



ABL AMC CAPITAL PROTECTED FUND

CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED MARCH 31, 2014



ABL Asset Management

Discover the potential
RATED AM2 (JCR-VIS)

(A wholly owned subsidiary of Allied Bank Ltd.)

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FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited 11 - B, Lalazar M. T. Khan Road, Karachi.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Muhammad Waseem Mukhtar Mr. Tariq Mahmood Mr. Kamran Nishat Mr. M. Shakeb Murad Mr. M. Jawaid Iqbal Mr. Khawaja Muhammad Almas Mr. Farid Ahmed Khan	Chairman CEO
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Khawaja Muhammad Almas	Chairman Member Member
Human Resource Committee:	Mr. Jawaid Iqbal Mr. Kamran Nishat Mr. Farid Ahmed Khan	Chairman Member Member
Chief Executive Officer of the Management Company:	Mr. Farid Ahmed Khan	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Mubeen Ashraf Bhimani	
Trustee:	MCB Financial Services Limited 3rd Floor, Adamjee House, I. I. Chundrigar Road, Karachi.	
Bankers to the fund:	Allied Bank Limited Standard Chartered Bank (Pakistan) Limited	
Auditor:	M. Yousuf Adil Saleem & Co. Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi.	
Legal Advisor:	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6 - C1 - 10, Beaumont Road, Civil Lines, Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL AMC Capital Protected Fund (ABL AMC-CPF), is pleased to present the un-audited Condensed Interim Financial Information of ABL AMC-CPF for the nine months ended March 31, 2014.

ECONOMIC PERFORMANCE REVIEW

3QFY14 reflected a major turnaround in the fortunes of Pakistan's economic landscape with key economic indicators depicting significant improvement. The talking point for the quarter was the remarkable 6.7% appreciation of the rupee vs. the US dollar after the rupee hit an all-time low against the greenback of Rs108.63. Release of IMF tranches (USD550mn for 3QFY14), Coalition support funds (USD352mn) and an unexpected USD1.5bn inflow through Pakistan Development Fund pushed the FX reserves near the USD10bn mark at quarter end. Improvement in reserves, coupled with solid current account numbers (USD263mn deficit for 2MCY14, USD2,020mn for 8MFY14) and a steady stream of foreign inflows lined up for the next few quarters' (3G/4G licenses auction, Eurobond issue, Etisalat payments, and more funds expected through Pakistan Development Funds) has renewed the optimism in Pak Rupee, resulting in a significant bounce back.

Inflationary pressures also receded over the past quarter as food inflation remained largely under control. Overall CPI inflation averaged 8.1% for 3QFY14, remaining well below the 10% mark. Significant decline in inflation (9.73% for 2QFY14) resulted in SBP aborting its monetary tightening stance with the policy rate remaining unchanged at 10% during the last quarter. In fact, there was market chatter of a possible rate cut before the March MPS. However, SBP kept rates unchanged giving more weight to challenges on the external account front while noting the improvement in FX reserves as one off inflows. On the fiscal front, Government borrowing from SBP eased (PKR133bn at March 31st, 2014, vs. PKR612bn at December 31st, 2013) as banks participated heavily in PIB auctions (PK982bn raised for 3QFY14), sighting a stable or dovish monetary stance for the next few quarters. Tax collection remained commendable at PKR1573bn, +16% YoY, however, though still short of target by 210bn.

As we move to the last quarter of the current fiscal year, all eyes will be on the upcoming FY15 budget. Removal of subsidies, enhancing tax to GDP ratio and resolving the circular debt issue, are expected to be the core focus areas for the FY15 budget. With key IMF prescribed targets (FX reserves, Central Bank Borrowing, fiscal deficit) seemingly achievable and inflationary pressures expected to ease further on account of rupee appreciation, a pro-growth monetary easing stance cannot be ruled out in the near term. Despite significant recovery in the LSM segment (6.05% growth in 7MFY14), GDP growth is expected to clock in well below 5% for FY14. As economic indicators stabilize and energy related issues get priority handling, we anticipate policy makers to gradually shift focus towards a more growth oriented strategy.

