



ABL Income Fund

# Nine Months Report

CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED MARCH 31, 2017



ABL Asset Management

Discover the potential

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# ABL INCOME FUND

## FUND'S INFORMATION

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

# ABL INCOME FUND

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Income Fund (ABL-IF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Income Fund for the nine months ended March 31, 2017.

### ECONOMIC PERFORMANCE REVIEW

Pakistan's macroeconomic indicators remained steady during the period under review. Despite uptick in inflation in March-17 to 4.94%YoY due to higher fuel and food costs, overall, 9MFY17 average CPI now stands at a comfortable level of 4.01%YoY. Given international oil prices at current level, we foresee inflation to stay around 4.3%-4.5% mark for FY17, well below the GoP target of 6.0%. Furthermore, country is also set to achieve GDP growth of above 5% (SBP's expectations between 5%-6%). The strong GDP growth is a result of improved growth in agricultural sector as well as heavy infrastructure development as the China Pakistan Economic Corridor (CPEC) projects have started in earnest with many early harvest projects for power and electricity slated for completion in 2018.

On the flipside, external position continues to weaken due to deterioration in trade balance, higher services deficit and decline in workers' remittances. Increase in imports on account of machinery and recovery in crude oil prices (9MFY17 average crude oil price up by 21%YoY) have resulted in a higher trade deficit (9MFY17: USD15,395mn +27%YoY). Moreover, exports also suffered (down 2%YoY), largely due to weak global demand and comparative strength of the Pak Rupee as compared to regional currencies (SBP REER at PKR126/USD). As a result, current account (CA) deficit for the period widened by massive 121%YoY to USD5,473mn (2.6% of GDP) compared to USD2,482mn (1.3% of GDP) in the corresponding period last year. To address weak exports, government announced an export package during the quarter under review to bolster annual exports which should help revive exports growth going forward.

Fiscal balance also remained a cause of concern as the government continued to miss the mark on tax collection. Overall tax collection for 9MFY17 clocked in at PKR 2,258bn reflecting an increase of 7.9%YoY. This leaves the FBR with an uphill task of collecting PKR 1,362.8bn in the last quarter of FY17 in order to meet FY17 tax collection target of PKR 3,620.8bn. The government has already admitted to IMF that the budget deficit will remain at 4.1% of the GDP, slightly missing the target of 3.8% of GDP. That said, the FBR is planning on aggressive tax measures to meet the tax collection target. Debt servicing continued to put pressure on external reserves. As a result, FX reserves came off by USD 1,652mn (QoQ) to USD21,551mn. The government is in the process of securing external debt to shore up the reserves and keep the exchange rate in check.

Despite favorable model based numbers, SBP keeping in view the balance of payment concerns decided to maintain policy rate at 5.75% in monetary policy statements.

The economy is expected to continue to post strong GDP growth on the back of infrastructure development related to the CPEC projects. Significant improvement in power generation and distribution as a part of the CPEC will reduce chronic power shortages plaguing the industrial sector as a result driving LSM growth higher. Nevertheless, pressure on external account front is likely to build up as significant external debt servicing is scheduled in 4QFY17.

### MUTUAL FUND INDUSTRY REVIEW

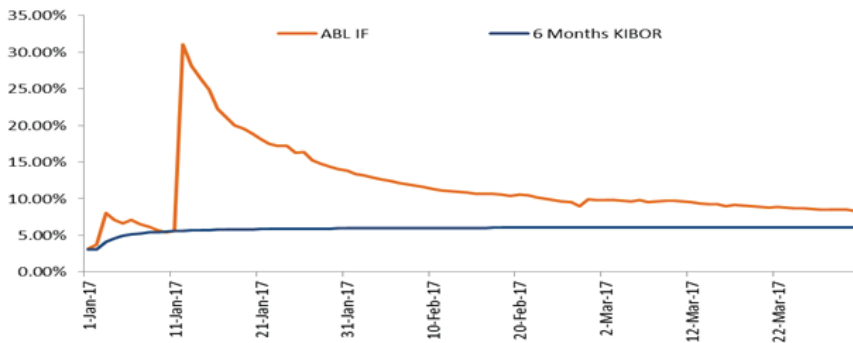
Total assets under management (AUMs) of open end mutual fund industry posted a decent growth of 7.5% during 3QFY17 (from PKR610 billion to PKR656 billion), mainly on account of substantial flows in equities amid low interest rates. Equity funds including Conventional and Islamic equity registered a growth of 5%QoQ and 13%QoQ in AUMs to close the period at PKR164 billion and PKR124 billion, respectively. On the flip side, volatility at low returns resulted into an outflow of PKR6 billion (-7%QoQ) from income funds category to end the quarter at PKR84 billion. On cumulative basis, the fixed income category (comprising of Income, Aggressive Income and Money Market funds) registered a muted growth of 2% in 3QFY17 to close at PKR173 billion in March 2017 compared to PKR170 billion in December 2016.

### FUND PERFORMANCE

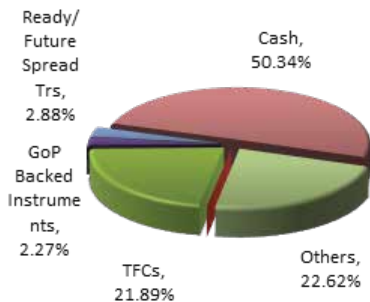
During the period under review, ABL Income fund posted an annualized return of 8.33% against the benchmark return (6M KIBOR) of 6.13%, depicting an outperformance of 220 bps. On YTD basis, ABL IF yielded an annualized return of 5.98% against the benchmark return of 6.09%, an underperformance of 11 bps. Fund's outperformance during the quarter was

primarily driven by active management of corporate debt portfolio and fund's exposure in spread transactions owing to significantly higher income associated with specific asset class. The Fund's return was further augmented by WWF provisioning reversal during the quarter. The fund size during the quarter increased marginally by 2.74% to PKR 3.927 billion in March 2017 from PKR 3,822.4 billion as at December 31, 2016.

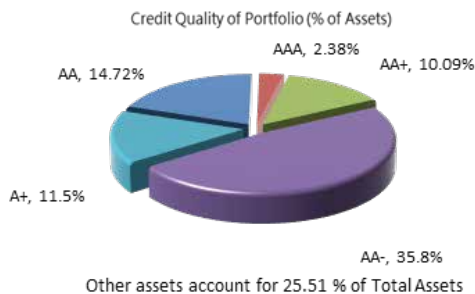
During the quarter, weighted average maturity of the fund was increased to 598 days from 417 days in December 2016 by way of increasing exposure in Term Finance Certificates. The fund's continued with the strategy of holding zero exposure PIBs. Allocation in TFCs now stands at 24.16% (TFCs - 21.89% and Govt. backed Corp. Instruments - 2.27% of total assets) compared to 18.37% in December 2016 as we further added banking TFCs in order to improve portfolio yield. On the other hand, cash at banks was preferred over T-Bills due to better rates were offered by banks on account of quarter end. Placements in cash assets at quarter end stood at 50.34% of total assets compared to 62.12% in Dec 2016.



Asset Allocation



Asset Quality



**AUDITORS**

A. F. Ferguson & Co. (Chartered Accountants), on the recommendation of the Audit Committee of the Board of Directors being eligible for re-appointment have been appointed as auditors for the year ending June 30, 2017 for ABL Income Fund (ABL-IF).

**FUND STABILITY RATING**

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on December 30, 2016, has reaffirmed the Fund Stability Rating of ABL Income Fund at 'A(f)' (Single A (f)).



## MANAGEMENT QUALITY RATING

On December 30, 2016, JCR-VIS Credit Rating Company Limited has reaffirmed the Management Quality Rating of ABL Asset Management Limited (ABL AMC) at 'AM Two Plus' (AM2+). Outlook on the assigned rating is 'Stable'.

