the applicable accounting and reporting framework.
2	<p>Net Asset Value (Refer notes 4 and 5 to the annexed financial statements)</p> <p>The investments and bank balances constitute the most significant component of the net asset value (NAV). The investments of the Fund as at June 30, 2018 amounted to Rs 2,970.91 million and bank balances aggregated to Rs 2,414.54 million.</p> <p>The proper valuation of investments and bank balances for the determination of NAV of the Fund as at June 30, 2018 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ tested the design and operating effectiveness of the key controls for valuation of investments. ▪ obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2018 and reconciled it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed. ▪ re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies. ▪ obtained approval of Board of Directors of the management company in relation

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S. No.	Key Audit Matters	How the matter was addressed in our audit
		<p>to opening and closing of bank accounts.</p> <ul style="list-style-type: none"> obtained bank reconciliation statements and tested reconciling items on a sample basis.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

Other Matter

The financial statements of the Fund for the year ended June 30, 2017 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated August 23, 2017.

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

Chartered Accountants

Karachi

Date: September 27, 2018



ABL GOVERNMENT SECURITIES FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2018

	Note	June 30, 2018	June 30, 2017
----- Rupees in '000 -----			
Assets			
Bank balances	4	2,414,536	2,430,075
Investments	5	2,970,909	3,504,803
Interest / profit accrued	6	17,786	11,777
Deposits and other receivable	7	566	900
Total assets		5,403,797	5,947,555
Liabilities			
Payable to ABL Asset Management Company Limited Management Company	9	53,514	53,973
Payable to the Central Depository Company of Pakistan Limited - Trustee	10	286	350
Payable to the Securities and Exchange Commission of Pakistan	11	2,201	5,078
Payable against redemption of units		77	126
Payable against purchase of investment		2,199,168	2,029,572
Dividend payable		-	50
Accrued expenses and other liabilities	12	11,936	64,127
Total liabilities		2,267,182	2,153,276
NET ASSETS		3,136,615	3,794,279
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,136,615	3,794,279
CONTINGENCIES AND COMMITMENTS	13		
----- Total number of units -----			
NUMBER OF UNITS IN ISSUE		297,923,704	378,744,304
----- Rupees -----			
NET ASSET VALUE PER UNIT		10.5283	10.0180

The annexed notes from 1 to 34 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


SAQIB MATIN
CHIEF FINANCIAL OFFICER


ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER


MUHAMMAD KAMRAN SHEHZAD
DIRECTOR



 ABL Asset Management
Discover the potential

ABL GOVERNMENT SECURITIES FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2018

	Note	June 30, 2018	June 30, 2017
Rupees in '000			
INCOME			
Interest / profit earned	14	195,757	427,568
Other Income		-	131,308
Gain / (loss) on sale of investments - net		724	(22,778)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.7	3,177	181
		3,901	(22,597)
Total income		199,658	536,279
EXPENSES			
Remuneration of ABL Asset Management Company Limited - Management Company	9.1	36,691	84,629
Punjab / Sindh Sales Tax on remuneration of the Management Company	9.2	5,999	11,128
Accounting and operational charges	9.4	2,941	6,754
Selling and marketing expenses	9.5	918	-
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	10.1	2,951	5,827
Sindh Sales Tax on remuneration of the Trustee	10.2	386	761
Annual fees to the Securities and Exchange Commission of Pakistan	11.1	2,201	5,078
Securities transaction cost		321	2,195
Auditors' remuneration	15	616	511
Amortisation of preliminary expenses and floatation costs	8	-	414
Annual rating fee		267	260
Annual listing fee		35	55
Printing charges		334	390
Legal and professional charges		175	-
Settlement and bank charges		184	326
Provision for Sindh Workers' Welfare Fund	12.1	-	10,609
Total operating expenses		54,019	128,937
Net income from operating activities		145,639	407,342
Element of income loss and capital losses included in the prices of units issued less those in units redeemed - net	3.10	-	(194,658)
Net income for the year before taxation		145,639	212,684
Taxation	17	-	-
Net income for the year after taxation		145,639	212,684
Other comprehensive income for the year		-	-
Total comprehensive income for the year		145,639	212,684
Earnings per unit	18		
Allocation of net income for the year			
Net income for the year after taxation		145,639	
Income already paid on units redeemed		(17,782)	
		127,857	
Accounting income available for distribution			
- Relating to capital gains		3,901	
- Excluding capital gains		123,956	
		127,857	

The annexed notes from 1 to 34 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


SAQIB MATIN
CHIEF FINANCIAL OFFICER


ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER


MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ABL GOVERNMENT SECURITIES FUND

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2018

	2018			2017	
	Rupees in '000-				
	Capital Value	Undistributed income	Unrealised appreciation/ (diminution) on available for sale investments	Total	Total
Net assets at beginning of the year	3,787,532	6,747	-	3,794,279	9,496,252
Issue of 136,513,342 units (2017: 1,052,728,099 units)					
- Capital value (at net asset value per unit at the beginning of the year)	1,367,591	-	-	1,367,591	10,534,855
- Element of income	35,356	-	-	35,356	55,162
Total proceeds on issuance of units	1,402,947	-	-	1,402,947	10,590,017
Redemption of 217,333,942 units (2017: 1,619,595,816 units)					
- Capital value (at net asset value per unit at the beginning of the year)	2,177,251	-	-	2,177,251	16,219,909
- Element of loss	11,217	17,782	-	28,999	249,820
Total payments on redemption of units	2,188,468	17,782	-	2,206,250	16,469,729
Element of loss and capital losses included in prices of units issued less those in units redeemed - net					(194,658)
Total comprehensive income for the year	-	145,639	-	145,639	212,684
Distribution during the year	-	-	-	-	(229,603)
Net income / (loss) for the year less distribution	-	145,639	-	145,639	(16,919)
Net assets at end of the year	3,002,011	134,604	-	3,136,615	3,794,279
Undistributed income brought forward					
- Realised		6,566			24,385
- Unrealised		181			15,658
		6,747			40,043
Accounting income available for distribution					
- Relating to capital gains					
- Excluding capital gains					
Accounting income available for distribution					
- Relating to capital gains		3,901			
- Excluding capital gains		123,956			
		127,857			
Net income for the year after taxation					212,684
Element of loss and capital losses included in prices of units issued less those in units redeemed - related to distribution statement					(16,377)
Distribution for the year					(229,603)
Undistributed income carried forward		134,604			6,747
Undistributed income carried forward					
- Realised		131,427			6,566
- Unrealised		3,177			181
		134,604			6,747
				(Rupees)	(Rupees)
Net assets value per unit at beginning of the year				10.0180	10.0424
Net assets value per unit at end of the year				10.5283	10.0180

The annexed notes from 1 to 34 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR



ABL GOVERNMENT SECURITIES FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2018

	Note	June 30, 2018	June 30, 2017
		Rupees in '000	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		145,639	212,684
Adjustments for:			
Interest / profit earned	14	(195,757)	(427,568)
Amortisation of preliminary expenses and floatation costs	8	-	414
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.7	(3,177)	(181)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net		-	194,658
Provision for Sindh Workers' Welfare Fund	12.1	-	10,609
Other Income		-	(131,308)
		(198,934)	(353,376)
Decrease / (Increase) in assets			
Deposits and other receivable		334	(162)
		334	(162)
Decrease in liabilities			
Payable to ABL Asset Management Company Limited - Management Company		(459)	(5,870)
Payable to the Central Depository Company of Pakistan Limited - Trustee		(64)	(271)
Payable to the Securities and Exchange Commission of Pakistan		(2,877)	(2,234)
Dividend payable		(50)	-
Accrued expenses and other liabilities		(52,191)	6,658
		(55,641)	(1,717)
		(108,602)	(142,571)
Interest received		189,748	516,602
Net amount received on purchase and sale of investments		2,905,827	1,100,484
Net cash generated from operating activities		2,986,973	1,474,515
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		1,402,947	10,590,017
Net payments against redemption of units		(2,206,299)	(16,502,594)
Cash pay-out against distribution		-	(229,916)
Net cash used in financing activities		(803,352)	(6,142,493)
Net increase / (decrease) in cash and cash equivalents		2,183,621	(4,667,978)
Cash and cash equivalents at the beginning of the year		2,730,075	7,398,053
Cash and cash equivalents at the end of the year	20	4,913,696	2,730,075

The annexed notes from 1 to 34 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



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CHIEF FINANCIAL OFFICER



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CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ABL GOVERNMENT SECURITIES FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL 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).