MARKET OVERVIEW

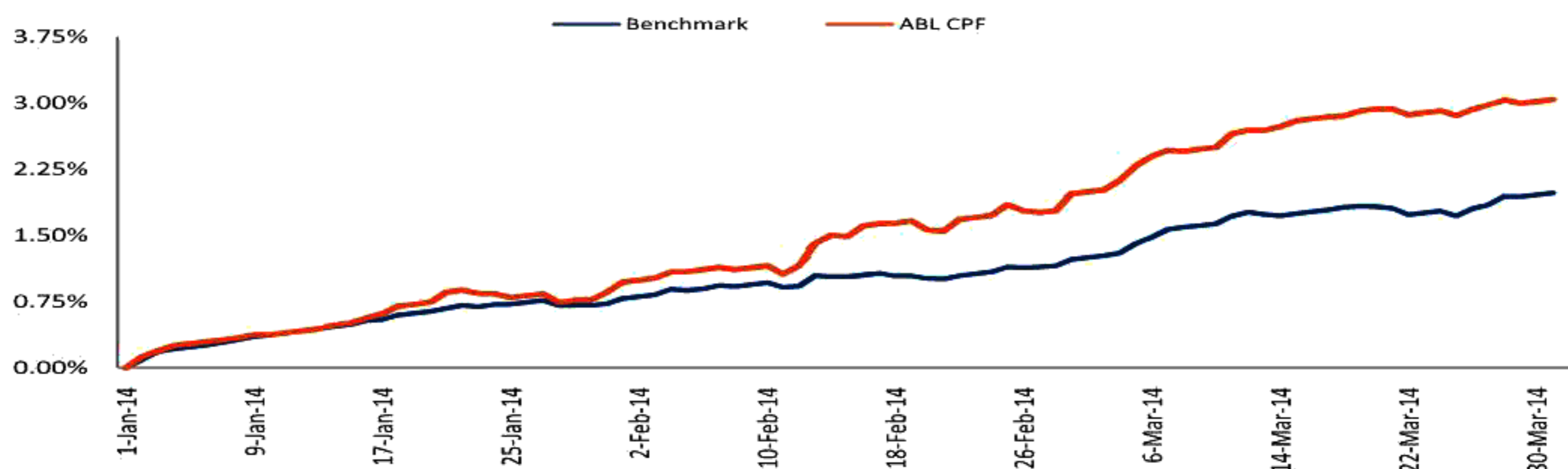
Equities continued their robust performance over the period under review with the benchmark KSE100 index gaining 7.52% to close at 27,160 points. Strong payouts accompanying annual results, significant weight increase for Pakistan in the MSCI frontier index, and general improvement in economic outlook boosted investor sentiment. Banks, consumers, and the downstream oil sector performed strongly in this backdrop while textiles and IPPs lost out due to strengthening of the rupee. Foreign flows clocked in at USD37mn for 3QFY14 with 9MFY14 FIPI standing at USD22.7mn. Volumes also depicted strength with average daily value traded recorded at USD89mn for the quarter (USD81mn for 9MFY14). As we move ahead, privatizations and secondary offerings from the Government are expected to attract more foreign investment while continuous improvement in key economic indicators is expected to keep corporate earnings growth robust. At quarter end, Pakistan equities were trading at 2014E P/E of 8x and offer prospective dividend yield of 6%, which is fairly attractive when compared to regional standards.