## OUTLOOK

We foresee stable interest rates regime in near term amid stable international oil prices and controlled inflation numbers. The next fiscal year however pose challenges primarily on Balance of Payments (BoP) front due to weak trade balance (higher growth in imports while exports remain under pressure) and subdued growth in remittances. Thus, all this could mount pressure on PKR against greenback. Nevertheless, growth targets appear achievable due to improved business activity (LSM up 3.48% in 7MFY17), higher agricultural growth, better energy availability and lower input prices. Above all, with elections due next year, we expect the government to remain focused on development spending which will provide much needed boost to the growth in medium term

In this scenario, we intend to continue with the strategy of zero exposure in T-bills and PIBs while shifting our exposure towards high quality floating rates instruments (corporate debt), bank deposits and TDRs.

## 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.

Karachi, April 21, 2017

For & on behalf of the Board



**Alee Khalid Ghaznavi**  
Chief Executive Officer

**ABL INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS at March 31, 2017**

	Note	(Un-audited) March 31, 2017	(Audited) June 30, 2016
----- (Rupees in '000) -----			
<b>ASSETS</b>			
Bank Balances	4	1,998,637	1,818,702
Investments	5	1,073,469	1,943,186
Profit receivable		35,764	34,416
Security deposits, prepayments and other receivables		191,013	44,045
Receivable against sale and maturity of investments		671,183	-
<b>Total assets</b>		<b>3,970,065</b>	<b>3,840,349</b>
<b>LIABILITIES</b>			
Payable to ABL Asset Management Company Limited - Management Company	6	30,283	29,506
Payable to the Central Depository Company of Pakistan Limited - Trustee		391	447
Payable to the Securities and Exchange Commission of Pakistan		2,144	3,271
Dividend payable		-	1
Payable against redemption of units		240	1,626
Accrued expenses and other liabilities	7	9,672	71,008
<b>Total liabilities</b>		<b>42,730</b>	<b>105,859</b>
<b>NET ASSETS</b>		<b>3,927,335</b>	<b>3,734,490</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>3,927,335</b>	<b>3,734,490</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8		
---- (Number of units) ----			
<b>NUMBER OF UNITS IN ISSUE</b>		<b>375,374,757</b>	<b>372,361,258</b>
----- (Rupees)-----			
<b>NET ASSET VALUE PER UNIT</b>		<b>10.4624</b>	<b>10.0292</b>
<b>FACE VALUE PER UNIT</b>		<b>10.0000</b>	<b>10.0000</b>

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

  
ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited  
(Management Company)

  
MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR



**ABL INCOME FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017**

	Note	Nine months ended March 31		Quarter ended March 31	
		2017	2016	2017	2016
------(Rupees in '000)-----					
<b>INCOME</b>					
Capital (loss) / gain on sale of investments - net		(11,625)	35,370	13,119	17,816
Income from government securities		21,067	88,055	2,165	40,846
Income from term deposit receipts		7,466	32,054	-	17,291
Income from letters of placement		6,603	110	4,143	110
Income from term finance certificates / other sukus		52,328	28,987	17,841	12,803
Profit on deposits with bank		79,350	50,792	29,376	22,430
Dividend income		45,940	18,472	19,241	5,114
Other income		258	136	-	32
		201,387	253,976	85,885	116,442
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.6	(342)	15,017	(21,254)	10,243
Unrealised (loss) on revaluation of future contracts		2,557	(2,701)	5,950	(3,778)
		203,602	266,292	70,581	122,907
<b>EXPENSES</b>					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	42,889	43,678	14,400	20,457
Sindh sales tax on remuneration of Management Company	6.2	5,576	7,095	1,872	3,323
Federal excise duty on remuneration of Management Company	6.3	-	6,989	-	3,273
Accounting and operational charges	6.4	2,858	-	959	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		3,068	3,094	1,025	1,351
Sindh sales tax on remuneration of Trustee		400	433	134	189
Annual fee - Securities and Exchange Commission of Pakistan		2,144	2,184	720	1,023
Brokerage and securities transaction costs		5,903	4,131	2,388	1,607
Bank charges		124	161	33	105
Auditors' remuneration		340	362	96	97
Legal and professional charges		-	286	-	12
Printing charges		243	182	92	62
Listing fee		41	38	13	13
Annual rating fee		221	213	72	70
Other expenses		1,816	967	730	247
<b>Total operating expenses</b>		65,623	69,813	22,534	31,829
<b>Net income from operating activities</b>		137,979	196,479	48,047	91,078
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		(1,169)	123,926	(2,294)	56,308
Reversal of Provision for Workers' Welfare Fund	7.1	37,575	-	37,575	-
Provision for Sindh Workers' Welfare Fund	7.1	(5,910)	-	(5,910)	-
<b>Net income before taxation</b>		168,475	320,405	77,418	147,386
Taxation	9	-	-	-	-
<b>Net income for the period after taxation</b>		168,475	320,405	77,418	147,386
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		168,475	320,405	77,418	147,386
<b>Earnings per unit</b>	10				

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

  
**ALEE KHALID GHAZNAVI**  
 CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited  
 (Management Company)

  
**MUHAMMAD KAMRAN SHEHZAD**  
 DIRECTOR



**ABL INCOME FUND**  
**CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	Nine months ended March 31	
	2017	2016
	----- (Rupees in '000) -----	
<b>Undistributed income brought forward comprising of:</b>		
- Realised income	5,772	14,187
- Unrealised income	6,378	(7,876)
	12,150	6,311
<b>Distribution during the period</b>		
- Cash distribution of Re. 0.0156 per unit on July 27, 2016 ( 2015: Nil)	(6,016)	-
Net income for the period after taxation	168,475	320,405
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	251	10,114
Undistributed income carried forward	174,860	336,830
<b>Undistributed income carried forward comprising of:</b>		
- Realised income	175,202	321,813
- Unrealised income / (loss)	(342)	15,017
	174,860	336,830

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

  
**ALEE KHALID GHAZNAVI**  
 CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited  
 (Management Company)

  
**MUHAMMAD KAMRAN SHEHZAD**  
 DIRECTOR



# ABL INCOME FUND

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2017

	Nine months ended March 31	
	2017	2016
----- (Rupees in '000) -----		
<b>Net assets at the beginning of the year</b>	3,734,490	1,953,428
Issue of 575,527,801 (2015: 61,194,736) units	4,673,308	5,962,109
Redemption of 185,019,253 (2015: 90,120,850) units	(4,644,091)	(1,922,984)
	29,217	4,039,125
Element of income and capital gains in prices of units issued less those in units redeemed		
- transferred to income statement	1,169	(123,926)
- transferred to distribution statement	(251)	(10,114)
	918	(134,040)
Other net income for the period	180,442	270,018
Capital (loss) / gain on sale of investments - net	(11,625)	35,370
Unrealised appreciation / diminuation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(342)	15,017
<b>Total comprehensive income for the period</b>	168,475	320,405
Distribution during the period		
- Cash distribution of Re. 0.0156 per unit on July 27, 2016 (2015: Nil)	(6,016)	-
Element of (loss) / income and capital (loss) / gains included in prices of units issued less those in units redeemed - transfer to distribution statement - net	251	10,114
<b>Net assets at the end of the year</b>	3,927,335	6,189,032

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.



ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited  
(Management Company)



MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

# ABL INCOME FUND

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2017

	Nine months ended March 31	
	2017	2016
------(Rupees in '000)-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income before taxation	168,475	320,405
Adjustments for non-cash charges and other items		
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	342	(15,017)
Provision for Workers' Welfare Fund	1,169	(123,926)
Provision for Sindh Workers' Welfare Fund	(37,575)	-
Federal excise duty on remuneration of Management Company	5,910	-
Unrealised (loss) on revaluation of future contracts	-	6,989
	(2,557)	2,701
	135,764	191,152
<b>(Increase) / decrease in assets</b>		
Profit receivable	(1,348)	(58,593)
Investments	869,375	(3,069,643)
Receivable against sale and maturity of investments	(671,183)	-
Security deposits, prepayments and other receivables	(144,411)	(53,159)
	52,433	(3,181,395)
<b>Increase / (decrease) in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	777	7,609
Payable to the Central Depository Company of Pakistan Limited - Trustee	(56)	372
Payable to the Securities and Exchange Commission of Pakistan	(1,127)	922
Payable against redemption of units	(1,386)	479
Dividend payable	(1)	(5)
Payable against purchase of investment	-	288,592
Accrued expenses and other liabilities	(29,671)	1,299
	(31,464)	299,268
<b>Net cash generated from operating activities</b>	<b>156,733</b>	<b>(2,690,975)</b>

**ABL INCOME FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	Note	Nine months ended March 31	
		2017	2016
------(Rupees in '000)-----			
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash distribution paid		(6,016)	-
Receipts from issuance of units		4,673,308	5,962,109
Payments on redemption of units		(4,644,091)	(1,922,984)
<b>Net cash used in financing activities</b>		<b>23,202</b>	<b>4,039,125</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>179,935</b>	<b>1,348,150</b>
Cash and cash equivalents at the beginning of the year		1,818,702	1,021,457
<b>Cash and cash equivalents at the end of the year</b>	4.2	<b>1,998,637</b>	<b>2,369,607</b>

The annexed notes 1 to 14 form an integral part of these condensed interim financial information.

  
**ALEE KHALID GHAZNAVI**  
 CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited  
 (Management Company)

  
**MUHAMMAD KAMRAN SHEHZAD**  
 DIRECTOR

# ABL INCOME FUND

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2017

### 1 LEGAL STATUS AND NATURE OF BUSINESS

ABL Income Fund (the Fund) was established under a Trust Deed executed on June 16, 2008 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 was executed in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Fund commenced its operations on September 20, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on December 7, 2007. The registered office of the Management Company is situated at plot # 14, main boulevard, DHA phase VI, Lahore.

The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered to public for subscription on a continuous basis. The units are transferable and are redeemable by surrendering them to the Fund.

The Fund has been categorised as an open-end income scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CISs).

The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan. The Fund, in line with its investment objectives, invests primarily in money and debt markets, certificate of investments, clean placements, spread transactions and other absolute return instruments.

JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of AM2+ (stable outlook) to the Management Company as at December 30, 2016 and Fund Stability Rating of A(f) to the Fund as at December 30, 2016.

### 2 BASIS OF PREPARATION

#### 2.1 STATEMENT OF COMPLIANCE

**2.1.1** This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

**2.1.2** The disclosure made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting standards 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial

statements and should therefore be read in conjunction with the financial statements of the fund for the year ended 30 June 2016.

- 2.1.3 In compliance with schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2017.

### 3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, JUDGMENTS AND CHANGES THEREIN

- 3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2016.
- 3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise the judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2016. The Development relating to estimation of provision in respect of worker's welfare fund is given in note 7.1 to the condensed interim financial information.

- 3.3 The financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the Fund for the year ended June 30, 2016.

	(Un-audited) March 31, 2017	(Audited) June 30, 2016
	----- (Rupees in '000) -----	
<b>4. BALANCES WITH BANKS</b>		

Savings accounts	1,998,637	1,818,702
------------------	-----------	-----------

- 4.1 These savings accounts carry mark-up at rates ranging from 5.25% to 6.66% (June 30, 2016: 4% to 7%) per annum.

### 4.2 CASH AND CASH EQUIVALENT

Balances with banks	1,998,637	1,818,702
Term deposit receipts - having original maturity of 3 months or less	-	280,000
	1,998,637	2,098,702

	Note	(Un-audited) March 31, 2017	(Audited) June 30, 2016
----- (Rupees in '000) -----			
<b>5 INVESTMENTS</b>			
<b>Financial assets at fair value through profit or loss</b>			
- Market treasury bills	5.1	-	9,339
- Pakistan investment bonds	5.2	-	492,072
- Term finance certificates - listed	5.3.1	959,286	319,194
- Term finance certificates - unlisted	5.3.2	-	498,560
- Sukuk certificates	5.4	-	344,021
- Equity investment	5.5	114,183	-
		<b>1,073,469</b>	<b>1,663,186</b>
Loans and receivables	5.7	-	280,000
		<b>1,073,469</b>	<b>1,943,186</b>

### 5.1 Government securities - market treasury bills

Issue date	Tenor	Face Value				Balance as at March 31, 2017			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
		As at July 1, 2016	Purchased during the period	Disposed / matured during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in (000)-----										
February 18, 2016	12 Months	2,700	-	2,700	-	-	-	-	-	-
March 3, 2016	12 Months	7,000	-	7,000	-	-	-	-	-	-
August 20, 2015	12 Months	-	200,000	200,000	-	-	-	-	-	-
August 4, 2016	12 Months	-	250,000	250,000	-	-	-	-	-	-
October 29, 2015	12 Months	-	338,645	338,645	-	-	-	-	-	-
January 21, 2016	12 Months	-	1,106,500	1,106,500	-	-	-	-	-	-
March 31, 2016	06 Months	-	206,500	206,500	-	-	-	-	-	-
March 3, 2016	06 Months	-	50,000	50,000	-	-	-	-	-	-
May 12, 2016	03 Months	-	125,000	125,000	-	-	-	-	-	-
June 23, 2016	03 Months	-	648,500	648,500	-	-	-	-	-	-
August 4, 2016	03 Months	-	86,000	86,000	-	-	-	-	-	-
October 27, 2016	03 Months	-	350,000	350,000	-	-	-	-	-	-
November 24, 2016	03 Months	-	202,000	202,000	-	-	-	-	-	-
January 19, 2017	03 Months	-	300,000	300,000	-	-	-	-	-	-
Total		9,700	3,863,145	3,872,845	-	-	-	-	-	-

### 5.2 Government securities - Pakistan investment bonds

Issue date	Tenor	Face Value				Balance as at March 31, 2017			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
		As at July 1, 2016	Purchased during the period	Disposed / matured during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in (000)-----										
June 10, 2004	20 Years	-	19,000	19,000	-	-	-	-	-	-
April 21, 2016	10 Years	-	1,600,000	1,600,000	-	-	-	-	-	-
July 17, 2014	5 Years	200,000	-	200,000	-	-	-	-	-	-
April 21, 2016	5 Years	250,000	2,125,000	2,375,000	-	-	-	-	-	-
April 21, 2016	03 Years	-	1,725,000	1,725,000	-	-	-	-	-	-
Total		450,000	5,469,000	5,919,000	-	-	-	-	-	-