1.2 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.

1.3 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.

1.4 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.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part 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 from the IFRS Standards, 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.

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

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



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

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

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

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

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.3 and 5) and provision for taxation (notes 3.13 and 17).

2.5 Accounting convention

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

2.6 Functional and presentation currency

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years except for the change in accounting policy as explained in note 3.10 below.

3.2 Cash and cash equivalents

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

3.3 Financial assets

3.3.1 Classification

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

a) 'Financial assets at fair value through profit or loss'

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

b) Available-for-sale

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

c) Loans and receivables

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

3.3.2 Regular way contracts

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

3.3.3 Initial recognition and measurement

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

3.3.4 Subsequent measurement

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

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

Basis of valuation of debt securities

The investments of the Fund in debt securities is valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP for valuation of debt securities. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities.

Basis of valuation of government securities

The investments of the Fund in government securities is valued on the basis of rates announced by the Financial Markets Association of Pakistan.

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

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

b) Loans and receivables

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

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

3.3.5 Impairment

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



a) Available-for-sale financial assets

Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors.

Impairment loss on equity securities

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

b) Loans and receivables

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

3.3.6 Derecognition

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

3.4 Financial liabilities

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

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

3.5 Offsetting of financial assets and financial liabilities

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

3.6 Provisions

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

3.7 Net asset value per unit

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

3.8 Issue and redemption of units

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

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

3.9 Distributions to unit holders

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

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

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

The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' (relating to allocation of net income for the year) and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

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

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

Had the element of income been recognised as per the previous accounting policy, the income of the Fund would have been higher by Rs 6.357 million in respect of element of income with no effect on the 'net assets attributable to the unit holders' and NAV per unit of the Fund as disclosed in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund' respectively. However, the change in accounting policy does not have any impact on the 'Cash Flow Statement'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

3.11 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.



- Income from investments in term finance certificates / sukuks and government securities is recognised on an accrual basis using effective interest method.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Interest income on bank balances and term deposits is recognised on an accrual basis.

3.12 Expenses

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

3.13 Taxation

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

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

3.14 Earnings per unit

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

3.15 Foreign currency translation

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

	Note	June 30, 2018	June 30, 2017	
		----- Rupees in '000 -----		
4	BANK BALANCES			
	Balances with banks in savings accounts	4.1	<u>2,414,536</u>	<u>2,430,075</u>
4.1	This includes balance of Rs 651.331 million (2017: Rs 38.649 million) maintained with Allied Bank Limited (a related party) that carries profit at 7.4% per annum (2017: 6.75%). Other profit and loss saving accounts of the Fund carry profit rates ranging from 3.75% to 7.59% per annum (2017: 4.00% to 6.75% per annum).			
5	INVESTMENTS			
	At fair value through profit or loss - held for trading			
	Term finance certificates - listed	5.1	-	30,330
	Term finance certificates - unlisted	5.2	326,520	241,542
	Sukuk certificates - listed	5.3	100,200	-
	Sukuk certificates - unlisted	5.4	45,029	-
	Government securities - Market Treasury Bills	5.5	2,199,160	2,537,726
	Government securities - Pakistan Investment Bonds	5.6	-	395,205
			<u>2,670,909</u>	<u>3,204,803</u>
	Loans and receivables			
	Term deposit receipt	5.8	300,000	300,000
			<u>2,970,909</u>	<u>3,504,803</u>

5.1 Term finance certificates - listed

Name of Investee Company	As at July 1, 2017	Purchased during the year	Disposed / matured during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018	Market value as a percentage of total investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
	----- Number of certificates -----				----- Rupees in '000 -----		----- Percentage -----		
Commercial Banks									
Bank Alfalah Limited (Face value of Rs. 1,662 per certificate)	9,000	-	9,000	-	-	-	-	-	-
Askari Bank Limited - TFC V (Face value of Rs. 4,994 per certificate)	3,003	-	3,003	-	-	-	-	-	-
Total									
Total - June 30, 2017					<u>30,575</u>	<u>30,330</u>	<u>0.87%</u>	<u>0.80%</u>	

5.1.1 The cost of listed term finance certificates as at June 30, 2018 is Rs. Nil (2017: Rs. 30.575 million).

5.2 Term finance certificates - unlisted

Name of Investee Company	As at July 1, 2017	Purchased during the year	Disposed / matured during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018	Market value as a percentage of total investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
	----- Number of certificates -----				----- Rupees in '000 -----		----- Percentage -----		
Commercial Banks									
Standard Chartered Bank Limited (Face value of Rs. 5,000 per certificate)	3,600	-	3,600	-	-	-	-	-	-
Bank of Punjab (Face value of Rs. 99,940 per certificate)	2,210	-	500	1,710	172,864	174,731	5.88%	5.57%	6.84%
Askari Bank Limited - TFC IV (Face value of Rs. 4,988 per certificate)	-	15,200	15,200	-	-	-	-	-	-
Investment Companies									
Jahangir Siddiqui & Company Limited TFC X (Face value of Rs. 5,000 per certificate)	-	30,000	-	30,000	150,000	151,789	5.11%	4.84%	10.00%
Total					<u>322,864</u>	<u>326,520</u>	<u>10.99%</u>	<u>10.41%</u>	
Total - June 30, 2017					<u>241,064</u>	<u>241,542</u>	<u>6.89%</u>	<u>6.37%</u>	

5.2.1 The cost of unlisted term finance certificates as at June 30, 2018 is Rs. 322.522 million (2017: Rs. 241.064 million).

5.2.2 The terms and conditions of unlisted term finance certificates outstanding as at June 30, 2018 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Secured / unsecured	Issue date	Maturity date	Rate of return
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Commercial Banks

Bank of Punjab AA- 10 Years Semi-annually Secured December 23, 2016 December 23, 2026 6 months KIBOR + 1%

Investment Companies

Jahangir Siddiqui & Co. Limited - TFC X AA+ 5 years Semi-annually Secured July 18, 2017 July 18, 2022 6 months KIBOR + 1.40%



5.3 Sukuk certificates - listed

As at July 01, 2017	Purchased during the year	Disposed / matured during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018	Market value as a percentage of total investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
----- Number of certificates -----			----- Rupees in '000 -----		----- Percentage -----			
Government of Pakistan								
GOP Ijara Sukuk (Face value of Rs. 5,000 per certificate)								
-	21,300	21,300	-	-	-	-	-	-
Fertilizer								
Dawood Hercules Corporation Limited (I) (Face value of Rs. 100,000 per certificate)								
-	1,000	-	1,000	100,700	100,200	3.37%	3.19%	1.92%
Total				100,700	100,200	3.37%	3.19%	1.92%
Total - June 30, 2017				-	-	-	-	-