MUTUAL FUND INDUSTRY REVIEW

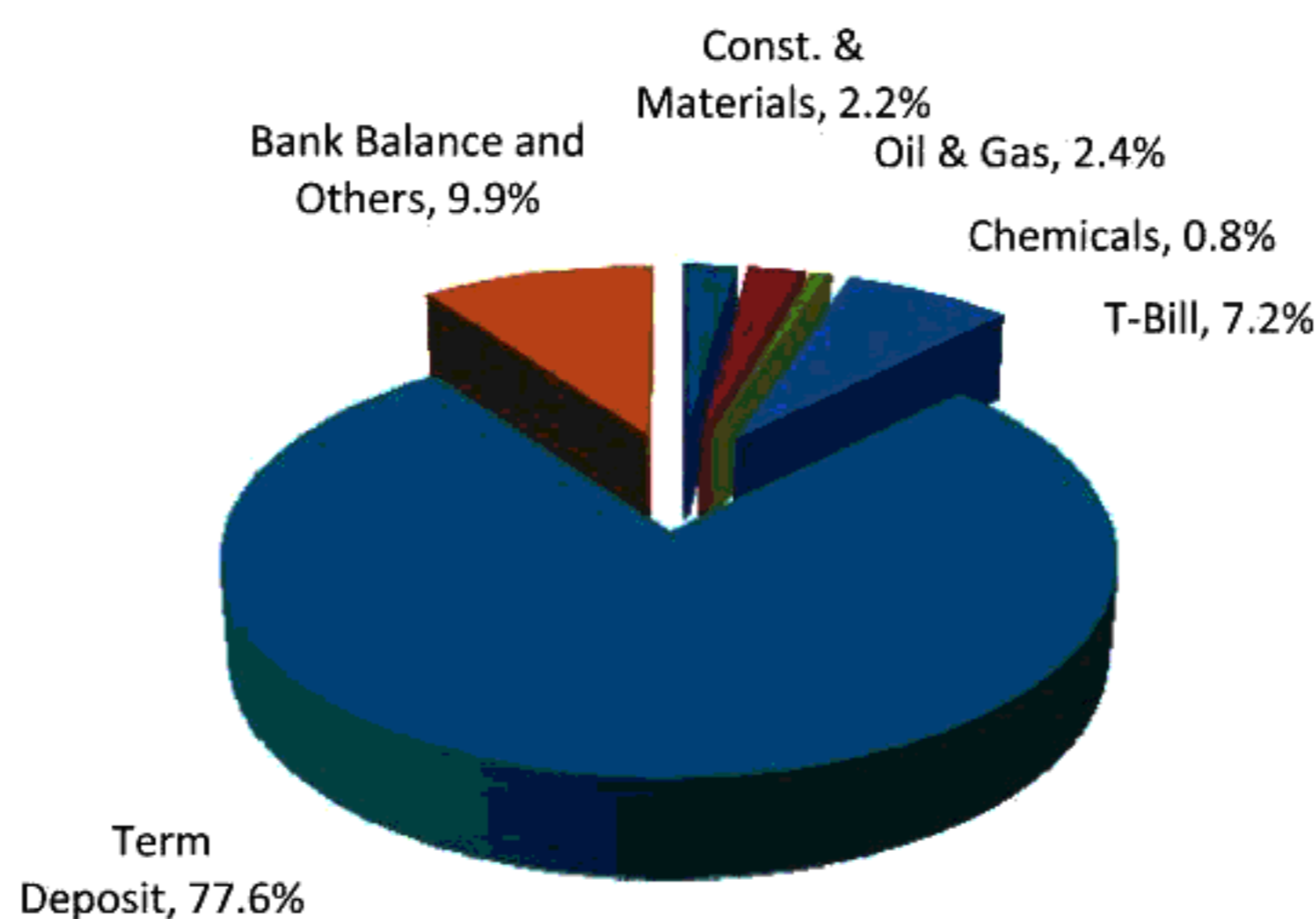
Total assets under management (AUMs) of Pakistan's open end mutual fund industry grew by 9% in 3QFY14 (from PKR369 billion to PKR402 billion) led by the equity fund category as improving macro-economic fundamentals swayed investors towards riskier asset classes. Growing popularity of CPPI methodology based capital protected funds pushed AUMs in the Fund of Funds category significantly from PKR5 billion in December 2013 to PKR11 billion in March 2014. Flows in the Fund of Funds category also supported growth in the equity funds (comprising of conventional and Islamic Equity funds) category where AUMs increased from PKR98 billion in December 2013 to PKR111 billion in March 2014. When compared to the market, conventional equity funds' AUMs increased by 12.5% during 3QFY14 against 7.5% increase in KSE-100 index in the same period. We anticipate interest in equity funds to continue as the risk/return profile of equities has improved significantly on the back of improving economic indicators.

FUND PERFORMANCE

ABL-CPF increased by 3.10% during the period under review against 1.98% increases in its benchmark, which reflects an outperformance of 112 basis points. When measured from its inception date, ABL-CPF posted a return of 23.10% as compared to its benchmark return of 17.05%, depicting an out-performance of 6.05%.



Sector Allocation (% of Total Assets)



OUTLOOK

Next quarter will be an eventful period for equity markets as improving macro outlook will clash with uncertainties surrounding FY15 budget which can create some volatility in the bourses. Pakistan is also expected to benefit from enhancement of its weight in the MSCI Frontier Market Index as Qatar and UAE markets move on to MSCI Emerging Market Index status. While remaining positive on the long term outlook of the market, we will tread the next quarter with caution. We will continue to channel our energies in picking stocks with strong fundamentals while avoiding any speculative bubbles that might come up during this bull run.

AUDITORS

M. Yousuf Adil Saleem & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2014 for ABL AMC Capital Protected Fund (ABL AMC-CPF).

FUND RANKING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on November 29, 2013, has assigned "AAA(CPF)"(Triple A Capital Protected Fund(CPF))rating to ABL AMC Capital Protected Fund.

MANAGEMENT QUALITY RATING

The Management Quality Rating of ABL Asset Management Limited (ABL AMC) is 'AM Two' (AM2). Outlook on the assigned rating is 'Stable'.

