



**ABL**  
*Stock Fund*

CONDENSED INTERIM  
FINANCIAL  
STATEMENTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

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## FUND'S INFORMATION

<b>Management Company:</b>	ABL Asset Management Company Limited	
<b>Board of Directors of the Management Company</b>	Sheikh Mukhtar Ahmed	Chairman
	Muhammad Waseem Mukhtar	Director
	Mr. Khalid A. Sherwani	Director
	Mr. M. Jawaid Iqbal	Director
	Muhammad Yaseen	Director
	Mr. M. Shakeb Murad	Director
	Mr. Kamran Nishat	Director
<b>Chief Executive Officer:</b>	Mr. Farid Ahmed Khan	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Faisal Nadeem Mangroria	
<b>Audit Committee:</b>	Mr. Kamran Nishat	Chairman
	Muhammad Waseem Mukhtar	Member
	Muhammad Yaseen	Member
<b>Head of Internal Audit &amp; Compliance</b>	Mr. Saqib Matin	
<b>Trustee:</b>	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block - B, S.M.C.H.S., Main Shahrah-e-Faisal, Karachi.	
<b>Auditors:</b>	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
<b>Legal Advisors:</b>	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6 -C1 -10, Beaumont Road, CivilLines, Karachi.	
<b>Bankers:</b>	Allied Bank Limited Bank Al- Falah Limited United Bank Limited	
<b>Distributor:</b>	Allied Bank Limited	
<b>Registered Office:</b>	11 - B, Lalazar, M. T. Khan Road, Karachi.	

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

### ECONOMIC PERFORMANCE REVIEW

Pakistan's economy remains in a fragile state with major question marks hanging over achievement of growth and fiscal deficit targets. Floods in the Sind region during 1QFY12 along with continuous power crisis have severely hurt growth prospects. Furthermore, the circular debt issue, non-implement fiscal reforms and worsening energy crisis are hampering any prospects of economic revival. In midst of all these issues, the policy makers who remained largely passive in the last year, have recently adopted a more proactive approach. Firstly, the central bank cut the discount rate by 50bps to 13.5% in the July 2011 monetary policy (first cut since November 2009). Following the cut the authorities changed the base year for calculating the Consumer Price Index (CPI) which has led to a major drop in CPI in subsequent months (recorded at 11.47% for 1QFY12 vs 13.36% last year). Respite in inflationary pressures was sighted as the key reason behind the discount rate cut in July 2011. With interest rates in a downward trajectory, in anticipation of further monetary easing, yields eased off in the money markets. Rising trade deficit (recorded at USD 5.2bn for 1QFY12, +29% YoY) and weak remittance flows further added to the pressure on Rupee which depreciated by 1.8% over the period under review. Yet there was a lot of anticipation in the air at quarter end as prospects of interest rate cuts coupled with reduction in political noise gave rise to some optimism for the rest of this fiscal year.

### MARKET OVERVIEW

Equities remained sluggish with low turnover during the period under review. The market was hit by aggressive foreign selling (net foreign outflow of \$46 mn) towards the beginning of the quarter and failed to trigger a sustained rally despite robust corporate sector earnings and indications of monetary easing. Foreigners remained anxious, earlier due to US debt crisis and later due to European default fears, which wrecked havoc in global financial markets. Locals, too, followed suit and preferred cutting losses in anticipation of further foreign selling and worsening political situation. Nevertheless, the 50 basis points cut in discount rate towards the end of July 2011 and expectations of further rate cuts have come as a positive surprise and are likely to provide relief to equity investors and business community alike.

### MUTUAL FUND INDUSTRY REVIEW

Equity funds segment of the mutual fund industry witnessed lackluster performance during the period under review, which is in line with the activity witnessed at local bourses. Equity funds' AUMs declined by 8.0% during 1Q2012 to close at Rs.47.9bn against 5.9% decline KSE-100 index in the same period. The trend was reflective of investors' aversion to risky asset classes amidst deteriorating global markets and local macro variables.

## FUND PERFORMANCE

Despite an impressive performance, ABL Stock Fund's AUM declined by 40% to Rs.385.3 million compared to Rs.642.0 million as at end June 2011. The fund posted an absolute return of 1.2% against the benchmark return of -3.2%, an out-performance of 4.4% during the quarter. When measured from its inception date, ABL-SF has maintained its five star rating (based on average two years ranking), posting a return of 73.0% as compared to its benchmark return of 47.6%, depicting a significant out-performance of 25.4%.

