



CONDENSED INTERIM  
FINANCIAL  
INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

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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 Shakra-e-Faisal, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited United Bank Limited Askari Bank Limited Faysal Bank Limited Deutsche Bank Limited	Habib Metropolitan bank limited MCB Bank Limited NIB Bank Limited Standard Chartered Bank Pakistan limited Barclays Bank Limited Bank Al Habib Limited
Distributor:	Allied Bank Limited BMA Financial Services Limited Vector Consulting (Pvt.) Limited IGI Investment Bank Elixir Securities Pakistan (Pvt.) Limited Reliance Financial Products (Pvt.) Limited	Invest Capital Investment Bank Limited Pyramid Financial Consultants (Pvt.) Limited Foundation Securities (Pvt.) Limited Metro Securities (Pvt.) Limited 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 Income Fund (ABL-IF), is pleased to present the Condensed Interim Financial Information (un-audited) of ABL Income Fund for the quarter ended September 30, 2012.

### **ECONOMIC PERFORMANCE REVIEW**

In midst of economic challenges, 1QFY13 marked a major shift in monetary policy with the Central Bank aggressively reducing the discount rate by 150bps (from 12% to 10.5%) to jump start the economy. Release of coalition support funds (CSF) of USD 1.2 billion coupled with single digit inflation (1QFY13 cumulative inflation recorded at 9.14%) allowed State Bank to adopt a pro-growth stance. CPI numbers were aided by gradual drop in food and energy prices (food inflation recorded at 8.4% in 1QFY13) while lower import bill and CSF funds propelled the current account into a surplus of USD 919 million in 2MFY13. Questions, however, have already been raised about the quantum and sustainability of the rate cut. Overall fiscal position is certainly alarming as Government borrowing has reached unprecedented levels and FY13 fiscal deficit target is expected to be missed by a substantial margin (IMF expects FY13 fiscal deficit at 6.1%). Shortfall in tax collection (PKR 402 billion collected in 1QFY13 vs. target of PKR 437 billion) along with ever growing subsidies to the power sector havemade the targeted fiscal deficit of 4.7% extremely difficult to achieve. Apart from the frail fiscal situation, the weakening exchange rate is another worrying factor for the Central Bank. The rupee depreciated by 0.3% vs. USD during 1QFY13 (PKR/USD 94.8 on September 28th) while the reserves have dropped below the USD 15 billion mark in the wake of continued trade deficit and IMF loan repayments.

The outlook for remaining fiscal period hinges primarily on continued foreign aid and lower oil prices to keep the exchange rate and fiscal deficit in check.

### **MUTUAL FUND INDUSTRY REVIEW**

The fixed income segment of mutual fund industry fell by 21.75% from PKR282 billion in June 2012 to PKR220.7 billion in September 2012. AUMs in the income fund category fell by 41.5% to PKR49.90 billion in September 2012 from PKR85.30 billion in June 2012. The massive decline is attributable to Quarter end redemptions which are a norm at this time of the year. The reduction in interest rates proved to be a boon for fixed income funds, who booked hefty capital gains on their bond holdings. In a declining interest rate environment, income funds intrinsically become the ideal choice for investors looking to maximize profits.

### **FUND PERFORMANCE**

During the period under review, ABL Income Fund's net assets declined by 19.32% to PKR3.053 billion due to quarter end outflows. Despite stiff competition from money market funds, ABL

Income Fund remained amongst the top performers in its category, yielding competitive returns whilst following a conservative investment policy.

The unit price of ABL-IF increased by 3.540% during the quarter to close at Rs10.3827 (cum dividend) translating into an annualized return of 14.80%. In 1Q2013, ABL-IF outperformed its benchmark by 3.65% due to healthy valuation gains earned on its portfolio. Some investments in KIBOR linked instruments were pursued but the fund kept high duration Government securities as its primary exposure. Moreover, competitive rates were negotiated with banks during the quarter which boosted base line yields. The strategy of maintaining a high duration resulted in significant capital gains on both bonds and bills as prices rose with falling interest rates. As at September 30, 2012 Treasury bill allocation was 26.69%, PIBs 22.07%, TFCs 9.37%, GoPljaraSukuk 4.02% and spread transactions were at 1.40% of total assets.