5.3.1 The cost of listed sukuk certificates as at June 30, 2018 is Rs. 100.7 million (2017: Nil).

5.3.2 The terms and conditions of these sukuk certificates are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments	Maturity date	Rate of return
Fertilizer Dawood Hercules Corporation Limited (I)	AA	5 years	Semi-annually	November 16, 2022	6 months KIBOR + 1.00%

5.4 Sukuk certificates - unlisted

As at July 01, 2017	Purchased during the year	Disposed / matured during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018	Market value as a percentage of total investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
----- Number of certificates -----			----- Rupees in '000 -----		----- Percentage -----			
Fertilizer								
Dawood Hercules Corporation Limited (II) (Face value of Rs. 100,000 per certificate)								
-	750	300	450	45,000	45,029	1.52%	1.44%	0.75%
Total				45,000	45,029	1.52%	1.44%	0.75%
Total - June 30, 2017				-	-	-	-	-

5.4.1 The cost of listed sukuk certificates as at June 30, 2018 is Rs. 45 million.

5.4.2 The terms and conditions of these sukuk certificates are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments	Maturity date	Rate of return
Fertilizer Dawood Hercules Corporation Limited (II)	AA	5 years	Semi-annually	March 1, 2023	6 months KIBOR + 1.00%

5.5 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 01, 2017	Purchased during the year	Disposed / Matured during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018		
3 Months	2,186,000	124,237,500	124,223,500	2,200,000	2,199,168	2,199,160	74.02%	70.11%
6 Months	350,000	4,400,000	4,750,000	-	-	-	-	-
12 Months	25,000	-	25,000	-	-	-	-	-
Total	2,561,000	128,637,500	128,998,500	2,200,000	2,199,168	2,199,160	74.02%	70.11%
Total - June 30, 2017					2,537,810	2,537,726	72.41%	66.89%

5.5.1 The cost of market treasury bills as at June 30, 2018 is Rs. 2,199.168 million (2017: Rs. 2,535.798 million).

5.5.2 Market treasury bills carry purchase yield of 6.90% (2017: 5.97% to 6.00%) per annum and will mature on July 5, 2018 (2017: July 20, 2017 to September 14, 2017).

5.6 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 01, 2017	Purchased during the year	Disposed / matured during the year	As at June 30, 2018	Carrying value as at June 30, 2018	Market value as at June 30, 2018		
21-Apr-16	3 Years	390,000	-	390,000	-	-	-	-	-
18-Jul-13	5 Years	-	4,200,000	4,200,000	-	-	-	-	-
31-May-18	10 Years	-	125,000	125,000	-	-	-	-	-
Total		390,000	4,325,000	4,715,000	-	-	-	-	-
Total - June 30, 2017						395,173	395,205	11.28%	10.42%

5.7 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'

	Note	June 30, 2018	June 30, 2017
		----- Rupees in '000 -----	
Market value of investments	5.1, 5.2, 5.3, 5.4, 5.5, 5.6	2,670,909	3,204,803
Carrying value of investments	5.1, 5.2, 5.3, 5.4, 5.5, 5.6	(2,667,732)	(3,204,622)
		3,177	181

5.8 This carries profit at the rate of 7.75% (2017: 6.77%) per annum and is due to mature on August 28, 2018. At June 30, 2018, TDR represented 9.56% (2017: 7.91%) of the total net assets of the Fund.

6 INTEREST / PROFIT ACCRUED

	Note	June 30, 2018	June 30, 2017
		----- Rupees in '000 -----	
Interest / profit accrued on:			
Bank balances		11,014	5,634
Term deposit receipt		127	111
Debt Securities - Term finance certificates and Sukuk Certificates		6,645	736
Government securities - Pakistan Investment Bonds		-	5,296
		17,786	11,777

7 DEPOSITS AND OTHER RECEIVABLE

	Note	June 30, 2018	June 30, 2017
		----- Rupees in '000 -----	
Security deposit with Central Depository Company of Pakistan Limited		100	100
Advance tax	7.1	466	455
Balance in IPS account		-	345
		566	900

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, during the year ended June 30, 2018, withholding tax on profit on bank deposit paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on bank deposit amounts to Rs 0.466 million.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions



at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on bank deposits has been shown as other receivables as at June 30, 2018 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8	PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	June 30, 2018 ----- Rupees in '000 -----	June 30, 2017 ----- Rupees in '000 -----
	At the beginning of the year		-	414
	Less: amortisation during the year		-	(414)
	At the end of the year	8.1	-	-

8.1 Preliminary expenses and floatation costs represented expenditure incurred prior to the commencement of operations of the Fund. These costs have been amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

9	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - RELATED PARTY	Note	June 30, 2018 ----- Rupees in '000 -----	June 30, 2017 ----- Rupees in '000 -----
	Management fee payable	9.1	3,185	4,144
	Punjab / Sindh Sales Tax payable on remuneration of the Management Company	9.2	6,660	6,814
	Federal Excise Duty payable on remuneration of the Management Company	9.3	41,987	41,987
	Accounting and operational charges payable	9.4	764	1,028
	Selling and marketing expenses payable	9.5	918	-
			53,514	53,973

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 1.5% of the average annual net assets in case of income schemes. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.25% (2017: 1.25%) per annum of the average net assets of the Fund during the year ended 30 June 2018. The remuneration is payable to the Management Company monthly in arrears.

9.2 During the year, an amount of Rs. 5.999 million (2017: Rs 11.126) was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012, and an amount of Rs 6.153 million (2017: Rs 11.59 million) has been paid to the Management Company which acts as a collecting agent.

Consequent to change in registered office of the Management Company, the Fund had completed its registration process with the Punjab Revenue Authority in July 2017 and, now, the services obtained by the Fund are subject to the Punjab sales tax at a rate specified in the Punjab Sales Tax on Services Act, 2012. During the year Punjab sales tax has been charged at the rate of 16% (June 30, 2017: Sindh Sales tax at the rate of 13%).

9.3 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.

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.

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.

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 41.987 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 June 30, 2018 would have been higher by Re 0.141 (2017: Re 0.111) per unit.

9.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company has charged expenses at the rate of 0.1% of the average net assets of the Fund being lower than actual expenses chargeable to the Fund for the year.

9.5 The SECP vide circular 40 of 2016 dated December 30, 2016 (later amended vide circular 05 of 2017 dated February 13, 2017 and circular 5 of 2018 dated June 4, 2018) has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except for fund of funds and money market funds) initially for three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, the Management Company has charged selling and marketing expenses amounting to Rs. 0.918 million at the rate of 0.4% of the net assets of the Fund being lower than actual expenses chargeable to the Fund for the year.

10	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	Note	June 30,	June 30,
			2018	2017
			----- Rupees in '000 -----	
	Trustee fee payable	10.1	253	310
	Sindh Sales Tax payable on trustee fee	10.2	33	40
			286	350

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

On net assets:

- Upto Rs 1,000 million	Rs. 0.15% per annum of Net asset value
- From Rs 1,000 million to Rs 10 billion	Rs. 1.5 million plus 0.075% per annum of Net asset value exceeding Rs. 1,000 million
- Over Rs 10 billion	Rs. 8.25 million plus 0.06% per annum of Net asset value exceeding Rs. 10,000 million

10.2 During the year, an amount of Rs 0.386 million (2017: Rs 0.761 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs 0.393 million (2017: Rs 0.797 million) was paid to the Trustee which acts as a collecting agent.

11	PAYABLE TO THE SECURITIES AND EXCHANGE	Note	June 30,	June 30,
			2018	2017
			----- Rupees in '000 -----	
	Annual fee payable	11.1	2,201	5,078

11.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as a income scheme is required to pay to the Securities and Exchange Commission of Pakistan an amount equal to 0.075% of the average annual net assets of the Fund as annual fee.