## OUTLOOK

Looking ahead, it is fairly clear that the Central Bank has adopted an expansionary monetary stance to improve growth prospects during the fiscal year. However, the effectiveness of the policy remains doubtful as lending from financial institutions to the private sector is not expected to pick up due to prevailing energy shortages and persistent borrowing from public sector. Scope for implementing a continuous monetary easing policy may also be limited, especially if Pakistan continues to rely on IMF for budgetary support. Recent history suggests IMF tilting towards a monetary tightening stance to contain the burgeoning fiscal deficit (FY12 target of 4% appears highly optimistic). Overall we remain pessimistic regarding Pakistan achieving the GDP growth target of 4.2% for FY12 in the aftermath of the recent floods and anticipate limited success of monetary easing on overall growth outlook. The Rupee is expected to remain under pressure due to IMF repayments, however, healthy FX reserves (USD 17.35bn as of September 30, 2011) of Pakistan is expected to allow the central bank to manage the Rupee within acceptable levels.

We remain positive on equity market in the backdrop of falling interest rates, improving corporate sector earnings and proactive management of both KSE Board and the SECP. On the other side, the current scenario regarding PAK/US relationships will play a key role in shaping investor sentiments and influencing foreign investors' flows. We reiterate our preference for high dividend yield plays and low-multiple blue chips that have corrected sharply in recent times.

## FUND STABILITY RATING

On July 29, 2011, JCR-VIS assigned MFR 5-Star to ABL-SF, which denotes 'very good performance'.

## MANAGEMENT QUALITY RATING

On September 16, 2011, JCR-VIS Credit Rating Company upgraded the Management Quality Rating of ABL Asset Management Limited from 'AM3+' (AM Three Plus) to 'AM Two Minus' (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, State Bank of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of 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, October 25, 2011

## ABL STOCK FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2011

	Note	Un-audited September 30, 2011	Audited June 30, 2011
		-----Rupees-----	
<b>ASSETS</b>			
Bank Balances	5	11,567,189	172,492,798
Investments	6	379,041,275	527,623,600
Profit and Dividend Receivable	7	4,011,263	1,951,916
Security deposits and prepayments		2,627,326	2,600,000
Receivable against sale of investments		-	2,559,137
Receivable against sale of units		-	412,996
Preliminary expenses and floatation costs		1,969,519	2,150,114
<b>Total assets</b>		<b>399,216,572</b>	<b>709,790,561</b>
<b>LIABILITIES</b>			
Payable to ABL Asset Management Company Limited - Management Company		4,608,411	4,483,198
Payable to Central Depository Company of Pakistan Limited.-Trustee		103,829	105,395
Payable to Securities and Exchange Commission of Pakistan		151,321	431,867
Payable to Broker against purchase of Investments		4,585,884	-
Dividend payable		-	58,564,623
Payable against redemption of units		8,214	-
Accrued expenses and other liabilities		4,502,509	4,173,083
<b>Total liabilities</b>		<b>13,960,168</b>	<b>67,758,166</b>
<b>Net assets</b>		<b>385,256,404</b>	<b>642,032,395</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>			
		<b>385,256,404</b>	<b>642,032,395</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9	<b>Number of units</b>	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>37,932,338</b>	<b>63,942,237</b>
<b>NET ASSETS VALUE PER UNIT</b>			
	10	<b>10.1564</b>	<b>10.0408</b>
<b>FACE VALUE PER UNIT</b>			
		<b>10.0000</b>	<b>10.0000</b>

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

For ABL Asset Management Company Limited  
(Management Company)
  
 FARID AHMED KHAN  
 CEO

  
 MUHAMMAD YASEEN  
 DIRECTOR

## ABL STOCK FUND CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)


FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	Note	For the Quarter ended September 30, 2011	For the Quarter ended September 30, 2010
-----Rupees-----			
<b>INCOME</b>			
Capital (loss) / gain on sale of securities		(17,641,782)	2,200,831
Income from Government Securities		1,710,890	975,769
Dividend income		7,106,196	6,052,983
Unrealised appreciation on remeasurement of financial assets at fair value through profit or loss - 'held for trading'	6.2.1	12,128,798	9,081,676
Profit on bank accounts		1,145,322	915,916
		<b>4,449,424</b>	<b>19,227,175</b>
<b>EXPENSES</b>			
Remuneration of ABL Asset Management Company Limited - Management Company		4,778,550	2,839,467
Sales Tax on Management Fee		764,568	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		318,569	189,298
Annual fee- Securities and Exchange Commission of Pakistan		151,320	89,916
Brokerage expense, federal excise duty and capital value tax		1,557,374	250,653
Auditors' remuneration		95,615	88,228
Amortization of preliminary expenses and floatation costs		180,596	180,596
Printing charges		50,416	50,416
Annual rating fee		22,724	22,724
Listing fee		7,544	7,544
Settlement and bank charges		102,699	73,548
Other expenses		-	-
<b>Total operating expenses</b>		<b>8,029,975</b>	<b>3,792,390</b>
<b>Net income from operating activities</b>		<b>(3,580,551)</b>	<b>15,434,785</b>
Net element of accrued income / (loss) and capital gains/ (losses) included in prices of units issued less those in units redeemed		6,971,680	1,140,716
Provision for Workers welfare fund	8	(67,822)	(324,156)
<b>Net income for the period before taxation</b>		<b>3,323,307</b>	<b>16,251,345</b>
Taxation		-	-
<b>Net income for the period after taxation</b>		<b>3,323,307</b>	<b>16,251,345</b>
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>3,323,307</b>	<b>16,251,345</b>
<b>Earnings per unit</b>	11		