ABL Income Fund earned total income of Rs.112.67 million for the quarter ended September 30, 2012, of which, Rs.47.00 million was earned from government securities, Rs.25.01 million was earned from deposits with banks and fixed term deposits receipts, Rs. 0.22 million from letters of placement, Rs.10.26 million was Income from Term Finance Certificates/sukuks, Rs.0.98 million from dividend income and Rs.10.79 million was realized and unrealized gain on investments. After accounting for expenses of Rs.14.54 million (comprising mainly of the management fee of Rs.10.68 million and Rs.1.71 million was on account of Sindh Sales Tax on Services) net income from operating activities for the quarter ended September 30, 2012 stood at Rs.98.13 million. With the net element of Income/(loss) and capital gains/(losses) of Rs. 3.06 million included in the prices of units issued less those in units redeemed and Rs.1.88 million as provision for workers welfare fund, the net income for the quarter ended September 30, 2012 stood at Rs.93.19 million.

#### **AUDITORS**

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

#### **FUND STABILITY RATING**

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on January 2, 2012: JCR-VIS has reaffirmed the Fund Stability Rating of ABL Income Fund at 'A+ (f)' (Single A Plus (f)).

#### **MANAGEMENT QUALITY RATING**

On September 16, 2011: JCR-VIS Credit Rating Company Limited has upgraded the Management Quality Rating of ABL Asset Management Limited (ABL AMC) from 'AM3+' (AM Three Plus) to 'AM Two Minus' (AM2-). Outlook on the assigned rating is 'Stable'

#### **OUTLOOK**


Given the pro-growth stance adopted by the SBP and highly encouraging CPI numbers, further monetary easing cannot be ruled out, especially since Pakistan is not in the IMF program anymore.

However, continuous Government borrowings along with possible depletion in FX reserves may put Central Bank in a bind and restrict further monetary easing. ABL-IF will continue to maintain a high duration to take advantage of any further reduction in interest rates but will keep an eye on inflation and current account numbers to foresee any signs of stress. Furthermore, selective interest in quality debt instruments from the corporate sector will be taken to support underlying yields without enhancing the risk profile of the fund. Primary investments will remain in government securities due to their low risk profile, stable returns and valuation gain possibilities.

#### **ACKNOWLEDGEMENT**

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Karachi Stock Exchange (Guarantee) 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, October 25, 2012**

**ABL INCOME FUND  
CONDENSED INTERIM STATEMENT OF  
ASSETS AND LIABILITIES**

AS AT SEPTEMBER 30, 2012

	Note	(Un audited) September 30, 2012	(Audited) June 30, 2012
----- (Rupees in '000) -----			
<b>ASSETS</b>			
Balances with banks	4	1,107,538	838,670
Investments	5	1,981,836	2,951,601
Profit receivables		16,698	18,108
Security deposits, prepayments and other receivables		13,473	13,441
Preliminary expenses and floatation costs		970	1,222
<b>Total assets</b>		<b>3,120,515</b>	<b>3,823,042</b>
<b>LIABILITIES</b>			
Payable to ABL Asset Management Company Limited - Management Company		4,959	6,742
Payable to the Central Depository Company of Pakistan Limited - Trustee		263	350
Payable to the Securities and Exchange Commission of Pakistan		534	4,035
Dividend payable		2	-
Payable against redemption of units		1,647	-
Payable to brokers against purchase of investments		30,705	-
Accrued expenses and other liabilities	6	29,479	27,652
<b>Total liabilities</b>		<b>67,589</b>	<b>38,779</b>
<b>NET ASSETS</b>		<b>3,052,926</b>	<b>3,784,263</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>3,052,926</b>	<b>3,784,263</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
----- (Rupees in '000) -----			
<b>NUMBER OF UNITS IN ISSUE</b>		<b>304,434</b>	<b>377,335</b>
<b>NET ASSET VALUE PER UNIT</b>		<b>10.0348</b>	<b>10.0289</b>
<b>FACE VALUE PER UNIT</b>		<b>10.0000</b>	<b>10.0000</b>

