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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. Khalid A. Sherwani Mr. Muhammad Waseem Mukhtar Mr. Kamran Nishat Mr. M. Shakeb Murad Mr. M. Jawaid Iqbal Mr. Zia Ijaz Mr. Farid Ahmed Khan	Chairman CEO
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Zia Ijaz	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:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited Faysal Bank Limited Standard Chartered Bank Pakistan Limited	
Distributor:	Allied Bank Limited Metro Securities Al Habib Capital Markets FundShop - Investment Solutions	
Auditor:	A.F. Ferguson & Co Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, 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 Government Securities Fund (ABL-GSF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Government Securities Fund for the half year ended December 31, 2012.

ECONOMIC PERFORMANCE REVIEW

Pakistan's economic landscape somewhat stabilized during 1HFY13, but remains prone to growing challenges on the fiscal and political front. Key economic indicators showed some resilience despite continuous poor law and order situation, mounting political noise, acute energy shortages, and heavy Government spending and high international oil prices. Release of coalition support funds to the tune of USD 1.8bn rescued the weak external account and fiscal deficit situation with the current account posting a surplus of USD 250mn for 1HFY13. Provisional 1HFY13 fiscal deficit of 2.4% implied that the situation is not yet out of control, especially in the event of revenue shortfall (PKR 897bn collected vs. target of PKR 962bn) and high government subsidies ahead of elections. CPI numbers were also highly encouraging, as inflation averaged 8.32% in the first 6 month of this fiscal year compared to 10.87% during the corresponding period of last year. Controlled food inflation and Supreme Court's decision to slash CNG prices significantly contributed to the dip in CPI figures.

Taking cue from the encouraging CPI figures and steady current account situation, monetary authorities adopted a pro-growth stance, slashing the policy rate by 250bps during 1HFY13 to 9.5%. This implied that the discount rate was back in single digits after a break of 66 months. However, even such a steep decline in interest rates failed to ignite the economy or cause any excitement at the capital markets. Private sector credit offtake remained subdued (PKR 74bn for 1HFY13) while Government borrowing from commercial banks escalated (PKR 746bn for 1HFY13). Overall M2 growth was witnessed at 6.98% for 1HFY13 (PKR 534bn) with NFA just about breaking even. Indeed the key area of concern was the continuous slide of the Rupee against the USD (1HFY13 depreciation 2.76%) in midst of depleting FX reserves (USD 13.8bn in December vs. USD 15.3bn at June 2012) emanating from IMF debt repayments (USD 1.2bn principal repayments during 1HFY13) and high import bill. FDI also remained disappointing at USD 563mn as poor security situation and continuous political uncertainty hampered flows. Healthy remittances recorded at USD 7.1bn (+12.5% YoY), however, provided some respite.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of Pakistan's open end mutual fund industry declined by 13.7% in 1HFY13 to close at PKR 309 billion in December 2012. The drop was primarily due to withdrawals by banks in Money Market and Government Securities Funds, as changes in tax rates reduced the tax efficiency of mutual funds. Fixed Income category (comprising of Income, Aggressive Income and Cash funds) registered a decline of PKR 65 billion (-27%) in 1HFY13 to PKR 179 billion as at December 2012. During the period under review, Income funds posted the highest decline in AUMs from PKR 85 billion in June 12 to PKR 50 billion (-41%) as at December 2012. However, lower interest rates and healthy corporate results helped equity funds to post positive growth in fund sizes as stock, balanced and asset allocation funds grew by 1.18%, 8.50% and 41.56% respectively.

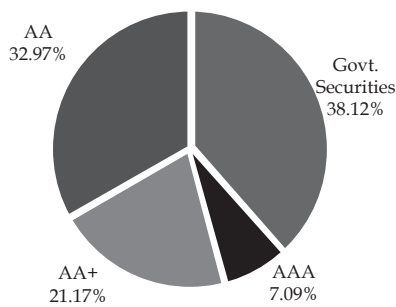


FUND PERFORMANCE

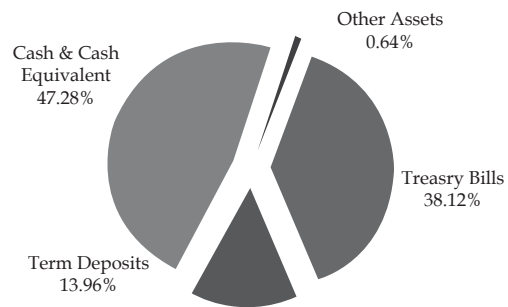
During the period under review, ABL Government Securities Fund yielded an impressive return of 14.41% p.a. versus the benchmark return of 9.19%. In 1HFY13, ABL GSF outperformed its benchmark by 522 bps due to active management of fund's duration which took advantage of significant shifts in the yield curve. SBP took an aggressive stance on monetary easing owing to lower inflation and cut the discount rate by a cumulative 250 bps during the period from 12% to 9.5%. During the period, the unit price of ABL GSF Class B increased by 6.829% to close at PKR 10.7092 (cum dividend). Fund size declined due to year end redemptions and closed at PKR 1.26 bn.