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

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
MUHAMMAD YASEEN  
DIRECTOR

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## ABL STOCK FUND CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	For the Quarter ended September 30, 2011	For the Quarter ended September 30, 2010
	-----Rupees-----	
Undistributed income brought forward		
- Realised Loss	(6,372,928)	6,040,511
- unrealised income / (loss)	8,983,826	(5,534,477)
	<u>2,610,898</u>	<u>506,034</u>
Net income for the period	3,323,307	16,251,345
Element of accrued income / (loss) and capital gains/ (losses) included in prices of units issued less those in units redeemed	-	(28,630)
Undistributed income carried forward	<u><u>5,934,205</u></u>	<u><u>16,728,749</u></u>
<b>Undistributed income comprising:</b>		
Realised (loss) / income	(6,194,593)	7,647,073
Unrealised income	12,128,798	9,081,676
	<u><u>5,934,205</u></u>	<u><u>16,728,749</u></u>

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

  
FARID AHMED KHAN  
CEO

For ABL Asset Management Company Limited  
(Management Company)

  
MUHAMMAD YASEEN  
DIRECTOR

**ABL STOCK FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT  
IN UNIT HOLDERS' FUND (UNAUDITED)**

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	For the Quarter ended September 30, 2011	For the Quarter ended September 30, 2010
	-----Rupees-----	
Net Assets at beginning of the period	642,032,395	376,158,199
Issue of 4,033,843 units (2010: 2,637,767)	40,722,668	27,819,047
Redemption of 30,043,742 units (2010: 4,774,371)	(293,850,286)	(50,449,150)
	<b>(253,127,618)</b>	<b>(22,630,103)</b>
Net Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed-transferred to income statement		
'- amount representing (income)/ loss and capital (gains)/ lossed		
'- transferred to Income Statement	(6,971,680)	(1,140,716)
'- amount representing (income)/ loss and capital (gains)/ lossed		
'- transferred to distribution Statement	-	28,630
	(6,971,680)	(1,112,086)
Other net income for the period	8,836,291	4,968,838
Capital (loss) / gain on sale of securities	(17,641,782)	2,200,831
Unrealised appreciation on remeasurement of financial assets at fair value through profit or loss - 'held for trading'	12,128,798	9,081,676
	<b>3,323,307</b>	<b>16,251,345</b>
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed-transferred to income statement	-	(28,630)
<b>Net assets at the end of the period</b>	<b>385,256,404</b>	<b>368,638,725</b>

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

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
MUHAMMAD YASEEN  
DIRECTOR

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## ABL STOCK FUND CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

	For the Quarter ended September 30, 2011	For the Quarter ended September 30, 2010
	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	3,323,307	16,251,345
<b>Adjustments for non-cash charges and other items;</b>		
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - 'held for trading'	(12,128,798)	(9,081,676)
Dividend income	(7,106,196)	(6,052,983)
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed	(6,971,680)	(1,140,716)
Amortization of preliminary expenses and floatation costs	180,596	180,596
	<u>(22,702,771)</u>	<u>156,566</u>
<b>(Increase)/ decrease in assets</b>		
Investments - net	160,711,122	88,532,118
Profit receivable	(7,604)	63,255
Deposits and prepayments	(27,327)	-
Receivable against sale of units	412,996	-
Receivable against sale of investments	2,559,137	51,960,297
	<u>163,648,324</u>	<u>140,555,670</u>
<b>Increase/ (decrease) in liabilities</b>		
Payable to Securities and Exchange Commission of Pakistan	(280,546)	(270,604)
Payable to ABL Asset Management Company Limited - Management Company	125,213	(108,614)
Payable to Central Depository Company of Pakistan Limited- Trustee	(1,566)	(4,303)
Payable against purchase of investments	4,585,884	-
Payable against redemption of units	8,214	-
Accrued expenses and other liabilities	329,427	257,475
	<u>4,766,626</u>	<u>(126,046)</u>
Dividend received	5,054,453	2,136,291
<b>Net cash generated/ (used) in operating activities</b>	<u>150,766,632</u>	<u>142,722,481</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(58,564,623)	(78,463,823)
Net receipts/ (payments) against issuance/ (redemption) of units	(253,127,618)	(22,630,103)
<b>Net cash (used) in/ generated from financing activities</b>	<u>(311,692,241)</u>	<u>(101,093,926)</u>
<b>Net increase in cash and cash equivalents</b>	<u>(160,925,609)</u>	<u>41,628,555</u>
Cash and cash equivalents at the beginning of the period	172,492,798	6,937,666
<b>Cash and cash equivalents at the end of the period</b>	<u>11,567,189</u>	<u>48,566,221</u>