12 ACCRUED EXPENSES AND OTHER LIABILITIES

		June 30, 2018	June 30, 2017
	Note	----- Rupees in '000 -----	
Auditors' remuneration payable		415	283
Printing charges payable		150	150
Brokerage payable		22	22
Withholding tax payable		119	52,441
Provision for Sindh Workers' Welfare Fund	12.1	10,609	10,609
Other payables		621	622
		11,936	64,127

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

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

The registered office of the Management Company of the Fund has been relocated from the Province of Sindh to the Province of Punjab. Accordingly, the Fund has not recorded provision in respect of SWWF during the current year. However, as a matter of abundant caution the provision for SWWF made for the period from May 21, 2015 till June 30, 2017 amounting to Rs 10.609 million (June 30, 2017: Rs 10.609 million) is being retained in these financial statements of the Fund till the final decision in respect of SWWF.

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value of the Fund as at June 30, 2018 would have been higher by Re. 0.036 (2017: Re 0.028) per unit.

13 CONTINGENCIES AND COMMITMENTS

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

14 INTEREST / PROFIT EARNED

	June 30, 2018	June 30, 2017
	----- Rupees in '000 -----	
Interest / profit on:		
Savings and term deposit	97,116	104,200
Debt Securities - Term Finance Certificates and Sukuk Certificates	32,639	9,481
Government Securities - Market Treasury Bills and Pakistan Investment Bonds	66,002	304,915
Letters of Placement	-	8,972
	195,757	427,568

	June 30, 2018	June 30, 2017
	----- Rupees in '000 -----	
15 AUDITORS' REMUNERATION		
Annual audit fee	250	243
Half yearly review of condensed interim financial information	125	120
Fee for other certifications	165	40
Out of pocket expenses	<u>76</u>	<u>108</u>
	616	511
16 TOTAL EXPENSE RATIO		

The Total Expense Ratio (TER) of the Fund as at June 30, 2018 is 1.84% (2017: 1.91%) which includes 0.29% (2017: 0.41%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

17 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 unitholders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ended June 30, 2018 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

18 EARNINGS PER UNIT

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

19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

19.1 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.

19.2 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.

19.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

19.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and Trust Deed.

19.5 The details of transactions carried out by the Fund with connected persons during the year and balances with them



as at year end are as follows:

ABL Asset Management Company Limited - Management Company

Remuneration charged	36,691	84,629
Punjab / Sindh Sales Tax on remuneration of the Management Company	5,999	11,128
Accounting and operational charges	2,941	6,754
Selling and marketing charges	918	-
Amortisation of preliminary expenses and floatation costs	-	414
Payment made to the Management Company	47,008	88,536
Sales load paid	546	100
Issue of 2,413,547 (2017: 86,135,827) units	25,000	861,953
Redemption of 2,413,547 (2017: 86,135,827) units	25,348	862,271

Central Depository Company of Pakistan Limited

Remuneration of the Trustee	2,951	5,827
Sindh Sales Tax on remuneration of the Trustee	386	761
Payment made to Central Depository Company of Pakistan Limited	3,401	-
Security deposit with Central Depository Company of Pakistan Limited	100	100
Balance in IPS account	-	345

Allied Bank Limited

Mark-up income on bank deposits	4,734	22,678
Bank charges	54	92
Mark-up accrued on deposits with banks	786	775

ABL Islamic Income Fund

Sale of Meezan Bank Limited Sukuk (Face Value 374,000,000)	-	374,538
Sale of Fatima Fertilizer Sukuk (Face Value 30,650,000)	-	31,263

Pioneer Cement Limited *

Issue of Nil (2017: 685,553) units	-	6,866
Redemption of Nil (2017: 105,800,000) units	-	1,102,508
Cash distribution	-	44,720
Outstanding Nil (2017: 11,102,494) units	-	111,225

English Biscuit Manufacturers (Private) Limited

Issue of Nil (2017: 7,132,868) units	-	71,341
Redemption of 69,545,959 (2017: Nil) units	697,595	-
Outstanding 76,490,471 (2017: 146,036,430) units	805,315	1,462,993

Haleeb Foods Limited *

Issue of Nil (2017: 150,499,034) units	-	1,511,477
Redemption of Nil (2017: 221,581,955) units	-	2,268,135

Coronet Foods (Private) Limited

Issue of Nil (2017: 2,920,415) units	-	29,209
Redemption of 28,474,250 (2017: Nil) units	285,617	-
Outstanding 31,317,546 (2017: 59,791,796) units	329,721	598,994

Murree Brewery Company Limited

Outstanding 31,425,206 (2017: Nil) units	330,854	-
--	---------	---

ABL Financial Planning Fund - Conservative Allocation Plan

Issue of 3,875,589 (2017: Nil) units	39,590	-
Redemption of 506,904 (2017: Nil) units	5,248	-
Outstanding 3,368,685 (2017: Nil) units	35,467	-

ABL Financial Planning Fund - Active Allocation Plan

Issue of 20,891,397 (2017: Nil) units	212,723	-
Redemption of 3,417,754 (2017: Nil) units	35,107	-
Outstanding 17,473,643 (2017: Nil) units	183,968	-

ABL Financial Planning Fund - Strategic Allocation Plan

Issue of 4,987,365 (2017: Nil) units	50,890	-
Redemption of 479,935 (2017: Nil) units	4,973	-
Outstanding 4,507,430 (2017: Nil) units	47,456	-

KEY MANAGEMENT PERSONNEL

Issue of Nil (2017: 242) units	-	2
Redemption of Nil (2017: 148,949) units	-	1,519

* Current year figure has not been presented as the person is not classified as a related party / connected person of the Fund as at June 30, 2018.

19.6 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

20 CASH AND CASH EQUIVALENTS

	Note	June 30, 2018	June 30, 2017
----- Rupees in '000 -----			
Bank balances	4	2,414,536	2,430,075
Term deposit receipt	5.8	300,000	300,000
Treasury bills (with original maturity of three months)	5.5	2,199,160	-
		<u>4,913,696</u>	<u>2,730,075</u>

21 FINANCIAL INSTRUMENTS BY CATEGORY

	----- 2018 -----		
	Loans and receivables	At fair value through profit or loss	Available for sale
----- Rupees in '000 -----			
Financial assets			Total
Bank balances	2,414,536	-	2,414,536
Investments	-	2,970,909	2,970,909
Interest / profit accrued	17,786	-	17,786
Deposits and other receivable	100	-	100
	<u>2,432,422</u>	<u>2,970,909</u>	<u>5,403,331</u>

Financial liabilities

	----- 2018 -----		
	At fair value through profit or loss	At amortised cost	Total
----- Rupees in '000 -----			
Payable to ABL Asset Management Company Limited - Management Company	-	53,514	53,514
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	286	286
Payable against redemption of units	-	77	77
Payable against purchase of investment	-	2,199,168	2,199,168
Accrued expenses and other liabilities	-	1,208	1,208
	<u>-</u>	<u>2,254,253</u>	<u>2,254,253</u>



b) Sensitivity analysis for fixed rate instruments

As at June 30, 2018, the Fund holds market treasury bills which are classified as financial assets at fair value through profit or loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Markets Association of Pakistan for market treasury bills and with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been lower / higher by Rs 21.993 million (2017: Rs. 29.330 million).