### 5.3 Term Finance Certificates

Name of the investee company	Profit / Markup rate	Number of Certificates				Balance as at March 31, 2017			Market value as a percentage of net assets
		As at July 1, 2016	Purchased during the period	Disposed / matured during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (diminution)	
-----Rupees in ('000)-----									
<b>Listed</b>									
Bank Al Falah Limited - V	6 months KIBOR plus 1.25%	5,984	23,000	12,784	16,200	82,431	82,920	489	2.11%
Bank Al Habib Limited - IV	6 months KIBOR plus 1.25%	-	20,000	20,000	-	-	-	-	-
NIB Bank Limited - II	6 months KIBOR plus 1.15%	50,000	-	5,000	45,000	224,409	227,810	3,401	5.80%
Soneri Bank Limited	6 months KIBOR plus 1.35%	8,000	15,000	16,300	6,700	33,727	34,279	552	0.87%
Sub - total		63,984	58,000	54,084	67,900	340,567	345,009	4,442	8.78%
<b>Un-Listed</b>									
Standard Chartered Bank (Pakistan) Limited - PPTFC 6	6 months KIBOR plus 0.75%	16,000	4,000	20,000	-	-	-	-	-
Askari Bank Limited - V	6 months KIBOR plus 1.75%	51,800	-	34,756	17,044	86,817	86,752	(65)	2.21%
Askari Bank Limited - IV	6 months KIBOR plus 1.75%	1,000	-	-	1,000	5,065	5,065	-	0.13%
WAPDA PPTFC III	6 months KIBOR plus 1.00%	38,000	59,200	69,400	27,800	89,893	90,117	224	2.29%
Bank of Punjab	6 months KIBOR plus 1.00%	-	2,350	-	2,350	235,500	237,674	2,174	6.05%
Habib Bank Limited	6 months KIBOR plus 0.50%	-	150	150	-	-	-	-	0.00%
JS Bank Limited	6 months KIBOR plus 1.65%	-	43,700	5,000	38,700	194,649	194,671	22	4.96%
Sub - total		106,800	109,400	129,306	86,894	611,924	614,279	2,355	15.64%
<b>TOTAL</b>		170,784	167,400	183,390	154,794	952,491	959,288	6,797	24.43%

### 5.4 Sukuks Certificates

Name of the investee company	Profit / Markup rate	Number of Certificates				Balance as at March 31, 2017			Market value as a percentage of net assets
		As at July 1, 2016	Purchased during the period	Disposed / matured during the period	As at December 31, 2016	Carrying value	Market value	Appreciation / (diminution)	
-----Rupees in ('000)-----									
Ijara Sukuk XV	7.49%	-	60,000	60,000	-	-	-	-	-
Engro Fertilizer Sukuk	3 months KIBOR plus 0.40%	38,750	-	38,750	-	-	-	-	-
Engro Fertilizer Sukuk	3 months KIBOR plus 1.75%	11,200	-	11,200	-	-	-	-	-
K-Electric Sukuk II	3 months KIBOR plus 1.00%	19,077	3,000	22,077	-	-	-	-	-
		69,027	63,000	132,027	-	-	-	-	-

### 5.5 Shares of listed companies

Name of the investee company	Number of shares				Balance as at March 31, 2017			Market value as a percentage of net assets
	As at July 1, 2016	Purchased during the period	Sales during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (diminution)	
-----Rupees in ('000)-----								

Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise

#### Textile Composite

Nishat Mills Limited	-	332,500	316,500	16,000	2,712	2,643	(69)	0.07%
Nishat Chunian Limited	-	2,774,000	2,222,500	551,500	33,608	33,404	(203)	0.85%
	-	3,106,500	2,539,000	567,500	36,320	36,048	(272)	0.92%

#### Cement

D.G.Khan Cement Company Limited	-	517,500	512,000	5,500	1,274	1,278	4	0.03%
Pioneer Cement Limited	-	29,500	29,500	-	-	-	-	-
Cheraat Cement Company Limited	-	143,000	143,000	-	-	-	-	-
Fauji Cement Company Limited	-	501,000	498,000	3,000	132	128	(4)	0.01%
Maple Leaf Cement Factory Limited	-	114,500	114,500	-	-	-	-	-
	-	1,305,500	1,297,000	8,500	1,406	1,406	0	0.04%

#### Fertilizers

Engro Corporation Limited	-	380,000	380,000	-	-	-	-	-
Engro Fertilizer Company Limited	-	1,003,000	958,000	45,000	3,090	2,820	(270)	0.07%
Fauji Fertilizer Bin Qasim Limited	-	231,000	231,000	-	-	-	-	-
Fauji Fertilizer Company Limited	-	130,000	125,000	5,000	548	518	(30)	0.01%
	-	1,744,000	1,694,000	50,000	3,638	3,338	(300)	0.08%

#### Oil and Gas Marketing Companies

Pakistan State Oil Company Limited	-	261,500	255,000	6,500	2,918	2,753	(165)	0.07%
Sui Southern Gas Pipelines Limited	-	6,000	6,000	-	-	-	-	-
Hascol petroleum limited	-	350,000	350,000	-	-	-	-	-
	-	617,500	611,000	6,500	2,918	2,753	(165)	0.07%



Name of the investee company	Number of shares				Balance as at March 31, 2017			Market value as a percentage of net assets
	As at July 1, 2016	Purchased during the period	Sales during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (diminution)	
(Rupees in '000)								
<b>Oil and Gas Exploration Companies</b>								
Pakistan Petroleum Limited	-	76,500	76,500	-	-	-	-	-
Oil and Gas Development Company Limited	-	209,500	209,500	-	-	-	-	-
	-	286,000	286,000	-	-	-	-	-
<b>Refinery</b>								
Attock Refinery Limited	-	247,500	247,500	-	-	-	-	-
	-	247,500	247,500	-	-	-	-	-
<b>Commercial Banks</b>								
Bank Al Falah Limited	-	32,000	32,000	-	-	-	-	-
United Bank Limited	-	1,000	(49,000)	50,000	11,325	11,382	57	0.29%
Habib Bank Limited	-	8,500	8,500	-	-	-	-	-
	-	41,500	(8,500)	50,000	11,325	11,382	57	0.29%
<b>Engineering</b>								
International Steels Limited	-	-	(29,500)	29,500	3,990	3,804	(186)	0.10%
	-	-	(29,500)	29,500	3,990	3,804	(186)	0.10%
<b>Food Producers</b>								
Engro Foods Limited	-	463,500	132,000	331,500	61,328	53,849	(7,479)	1.37%
	-	463,500	132,000	331,500	61,328	53,849	(7,479)	1.37%
<b>Multitiilities (Gas and Water)</b>								
Sui Southern Gas Company Limited	-	19,000	19,000	-	-	-	-	-
Sui Northern Gas Company Limited	-	6,000	6,000	-	-	-	-	-
	-	19,000	19,000	-	-	-	-	-
<b>Power Generations &amp; Distribution</b>								
Hub Power Company Limited	-	11,000	11,000	-	-	-	-	-
Kot Addu Power Company Limited	-	20,000	0	20,000	1,600	1,604	4	0.04%
	-	31,000	11,000	20,000	1,600	1,604	4	0.04%
<b>Non Life Insurance</b>								
Adamjee Insurance Company Limited	-	182,000	182,000	-	-	-	-	-
	-	182,000	182,000	-	-	-	-	-
<b>Pharmaceuticals</b>								
The SEARLE Limited	-	85,000	85,000	-	-	-	-	-
	-	85,000	85,000	-	-	-	-	-
<b>Total</b>	-	<b>8,129,000</b>	<b>7,065,500</b>	<b>1,063,500</b>	<b>122,524</b>	<b>114,183</b>	<b>(8,342)</b>	<b>2.91%</b>

Note (Un-audited) (Audited)  
March 31, 2017 June 30, 2016

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

(Rupees in '000)

Market value of securities  
Less: carrying value of securities

1,073,469	1,663,186
1,073,811	1,656,808
<b>(342)</b>	<b>6,378</b>

5.7 Loans and receivables

Term deposit receipt

-	280,000
-	280,000

6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY

Management fee  
Sindh sales tax on remuneration of Management Company  
Federal Excise duty on remuneration of Management Company  
Accounting and operational charges  
Sales load

6.1	4,836	5,801
6.2	3,440	3,627
6.3	19,142	19,142
6.4	2,848	931
	17	5
	<b>30,283</b>	<b>29,506</b>

- 6.1 The Management Company has charged remuneration at the rate of 1.5% per annum based on the daily net assets of the Fund after deducting the investment made in the CIS managed by the Management Company during the half year ended March 31, 2016. The amount of remuneration is paid monthly in arrears.
- 6.2 The Provincial Government of Sindh levied Sindh Sales Tax at the rate of 13% (June 2016: 14%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 6.3 As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax as explained in note 6.2, further levy of FED may result in double taxation, which does not appear to be the spirit of the law.