The annexed notes 1 to 11 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 INCOME FUND CONDENSED INTERIM INCOME STATEMENT (UN AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Note	Quarter ended September 30, 2012	Quarter ended September 30, 2011
<b>INCOME</b>			
----- (Rupees in '000) -----			
Net gain on sale of investments		18,426	11,214
Income from Government Securities		46,998	129,224
Income from Term Deposit Receipts		17,085	16,645
Income from Certificates of Deposit		-	2,531
Income from Letters of Placement		217	8,093
Income from Reverse Repurchase transactions		-	7,209
Income from Term Finance Certificates / Sukuks		10,255	12,025
Profit on bank accounts		7,922	6,015
Dividend Income		983	-
		101,886	192,956
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - 'held for trading' - net	5.8	11,774	3,748
Unrealised (loss) / gain on revaluation of future contracts	5.9	(988)	11
		112,672	196,715
<b>EXPENSES</b>			
Remuneration of ABL Asset Management Company Limited - Management Company		10,683	20,093
Sindh Sales Tax on Management Company's remuneration		1,709	3,215
Remuneration of Central Depository Company of Pakistan Limited - Trustee		820	1,339
Annual fee - Securities and Exchange Commission of Pakistan Limited		534	1,005
Brokerage and other transaction costs		229	598
Bank charges		46	84
Auditors' remuneration		114	108
Amortization of preliminary expenses and floatation costs		252	251
Printing charges		37	50
Listing fee		10	10
Annual rating fee		50	48
Other expenses		58	47
<b>Total operating expenses</b>		14,542	26,848
<b>Net income from operating activities</b>		98,130	169,867
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net		(3,063)	2,269
Provision for Workers' Welfare Fund		(1,882)	(3,443)
<b>Net income for the period before taxation</b>		93,185	168,693
Taxation		-	-
<b>Net income for the period after taxation</b>		93,185	168,693
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		93,185	168,693

The annexed notes 1 to 11 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 INCOME FUND CONDENSED INTERIM DISTRIBUTION STATEMENT (UN AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Quarter ended September 30, 2012	Quarter ended September 30, 2011
	----- (Rupees in '000) -----	
<b>Undistributed income comprising</b>		
- Realised income	9,587	10,584
- Unrealised (loss) / income	1,325	(1,089)
	<u>10,912</u>	<u>9,495</u>
Net income for the period	93,185	168,693
Interim distribution:		
- Re 0.3479 per unit on September 24, 2012 (2012: Re 0.3158 per unit on September 27, 2011)		
Cash distribution	(2)	(67,730)
Issue of bonus units	(93,506)	(101,541)
	(93,508)	(169,271)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	(3,063)	957
Undistributed income carried forward	<u>7,526</u>	<u>9,874</u>
<b>Undistributed income comprising:</b>		
Realised income / (loss)	(4,248)	6,126
Unrealised Income	11,774	3,748
	<u>7,526</u>	<u>9,874</u>

The annexed notes 1 to 11 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 INCOME FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT  
IN UNIT HOLDERS' FUND (UN AUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Quarter ended September 30, 2012	Quarter ended September 30, 2011
	----- (Rupees in '000) -----	
Net assets at the beginning of the period	3,784,263	4,878,536
Issue of 112,550,045 units (2011: 93,823,757 units)	1,143,289	949,155
Redemption of 195,002,003 units (2011: 135,764,979 units)	(1,970,872)	(1,365,343)
	(827,583)	(416,188)
Issue of 9,350,584 bonus units (2011: 10,154,104 units)	93,506	101,541
Net element of (income)/ loss and capital (gains) / losses included in prices of units issued less those in units redeemed		
- amount representing income / (loss) and capital gains / (losses) - transferred to Income Statement	3,063	(2,269)
- amount representing income / (loss) and capital gains / (losses) - transferred to distribution statement	3,063	(957)
	6,126	(3,226)
Other net income for the period	63,973	153,731
Capital gain on sale of investments	18,426	11,214
Unrealised appreciation on re-measurement of investments at fair value through profit or loss - net	11,774	3,748
Unrealised loss on revaluation of future contracts	(988)	-
<b>Total comprehensive income for the period</b>	<b>93,185</b>	<b>168,693</b>
Interim distribution:		
- Re 0.3479 per unit on September 24, 2012 (2011: Re 0.3158 per unit on September 27, 2011)		
Cash distribution	(2)	(67,730)
Issue of bonus units	(93,506)	(101,541)
	(93,508)	(169,271)
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed	(3,063)	957
<b>Net assets as at the end of the period</b>	<b>3,052,926</b>	<b>4,561,042</b>

The annexed notes 1 to 11 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 INCOME FUND CONDENSED INTERIM CASH FLOW STATEMENT (UN AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