ACKNOWLEDGEMENT

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

For and on behalf of the Board



FARID AHMED KHAN
(Chief Executive Officer)

Karachi, April 22, 2014

**ABL AMC CAPITAL PROTECTED FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2014**

		(Un-audited) March 31, 2014	(Audited) June 30, 2013
	Note	----- Rupees -----	
ASSETS			
Balances with banks	4	9,010,896	35,115,745
Investments	5	333,689,460	334,436,240
Profit receivable and prepayments		25,940,520	3,127,526
Security deposits with Central Depository Company of Pakistan Limited		100,000	100,000
Receivable against sale of investments		1,405,440	-
Preliminary and floatation costs		234,420	1,287,950
Total assets		370,380,736	374,067,461
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	6	2,764,945	3,378,386
Payable to MCB Financial Services Limited - Trustee		24,749	23,986
Payable to Securities and Exchange Commission of Pakistan		207,729	285,530
Accrued expenses and other liabilities	7	1,806,553	5,888,419
Payable against redemption of units		29,390	1,324,215
Total liabilities		4,833,365	10,900,536
NET ASSETS		365,547,370	363,166,925
UNITS HOLDERS' FUND (AS PER STATEMENT ATTACHED)		365,547,370	363,166,925
Contingencies and commitments	8		
Number of units in issue		33,999,166	36,272,852
Net assets value per unit		10.7517	10.0121
Face value per unit		10.0000	10.0000

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

**For ABL Asset Management Company Limited
(Management Company)**


FARID AHMED KHAN
CEO


KHAWAJA MUHAMMAD ALMAS
DIRECTOR

**ABL AMC CAPITAL PROTECTED FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014**

		For the Nine months ended March 31, 2014	For the period from April 13, 2012 to March 31, 2013	For the quarter ended March 31, 2014	For the quarter ended March 31, 2013
	Note	----- Rupees -----			
INCOME					
Return / mark-up on bank balances and term deposit receipts		28,640,276	32,164,167	9,114,851	9,574,885
Net gain on sale of investments		2,181,958	11,756,021	2,386,764	3,433,476
Income from government securities		1,955,742	18,096	600,700	-
Dividend income		432,500	1,167,500	37,500	460,000
Back end load		478,625	307,258	409,203	181,186
Unrealised gain on re-measurement of investments 'at fair value through profit or loss - held-for-trading' - net		1,194,743	1,101,331	1,516,319	37,978
Total Income		34,883,844	46,514,373	14,065,337	13,687,525
EXPENSES					
Remuneration of ABL Asset Management Company Limited - Management Company		4,166,036	4,361,248	1,367,658	1,328,663
Sindh sales tax on remuneration of Management Company		773,217	697,811	253,844	212,596
Federal excise duty on remuneration of Management company		666,563	-	218,830	-
Remuneration of MCB Financial Services Limited - Trustee		222,185	232,598	72,942	70,861
Annual fee to Securities and Exchange Commission of Pakistan		207,729	217,888	68,183	66,259
Brokerage expense and other transaction costs		425,846	738,646	104,997	104,643
Auditors' remuneration		217,193	192,405	61,650	56,945
Amortisation of preliminary and floatation costs		1,053,530	1,168,818	346,050	346,050
Printing charges		75,224	76,962	24,660	22,624
Rating fee		131,311	115,443	43,110	34,129
Annual Listing fee		13,520	17,503	4,437	2,464
Settlement and bank charges		110,203	38,363	24,880	5,421
Total Operating Expenses		8,062,557	7,857,685	2,591,241	2,250,655
Net income from operating activities		26,821,287	38,656,688	11,474,096	11,436,870
Element of loss and capital losses included in prices of units issued less those in units redeemed - net		(1,191,379)	(1,055,266)	(1,114,310)	(861,895)
Provision for Workers' Welfare Fund	9	(512,598)	-	(207,185)	-
Net income for the period before taxation		25,117,310	37,601,422	10,152,601	10,574,975
Taxation	10	-	-	-	-
Net income for the period after taxation		25,117,310	37,601,422	10,152,601	10,574,975
Earnings per unit	11				

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

**For ABL Asset Management Company Limited
(Management Company)**


FARID AHMED KHAN
CEO


KHAWAJA MUHAMMAD ALMAS
DIRECTOR

**ABL AMC CAPITAL PROTECTED FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014**

	For the Nine months ended March 31, 2014	For the period from April 13, 2012 to March 31, 2013	For the quarter ended March 31, 2014	For the quarter ended March 31, 2013
	----- Rupees -----			
Net income for the period after taxation	25,117,310	37,601,422	10,152,601	10,574,975
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>25,117,310</u>	<u>37,601,422</u>	<u>10,152,601</u>	<u>10,574,975</u>