On September 4, 2013, a Constitutional Petition was filed in the Honorable Sindh High Court (SHC) jointly by various asset management Companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the period the SHC has 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) have been set aside. The Deputy Commissioner Inland Revenue, Zone II has filed a leave to appeal against the SHC order with the Supreme Court of Pakistan.

Further 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 management fee from July 01, 2016. However, the provision made till June 30, 2016, aggregating to Rs. 19.142 million has not been reversed as the management believes that the Federal Government retains the right to appeal against the said order in the Supreme Court. Had the provision not been made, the Net Asset Value per unit of the Fund as at March 31, 2017 would have been higher by Re 0.0510 (June 30, 2016: Re 0.0514) per unit.

- 6.4 Last year, the SECP vide SRO No 1160 (1) / 2015 dated November 25, 2015 introduced amendments in the NBFC regulations. As a result of these amendments, the Management Company of the Fund is entitled to reimbursement of fees and expenses incurred by the Management Company in relation to registrar services, accounting, operation and valuation services related to collective investment schemes upto a maximum of 0.1% of the average annual net assets of the scheme or actual whichever is less. Accordingly, the Management Company has charged operating expenses amounting to Rs 2.858 million to the Fund from July 01, 2016 to March 31, 2017.

Note	(Un-audited) March 31, 2017	(Audited) June 30, 2016
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----- (Rupees in '000) -----

## 7 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration		293	280
Brokerage		2,760	511
Printing and other charges		81	115
Provision for Workers' Welfare Fund	7.1	5,910	37,575
Advance against issuance of units		505	10,270
Withholding taxes		123	22,226
Other payable		-	31
		<u>9,672</u>	<u>71,008</u>

## 7.1 Provision for Workers' Welfare Fund

The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeded Rs 0.5 million in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable Sindh High Court (SHC) challenging the applicability of WWF on CISs which is pending adjudication. Similar cases were disposed of by the Peshawar and the Lahore High Courts in which these amendments were declared unlawful and unconstitutional. However, these decisions were challenged in the Supreme Court of Pakistan.

Subsequently, the Finance Act, 2015 introduced an amendment under which CISs / mutual funds have been excluded from the definition of "industrial establishment" subject to WWF under the WWF Ordinance. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable from tax year 2016. Accordingly, no further provision in respect of WWF was made with effect from 1 July 2015.

On November 10, 2016 the Supreme Court of Pakistan (SCP) has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition in the SCP against the said judgment, which is pending hearing. While the petitions filed by the CISs on the matter are still pending before the SHC, the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) has taken legal and tax opinions on the impact of the SCP judgement on the CISs petition before the SHC. Both legal and tax advisors consulted were of the view that the judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Furthermore, as a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is 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 (including the Management Company of the Fund) 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 has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of Sindh WWF.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds. MUFAP has recommended the following to all its members on 12 January 2017:

- based on legal opinion, the entire provision against WWF held by the CISs till 30 June 2015, to be reversed on 12 January 2017; and

-as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015) on 12 January 2017.

Accordingly, on January 12, 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from May 21, 2015 to January 12, 2017. Thereafter, the provision for SWWF is being made on a daily basis going forward.

The total provision for SWWF till March 31, 2017 is amounting to Rs.5.909 million. Had the provision not been made the net asset value per unit of the Fund as at March 31, 2017 would have been higher by Re. 0.0157 per unit.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds.

## **8 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at March 31, 2017.

## **9 TAXATION**

The income of the Fund is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management intends to distribute atleast 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision in respect of taxation has been made in this condensed interim financial information.

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.

## **10 EARNINGS PER UNIT**

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

## **11 TOTAL EXPENSE RATIO**

The total expense ratio (TER) of the fund as at March 31, 2017 is 1.88% which includes 0.40 % representing government levies on the fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC regulations.

## **12 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS**

Connected persons / related parties include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, other funds managed by the Management Company, post employment benefit funds of the Management Company, employment funds of the parent, subsidiaries and its associated undertakings. It also includes the Central Depository Company of Pakistan Limited being the Trustee of the Fund, the directors and officers of the Management Company and any person or Company beneficially owning directly or indirectly 10% or more of the units in issue / net assets of the Fund.

Transactions with connected persons / related parties are in the normal course of business, at contracted rates and terms determined in accordance with the market rates.

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration payable to the Trustee is determined in accordance with the provision of the Trust Deed.

12.1 Details of transactions with connected persons during the period are as follows:

	(Un-audited) Nine months ended March 31	
	2017	2016
	------(Rupees in '000)-----	
<b>Details of transactions during the period</b>		
<b>ABL Asset Management Company Limited - Management Company</b>		
Issue of 60,619,013 units (2016: 24,486,621 units)	618,076	251,859
Cash Dividend	232	-
Redemption of 22,235,260 units (2016: 7,700,082 units)	228,000	80,000
Remuneration	42,889	43,678
Sindh sales tax on remuneration of the Management Company	5,576	7,095
Accounting and operational charges	2,858	-
FED On Management Fee	-	6,989
<b>Ibrahim Agencies (Private) Limited (Common directorship)</b>		
Issue of 1,732 units (2016: nil units)	17	-
Cash Dividend	17	-
Redemption of 1,491,163 units (2016: Nil units)	15,166	-
<b>MCBFSL Trustee ABL Financial Planning Fund - Conservative Plan</b>		
Issue of 22,022,056 units (2016: 40,889,123 units)	226,446	425,448
Cash Dividend	469	-
Redemption of 43,824,928 units (2016: Nil units)	448,768	-
<b>MCBFSL Trustee ABL Financial Planning Fund - Active Plan</b>		
Issue of 14,315,796 units (2016: 17,761,196 units)	146,583	184,881
Cash Dividend	195	-
Redemption of 22,788,348 units (2016: 90,328 units)	234,900	950
<b>MCBFSL Trustee ABL Financial Planning Fund - Strategic Allocation Plan</b>		
Issue of 85,983,407 units (2016: 17,761,196 units)	881,500	-
Redemption of 11,716,686 units (2016: 90,328 units)	121,605	-
<b>Allied Bank Limited</b>		
Mark-up income on bank deposits	17,394	767
Markup on TDR	-	4,701
Bank charges	53	74

(Un-audited) Nine months ended March 31	
2017	2016
----- (Rupees in '000) -----	

**Trustee - Central Depository Company Of Pakistan Limited**

Remuneration	3,068	3,094
Sales tax on remuneration	400	433
Connection fee and CDS charges	385	199

**DIRECTORS OF THE MANAGEMENT COMPANY**

**Muhammad Waseem Mikhtar**

Issue of 937 units (2016: 7,661 units)	9	77
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**12.2 Details of amounts outstanding as at period end**

(Un-audited) March 31, 2017	(Audited) June 30, 2016
----- (Rupees in '000) -----	

**ABL Asset Management Company Limited - Management Company**

Outstanding 55,259,620 units (June 2016: 16,875,867 units)	578,148	169,251
Remuneration payable	4,836	5,801
Sindh sales tax on remuneration of the Management Company	3,440	3,627
FED On Management Fee	19,142	19,142
Sales load	17	5
Accounting and operational charges	2,848	931

**Ibrahim Agencies (Private) Limited (Common directorship)**

Outstanding nil units (June 2016: 1,489,431 units)	-	14,938
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**MCBFSL Trustee ABL Financial Planning Fund - Conservative Plan**

Outstanding 18,059,649 units (June 2016: 39,862,521 units)	188,947	399,789
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**MCBFSL Trustee ABL Financial Planning Fund - Active Plan**

Outstanding 8,061,947 units (June 2016: 16,534,500 units)	84,347	165,828
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**MCBFSL Trustee ABL Financial Planning Fund - Strategic Allocation Plan**

Outstanding 74,266,720 units (June 2016: nil units)	777,008	-
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**Allied Bank Limited**

Balances held in savings accounts	398,993	556,631
Mark - up accrued on deposits	1,627	252

(Un-audited) (Audited)  
March 31, June 30,  
2017 2016

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

**Central Depository Company of Pakistan Limited - Trustee**

Remuneration and CDC connection fee payable	346	393
Sindh sales tax on remuneration of the CDC	45	54
Security deposits receivable	100	100
Balance in IPS Account	425	803

**DIRECTORS OF THE MANAGEMENT COMPANY**

**Muhammad Waseem Mikhtar**

Outstanding 672,045 units (June 2016: 671,109 units)	7,031	6,731
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**KEY MANAGEMENT PERSONNEL**

**Former Chief Executive Officer**

Outstanding 241,298 units (June 2016: 240,961 units)	2,525	2,417
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**13 GENERAL**

**13.1** Figures have been rounded off to the nearest thousand rupees.

**14 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial information were authorised for issue on April 21, 2017 by the Board of Directors of the Management Company.



ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited  
(Management Company)

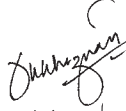


MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

## اعتراف

ہم اپنے معزز سرمایہ کاروں کے انتہائی مشکور ہیں جنہوں نے ہم اعتماد کیا۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا بھی ان کی مستقل رہنمائی اور معاونت پر شکریہ ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

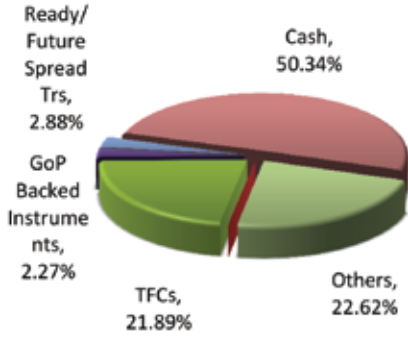
برائے اور بورڈ کی جانب سے

  
علی خالد غرنوی  
چیف ایگزیکٹو آفیسر

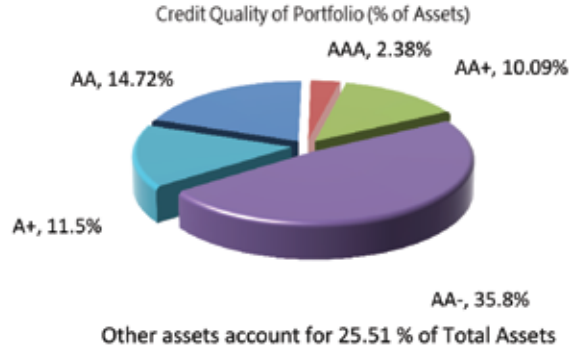
کراچی - 21 اپریل 2017



## Asset Allocation



## Asset Quality



## آڈیٹرز

اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) بورڈ آف ڈائریکٹرز کی آڈٹ کمیٹی کی سفارشات پر 30 جون 2017 کو ختم ہونے والے سال کے لئے اے بی ایل انکم فنڈ (اے بی ایل-آئی ایف) کے آڈیٹرز کی حیثیت سے دوبارہ تقرری کے لئے اہل ہیں۔

## فنڈ کے استحکام کی ریٹنگ

جے سی آر-وی آئی ایس (JCR-VIS) کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 30 دسمبر 2016 کو اے بی ایل انکم فنڈ کی استحکام کی ریٹنگ کی 'A(f)' (سنگل اے ایف) پر دوبارہ توثیق کی ہے۔

## میجمنٹ کو الٹی ریٹنگ

30 دسمبر 2016 کو جے سی آر-وی آئی ایس (JCR-VIS) کریڈٹ ریٹنگ کمپنی لمیٹڈ نے اے بی ایل ایسیٹ میجمنٹ لمیٹڈ (اے بی ایل اے ایم سی) کی میجمنٹ کو الٹی ریٹنگ 'اے ایم ٹوپلس' (AM2+) پر دوبارہ توثیق کی ہے۔ آؤٹ لک پر ریٹنگ 'مستحکم' تفویض کی گئی ہے۔

## آؤٹ لک

ہم مستقبل قریب میں تیل کے عالمی مستحکم نرخوں اور کنٹرول شدہ افراط زر کے ہندسوں کے باوجود مستحکم شرح سود کی رجیم دیکھ رہے ہیں جبکہ اگلے مالی سال میں کمزور تجارتی توازن (درآمدات میں نمایاں اضافے جبکہ برآمدات پر دباؤ برقرار رہنے) اور زرتریل میں معمولی شرح نمو کے باعث ادائیگیوں کے توازن (BoP) کے محاذ پر ابتدائی چیلنجوں کا سامنا رہے گا۔ لہذا اس کے باعث گرین بیک کے برخلاف پاک روپے پر دباؤ بڑھ سکتا ہے۔ اس باوجود ترقی کے اہداف کاروباری سرگرمیوں میں بہتری (مالی سال 17 کے سات ماہ میں 3.48 فیصد ایل ایس ایم کے اضافے)، زرعی پیداوار میں اضافے، توانائی کی بہتر دستیابی اور مٹران پٹ نرخوں کے باعث قابل حصول رہیں گے۔

سب سے بڑھ کر آئندہ سال انتخابات کے باعث ہم توقع کر سکتے ہیں کہ حکومت ترقیاتی کاموں اور ترقیاتی اخراجات پر خصوصی توجہ دیتی رہے گی جو کہ وسط مدتی میں ترقی کے لئے اہم ضروری ہیں۔

اس صورتحال میں ہم ٹی بلز اور پی آئی بیز میں زیر-امیکسپوژر کی حکمت عملی کے ساتھ کام جاری رکھنے کے خواہاں ہیں جبکہ اپنی توجہ اعلیٰ معیار کے فلوئنگ ریٹس کے حامل انسٹرومنٹس (کارپوریٹ ڈیٹ) بینک ڈپازٹس اور ٹی ڈی آرز پر منتقل کرنا چاہیں گے۔