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

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2018 can be determined as follows:

----- 2018 -----					
Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
Financial assets					
Bank balances	3.75% - 7.59%	2,414,536	-	-	2,414,536
Investments	6.9% - 8.02%	2,499,160	-	471,749	2,970,909
Interest / profit accrued		-	-	17,786	17,786
Deposits and other receivable		-	-	100	100
		4,913,696	-	471,749	5,403,331
Financial liabilities					
Payable to ABL Asset Management Company Limited - Management Company		-	-	53,514	53,514
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	286	286
Payable against redemption of units		-	-	77	77
Payable against purchase of investment		-	-	2,199,168	2,199,168
Accrued expenses and other liabilities		-	-	1,208	1,208
		-	-	2,254,253	2,254,253
On-balance sheet gap		4,913,696	-	471,749	(2,236,367)
Total interest rate sensitivity gap		4,913,696	-	471,749	
Cumulative interest rate sensitivity gap		4,913,696	4,913,696	5,385,445	



Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
Financial assets						
Bank balances	4.00% - 6.75%	2,430,075	-	-	-	2,430,075
Investments	5.97% - 6.20%	2,837,726	-	667,077	-	3,504,803
Interest / profit accrued		-	-	-	11,777	11,777
Deposits and other receivable		-	-	-	445	445
		5,267,801	-	667,077	12,222	5,947,100
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company		-	-	-	53,973	53,973
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	-	350	350
Payable against redemption of units		-	-	-	126	126
Payable against purchase of investment		-	-	-	2,029,572	2,029,572
Dividend payable		-	-	-	50	50
Accrued expenses and other liabilities		-	-	-	1,077	1,077
		-	-	-	2,085,148	2,085,148
On-balance sheet gap		5,267,801	-	667,077	(2,072,926)	3,861,952
Total interest rate sensitivity gap		5,267,801	-	667,077		
Cumulative interest rate sensitivity gap		5,267,801	-	5,934,878		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of June 30, 2018.

22.2 Liquidity risk

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

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

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

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

2018						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial assets						
Bank balances	2,414,536	-	-	-	-	2,414,536
Investments	2,499,160	-	-	297,018	174,731	2,970,909
Interest / profit accrued	17,486	300	-	-	-	17,786
Deposits and other receivable	100	-	-	-	-	100
	4,931,282	300	-	297,018	174,731	5,403,331
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company	53,514	-	-	-	-	53,514
Payable to the Central Depository Company of Pakistan Limited - Trustee	286	-	-	-	-	286
Payable against redemption of units	77	-	-	-	-	77
Payable against purchase of investment	2,199,168	-	-	-	-	2,199,168
Accrued expenses and other liabilities	1,208	-	-	-	-	1,208
	2,254,253	-	-	-	-	2,254,253
Net financial assets	2,677,029	300	-	297,018	174,731	3,149,078
2017						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial assets						
Bank balances	2,430,075	-	-	-	-	2,430,075
Investments	2,537,726	300,000	425,535	18,045	223,497	3,504,803
Interest / profit accrued	11,666	111	-	-	-	11,777
Deposits and other receivable	445	-	-	-	-	445
	4,979,912	300,111	425,535	18,045	223,497	5,947,100
Financial liabilities						
Payable to ABL Asset Management Company Limited - Management Company	53,973	-	-	-	-	53,973
Payable to the Central Depository Company of Pakistan Limited - Trustee	350	-	-	-	-	350
Payable against redemption of units	126	-	-	-	-	126
Payable against purchase of investment	2,029,572	-	-	-	-	2,029,572
Dividend payable	50	-	-	-	-	50
Accrued expenses and other liabilities	1,077	-	-	-	-	1,077
	2,085,148	-	-	-	-	2,085,148
Net financial assets	2,894,764	300,111	425,535	18,045	223,497	3,861,952

22.3 Credit risk

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

	2018		2017	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
Rupees in '000				
Bank balances and term deposits	2,714,536	2,714,536	2,730,075	2,730,075
Investments in government securities	2,199,160	-	2,932,931	-
Investments in debt instruments	471,749	471,749	271,872	271,872
Interest / profit accrued	17,786	17,786	11,777	11,777
Deposits and other receivable	566	100	900	445
	5,403,797	3,204,171	5,947,555	3,014,169



The maximum exposure to credit risk before any credit enhancement as at June 30, 2018 is the carrying amount of the financial assets. Investment in government securities, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

22.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and mark-up accrued thereon and investments in term finance and sukuk certificates. The credit rating profile of balances with banks, accrued profit, term deposits and investment in TFCs/sukuk is as follows:

Rating	% of financial assets exposed to credit risk	
	2018	2017
Bank Balances and Term Deposit		
AAA	0.01%	4.21%
AA+	12.07%	0.65%
AA	0.00%	29.38%
AA-	38.16%	11.66%
Term Finance Certificates		
AAA	0.00%	0.30%
AA+	2.81%	0.00%
AA	0.00%	0.25%
AA-	3.23%	4.02%
Sukuk Certificates		
AA	2.69%	0.00%
	<u>58.97%</u>	<u>50.47%</u>

23 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

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

At fair value through profit or loss

Term finance certificates - unlisted
Sukuk certificates - listed
Sukuk certificates - unlisted
Government securities - Market Treasury Bills

----- 2018 -----		
Level 1	Level 2	Level 3
----- Rupees in '000 -----		
-	326,520	-
-	100,200	-
-	45,029	-
-	2,199,160	-
-	2,670,909	-

At fair value through profit or loss

Term finance certificates - listed
Term finance certificates - unlisted
Government securities - Market Treasury Bills
Government securities - Pakistan Investment Bonds

----- 2017 -----		
-	30,330	-
-	241,542	-
-	2,537,726	-
-	395,205	-
-	3,204,803	-

24 UNIT HOLDERS' FUND RISK MANAGEMENT

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

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

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

In accordance with the risk management policies as stated in note 22, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

25 UNIT HOLDING PATTERN OF THE FUND

Category

Individuals
Associated Companies
Insurance Companies
Retirement Funds
Public Limited Companies
Others

----- 2018 -----			----- 2017 -----		
Number of unit holders	Investment amount Rupees in '000'	Percentage of total	Number of unit holders	Investment amount Rupees in '000'	Percentage of total
1,283	647,257	20.64%	833	877,248	23.12%
3	266,891	8.50%	-	-	-
1	20,665	0.66%	1	8,121	0.21%
16	155,962	4.97%	9	100,845	2.66%
13	735,744	23.46%	4	559,940	14.76%
29	1,310,096	41.77%	20	2,248,125	59.25%
1,345	3,136,615	100.00%	867	3,794,279	100.00%



26 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2018		2017	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Optimus Markets (Private) Limited	48.64%	C & M Management (Private) Limited	26.82%
Next Capital Limited	15.36%	Invest Capital Markets Limited	16.15%
JS Global Capital Limited	14.14%	Next Capital Limited	13.54%
BIPL Securities Limited	9.68%	Bright Capital (Private) Limited	8.37%
Invest Capital Markets Limited	3.62%	Invest & Finance Securities Limited	7.25%
Bright Capital (Private) Limited	3.19%	Invest One Markets Limited	6.23%
C & M Management (Private) Limited	1.32%	Magenta Capital (Private) Limited	5.9%
BMA Capital Management Limited	1.16%	KASB Securities (Private) Limited	5.85%
Magenta Capital (Private) Limited	0.81%	Icon Securities (Private) Limited	4.71%
EFG Hermes Pakistan Limited	0.58%	Paramount Capital	3.14%

27 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

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

28 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Fahad Aziz	Fund Manager - Fixed Income	MBA-Finance	Cash Fund and Income Fund

29 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

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

- * Retired in the 10th AGM held on April 2, 2018
- ** Elected as new director in the 10th AGM
- *** Mr. Saqib Matin attended the meetings as Company Secretary.

30 RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

Furthermore, JCR-VIS Credit Rating Company Limited has maintained the stability rating of "A(f)" (Single A (f)) to the Fund [2017: "A(f)" {Single A (f)}] on 16 January, 2018.