Going forward, the fund will aim to deliver an optimal risk adjusted return through active management and will continue to maintain exposure in government securities. At the end of the period, Treasury bills constituted around 38.12% of the fund size whereas placement with Banks and Cash in hand accounted for 13.96% and 47.28% respectively. Fund increased its allocation in bank deposit and placement versus government securities in order to take advantage of high deposit rates offered by banks at year end.

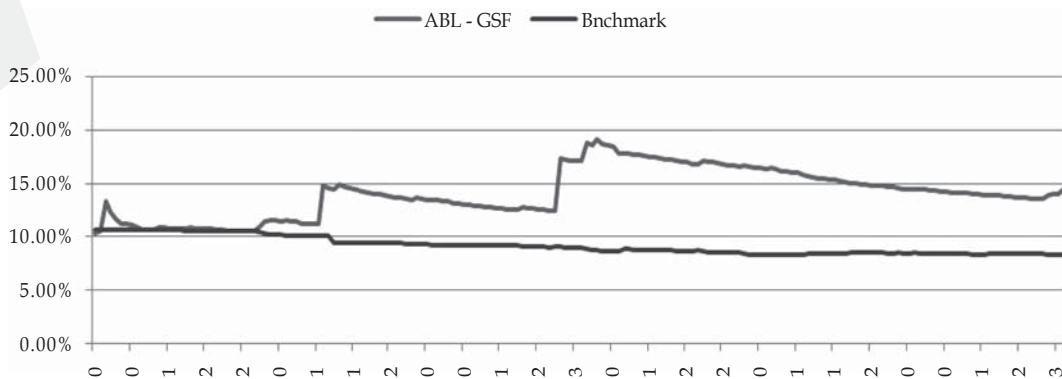
Credit Quality of Portfolio (% of Assets)



Asset Allocation (% of Assets)



Others Assets Account for 0.64% of total Assets



AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2013 for ABL Government Securities Fund (ABL-GSF).

FUND STABILITY RATING

On January 17, 2013, JCR-VIS Credit Rating Company has reaffirmed Fund Stability Rating of ABL Government Securities Fund (ABL GSF) at 'A+ (f)' (Single A plus (f)).

MANAGEMENT QUALITY RATING

On January 10, 2013: JCR-VIS Credit Rating Company Limited has maintained the Management Quality Rating of ABL Asset Management Company Limited (ABL AMC) at 'AM 2-' (AM Two Minus). Outlook on the assigned rating has been revised from 'Stable' to 'Positive'

FUTURE OUTLOOK

We feel interest rates have bottomed out for the mean time as further easing in midst of declining FX reserves and heavy Government borrowing could have negative implications for Pakistan's overall economic health. Inflationary pressures may re-emerge and the exchange rate could depreciate significantly. Recent resumption of dialogue with the IMF, aimed at rolling over the IMF principal repayments, will be crucial in stabilizing FX reserves and the exchange rate. However, any concession offered by IMF is expected to result in imposition of strict conditions for the SBP. These conditions will primarily aim to restrict Government borrowing and higher interest rates can be used as one of the deterrent.

Given the current economic conditions, ABL GSF intends to increase its allocation in government securities as bank placements mature. The fund will change its strategy and shift into medium term securities as we expect the yield curve to remain flat in coming months. We will continue with active management of the portfolio with an eye to maximize trading gains.

ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to the Securities & Exchange Commission of Pakistan, State Bank of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of the Karachi Stock Exchange (Guarantee) Limited for their continued cooperation 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, February 15, 2013



ABL GOVERNMENT SECURITIES FUND TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office

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



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TRUSTEE REPORT TO THE UNIT HOLDERS

ABL GOVERNMENT SECURITIES FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of ABL Government Securities Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2012 in accordance with the provisions of the following:

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

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 25, 2013



ABL GOVERNMENT SECURITIES FUND AUDITORS REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION



A. F. FERGUSON & CO.

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **ABL Government Securities Fund** as at December 31, 2012 and the related condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2012. The Management Company (ABL Asset Management Company Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2012 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2012.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2012 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants

Engagement Partner: **Rashid A. Jafer**

Date: February 15, 2013

Karachi

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ABL GOVERNMENT SECURITIES FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2012

		(Un-audited) Note December 31, 2012	(Audited) June 30, 2012
----- Rupees in '000' -----			
ASSETS			
Balances with banks	4	677,258	1,698,667
Investments	5	746,018	33,037,735
Profit receivable		6,980	163,270
Prepayments		18	40
Preliminary expenses and floatation costs		3,910	4,414
Total assets		1,434,184	34,904,126
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	6	28,191	14,202
Payable to the Central Depository Company of Pakistan Limited - Trustee		5,638	2,207
Payable to the Securities and Exchange Commission of Pakistan		22,776	11,552
Accrued expenses and other liabilities	7	117,671	37,809
Total liabilities		174,276	65,770
NET ASSETS		1,259,908	34,838,356
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,259,908	34,838,356
CONTINGENCIES AND COMMITMENTS	8		
----- Number of units -----			
NUMBER OF UNITS IN ISSUE	9	125,284,183	3,474,321,080
----- Rupees -----			
NET ASSET VALUE PER UNIT		10.0564	10.0274
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


KAMRAN NISHAT
DIRECTOR

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ABL GOVERNMENT SECURITIES FUND CONDENSED INTERIM INCOME STATEMENT (UN AUDITED)

FOR THE HALF YEAR & QUARTER ENDED DECEMBER 31, 2012

	Note	For the half year ended December 31, 2012	For the period from November 30, 2011 to December 31, 2011	For the quarter ended December 31, 2012
INCOME				
-----Rupees in '000'-----				
Net capital gain / (loss) on sale of investments		237,677		(60,423)
Income from Government Securities		2,894,789	8,280	1,595,768
Income from Term Deposit Receipts		18,171	291	2,686
Income from Letter of Placement		13,921	-	10,030
Income from Reverse Repurchase transactions		450	-	216
Income from Ijara Sukuk		176,013	286	40,773
Profit on bank deposits		45,673	465	32,384
		<u>3,386,694</u>	<u>8,959</u>	<u>1,621,434</u>
Net unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - 'held for trading'	5.1	209	(288)	171
		<u>3,386,903</u>	<u>8,671</u>	<u>1,621,605</u>
EXPENSES				
Remuneration of ABL Asset Management Company Limited - Management Company		81,656	969	47,792
Sindh sales tax on Management Company's remuneration		13,065	155	7,647
Remuneration of Central Depository Company of Pakistan Limited - Trustee		23,151	116	13,388
Annual fee - Securities and Exchange Commission of Pakistan		22,776	58	13,199
Brokerage and other transaction costs		3,496	91	1,869
Auditors' remuneration		149	52	75
Rating fee		88	27	43
Printing charges		76	22	38
Amortisation of preliminary expenses and floatation costs		504	150	252
Settlement and bank charges		622	18	491
Listing fee		15	4	7
Total operating expenses		<u>145,598</u>	<u>1,662</u>	<u>84,801</u>
Net income from operating activities		<u>3,241,305</u>	<u>7,009</u>	<u>1,536,804</u>
Net element of income and capital gains included in prices of units issued less those in units redeemed		672,328	580	181,570
		<u>3,913,633</u>	<u>7,589</u>	<u>1,718,374</u>
Provision for Workers' Welfare Fund	7.1	(78,273)	(8)	(34,367)
Net income for the period before taxation		<u>3,835,360</u>	<u>7,581</u>	<u>1,684,007</u>
Taxation	10	-	-	-
Net income for the period after taxation		<u>3,835,360</u>	<u>7,581</u>	<u>1,684,007</u>
Other comprehensive income for the period		-	-	-
Total comprehensive income for the period		<u><u>3,835,360</u></u>	<u><u>7,581</u></u>	<u><u>1,684,007</u></u>
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


KAMRAN NISHAT
DIRECTOR



ABL GOVERNMENT SECURITIES FUND CONDENSED INTERIM DISTRIBUTION STATEMENT (UN AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2012