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

**For ABL Asset Management Company Limited
(Management Company)**


FARID AHMED KHAN
CEO


KHAWAJA MUHAMMAD ALMAS
DIRECTOR


**ABL AMC CAPITAL PROTECTED FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014**

	For the Nine months ended March 31, 2014	For the period from April 13, 2012 to March 31, 2013
	----- Rupees -----	
Undistributed income brought forward	437,531	-
Net income for the period after taxation	25,117,310	37,601,422
Interim distribution at the rate of Rs.'Nil' (2013: Re. 0.0347 per unit) - Issue of bonus units 'Nil' (2013: 116,075 units @ Rs. 10 per unit)	-	(1,160,753)
Undistributed income carried forward	<u>25,554,841</u>	<u>36,440,669</u>

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

**For ABL Asset Management Company Limited
(Management Company)**


FARID AHMED KHAN
CEO


KHAWAJA MUHAMMAD ALMAS
DIRECTOR

**ABL AMC CAPITAL PROTECTED FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014**

	For the Nine months ended March 31, 2014	For the period from April 13, 2012 to March 31, 2013
	----- Rupees -----	
Net Assets at the beginning of the period	363,166,925	-
Issuance of 'Nil' units (2013: 33,500,929 units)	-	335,010,163
Redemption of 2,273,686 units (2013: 1,430,290 units)	(23,928,244)	(15,358,168)
	(23,928,244)	319,651,995
Issuance of bonus units 'Nil' (2013: 116,075 units)	-	1,160,753
Element of loss and capital losses included in prices of units issued less those in units redeemed - amount representing loss and capital losses - transferred to Income Statement	1,191,379	1,055,266
Other net income for the period	21,740,609	24,744,070
Net capital gain on sale of investments	2,181,958	11,756,021
Unrealised gain on re-measurement of investments at fair value through profit or loss - held for trading' - net	1,194,743	1,101,331
Interim distribution at the rate of Rs. 'Nil' (2013: Re. 0.0347 per unit) - Issue of bonus units 'Nil' (2013: 116,075 units @ Rs. 10 per unit)	-	(1,160,753)
	25,117,310	36,440,669
Net assets at the end of the period	<u>365,547,370</u>	<u>358,308,683</u>

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

**For ABL Asset Management Company Limited
(Management Company)**


FARID AHMED KHAN
CEO


KHAWAJA MUHAMMAD ALMAS
DIRECTOR

**ABL AMC CAPITAL PROTECTED FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014**

	For the Nine months ended March 31, 2014	For the period from April 13, 2012 to March 31, 2013
Note	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	25,117,310	37,601,422
Adjustments:		
Unrealised (gain) / loss on re-measurement of investments 'at fair value through profit or loss -held-for-trading' - net	(1,194,743)	(1,101,331)
Dividend income	(432,500)	(1,167,500)
Return / mark-up on :		
-Government Securities	(1,955,742)	(18,096)
-Bank balances and term deposits	(28,640,276)	(32,164,167)
Element of loss and capital losses included in prices of units issued less those in units redeemed	1,191,379	1,055,266
Amortisation of preliminary and floatation costs	1,053,530	1,168,818
	<u>(4,861,043)</u>	<u>5,374,412</u>
(Increase) / decrease in assets		
Investments - net	1,941,523	(331,331,105)
Prepayments	(4,482)	(26,320,968)
Receivable against sale of investments	(1,405,440)	-
Preliminary and floatation costs	-	(2,806,637)
	531,601	(360,458,710)
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	(613,441)	3,335,954
Payable to MCB Financial Services Limited - Trustee	763	24,335
Payable to Securities and Exchange Commission of Pakistan	(77,801)	217,888
Payable against redemption of units	(1,294,825)	-
Accrued expenses and other liabilities	(4,081,866)	342,544
	(6,067,171)	3,920,721
Dividend received	395,000	707,500
Return / mark-up received	7,825,007	32,182,263
	<u>(2,176,605)</u>	<u>(318,273,814)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received from issuance of units	-	335,010,163
Amounts paid on redemption of units	(23,928,244)	(15,358,168)
Net cash (used in) / generated from financing activities	<u>(23,928,244)</u>	<u>319,651,995</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(26,104,849)</u>	<u>1,378,181</u>
Cash and cash equivalents at the beginning of the period	35,115,745	-
Cash and cash equivalents at the end of the period	<u>4</u> <u>9,010,896</u>	<u>1,378,181</u>

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

**For ABL Asset Management Company Limited
(Management Company)**


FARID AHMED KHAN
CEO


KHAWAJA MUHAMMAD ALMAS
DIRECTOR

1 LEGAL STATUS AND NATURE OF BUSINESS

ABL AMC Capital Protected Fund (the Fund) has been established under a Trust Deed, dated on July 29, 2011, between ABL Asset Management Company Limited as the Management Company, a company incorporated under the Companies Ordinance, 1984 and MCB Financial Services Limited (MCBFSL) as the Trustee, also incorporated under the Companies Ordinance, 1984.