	Note	Quarter ended September 30, 2012	Quarter ended September 30, 2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
----(Rupees in '000)----			
Net income for the period before taxation		93,185	168,693
<b>Adjustment for non-cash charges and other items;</b>			
Amortisation of preliminary expenses and floatation costs		252	251
Unrealised appreciation on re-measurement of investments classified as "financial assets at fair value through profit or loss"		(11,774)	(3,748)
Net element of (income)/ loss and capital (gains)/ losses included in prices of units issued less those in units redeemed		3,063	(2,269)
		<u>84,726</u>	<u>162,927</u>
<b>(Increase)/ decrease in assets</b>			
Profit receivables		1,410	2,613
Investments		981,539	102,962
Security deposits, prepayments and other receivables		(32)	(2,964)
		<u>982,917</u>	<u>102,611</u>
<b>Increase/ (decrease) in liabilities</b>			
Payable to ABL Asset Management Company Limited- Management Company		(1,783)	1,687
Payable to Central Depository Company of Pakistan Limited - Trustee		(87)	30
Dividend payable		2	-
Payable against redemption of units		1,647	-
Payable to Securities and Exchange Commission of Pakistan		(3,501)	(3,912)
Payable to brokers against purchase of investments		30,705	20,114
Accrued expenses and other liabilities		1,827	(12,086)
		<u>28,810</u>	<u>5,833</u>
<b>Net cash generated from operating activities</b>		<u>1,096,454</u>	<u>271,371</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(2)	(61,081)
Net (payments) / receipts against (redemption) / issuance of units		(827,583)	(419,021)
<b>Net cash used in financing activities</b>		<u>(827,585)</u>	<u>(480,102)</u>
<b>Net Increase / (decrease) in cash and cash equivalents</b>		<u>268,869</u>	<u>(208,731)</u>
Cash and cash equivalents at the beginning of the period		838,670	2,205,203
<b>Cash and cash equivalents at the end of the period</b>	4.1	<u><u>1,107,539</u></u>	<u><u>1,996,472</u></u>

The annexed notes 1 to 11 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 INCOME FUND

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

FOR THE QUARTER ENDED SEPTEMBER 30, 2012

### 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 (Establishment and Regulations) Rules, 2003 (NBFC Rules). The Securities and Exchange Commission of Pakistan (SECP) approved the revised/amended Trust Deed of the Fund on June 6, 2008. The Fund commenced its operations on September 20, 2008. During the year ended June 30, 2011, a supplemental Trust Deed was executed on September 30, 2010 to categorise ABL Income Fund as an Open End Income Scheme in terms of Circular 7 of the SECP.

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 mutual fund and is listed on the Karachi Stock Exchange (Guarantee) Limited. The units of the Fund are offered to the public for subscription on a continuous basis. The units are transferable and are redeemable by surrendering them to the Fund. The units of the Fund were initially offered to the public for subscription at par from September 17, 2008 to September 19, 2008 and thereafter these units are offered to the public for subscription on a continuous basis.

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, MF, certificate of deposits, clean placements, spread transactions, derivatives and other absolute return instruments.

JCR-VIS Credit Rating Company Limited has assigned a management quality rating of 'AM2-' (Stable Outlook) to the Management Company and fund stability rating of "A+(f)" to 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 (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or 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 in this condensed interim financial information has been made in accordance with the International Accounting Standard 34: 'Interim Financial Reporting'.

This condensed interim financial information are un-audited.

### 3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of this condensed interim financial information is the same as those applied in the preparation of the published audited financial statements of the Fund for the year ended June 30, 2012.

		(Un audited) September 30, 2012	(Audited) June 30, 2012
	Note	----- (Rupees in '000) -----	
<b>4 BALANCES WITH BANKS</b>			
Saving accounts	4.1	1,107,538	838,670

These saving accounts carrying mark-up at rates ranging from 6.00% to 10.00% (June 30, 2012: 6.00% to 12.28%) per annum . Deposits in savings accounts include Rs. 5,752,288 (June 30, 2012: Rs. 7,069,688) maintained with Allied Bank Limited, a related party.