	For the half year ended December 31, 2012	For the period from November 30, 2011 to December 31, 2011
	----- Rupees in '000' -----	
Undistributed Income brought forward:		
- realised income	101,361	-
- unrealised loss	(6,218)	-
	95,143	-
Net income for the period	3,835,360	7,581
Interim distribution:		
Class -A Re 0.2561 per unit on August 29, 2012		
Class -B Re 0.2340 per unit on August 29, 2012		
Cash distribution	(1,879,554)	-
Issue of 1,546,993 bonus units	(15,470)	-
Class -A Re 0.0701 per unit on September 24, 2012		
Class -B Re 0.0626 per unit on September 24, 2012		
Cash distribution	(339,593)	-
Issue of 385,801 bonus units	(3,858)	-
Class -A Re 0.0698 per unit on October 24, 2012		
Class -B Re 0.2226 per unit on October 24, 2012		
Cash distribution	(208,841)	-
Issue of 2,629,017 bonus units	(26,290)	-
Class -A Re 0.0895 per unit on November 29, 2012		
Class -B Re 0.0778 per unit on November 29, 2012		
Cash distribution	(892,011)	-
Issue of 1,354,740 bonus units	(13,547)	-
Class -A Re 0.0648 per unit on December 27, 2012		
Class -B Re 0.0558 per unit on December 27, 2012		
(2011-Re 0.0503 per unit on December 26, 2011)		
Cash distribution	(645,800)	(3,772)
Issue of 679,259 bonus units (2011: 59,177)	(6,793)	(592)
Net element of income and capital gains included in prices of units issued less those in units redeemed	108,194	-
Undistributed income carried forward	6,940	3,217
Undistributed income comprising:		
- realised income	6,731	3,505
- unrealised income / (loss)	209	(288)
	6,940	3,217

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


KAMRAN NISHAT
DIRECTOR

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**ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT
IN UNIT HOLDERS' FUND (UN AUDITED)**

FOR THE HALF YEAR ENDED DECEMBER 31, 2012

	For the half year ended December 31, 2012	For the period from November 30, 2011 to December 31, 2011
	----- Rupees in '000' -----	
Net Assets at beginning of the period	34,838,356	-
Issue of 15,095,147,489 units (2011: 112,918,933 units)	151,927,216	1,129,781
Redemption of 18,450,780,196 units (2011: 487,984 units)	(184,702,897)	(4,892)
	(32,775,681)	1,124,889
Issue of bonus units		
- Interim 6,595,810 distribution units (2011: 59,177 units)	65,958	592
Net element of income and capital gains included in prices of units issued less those in units redeemed		
- amount representing income and capital gains transferred to Income Statement	(672,328)	(580)
- amount representing income and capital gains transferred to distribution statement	(108,194)	-
	(780,522)	(580)
Other net income for the period	3,597,474	8,232
Gain / (Loss) on sale of investments	237,677	(363)
Unrealised appreciation / (diminution) on re-measurement of investments at fair value through profit or loss - net	209	(288)
	3,835,360	7,581
Interim distribution:		
Class -A Re 0.2561 per unit on August 29, 2012		
Class -B Re 0.2340 per unit on August 29, 2012		
Cash distribution	(1,879,554)	-
Issue of 1,546,993 bonus units	(15,470)	-
Class -A Re 0.0701 per unit on September 24, 2012		
Class -B Re 0.0626 per unit on September 24, 2012		
Cash distribution	(339,593)	-
Issue of 385,801 bonus units	(3,858)	-
Class -A Re 0.0698 per unit on October 24, 2012		
Class -B Re 0.2226 per unit on October 24, 2012		
Cash distribution	(208,841)	-
Issue of 2,629,017 bonus units	(26,290)	-
Class -A Re 0.0895 per unit on November 29, 2012		
Class -B Re 0.0778 per unit on November 29, 2012		
Cash distribution	(892,011)	-
Issue of 1,354,740 bonus units	(13,547)	-
Class -A Re 0.0648 per unit on December 27, 2012		
Class -B Re 0.0558 per unit on December 27, 2012 (2011-Re 0.0503 per unit on December 26,2011)		
Cash distribution	(645,800)	(3,772)
Issue of 679,259 bonus units(2011: 59,177)	(6,793)	(592)
	(4,031,757)	(4,364)
Net Element of income and capital gains included in prices of units issued less those in units redeemed	108,194	
Net assets as at end of the period	1,259,908	1,128,118