The Management Company of the Fund has been licensed by the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services as a Non Banking finance company on December 07, 2007. The registered office of ABL Asset Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

The Fund is an open ended fund categorized as capital protected fund with maturity of 2 years and is listed on the Islamabad Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from May 30, 2012 to May 31, 2012. After the Initial Offer, the Fund shall remain closed for receiving further investment. However, the Management Company with the prior approval of the Securities and Exchange Commission of Pakistan (SECP), approval of the Trustee and after giving seven (7) days' notice to the existing Unit Holders, may re-open the Fund for taking Investment from time to time.

The Fund consist of two segments, a Capital & Return Protected Segment and an Investment Segment. The Capital Protected Segment aims at protecting investors' capital by investing a minimum of 94.75% of Fund property in bank deposits having at least long term credit rating 'AA-' (Double A minus). The remaining portion of the Fund other than Capital and Return Protected Fund is called Investment Segment. To enhance the Funds' overall return, Investment Segment will be invested in equity markets or any other permissible investment instrument allocated to the Investment Segment for enhancing the Fund's overall return.

The duration of the Fund is two years, thereafter, the Fund shall dissolve before June 30, 2014. However, the management believes that the said dissolution of the Fund does not require any adjustment in these condensed interim financial statements for the reason that carrying value of assets and liabilities are not materially different from the respective realisable / settlement amount.

The JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of 'AM2' (Stable Outlook) to the Management Company and capital protected fund rating of AAA (cpf) to the Fund.

Title to the assets of the Fund are held on in the name of the MCB Financial Services Limited as a trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. 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, provisions of and directives issued under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). In case, the requirements differ, the provisions or directives of the Companies Ordinance, 1984, the Rules and the Regulations shall prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 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 be read in conjunction with the published financial statements of the Fund for the period ended June 30, 2013.

2.2 Critical accounting judgments and estimates

The preparation of condensed interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires management to exercise its judgment in the process of applying the Fund's accounting policies. Estimates, judgments and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The significant judgments made by the management in applying the accounting policies and the key sources of estimation uncertainty are consistent with those applied to the financial statements as at and for the period ended June 30, 2013.

2.3 Financial risk management

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the period ended June 30, 2013.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the complete set of published financial statements of the Fund for the period ended June 30, 2013.

		March 31, 2014	June 30, 2013
		----- Rupees -----	
		(Un-audited)	(Audited)
4	BALANCES WITH BANKS		
	Saving accounts	<u>9,010,896</u>	<u>35,115,745</u>
4.1	These accounts carrying mark-up rates ranging from 6.50% to 8.50% (June 2013: 6.00% to 9.25%) per annum.		
		March 31, 2014	June 30, 2013
		----- Rupees -----	
		(Un-audited)	(Audited)
5	INVESTMENTS		
	- At fair value through profit or loss - held-for-trading		
	Listed equity securities	5.1 19,692,836	29,275,473
	Government securities	5.2 <u>26,571,726</u>	<u>-</u>
		46,264,562	29,275,473
	- Loans and receivables		
	Term deposit receipt	5.3 <u>287,424,898</u>	<u>305,160,767</u>
		333,689,460	334,436,240