31 CORRESPONDING FIGURES

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

32 NON-ADJUSTING EVENTS AFTER REPORTING PERIOD

Subsequent to the year end, the Management Company of the fund has declared final cash dividend on July 03, 2018 of Re 0.4794 per unit (2017: Rs Nil per unit) on the face value of Rs 10 each (i.e. 4.79%) amounting to Rs 143.015 million (2017: Rs Nil). The financial statements of the Fund for the year ended June 30, 2018 do not include the effect of this distribution which will be accounted for in the financial statements of the Fund for the year ending 30 June 2019.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on September 6, 2018.

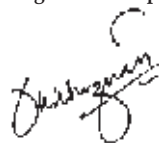
34 GENERAL

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

For ABL Asset Management Company Limited
(Management Company)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR



توقعات کے باعث، اسٹاکس اپنی تخمینہ قیمت میں کشش کھورے ہیں۔ موجودہ معاشی صورتحال میں، سرمایہ کاری کا دفاعی لائحہ عمل اختیار کرنا مناسب ہے۔ ان اسٹاکس پر توجہ مرکوز رکھی جائے جن کا منافع امریکی ڈالر سے منسلک ہے اور ایاتیل کی تلاش و پیداوار (E&P)، بجلی، اسٹیل، بینکس اور سیمنٹ سیکٹر کے منتخب اسٹاکس، شامل ہیں۔ اگر عام انتخابات 2018 میں کوئی ایک جماعت واضح اکثریت حاصل نہ کر پائی تو اسٹاکس کی ریٹنگ میں بڑی کمی ممکن ہے۔

اعتراف

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

بورڈ کی جانب سے



علی خالد غزنوی

چیف ایگزیکٹو آفیسر

لاہور، 6 ستمبر 2018

7. موجودہ حیثیت میں کام جاری رکھنے کے لیے فنڈ کی اہلیت میں کوئی قابل ذکر ٹھوک و شبہات نہیں ہیں۔

8. فنڈ کی کارکردگی کا نمٹل، سالانہ رپورٹ کے صفحہ نمبر 13 پر دیا گیا ہے۔

9. محصولات، ڈیویڈنڈ، لیویز اور چارجز کی مد میں کوئی رقم واجب الادا نہیں ہے، ماسوائے اس کے جو مالیاتی گوشواروں میں درج ہے۔

10. اس فنڈ میں، پراویڈنٹ فنڈ کی سرمایہ کاری کے حجم کا اسٹیٹ منٹ لاگو نہیں ہوتا، کیونکہ ملازمین کی ریٹائرمنٹ کے فوائد پر اٹھنے والے اخراجات منجمنٹ کھنی برداشت کرتی ہے۔

11. 30 جون 2018 کو پونٹ ہولڈنگ کے طرز کی تفصیل مالیاتی گوشواروں کے نوٹ نمبر 25 میں دی گئی ہے۔

آڈیٹرز

30 جون 2019 کو ختم ہونے والے مالی سال کے لیے، میسرز اے۔ ایف۔ فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کا اے بی ایل گورنمنٹ سکیورٹیز فنڈ (ABL GSF) کے آڈیٹرز کے طور پر دوبارہ مقرر کیا گیا ہے۔

فنڈ کے معکم ہونے کی ریٹنگ

جے سی آر۔ سی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 16 جنوری 2018 کو اے بی ایل گورنمنٹ سکیورٹیز فنڈ کی (A(1) (سنگل اے ایف) کی فنڈ اسٹیبلٹی ریٹنگ برقرار رکھی ہے۔

منجمنٹ کوالٹی کی ریٹنگ

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

مستقبل کا منظر نامہ

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

اس ساری صورتحال کے پیش نظر، اسٹاک مارکیٹ میں اونچ نیچ کے رجحان کی توقع ہے۔ شرح سود کے ڈہرے ہندسوں تک پہنچ جانے کی



مالی سال کے اسی عرصے کے دوران ان میں 40 فیصد کمی آئی تھی۔ مالی سال 2018 کے دوران، کمرشل بینکوں سے حکومتی قرضہ جات میں 77 ارب روپے کمی ہوئی، جبکہ گزشتہ مالی سال اسی عرصے میں 179 ارب روپے اضافہ ہوا تھا۔ اسٹیٹ بینک آف پاکستان سے حکومتی قرضہ جات میں 1,439 ارب روپے اضافہ ہوا، جبکہ گزشتہ مالی سال اسی عرصے میں 908 ارب روپے اضافہ ہوا تھا۔

فنڈ کی کارکردگی

مالی سال 2018 میں ختم ہونے والے سال کے دوران، اے بی ایل گورنمنٹ سیکورٹیز فنڈ (ABL GSF) میں سالانہ منافع کی شرح 5.09 فیصد رہی، جبکہ شیخ مارک کی کارکردگی 6.20 فیصد رہی، اس طرح شیخ مارک کے مقابلے میں کارکردگی 111 پونے پوائنٹس کم رہی۔ پورے سال کے دوران، اے بی ایل جی ایس ایف نے گورنمنٹ سیکورٹیز فنڈ کیٹگری میں ٹاپ پوزیشن برقرار رکھی۔ سال کے دوران، 30 جون 2018 کے مطابق، اے بی ایل جی ایس ایف کے ذریعہ انتظام شدہ جات (AUM) 17.34 فیصد کی مزید کمی کے بعد 3.136 ارب روپے رہ گئے، جبکہ 30 جون 2017 کو ان کی مالیت 3.794 ارب روپے تھی۔ فنڈ کی غیر معمولی کارکردگی، سرکاری سیکورٹیز میں توازن کے ساتھ کاروبار پر ہونے والے منافع اور کارپوریٹ بائنڈ پورٹ فولیو کے مہولہ منافع ہے۔

پورے مالی سال 2018 کے دوران، فنڈ نے پی آئی بیز میں نہایت کم سرمایہ کاری کی، اس طرح 30 جون 2018 کو کل اثاثہ جات میں پی آئی بیز کا حصہ 0.00 فیصد تھا، جبکہ مالی سال 2017 میں جون کے اختتام پر یہ شرح 6.60 فیصد تھی۔ فنڈ کی سرمایہ کاری قلیل مدتی ٹی بلز میں 40.70 فیصد، جبکہ بڑے کمرشل بینکوں کی جانب سے پرکشش شرح منافع کی پیش کش کے باعث، جون کے اختتام پر 44.68 فیصد اثاثہ جات نقد میں رکھے ہوئے تھے۔

اضافی معاملات

1. اس سالانہ رپورٹ میں منجمنٹ کمیٹی کے ڈائریکٹرز کی تفصیلات درج ہیں۔
2. مالیاتی گوشواروں میں، فنڈ کے معاملات، آپریشنز کے نتائج، رقومات کے بہاؤ اور پونٹ ہولڈرز میں تبدیلیوں کو شفاف طور پر پیش کیا گیا ہے۔
3. فنڈ کے حسابات کے لیے کھاتوں کی کتب کو درست طور پر مرتب کیا گیا ہے۔
4. مالیاتی گوشواروں کی تیاری میں ہر جگہ حسابات کی درست پالیسیوں کا اطلاق کیا گیا ہے اور حسابات کے تخمینے مناسب ترین اور قابل فہم فیصلوں کی بنیاد پر لگائے گئے ہیں۔
5. مالیاتی گوشواروں کی تیاری میں، پاکستان میں لاگو بین الاقوامی حسابات کے معیارات، نان بینکنگ فائننس کمپنیز (اسٹیل سٹیمونٹ اینڈ ریگولیشن) قوانین 2003 اور نان بینکنگ فائننس کمپنیز اینڈ نوٹیفائیڈ ایجینٹ ریگولیشنز 2008 کی پروویژنز، ٹرسٹ ڈیڈ کی ضروریات اور سیکورٹیز اینڈ ایکس چینج کمیشن آف پاکستان کی ہدایات پر عمل درآمد کیا گیا ہے۔
6. اندرونی کنٹرول کا نظام کی تشکیل نہایت مضبوط ہے اور اس کا نفاذ اور نگرانی مؤثر طور پر کی جا رہی ہے۔