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


KAMRAN NISHAT
DIRECTOR



**ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM CASH FLOW
STATEMENT (UN AUDITED)**

FOR THE HALF YEAR ENDED DECEMBER 31, 2012

	Note	For the half year ended December 31, 2012	For the period from November 30, 2011 to December 31, 2011
-----Rupees in '000'-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		3,835,360	7,581
Adjustment:			
Amortisation of preliminary expenses and floatation costs		504	150
Unrealised (appreciation) / diminution on re-measurement of investments classified as "financial assets at fair value through profit or loss"		(209)	288
Net element of income and capital gains included in prices of units issued less those in units redeemed		<u>(672,328)</u>	<u>(580)</u>
		3,163,327	7,439
(Increase) / decrease in assets			
Profit receivable		156,290	(1,013)
Investments - net		29,861,926	(937,265)
Prepayments		22	-
		30,018,238	(938,278)
Increase / (decrease) in liabilities			
Remuneration Payable to ABL Asset Management Company Limited		13,989	1,139
Remuneration Payable to Central Depository Company of Pakistan Limited - Trustee		3,431	116
Payable to Securities and Exchange Commission of Pakistan		11,224	58
Accrued expenses and other liabilities		79,862	159
		108,506	1,472
Net cash generated from / (used in) operating activities		<u>33,290,071</u>	<u>(929,367)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(3,965,799)	-
Receipts from issue of units		151,927,216	1,129,781
Payments against redemption of units		(184,702,897)	(4,877)
Net cash (used in) / generated from financing activities		<u>(36,741,480)</u>	<u>1,124,904</u>
Net (decrease) / increase in cash and cash equivalents during the period		<u>(3,451,409)</u>	<u>195,537</u>
Cash and cash equivalents at the beginning of the period		4,328,667	-
Cash and cash equivalents at the end of the period	4.1	<u><u>877,258</u></u>	<u><u>195,537</u></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


KAMRAN NISHAT
DIRECTOR

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ABL GOVERNMENT SECURITIES FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN AUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2012

1 LEGAL STATUS AND NATURE OF BUSINESS

ABL Government Securities Fund (the Fund) was established under a Trust Deed executed on November 01, 2011 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. NBFC-II/ABLAMC/439/2011 dated October 31, 2011 and it was executed on November 1, 2011 in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 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 SECP on December 7, 2007. The registered office of the Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

The Fund is an open ended fund and is listed on the Karachi Stock Exchange (Guarantee) Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed 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 deliver optimal risk adjusted returns by investing mainly in a mix of short to long term government securities and other debt instruments.

The JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of AM2- (Stable Outlook) to the Management Company and fund stability rating of A+(f) to the Fund.

Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information has been prepared in accordance with the 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, the requirements of the Trust Deed, 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 directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in 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, 2012.



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 December 31, 2012.

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

The following new standards and amendments to existing standards are mandatory for the first time for the financial period beginning on or after July 1, 2012:

Amendment to IFRS 7, 'Financial instruments': The amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP. The adoption of this amendment did not have any impact on the Fund's condensed interim financial information.

There are certain other new standards, amendments and interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 1, 2012 but are considered not to be relevant or did not have any significant effect on the Fund's operations and are, therefore, not disclosed in this condensed interim financial information.

2.3 Standards, interpretations and amendments to published approved accounting standards, as adopted in Pakistan, that are not yet effective:

There are certain new standards, amendments to approved accounting standards and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2013 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not detailed in this condensed interim financial information.

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 published financial statements of the Fund for the period ended June 30, 2012.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those applied to the financial statements as at and for the period ended June 30, 2012.

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the period ended June 30, 2012.

	Note	(Un-Audited) December 31, 2012	(Audited) June 30, 2012
4 BALANCES WITH BANKS		----- Rupees in '000' -----	
Saving accounts	4.2	677,258	1,698,667
4.1 Cash and cash equivalents			
Balances with banks		677,258	1,698,667
Term deposit receipt	5.2	200,000	2,630,000
		<u>877,258</u>	<u>4,328,667</u>

- 4.2 These saving accounts carry mark-up at rates ranging from 6.00% to 9.40% (June 30, 2012: 6% to 12.28%) per annum. Deposits in saving accounts include Rs. 103,304,555 (June 30, 2012: Rs. 75,695,488) maintained with Allied Bank Limited, a related party.