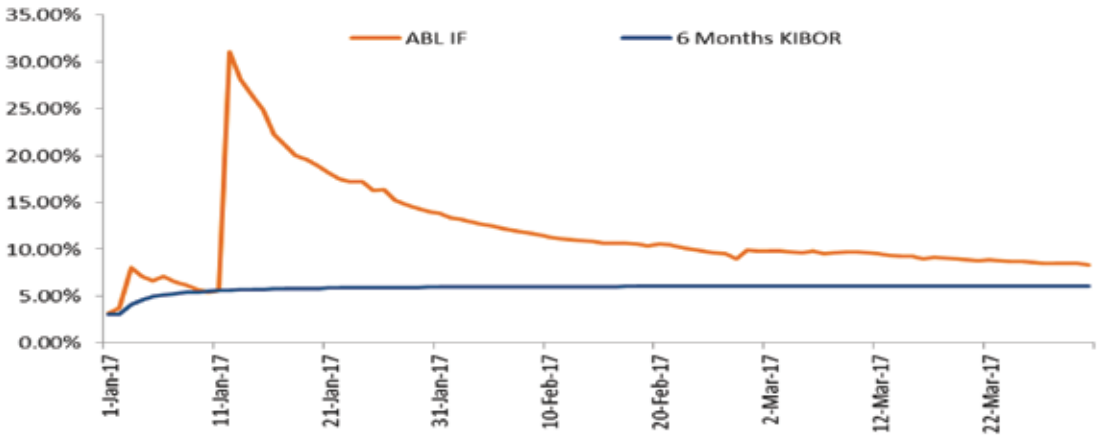
## میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے مینجمنٹ کے تحت مجموعی اثاثہ جات (AUMs) نے مالی سال 17 کی تیسری سہ ماہی کے دوران 7.5 فیصد کا مناسب اضافہ ظاہر کیا (610 ارب پاک روپے سے 656 ارب پاک روپے) جو کم شرح سود کے باعث ایکویٹیز میں مناسب بہاؤ کے ضمن میں ممکن ہوا۔ ایکویٹی فنڈز بشمول کنوشنل اور اسلامک ایکویٹی نے اے یو ایم (AUM) میں 5 فیصد QoQ اور 13 فیصد QoQ کی شرح نمو ظاہر کی اور مدت کے اختتام پر یہ بالترتیب 164 ارب پاک روپے اور 124 ارب پاک روپے رہی۔ دوسری جانب کم منافع جات پر اتار چڑھاؤ کے نتیجے میں انکم فنڈز کنٹیگری سے 6 ارب پاک روپے (-7 فیصد QoQ) کا بیرونی بہاؤ رہا اور سہ ماہی کے اختتام پر یہ 84 ارب پاک روپے رہے۔ مجموعی بنیاد پر فکسڈ انکم کنٹیگری (انکم، ایگریسیو اور مائیٹری مارکیٹ فنڈز پر مشتمل) نے مالی سال 17 کی تیسری سہ ماہی میں 2 فیصد کی خاموش نمو رجسٹرڈ کی اور مارچ 2017 میں 173 ارب پاک روپے پر بند ہوئے جبکہ اس کے مقابلے میں دسمبر 2016 کو یہ 170 ارب پاک روپے پر بند ہوئے تھے۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران اے بی ایل انکم فنڈ نے 6.13 فیصد کے بیچ مارک منافع (5 ایم کائی بور) کے برخلاف 8.33 فیصد کا سالانہ منافع ظاہر کیا جو 220 بی پی ایس کی غیر معمولی کارکردگی کا اظہار ہے۔ وائی ٹی ڈی بنیاد پر اے بی ایل انکم فنڈ نے 6.9 فیصد کے بیچ مارک منافع کے برخلاف 5.98 فیصد کا سالانہ منافع حاصل کیا جو 11 بی پی ایس کمتر کارکردگی ظاہر کرتا ہے۔ اس سہ ماہی کے دوران فنڈ کی غیر معمولی کارکردگی ابتدائی طور پر کارپوریٹ ڈیٹ پورٹ فولیو کے متحرک انتظام اور وسیع تر ٹرانزیکشنز میں فنڈ کے ایکسیپوژر کے باعث ممکن ہوئی جس سے اثاثہ جات کی خصوصی کلاس کے ساتھ بلند تر انکم حاصل کی گئی۔ فنڈ کے منافع جات سہ ماہی کے دوران ڈبلیو ڈبلیو ایف کی عبوری واپسی کے ذریعے مزید فروزاں ہوئے۔ سہ ماہی کے دوران فنڈ کا حجم 2.74 فیصد کے معمولی اضافے کے ذریعے مارچ 2017 میں 3.927 ارب پاک روپے ہو گیا جو کہ 31 دسمبر 2016 کو 3,822.4 ارب پاک روپے تھا۔

سہ ماہی کے دوران فنڈ کی مچھوڑی کی اوسط مدت ٹرم فنانس سرٹیفکیٹس میں ایکسیپوژر کے اضافے کے ذریعے بڑھا کر 598 دن کر دی گئی جو دسمبر 2016 میں 417 دن تھی۔ فنڈ نے زیرو ایکسیپوژر پی آئی بی، ہولڈنگ کی حکمت عملی جاری رکھی۔ ٹی ایف سیز میں ایلوکیشن اب 24.16 فیصد پر موجود ہے (ٹی ایف سیز - 21.89 فیصد اور سرکاری سرپرستی میں کارپوریٹ انسٹرومنٹس - 2.27 فیصد مجموعی اثاثہ جات کا) جو دسمبر 2016 میں 18.37 فیصد پر تھی چونکہ ہم نے پورٹ فولیو کی پیداوار بہتر بنانے کے لئے بینکنگ ٹی ایف سیز کا اس میں اضافہ کیا۔ دوسری جانب بینکوں میں نقد رقم کو ٹی بلز پر ترجیح دی گئی کیونکہ سہ ماہی کے اختتام پر بینکوں کی جانب سے بہتر ریٹس کی پیشکش کی گئی تھی۔ سہ ماہی کے اختتام پر نقد اثاثہ جات میں پبلسٹمنٹس مجموعی اثاثہ جات کے 50.34 فیصد پر موجود تھی جو دسمبر 2016 میں 62.12 فیصد رہی تھی۔



## انتظامی کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل انکم فنڈ (اے بی ایل-آئی ایف) کی انتظامی کمپنی اے بی ایل ایسیٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز بمسرت 31 مارچ 2017 کو ختم ہونے والے نو ماہ کے لئے اے بی ایل انکم فنڈ کے مجموعی عبوری مالیاتی حسابات (غیر آڈٹ شدہ) پیش کر رہے ہیں۔

### اقتصادی کارکردگی کا جائزہ

پاکستان کے وسیع تر اقتصادی اشاریے زیر جائزہ مدت کے دوران مارچ 17 میں ایندھن اور خوراک کے اخراجات میں 4.94 فیصد YoY تک اضافے کے سبب افراط زر کی شرح بڑھنے کے باوجود مستحکم رہے۔ مالی سال 17 کے نو ماہ میں مجموعی طور پر اوسطاً سی پی آئی 4.01 فیصد YoY کی باسولت سطح پر موجود ہے۔ موجودہ سطح پر دی گئی تیل کی بین الاقوامی قیمتوں کے باعث ہم افراط زر کی شرح کو مالی سال 17 کے لئے 4.3 فیصد تا 4.5 فیصد کے اطراف دیکھتے ہیں جو کہ حکومت پاکستان کے 6.0 فیصد کے ہدف سے کم ہے۔ مزید برآں ملک میں جی ڈی پی گروتھ کا ہدف 5 فیصد سے زائد حاصل ہونے کی توقع ہے (اسٹیٹ پیک آف پاکستان نے 5 فیصد تا 6 فیصد کا امکان ظاہر کیا ہے)۔ مستحکم جی ڈی پی گروتھ زرعی شعبے میں بہتر شرح نمو نیز انفراسٹرکچر ڈیولپمنٹ کی ترقی کے نتیجے میں ہے جیسا کہ چائنا پاکستان اکنامک کوریڈور (سی پیک) پروجیکٹس کا آغاز ہو چکا ہے اور اس کے ساتھ توانائی اور بجلی کے لئے کئی منصوبے 2018 میں مکمل ہونے کی توقع ہے۔

دوسری جانب تجارتی توازن میں نقصان، سروسز میں بھاری خسارے اور ملازمین کی زرتریل میں کمی کے باعث خارجی پوزیشن مسلسل کمزور ہو رہی ہے۔ مشینری کے ضمن میں درآمدات میں اضافے اور کروڈ آئل کے نرخوں میں بحالی (مالی سال 17 کے نو ماہ میں کروڈ آئل کے اوسطاً نرخ 21 فیصد YoY تک بڑھے) کے نتیجے میں تجارتی خسارہ بڑھ گیا (مالی سال 17 کے 9 ماہ: 15,395 ملین امریکی ڈالر + 27 فیصد YoY)۔ مزید برآں برآمدات بھی متاثر ہوئیں (2 فیصد YoY کم ہو گئیں) جس کی بڑی وجہ عالمی طلب میں کمی اور خطے کی دیگر کرنسیوں کے مقابلے میں پاک روپے کا استحکام تھا (ایس بی پی REER 126.0 روپے فی ڈالر پر رہی)۔ اس کے نتیجے میں کرنٹ اکاؤنٹ (CA) خسارہ اس مدت کے لئے بڑے پیمانے پر 121 فیصد YoY تک بڑھ کر 5,473 ملین امریکی ڈالر (جی ڈی پی کا 2.6 فیصد) ہو گیا جو گزشتہ سال کی اس مدت میں مقابلاً 2,482 ملین امریکی ڈالر (جی ڈی پی کا 1.3 فیصد) تھا۔ برآمدات میں کمی کی صورتحال سے نمٹنے کے لئے حکومت نے زیر جائزہ سہ ماہی کے دوران ایک برآمدی چیکنگ کا اعلان کیا تاکہ سالانہ برآمدات کو فروغ دیا جاسکے جس سے مستقبل میں برآمدات کی شرح نمو کو بحال رکھنے میں مدد ملے گی۔