دوران افراط زر میں اضافے کے خدشات پیدا ہو گئے ہیں۔ مزید برآں، مالی سال 2018 کی دوسری سش ماہی کے دوران، بنیادی افراط زر میں اضافے کا رجحان جاری رہا اور جون 2018 میں سالانہ بنیاد پر اس میں اضافے کی شرح 7.1 فیصد پر پہنچی گئی۔ پاکستان سرمایہ کاری ہاٹھ (PIBs) پرائیڈ (منافع) 86 ہزار پوائنٹس سے بڑھ کر 170 ہزار پوائنٹس ہو گئی، اور سرمایہ کاروں کی زیادہ دلچسپی قلیل مدتی انٹرمینٹس میں دیکھی گئی۔ منی مارکیٹ زیادہ تر سیال رہی اور پورا سال پالیسی ریٹ کے قریب قریب ہی کاروبار ہوتا رہا، کیونکہ اسٹیٹ بینک آف پاکستان نے وقفہ وقفہ سے اوپن مارکیٹ آپریشنز (OMOs) کے ذریعے سیالیت کی دستیابی کو یقینی بنایا۔ جون 2018 میں، میچور ہونے والے اوپن مارکیٹ آپریشنز کا حجم بڑھ کر 1,460 ارب روپے ہو گیا، کیونکہ بڑھتی شرح سود کے پیش نظر بہتر منافع کے لیے مارکیٹ نے سرکاری سکوریز میں اپنی سرمایہ کاری کو بڑھا دیا۔ شرح سود میں اضافے کی توقعات پر، زیادہ سرمایہ کاری قلیل مدتی کی گئی۔ سال کے دوران، پاکستان سرمایہ کاری ہاٹھ میں 564 ارب روپے کی سرمایہ کاری کی گئی، جبکہ ٹریڈری بلز (T-Bills) میں 19,232 ارب روپے مالیت کی بھاری شرکت دیکھی گئی۔ البتہ، حکومت نے 1,000 ارب روپے کے مجموعی نیلامی کے ہدف کے مقابلے میں، پاکستان سرمایہ کاری ہاٹھ میں 120 ارب روپے مالیت کی سرمایہ کاری کی پیش کش قبول کیں اور ٹی بلز کے لیے 16,375 ارب روپے کے مجموعی نیلامی کے ہدف کے مقابلے میں 15,969 ارب کی پیش کش قبول کیں۔ جہاں تک میچوریز کا تعلق ہے، سال کے دوران، پاکستان سرمایہ کاری ہاٹھ اور ٹی بلز میں مجموعی طور پر بالترتیب 819 ارب روپے اور 15,970 ارب روپے کی میچوریز ہوئیں۔

جہاں تک اسلامک کاتھلیک ہے، منی مارکیٹ مناسب طور پر سیال رہی، اور کھاتوں میں 22.5 فیصد کی زبردست نمو کے باعث (کھاتے برطانیہ 30 مارچ 2018) چھ ماہ کے ٹریڈری بل سے 25 تا 50 ہزار پوائنٹس کم پر سرمایہ کاری کی گئی۔ مارکیٹ میں مجموعی بینک کھاتوں میں اسلامی بینکاری کے اداروں کے کھاتوں کا حصہ مارچ 2018 کے اختتام تک بڑھ کر 14.6 فیصد ہو گیا، جبکہ جون 2017 میں یہ 13.7 فیصد تھا۔ اسی طرح، مجموعی بینکاری حجم میں اسلامی بینکوں کے کل اثاثہ جات جون 2017 میں 11.6 فیصد کے مقابلے میں مارچ 2018 میں بڑھ کر 13.5 فیصد ہو گئے۔ حکومت کی طرف سے ناہی مقامی اور ناہی بین الاقوامی مارکیٹ میں نئے اجارہ سکوک جاری کیے گئے۔ کارپوریٹ سیکٹر کی بات کریں تو واؤڈ ہر کیولس کارپوریشن لمیٹڈ، انٹرنیشنل براڈرز لمیٹڈ، وہی اسلامک بینک پاکستان لمیٹڈ اور اسپین فارما (پرائیویٹ) لمیٹڈ کی جانب سے مالی سال 2018 کے دوران 19,530 ارب روپے مالیت کے سکوک جاری کیے گئے۔

مالی سال 2018 میں M2 میں نمو کی شرح 10.6 فیصد رہی، جبکہ گزشتہ مالی سال کے اسی عرصے میں 13.7 فیصد اضافہ ہوا تھا۔ پیسے کی رسد رہنے کی بڑی وجہ خالص مقامی اثاثہ جات (NDA) میں 17 فیصد اضافہ (2,336 ارب روپے اضافہ) ہونا ہے، کیونکہ مالی سال 2018 کے دوران نئی شعبے کو قرضوں کا اجراء کم رہا۔ ہم سمجھتے ہیں کہ اس کمی کی ایک اور وجہ حکومت کی جانب سے مالی خسارے کو پورا کرنے کے لیے قرضہ جات میں سالانہ بنیاد پر 16.6 فیصد (1,495 ارب روپے) اضافہ ہونا بھی ہے۔ مالی سال 2018 میں، غیر ملکی قرضہ جات کی بھاری ادائیگی کے باعث، خالص غیر ملکی اثاثہ جات میں (NFA) میں سالانہ بنیاد پر 132 فیصد کی قابل ذکر کمی ہوئی، جبکہ گزشتہ



مالی سال 2018 کے ابتدائی 9 ماہ میں مالی خسارہ 1,481 ارب روپے تک پہنچ گیا (جی ڈی پی کا 4.3 فیصد)، جو سالانہ بنیادوں پر 20 فیصد کا اضافہ بنتا ہے، جس کی بڑی وجہ اس عرصے کے دوران، محصولات میں ہونے والے اضافے کے مقابلے میں اخراجات میں ہونے والے اضافے کا زیادہ تیزی سے بڑھنا ہے۔ ترقیاتی اخراجات کی شرح میں صحت مندانہ اضافہ ہوا (مالی سال 2018 کے ابتدائی 9 ماہ میں ترقیاتی اخراجات میں سالانہ بنیادوں پر 37 فیصد اضافے نے جاری اخراجات میں سالانہ بنیاد پر 13 فیصد اضافے کو پیچھے چھوڑ دیا)، جس نے معیشت میں نمو کے رجحان کو بڑھا دیا۔