	Note	(Un-Audited) (Audited)		
		December 31, 2012	June 30, 2012	
----- Rupees in '000' -----				
5	INVESTMENTS			
	Financial assets at fair value through profit or loss - held for trading	5.1	546,018	30,407,735
	Loans and receivables	5.2	200,000	2,630,000
			<u>746,018</u>	<u>33,037,735</u>

5.1 Financial assets at fair value through profit or loss - held for trading

a) Government Treasury Bills

Issue date	Tenor	Face Value			Balance as at December 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period	As at December 31, 2012	Carrying value	Market value		
-----Rupees in '000-----									
April 19, 2012	3 Months	1,152,000	50,000	1,202,000	-	-	-	-	-
May 3, 2012	3 Months	4,065,000	4,538,540	8,603,540	-	-	-	-	-
May 17, 2012	3 Months	5,929,280	1,897,000	7,826,280	-	-	-	-	-
May 31, 2012	3 Months	1,001,000	557,000	1,558,000	-	-	-	-	-
June 14, 2012	3 Months	2,300,000	2,498,000	4,798,000	-	-	-	-	-
June 28, 2012	3 Months	1,750,000	1,793,300	3,543,300	-	-	-	-	-
July 12, 2012	3 Months	-	1,050,000	1,050,000	-	-	-	-	-
July 26, 2012	3 Months	-	2,022,300	2,022,300	-	-	-	-	-
August 9, 2012	3 Months	-	250,000	250,000	-	-	-	-	-
August 23, 2012	3 Months	-	1,852,000	1,852,000	-	-	-	-	-
September 6, 2012	3 Months	-	5,907,000	5,907,000	-	-	-	-	-
September 20, 2012	3 Months	-	250,000	250,000	-	-	-	-	-
October 4, 2012	3 Months	-	750,000	750,000	-	-	-	-	-
October 18, 2012	3 Months	-	1,355,000	1,355,000	-	-	-	-	-
November 1, 2012	3 Months	-	2,250,000	2,250,000	-	-	-	-	-
November 15, 2012	3 Months	-	4,895,000	4,495,000	400,000	396,336	396,403	67	0.31
November 29, 2012	3 Months	-	10,250,000	10,250,000	-	-	-	-	-
December 13, 2012	3 Months	-	187,000	187,000	-	-	-	-	-
January 26, 2012	6 Months	50,000	1,928,000	1,978,000	-	-	-	-	-
February 9, 2012	6 Months	5,226,000	1,552,000	6,778,000	-	-	-	-	-
June 28, 2012	6 Months	-	500,000	500,000	-	-	-	-	-
July 12, 2012	6 Months	-	34,216,350	34,214,350	2,000	1,995	1,996	1	0.00
July 26, 2012	6 Months	-	28,564,780	28,564,780	-	-	-	-	-
August 9, 2012	6 Months	-	16,997,000	16,997,000	-	-	-	-	-
August 23, 2012	6 Months	-	22,177,000	22,177,000	-	-	-	-	-
September 6, 2012	6 Months	-	500,000	350,000	150,000	147,478	147,619	141	0.12
September 20, 2012	6 Months	-	250,000	250,000	-	-	-	-	-
October 4, 2012	6 Months	-	3,350,000	3,350,000	-	-	-	-	-
October 18, 2012	6 Months	-	6,250,000	6,250,000	-	-	-	-	-
November 1, 2012	6 Months	-	54,234,000	54,234,000	-	-	-	-	-
November 15, 2012	6 Months	-	750,000	750,000	-	-	-	-	-
November 29, 2012	6 Months	-	9,895,000	9,895,000	-	-	-	-	-
December 13, 2012	6 Months	-	187,000	187,000	-	-	-	-	-
July 28, 2011	12 months	510,000	4,500,350	5,010,350	-	-	-	-	-
August 11, 2011	12 Months	180,000	2,200	182,200	-	-	-	-	-
August 25, 2011	12 Months	1,273,800	11,040,500	12,314,300	-	-	-	-	-
September 8, 2011	12 Months	200,000	-	200,000	-	-	-	-	-
September 22, 2011	12 Months	470,000	4,179,410	4,649,410	-	-	-	-	-
October 6, 2011	12 Months	-	4,006,000	4,006,000	-	-	-	-	-
October 20, 2011	12 Months	-	4,737,150	4,737,150	-	-	-	-	-
November 3, 2011	12 Months	-	45,633,900	45,633,900	-	-	-	-	-
November 17, 2011	12 Months	-	12,334,000	12,334,000	-	-	-	-	-
December 1, 2011	12 Months	-	14,542,855	14,542,855	-	-	-	-	-
January 12, 2012	12 Months	-	1,230,000	1,230,000	-	-	-	-	-
January 26, 2012	12 Months	-	300,000	300,000	-	-	-	-	-