5.1 Listed equity securities

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

Name of investee company	Number of Shares				Balance as at March 31, 2014			Market value as a percentage of net assets	Market value as a percentage of investment	Market value as a percentage of paid-up capital of investee company
	As at July 01, 2013	Purchases during the period	Bonus / right issue during the period	Sales during the period	As at March 31, 2014	Carrying value	Market value			
----- Rupees -----										
Oil and gas										
Pakistan Oilfields Limited	-	32,500	-	24,000	8,500	4,333,365	4,625,530	292,165	1.27%	1.39%
Pakistan Petroleum Limited	37,600	78,400	3,000	119,000	-	-	-	-	-	-
Pakistan State Oil Company Limited	11,500	95,800	-	97,700	9,600	3,286,679	4,096,416	809,737	1.12%	1.23%
National Refinery Limited	-	5,300	-	5,300	-	-	-	-	-	-
Oil & Gas Development Corporation Limited	-	16,000	-	16,000	-	-	-	-	-	-
	49,100	228,000	3,000	262,000	18,100	7,620,044	8,721,946	1,101,902	2.39%	2.61%
Non Life Insurance										
IGI Insurance Limited	-	10,000	-	10,000	-	-	-	-	-	-
	-	10,000	-	10,000	-	-	-	-	-	-
Chemicals										
Engro Corporation Limited	11,000	67,700	-	63,700	15,000	2,804,750	2,797,050.00	(7,700)	0.77%	0.84%
Fatima Fertilizer Company Limited	86,000	135,000	-	221,000	-	-	-	-	-	-
Fauji Fertilizer Company Limited	-	22,900	-	22,900	-	-	-	-	-	-
	97,000	225,600	-	307,600	15,000	2,804,750	2,797,050	(7,700)	0.77%	0.84%
Food Producers										
Engro Foods Limited	-	10,000	-	10,000	-	-	-	-	-	-
	-	10,000	-	10,000	-	-	-	-	-	-
Construction and materials										
D.G. Khan Cement Company Limited	20,000	151,500	-	126,500	45,000	3,897,440	4,140,900	243,460	1.13%	1%
Fauji Cement Company Limited	225,000	100,000	-	275,000	50,000	822,350	854,500	32,150	0.23%	0%
Fecto Cement Limited	10,500	-	-	10,500	-	-	-	-	-	-
Lucky Cement Limited	-	17,500	-	17,500	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	125,000	566,500	-	583,500	108,000	3,280,885	3,178,440	(102,445)	0.87%	1%
	380,500	835,500	-	1,013,000	203,000	8,000,675	8,173,840	173,165	2.24%	2%
Personal Goods (Textile)										
Kohinoor Textile Mill Limited	-	262,500	-	262,500	-	-	-	-	-	-
Nishat Mills Limited	-	46,700	-	46,700	-	-	-	-	-	-
Nishat Chunian Limited	-	195,000	-	195,000	-	-	-	-	-	-
	-	504,200	-	504,200	-	-	-	-	-	-
Fixed line Telecommunication										
Pakistan Telecommunication Company Limited	-	75,000	-	75,000	-	-	-	-	-	-
	-	75,000	-	75,000	-	-	-	-	-	-
Technology Hardware & Equipment										
Avanceon Limited	-	230,000	-	230,000	-	-	-	-	-	-
	-	230,000	-	230,000	-	-	-	-	-	-
Commercial Banks										
Bank Al Falah Limited	-	205,000	-	205,000	-	-	-	-	-	-
Bank Al Habib Limited	-	29,000	-	29,000	-	-	-	-	-	-
Faysal Bank Limited	-	100,000	-	100,000	-	-	-	-	-	-
MCB Bank Limited	20,000	13,000	-	33,000	-	-	-	-	-	-
National Bank of Pakistan	-	25,000	-	25,000	-	-	-	-	-	-
United Bank Limited	13,000	-	-	13,000	-	-	-	-	-	-
	33,000	372,000	-	405,000	-	-	-	-	-	-
	559,600	2,490,300	3,000	2,816,800	236,100	18,425,469	19,692,836	1,267,367	5.39%	5.90%

Cost of investments as at March 31, 2014

18,425,469

5.2 Government securities - Market Treasury Bills

- Face value of Rs. 100,000 each unless otherwise stated.

Issue Date	Tenor	Face value			Balance as at March 31, 2014			Market value as a percentage of net assets	Market value as a percentage of Investments
		As at July 01, 2013	Purchases during the period	Disposed / matured during the period	Balance as at March 31, 2014	Carrying value	Market value		
----- Rupees -----									
May 30, 2013	12 Months	-	32,000,000	5,000,000	27,000,000	26,644,349	26,571,726	(72,623)	7.27%
May 30, 2013	3 Months	-	18,000,000	18,000,000	-	-	-	-	-
August 7, 2013	6 Months	-	18,000,000	18,000,000	-	-	-	-	-
Total December 31, 2013		-	68,000,000	41,000,000	27,000,000	26,644,349	26,571,726	(72,623)	7.27%

Cost of investments as at March 31, 2014

25,007,130

5.3 Term Deposit Receipt carries mark-up rate of 12.38% (June 2013: 12.38%) per annum and will mature on June 01, 2014.

		March 31, 2014	June 30, 2013
	Note	----- Rupees -----	
		(Un-audited)	(Audited)
6	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY		
	Management fee	464,107	449,744
	Sindh sales tax	187,811	78,862
	Federal excise duty payable on management remuneration	709,710	43,143
	Preliminary and floatation costs	1,403,318	2,806,637
		<u>2,764,945</u>	<u>3,378,386</u>

6.1 As per the requirement of Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on management remuneration has been applied effective from June 13, 2013. The management is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. Mutual Fund Association of Pakistan (MUFAP) has taken up the matter collectively and filed a petition with the Honorable Sindh High Court and has been granted stay in this regard. As a matter of abundant caution, the Fund has made the provision against FED.