میو چائل فنڈ انڈسٹری کا جائزہ

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

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

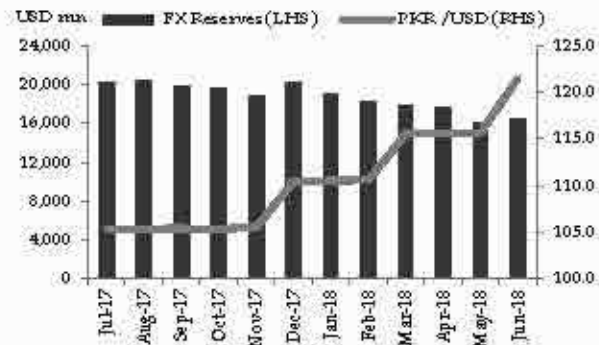
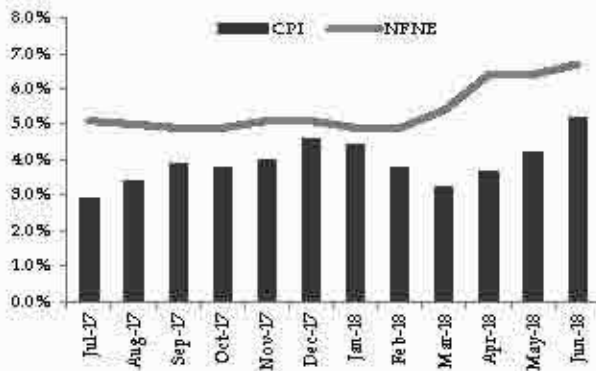
منی مارکیٹ کا جائزہ

سال کے دوران، پالیسی ریٹ میں متوقع روو بدل کے باعث، فکسڈ انکم مارکیٹ میں غیر یقینی کی صورت حال رہی۔ مارکیٹ کا رجحان مجموعی طور پر قلیل مدتی رہا اور طویل مدتی انٹرنیشنل میں بڑی شرکت سے کنارہ کشی اختیار کیے رکھی۔ افراط زر کی بڑھتی شرح کو قابو کرنے کے لیے، مالی سال 2018 کے دوران، اسٹیٹ بینک آف پاکستان نے، بنیادی شرح سود (پالیسی ریٹ) میں دو بار اضافہ کیا (مجموعی طور پر 75 بیس پوائنٹس اضافہ)۔ پالیسی ریٹ جنوری 2018 میں 5.75 فیصد سے بڑھا کر 6.0 کر دیا گیا اور مئی 2018 میں اسے مزید بڑھا کر 6.5 فیصد کر دیا گیا (اس کے برعکس پورے مالی سال 2017 کے دوران پالیسی ریٹ 5.75 فیصد کی شرح پر مستقل رہا)۔

مالی سال 2017 میں 4.2 فیصد کی شرح کے مقابلے میں، مالی سال 2018 کے دوران افراط زر میں سالانہ بنیادوں پر اضافے کی شرح 3.9 فیصد رہی۔ اس کی وجہ غذائی اشیاء اور تیل کی قیمتوں میں ہونے والا اضافہ ہے۔ اگرچہ سال کے دوران مہنگائی کی مجموعی صورت قابو میں رہی، بیرونی کھاتوں پر بڑھتا ہوا ذرہ ہالہ مارکیٹ میں روپے کی قدر میں کمی کا باعث بنا، جس وجہ سے آنے والے مالی سال کے

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

مضبوط معاشی نمو کے باوجود، عمومی مہنگائی کی شرح، مالی سال 2018 کے لیے 6.0 فیصد کے حکومتی ہدف سے کم رہی اور اس دوران سالانہ بنیاد پر مہنگائی کی شرح میں اوسط 3.9 فیصد اضافہ ہوا (مالی سال 2017 میں سالانہ بنیاد پر مہنگائی کی اوسط شرح 4.2 فیصد کے مقابلے میں)۔ البتہ، تیل کی بین الاقوامی قیمتوں میں دوبارہ اضافے (مالی سال کے دوران عرب لائٹ کی قیمتیں 24.5 فیصد بڑھ گئیں) اور مالی سال 2018 کی دوسری شش ماہی میں امریکی ڈالر مہنگا ہوجانے کے باعث، مہنگائی کے دباؤ میں اضافہ ہونے لگا اور جون 2018 میں کنزیومر پرائس انڈیکس (CPI) میں سالانہ بنیاد پر اضافے کی شرح بڑھ کر 5.2 فیصد ہو گئی (بنیادی انفرافلڈر یعنی غیر غذائی غیر توانائی (NFNE) مہنگائی سالانہ بنیاد پر 7.1 فیصد کی اوسط شرح سے بڑھ گئی جو گزشتہ مالی سال سالانہ بنیاد پر اوسط 5.5 فیصد رہی تھی)۔ بعد ازاں، اسٹیٹ بینک آف پاکستان نے، جنوری 2018 میں 25 بیس پوائنٹس (bps) اضافے کے ساتھ شروعات کرتے ہوئے، مالی سال 2018 کی دوسری شش ماہی کے دوران، مجموعی طور پر بنیادی شرح سود میں 75 بیس پوائنٹس (bps) اضافہ کر دیا۔ تاہم، اسٹیٹ بینک آف پاکستان نے، مارچ 2018 کے زری پالیسی بیان میں پالیسی ریٹ میں اضافے کے رجحان کو جاری نہ رکھا، جس کا جواز مرکزی بینک نے یہ پیش کیا کہ شرح سود میں مزید اضافے سے پہلے، روپے کی قدر میں حالیہ کمی اور برآمدات میں اضافے کے اثرات کو جانچنا ضروری ہے۔ البتہ، اپریل 2018 میں بنیادی انفرافلڈر (Core Inflation) کی شرح 7.0 فیصد کی رفتار سے بڑھنے کے بعد، مئی 2018 کے زری پالیسی بیان میں مرکزی بینک نے پالیسی ریٹ 50 بیس پوائنٹس بڑھاتے ہوئے 6.50 فیصد کر دیا۔

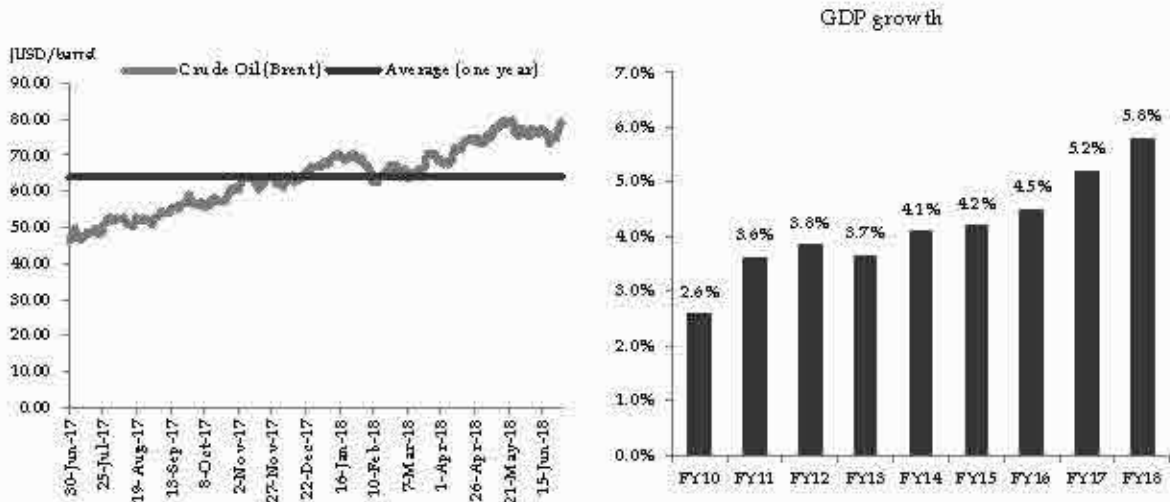


منجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل ایسٹ منجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز، جو کہ اے بی ایل گورنمنٹ سیکورٹیز فنڈ (ABL-GSF) کی منجمنٹ کمپنی ہے، نہایت مسرت کے ساتھ 30 جون 2018 کو ختم ہونے والے سال کیلئے الا سیڈ پبک انکم فنڈ کے آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ

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










مالی سال 2018 میں سالانہ بنیادوں پر رواں کھاتوں کے خسارے (CAD) میں 45 فیصد اضافہ ہوا اور یہ 18 ارب ڈالر کی سطح تک جا



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