مالیاتی توازن بھی تشویش کا موجب بنا رہا کیونکہ حکومت کی جانب سے ٹیکس وصولی کا ہدف حاصل کرنے میں ناکامی کا سلسلہ جاری رہا۔ مالی سال 17 کے اس نو ماہ کے لئے مجموعی طور پر ٹیکس وصولی کا حجم 2,258 ارب روپے تھا جو 7.9 فیصد YoY اضافے کا عکاس ہے۔ اس کی وجہ سے ایف بی آر کو مالی سال 17 کی آخری سہ ماہی میں 1,362.8 ارب روپے وصولی کا ایک کٹھن مرحلہ عبور کرنا ہو گا تاکہ مالیاتی سال 17 کے لئے 3,620.8 ارب روپے کی ٹیکس وصولی کا ہدف حاصل کیا جاسکے۔ حکومت پہلے ہی آئی ایم ایف کے سامنے یہ اعتراف کر چکی ہے کہ بجٹ خسارہ جی ڈی پی کا 4.1 فیصد رہے گا جو جی ڈی پی کے 3.8 فیصد کے ہدف سے معمولی حد تک کم ہے۔ اس کا کہنا ہے کہ ایف پی آر ٹیکس وصولی کے ہدف کو پورا کرنے کے لئے فعال اور متحرک ٹیکس وصولی کے اقدامات کی منصوبہ بندی کر رہی ہے۔ ڈی بیٹ سروسنگ نے مستقل طور پر بیرونی ذخائر پر دباؤ ڈالنے کا سلسلہ جاری رکھا جس کے نتیجے میں غیر ملکی زرمبادلہ کے ذخائر 1,652 ملین ڈالر (QoQ) تک کم ہو کر 21,551 ملین امریکی ڈالر پر آ گئے۔ حکومت بیرونی ڈی بیٹ کے تحفظ کے عمل سے گزر رہی ہے تاکہ ذخائر کو بچا جاسکے اور ایکسچینج ریٹ کو کنٹرول میں رکھا جائے۔

موزوں ترین ماڈل پر منحصر نمبروں کے باوجود ایس بی پی نے ادائیگیوں کے توازن کی صورتحال کو مد نظر رکھتے ہوئے مانیٹری پالیسی کے گوشواروں میں پالیسی ریٹ 5.75 فیصد پر برقرار رکھنے کا فیصلہ کیا۔


سی پیک پروجیکٹس سے متعلق انفراسٹرکچر ڈیولپمنٹ کے باعث مستحکم جی ڈی پی گروتھ جاری رہنے سے معیشت مستحکم رہنے کی توقع ہے۔ سی پیک کے سبب توانائی کی پیداوار اور تقسیم میں نمایاں بہتری سے ملک میں بجلی کے وسیع تر بحران میں نمایاں کمی آئے گی اور صنعتی شعبے کو قدرے استحکام حاصل ہو گا جس کے نتیجے میں ایل ایس ایم گروتھ کی سطح بلند ہو جائے گی۔ اس کے باوجود بیرونی اکاؤنٹ کے محاذ پر ممکنہ طور پر بیرونی ڈی بیٹ سروسنگ میں مالی سال 17 کی چوتھی سہ ماہی میں نمایاں حد تک دباؤ بڑھ سکتا ہے۔



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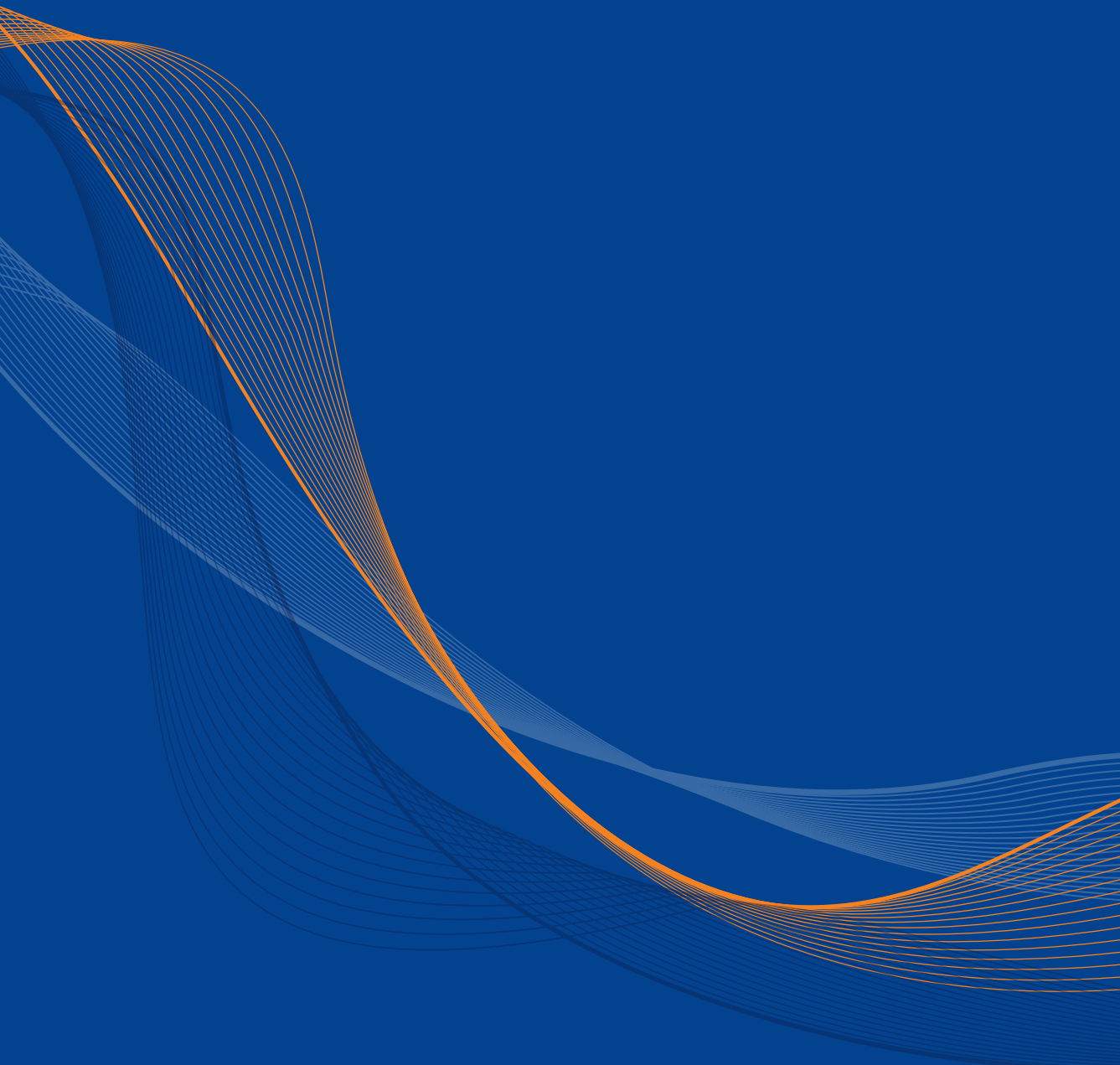
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