### 4.1 CASH AND CASH EQUIVALENTS

Balances with banks	1,107,538	838,670
Term deposit receipts	-	1,450,000
	1,107,538	2,288,670

		(Un audited) September 30, 2012	(Audited) June 30, 2012
	Note	----- (Rupees in '000) -----	

### 5 INVESTMENTS

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

- Market Treasury Bills	5.1	832,460	1,208,205
- Pakistan Investment Bonds	5.2	688,329	-
- Ijarah Sukuks	5.3	125,263	-
-Term Finance Certificates / Sukuks	5.4	292,235	293,396
- Listed Equity securities	5.5	43,550	-
- Loans and receivables		-	1,450,000
		1,981,837	2,951,601

## 5.1 Market Treasury Bills

Issue date	Tenor	Face Value			Balance as at September 30, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period	As at September 30, 2012	Carrying value	Market value		
Rupees in '000									
May 3, 2012	3 Months	6,000	200,000	206,000	-	-	-	-	-
May 17, 2012	3 Months	42,000	-	42,000	-	-	-	-	-
May 31, 2012	3 Months	50,000	-	50,000	-	-	-	-	-
June 14, 2012	3 Months	200,000	37,400	237,400	-	-	-	-	-
June 28, 2012	3 Months	595,000	-	595,000	-	-	-	-	-
July 12, 2012	3 Months	-	250,000	250,000	-	-	-	-	-
July 26, 2012	3 Months	-	450,000	450,000	-	-	-	-	-
August 9, 2012	3 Months	-	250,000	250,000	-	-	-	-	-
August 23, 2012	3 Months	-	298,000	198,000	100,000	98,746	98,741	(5)	3.2%
September 6, 2012	3 Months	-	500,000	500,000	-	-	-	-	-
September 20, 2012	3 Months	-	250,000	250,000	-	-	-	-	-
		893,000	2,235,400	3,028,400	100,000	98,746	98,741	(5)	3.2%
February 9, 2012	6 Months	15,000	-	15,000	-	-	-	-	-
July 12, 2012	6 Months	-	462,000	462,000	-	-	-	-	-
July 26, 2012	6 Months	-	378,000	378,000	-	-	-	-	-
August 9, 2012	6 Months	-	250,000	250,000	-	-	-	-	-
September 6, 2012	6 Months	-	250,000	250,000	-	-	-	-	-
September 20, 2012	6 Months	-	250,000	250,000	-	-	-	-	-
		15,000	1,590,000	1,605,000	-	-	-	-	-
August 11, 2011	12 Months	55,200	-	55,200	-	-	-	-	-
August 25, 2011	12 Months	169,800	912,500	1,082,300	-	-	-	-	-
September 8, 2011	12 Months	-	150,000	150,000	-	-	-	-	-
September 22, 2011	12 Months	43,000	374,000	417,000	-	-	-	-	-
June 28, 2012	12 Months	-	4,900	-	4,900	4,560	4,564	4	0.1%
July 12, 2012	12 Months	-	1,206,400	1,206,400	-	-	-	-	-
July 26, 2012	12 Months	-	1,165,000	695,000	470,000	433,469	434,634	1,165	14.2%
August 9, 2012	12 Months	-	322,000	250,000	72,000	66,191	66,347	156	2.2%
August 23, 2012	12 Months	-	250,000	250,000	-	-	-	-	-
September 6, 2012	12 Months	-	250,000	250,000	-	-	-	-	-
September 20, 2012	12 Months	-	250,000	250,000	250,000	227,550	227,974	424	7.5%
October 6, 2011	12 Months	200	-	-	200	199	200	1	-
October 20, 2011	12 Months	60,000	-	60,000	-	-	-	-	-
		328,200	4,884,800	4,415,900	797,100	731,969	733,719	1,750	24%
<b>Total - September 30, 2012</b>		<b>1,236,200</b>	<b>8,710,200</b>	<b>9,049,300</b>	<b>897,100</b>	<b>830,715</b>	<b>832,460</b>	<b>1,745</b>	<b>27.3%</b>

## 5.2 Pakistan Investment Bonds

Issue date	Tenor	Face Value			Balance as at September 30, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period	As at September 30, 2012	Carrying value	Market value		
Rupees in '000									
July 19, 2012	3 Years	-	575,000	100,000	475,000	478,580	483,637	5,057	15.8%
August 18, 2011	3 Years	-	50,000	50,000	-	-	-	-	-
August 18, 2011	3 Years	-	100,000	100,000	-	-	-	-	-
July 19, 2012	5 Years	-	125,000	-	125,000	127,130	127,356	226	4.2%
July 19, 2012	10 Years	-	75,000	-	75,000	76,173	77,336	1,163	2.5%
<b>Total - September 30, 2012</b>		<b>-</b>	<b>925,000</b>	<b>250,000</b>	<b>675,000</b>	<b>681,883</b>	<b>688,329</b>	<b>6,446</b>	<b>22.5%</b>