Issue date	Tenor	Face Value			Balance as at December 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period	As at December 31, 2012	Carrying value	Market value		
-----Rupees in '000-----									
July 12, 2012	12 Months	-	11,250,000	11,250,000	-	-	-	-	-
July 26, 2012	12 Months	-	6,265,000	6,265,000	-	-	-	-	-
August 9, 2012	12 Months	-	3,644,000	3,644,000	-	-	-	-	-
August 23, 2012	12 Months	-	3,490,000	3,490,000	-	-	-	-	-
September 6, 2012	12 Months	-	8,750,000	8,750,000	-	-	-	-	-
September 20, 2012	12 Months	-	64,907,000	64,907,000	-	-	-	-	-
October 4, 2012	12 Months	-	5,250,000	5,250,000	-	-	-	-	-
October 18, 2012	12 Months	-	1,350,000	1,350,000	-	-	-	-	-
November 1, 2012	12 Months	-	1,150,000	1,150,000	-	-	-	-	-
November 15, 2012	12 Months	-	250,000	250,000	-	-	-	-	-
November 29, 2012	12 Months	-	250,000	250,000	-	-	-	-	-
December 13, 2012	12 Months	-	187,000	187,000	-	-	-	-	-
Total		24,107,080	432,952,635	456,507,715	552,000	545,809	546,018	209	

b) Government Ijara Sukuk

Issue date	Tenor	Face Value			Balance as at December 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period	As at December 31, 2012	Carrying value	Market value		
-----Rupees in '000-----									
March 7, 2011	3 Year	-	55,000	55,000	-	-	-	-	-
May 16, 2011	3 Year	4,300	35,000	39,300	-	-	-	-	-
December 26, 2011	3 Year	44,086	127,075	171,161	-	-	-	-	-
March 2, 2012	3 Year	3,901,000	2,349,900	6,250,900	-	-	-	-	-
April 30, 2013	3 Year	5,000	-	5,000	-	-	-	-	-
June 28, 2012	3 Year	2,680,000	4,228,200	6,908,200	-	-	-	-	-
September 18, 2012	3 Year	-	6,275,000	6,275,000	-	-	-	-	-
Total		6,634,386	13,070,175	19,704,561					

c) Pakistan Investment Bonds

Issue date	Tenor	Face Value			Balance as at December 31, 2012			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period	As at December 31, 2012	Carrying value	Market value		
-----Rupees in '000-----									
July 19, 2012	3 Year	-	50,000	50,000	-	-	-	-	-
July 19, 2012	5 Year	-	50,000	50,000	-	-	-	-	-
July 19, 2012	10 Year	-	50,000	50,000	-	-	-	-	-
September 3, 2009	3 Year	-	100,000	100,000	-	-	-	-	-
Total			250,000	250,000					
Grand Total					545,809	546,018	209		

			(Un-Audited) (Audited)
			December June
			31, 2012 30, 2012
			----- Rupees in '000' -----
5.2	Loans and receivables		
	Term deposit receipts	5.2.1	<u>200,000</u> <u>2,630,000</u>
5.2.1	Term deposit receipts carry mark-up at rates ranging from 9.80% to 10.25% (June 30, 2012: 12.00% to 12.45%) per annum. Term deposit receipts include Rs. 100 million (June 30, 2012: Rs. 500 million) maintained with Allied Bank Limited, a related party.		

		(Un-Audited) (Audited)	
		December	June
		31, 2012	30, 2012
		----- Rupees in '000' -----	
6	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY		
	Remuneration of the Management Company	19,992	7,933
	Sindh sales tax on remuneration of the Management Company	3,199	1,269
	Preliminary expenses and floatation costs	5,000	5,000
		<u>28,191</u>	<u>14,202</u>
7	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Auditors' remuneration	146	212
	Brokerage	1,735	144
	Rating fee	88	-
	Printing charges	102	104
	Withholding tax payable	4	26
	Provision for Workers' Welfare Fund	7.1	115,596
		<u>117,671</u>	<u>37,809</u>

7.1 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 Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

Subsequent to June 30, 2011, the Honourable Lahore High Court (LHC) in a constitutional petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act 2008, has declared the said amendments as unlawful and unconstitutional and struck them down. The Management Company is hopeful that the decision of the LHC will lend further support to the constitutional petition which is pending in the SHC.

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. 115.60 million (including Rs. 78.27 million for the current period).

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2012.