		March 31, 2014	June 30, 2013
		----- Rupees -----	
		(Un-audited)	(Audited)
7	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Auditors' remuneration	187,693	170,000
	Rating fee	104,910	150,000
	Brokerage and other charges	6,499	77,614
	Withholding Tax payable	763	495
	Payable against printing of units	43,566	49,202
	Payable against transactions in marketable securities	-	4,490,585
	Payable to WWF	1,463,121	950,523
		<u>1,806,553</u>	<u>5,888,419</u>

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2013 and as at March 31, 2014.

9 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

Subsequently, the Ministry of Labour and Manpower (the Ministry) vide its letter dated 15 July 2010 clarified that "Mutual Fund(s) is a product which is being managed / sold by the Asset Management Companies which are liable to contribute towards Workers Welfare Fund under Section-4 of WWF Ordinance 1971. However, the income on Mutual Fund(s), the product being sold, is exempted under the law *ibid*".

Further, the Secretary (Income Tax Policy) Federal Board of Revenue (FBR) issued a letter dated October 6, 2010 to the Members (Domestic Operation) North and South FBR. In the letter, reference was made to the clarification issued by the Ministry of Labour and Manpower stating that mutual funds are a product and their income are exempted under the law *ibid*.

The Secretary (Income Tax Policy) Federal Board of Revenue directed that the Ministry's letter may be circulated amongst field formations for necessary action. Following the issuance of FBR Letter, show cause notice which had been issued by taxation office to certain mutual funds for payment of levy under WWF were withdrawn. However, the Secretary (Income

Tax Policy) Federal Board of Revenue vide letter January 4, 2011 has cancelled ab-initio clarificatory letter dated October 6, 2010 on applicability of WWF on mutual funds and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by Honorable High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

Furthermore, in 2011 the Honorable Lahore High Court in a Constitutional Petition relating to the amendments brought in WWF Ordinance through the Finance Act 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the Honorable Lahore High Court, will lend further support to the Constitutional Petition which is pending in the Honorable High Court of Sindh.

Last year, the Larger Bench of the Sindh High Court (SHC) issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity.

However, without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 1,463,121 (including Rs 512,598 for the current period) in this condensed interim financial information. Had the same not been made, the net asset value per unit of the Fund as at March 31, 2014 would have been higher by Re 0.0430.

10 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule of 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. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 the Fund is required to distribute 90% of the net accounting income other than unrealised capital gains to the unit holders. The Fund intends to distribute such accounting income to its unit holders. Accordingly, no liability has been recorded in the current period.

11 EARNINGS PER UNIT (EPU)

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

12 TRANSACTIONS WITH CONNECTED PERSONS

12.1 Connected persons / related parties include ABL Asset Management Company Limited being the Management Company under common management and/or directorships, MCB Financial Services Limited (MCBFSL) being the trustee of the Fund, Allied Bank Limited being the holding company of the Management Company and its provident fund, Pakistan Security Printing Corporation (Private) Limited being the connected person, other collective investment schemes managed by the Management Company and key management personnel of the Management Company.

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

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

	For the Nine months ended March 31, 2014	For the period from April 13, 2012 to March 31, 2013
	----- Rupees ----- (Un-audited)	
ABL Asset Management Company Limited - Management Company		
Issue of 'Nil' units (2013: 10,000,000 units)	-	100,000,000
Bonus of 'Nil' units (2013: 34,700 units)	-	347,000
Remuneration for the period	4,166,036	4,361,248
Sindh sales tax on remuneration of Management Company	773,217	697,811
Federal excise duty on remuneration of Management company	666,563	-
TRUSTEE		
MCB Financial Services Limited		
Trustee Fee	222,185	232,598
Allied Bank Limited		
Return / markup on saving account	610,373	133,222

	March 31, 2014	June 30, 2013
	----- Rupees -----	
	(Un-audited)	(Audited)
12.4 Detail of balances outstanding at the period end with connected persons are as follows:		
ABL Asset Management Company Limited - Management Company		
Remuneration payable to Management Company	464,107	449,744
Sindh sales tax payable	187,811	71,959
Federal excise duty	709,710	
Preliminary and floatation costs	1,403,318	2,806,637
Units held - 11,449,091 (June 2013: 11,449,091 units)	123,097,191	114,574,488
Allied Bank Limited		
Balances with Bank	8,770,980	31,334,171
Accrued return / markup on saving account	53,756	-
Pakistan Security Printing Corporation (Private) Limited		
Units held - 4,007,182 units (June 2013: 4,007,182 units)	43,084,017	40,120,307
MCB Financial Services Limited - Trustee		
Remuneration payable	24,749	23,986

13 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 22, 2014 by the Board of Directors of the Management Company.

14 GENERAL

14.1 Figures have been rounded off to the nearest rupee.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


KHAWAJA MUHAMMAD ALMAS
DIRECTOR



ABL Asset Management

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RATED AM2 (JCR-VIS)

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