## 5.3 Ijarah sukuks

Issue date	Tenor	Face Value			Balance as at September 30, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period	As at September 30, 2012	Carrying value	Market value		
Rupees in '000									
March 2, 2012	3 Years	-	500,000	500,000	-	-	-	-	-
September 18, 2012	3 Years	-	300,000	200,000	100,000	100,000	100,000	-	3.3%
November 15, 2010	3 Years	-	25,000	-	25,000	25,263	25,263	-	0.8%
<b>Total - September 30, 2012</b>		<b>-</b>	<b>825,000</b>	<b>700,000</b>	<b>125,000</b>	<b>125,263</b>	<b>125,263</b>	<b>-</b>	<b>4.1%</b>

## 5.4 Term Finance Certificates / Sukuks

Name of the investee company	Profit / Markup Rate %	Number of Certificates			As at September 30, 2012	Balance as at September 30, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2012	Purchased during the period	Disposed / matured during the period		Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
Askari Bank Limited - I	6 months KIBOR plus 2.50%	13,400	3,000	-	16,400	81,801	81,647	(154.00)	2.7%	4.1%
Askari Bank Limited - IV	6 months KIBOR plus 1.75%	8,400	-	-	8,400	43,677	44,607	930	1.5%	2.3%
Standard Chartered Bank	6 months KIBOR plus 0.75%	29,000	-	3,800	25,200	126,000	127,624	1,624.00	4.2%	6.4%
United Bank Limited - IV	6 months KIBOR plus 0.85%	7,600	-	-	7,600	38,254	38,357	103	1.3%	1.9%
<b>Total - September 30, 2012</b>		<b>58,400</b>	<b>3,000</b>	<b>3,800</b>	<b>57,600</b>	<b>289,732</b>	<b>292,235</b>	<b>2,503</b>	<b>9.6%</b>	<b>14.7%</b>

## 5.5 Listed Equity Securities

Name of the investee company	Number of shares				Balance as at September 30, 2012			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2012	Purchased during the period	Sales during the period	As at September 30, 2012	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----									

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

## Oil &amp; Gas

Attock Refinery Limited	-	26,000	-	26,000	3,305	3,302	(3)	0.1%	0.2%
Pakistan Oilfield Limited	-	38,500	-	38,500	16,526	16,685	158	0.5%	0.8%
	-	64,500	-	64,500	19,832	19,987	155	0.7%	1.0%

## Construction &amp; Materials

D.G.Khan Cement Company Ltd.	-	438,000	-	438,000	21,129	22,032	904	0.7%	1.1%
Lucky Cement Ltd.	-	11,500	-	11,500	1,510	1,531	21	0.1%	0.1%
	-	449,500	-	449,500	22,638	23,563	925	0.8%	1.2%

## Chemicals

Fauji Fertilizer Company Limited	-	245,500	49,000	196,500	-	-	-	-	-
	-	245,500	49,000	196,500	-	-	-	-	-

**Total - September 30, 2012**

	-	759,500	49,000	710,500	42,470	43,550	1,080	1.4%	2.2%
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## 5.8

**Net unrealised appreciation on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading**

**Note**

(Un audited)  
September 30,  
2012

(Un audited)  
September 30,  
2011

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

Market value of securities	1,981,837	3,054,900
Less: Carrying value of securities	1,970,063	3,051,152
	<u>11,774</u>	<u>3,748</u>

## 5.9

**Unrealised (loss) / gain on revaluation of future contracts**

Market value of Future Contracts	41,787	20,161
Less: Settlement amount of Future Contracts	40,799	20,150
	<u>(988)</u>	<u>11</u>

		(Un audited) September 30, 2012	(Audited) June 30, 2012
---(Rupees in '000)---			
<b>6</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration	97	325
	Brokerage	127	52
	Printing and other charges	197	260
	Payable to Workers' Welfare Fund	28,871	26,988
	Withholding tax payable	22	27
	Payable to JCR - VIS for Rating Fee	50	-
	Other Payables	115	-
		<u>29,479</u>	<u>27,652</u>

- 6.1 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 (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on July 8, 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However on December 14, 2010 the Ministry filed its response against the Constitutional petition requesting the court to dismiss the petition. According to the legal counsel who is handling the case, there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

Subsequent to the year ended 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 Sindh High Court (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 28.871 million (including Rs 26.988 million for the year ended June 30, 2012) in this financial information.