9 NUMBER OF UNITS IN ISSUE

	For the half year ended December 31, 2012			For the period from November 30, 2011 to June 30, 2012		
	Class A	Class B	Total	Class A	Class B	Total
Total units in issue at the beginning of the period	3,376,062,224	98,258,856	3,474,321,080	-	-	-
Add: units issued	14,928,983,312	166,164,177	15,095,147,489	4,871,948,536	839,008,639	5,710,957,175
Add: bonus units issued		6,595,810	6,595,810	-	4,947,977	4,947,977
Less: units redeemed	(18,305,045,536)	(145,734,660)	(18,450,780,196)	(1,495,886,312)	(745,697,760)	(2,241,584,072)
Total units in issue at the end of the period	-	125,284,183	125,284,183	3,376,062,224	98,258,856	3,474,321,080



	(Un-Audited)		(Audited)	
	For the half year ended December 31, 2012		For the period from November 30, 2011 to June 30, 2012	
	Number in '000		Number in '000	
	Class A	Class B	Class A	Class B
Net Asset Value	Nil	1,259,908	33,853,350	985,006
Number of Units	Nil	125,284	3,376,062	98,259
Total	-	10.0564	10.0275	10.0246

10 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The management intends to distribute at least 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.

11 EARNINGS PER UNIT (EPU)

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

12 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTY

12.1 Connected persons / related parties include ABL Asset Management Company Limited being the Management Company, Allied Bank Limited, Ibrahim Fibres Limited, Cyan Limited and ABL - Employees Superannuation (Pension) Fund being entities under common management and / or directorship, Central Depository Company of Pakistan Limited being the trustee of the Fund and directors and officers of the Management Company.

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

12.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations and the Trust Deed respectively.

12.4 Details of transactions during the period

	(Un-Audited)	
	For the half year ended December 31, 2012	For the period from November 30, 2011 to December 31, 2011
	-----Rupees in '000'-----	
ABL Asset Management Company Limited - Management Company		
Issue of Nil units (2011: 27,468,382 Units)	-	275,000
Bonus of 1,259,294 units(2011: 50,300 Units)	12,593	503
Remuneration for the period	81,656	969
Sindh sales tax on Management Company's remuneration	13,065	155
Preliminary expense and flotation costs	-	5,000
Initial deposit in bank account made on behalf of the fund	-	15

	----- (Un-Audited) -----	
	For the half year ended December 31, 2012	For the period from November 30, 2011 to December 31, 2011
	-----Rupees in '000' -----	
Allied Bank Limited		
Issue of 14,928,983,312 units (2011: 50,000,000 units)	150,251,534	500,000
Redemption of 18,305,045,536 units(2011: Nil units)	183,237,451	-
Cash dividend	3,965,793	2,515
Mark up accrued on bank deposits	12,117	90
Term Deposit Receipts	100,000	-
Mark up on Term Deposit Receipts	2,471	-
Bank charges	105	13
KEY MANAGEMENT PERSONNEL		
Chief Executive Officer		
Issue of Nil units (2011: 29,984 Units)	-	300
Bonus of 2,125 units (2011: 151 Units)	21	2
Executives		
Redemption of 1,059 units (2011: Nil Units)	11	-
Central Depository Company of Pakistan Limited		
Remuneration for the period	23,151	116
	(Un-audited)	(Audited)
	December 31, 2012	June 30, 2012
	----- Rupees in '000' -----	
12.5 Amounts outstanding as at period end		
ABL Asset Management Company Limited - Management Company		
Outstanding 20,099,680 (June 30, 2012: 18,840,386 Class B) units	202,130	188,867
Preliminary expenses and floatation costs payable	5,000	5,000
Remuneration payable to the Management Company	19,992	7,933
Sindh sales tax on remuneration of the Management Company	3,199	1,269
Allied Bank Limited		
Outstanding Nil (June 30, 2012: 3,376,062,224 Class A) units	-	33,853,350
Bank balances	103,305	75,694
Mark up accrued	675	82
Term deposit receipts	100,000	-
Mark up on Term Deposit Receipts	2,471	-
KEY MANAGEMENT PERSONNEL		
Chief Executive Officer		
Outstanding 33,909 (June 30, 2012: 31,784 Class B) units	341	319



	(Un-audited) December 31, 2012	(Audited) June 30, 2012
	----- Rupees in '000' -----	
Executives		
Outstanding Nil (June 30, 2012: 1,059 Class B) units	-	11
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	5,638	2,207

13 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 15, 2013 by the Board of Directors of the Management Company.

14 GENERAL

14.1 Figures have been rounded off to the nearest thousand rupees.

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant reclassifications have been made during the current period.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
CEO


KAMRAN NISHAT
DIRECTOR

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ABL Asset Management

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