## 7 CONTINGENCIES AND COMMITMENTS

There were no other contingencies outstanding as at September 30, 2012 except commitments as disclosed in note 5.9.

## 8 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.



## 9 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTY

Connected persons / related parties include ABL Asset Management Company Limited being the Management Company, Allied Bank Limited, being entities under common management and/ or directorship, Central Depository Company being the trustee of the Fund, Associated companies and the directors and officers of the Management Company.

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

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

	Quarter ended September 30, 2012	Quarter ended September 30, 2011
	---(Rupees in '000)---	
<b>ABL Asset Management Company Limited - Management Company</b>		
Bonus of 182,562 units (2011: 135,064 units)	1,826	1,351
Remuneration for the period	10,683	20,093
<b>Allied Bank Limited</b>		
Redemption of 75,000,000 units( 2011: Nil)	754,733	-
Cash dividend	-	23,685
Markup income	798,908	785
Bank charges	3,816	22
<b>ABL- Employees Superannuation (Pension) Fund</b>		
Cash dividend	-	12,594
<b>ABL- Staff Provident Fund</b>		
Cash dividend	-	835
<b>CHAIRMAN OF THE BOARD OF MANAGEMENT COMPANY</b>		
Bonus of 518 units (2011: 421 units)	5	4
<b>DIRECTOR OF THE MANAGEMENT COMPANY</b>		
<b>Muhammad Javaid Iqbal</b>		
Bonus of 3,041 units (2011: 1,057 units)	30	10
<b>Muhammad Shakeb Murad</b>		
Issue of Nil units (2011: 29,951 units)	-	300
Bonus of Nil units (2011: 2,002 units)	-	20

**CHIEF EXECUTIVE OFFICER**

Issue of Nil units (2011: 14,664 units)	-	150
Bonus of 40,808 units (2011: 33,204 units)	409	333
Redemption of Nil units (2011: 227,513 units)	-	2,300

**EXECUTIVES**

Bonus of 1,163 units (2011: 946 units)	12	9
Redemption of 34,603 units (2011: 6,777 units)	346	68

**TRUSTEE****Central Depository Company of Pakistan Limited**

Remuneration for the period	820	1,339
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(Un audited) (Audited)  
September 30, June 30,  
2012 2012

**9.2 Amounts outstanding as at period / year ended**

----Rupees in '000----

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

Outstanding 5,430,099 units (June 30 2012: 5,247,537 units)	54,471	52,627
Preliminary expenses and floatation costs payable	1,000	1,000
Remuneration payable to management company	3,413	4,950
Sindh Sale Tax on Management Company's Remuneration	546	792

**Allied Bank Limited**

Outstanding NIL units (June 30 2012: 75,000,000 units)	-	752,168
Cash dividend payable	-	-
Bank balances	5,752	7,070
Mark up accrued	470	126

**CHAIRMAN OF THE BOARD OF MANAGEMENT COMPANY**

Outstanding 15,407 units (June 30,2012: 14,889 units)	155	149
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**DIRECTORS OF THE MANAGEMENT COMPANY****Muhammad Javaid Iqbal**

Outstanding 90,455 units (June 30,2012: 87,414 units)	907	877
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**CHIEF EXECUTIVE OFFICER**

Outstanding 1,213,790 units (June 30,2012: 1,172,982 units)	12,176	11,764
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**EXECUTIVES**

Outstanding Nil units (June 30,2012: 33,440 units)	-	335
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**Central Depository Company of Pakistan Limited - Trustee**

Remuneration and CDC connection fee payable	263	350
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**10 GENERAL**

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

**11 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue on October 25, 2012 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
KAMRAN NISHAT  
DIRECTOR

 ABL Asset Management  
Discover the potential

  
ABL-IF  
ABL-INCOME FUND

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**ABL Asset Management**

Discover the potential