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

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
MUHAMMAD YASEEN  
DIRECTOR

# ABL STOCK FUND NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2011

## 1 LEGAL STATUS AND NATURE OF BUSINESS

ABL Stock Fund (the Fund) was established under a trust deed executed between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed on April 10, 2009 and it was executed on April 23, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

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 redeemable by surrendering them to the Fund. The units of the Fund were initially offered for public subscription at par from June 25, 2009 to June 27, 2009 and thereafter these units are offered for public subscription on a continuous basis.

The objective of the Fund is to provide higher risk adjusted returns to investors by investing in diversified portfolio of equity instruments offering capital gains and dividends. The investment objectives and policies are more fully explained in the Fund's Offering documents.

The JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of 'AM2' to the Management Company and Fund Performance Rating of 'MFR 4-Star' to the Fund.

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

These condensed interim financial statements have 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 disclosure made in these condensed interim financial statements have, however, been limited based on requirement of the International Accounting Standard 34; 'Interim Financial Reporting.'

These condensed interim financial statements are un-audited.

### 3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of these condensed interim financial statements are the same as those applied in the preparation of the published financial statements of the Fund for the year ended June 30, 2011.

### 4 RISK MANAGEMENT

The Fund's risk management objectives and policies are consistent with those objectives and policies which were disclosed in the financial statements for the year ended June 30, 2011.

		Un-audited	Audited
	Note	September 30, 2011	June 30, 2011
<b>5</b>	<b>BANK BALANCES</b>	-----Rupees-----	
	Saving accounts	5.1 11,567,189	172,492,798
		<u>11,567,189</u>	<u>172,492,798</u>

5.1 These accounts carry mark- up at rates ranging from 5.00% to 13.56% (June 30, 2011: 5.00% to 13.90%) per annum.

		Un-audited	Audited
	Note	September 30, 2011	June 30, 2011
<b>6</b>	<b>INVESTMENTS</b>	-----Rupees-----	
	<b>At fair value through profit or loss - held for trading</b>		
	Quoted equity securities	6.1 359,279,944	512,845,355
	Government securities	6.2 19,761,331	14,778,245
		<u>379,041,275</u>	<u>527,623,600</u>

## 6.1 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 September 30, 2011			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, 2011	Purchases during the period	Bonus / right issue during the period	Sales during the period	As at September 30, 2011	Carrying value	Market value	Appreciation/ (diminution)			
—Rupees—											
<b>Oil and gas</b>											
Attock Petroleum Limited	55,415	36,000	-	47,690	43,725	16,233,594	17,395,991	1,162,397	4.52%	4.59%	3.02
National Refinery Limited	-	25,830	-	25,830	-	-	-	-	0.00%	0.00%	-
Oil & Gas Development Company Limited	163,744	231,691	-	225,511	169,924	23,924,242	22,453,757	(1,470,485)	5.83%	5.92%	0.05
Pakistan Oilfields Limited	150,520	93,055	-	145,500	98,075	35,146,767	36,126,907	980,140	9.38%	9.53%	1.53
Pakistan Petroleum Limited	231,843	78,401	25,224	202,800	132,668	24,983,282	25,149,873	166,591	6.53%	6.64%	0.25
Pakistan State Oil Company Limited	140,655	206,300	-	297,651	49,304	11,341,955	12,551,813	1,209,858	3.26%	3.31%	0.73
	<b>742,177</b>	<b>671,277</b>	<b>25,224</b>	<b>944,982</b>	<b>493,696</b>	<b>111,629,840</b>	<b>113,678,341</b>	<b>2,048,501</b>	<b>29.51%</b>	<b>29.99%</b>	<b>5.58</b>
<b>Chemicals</b>											
Engro Corporation Limited	212,217	580,586	-	638,180	154,623	20,782,280	22,171,392	1,389,112	5.75%	5.85%	0.74
Fatima Fertilizer Company Limited	1,060,900	1,821,911	-	1,651,000	1,231,811	20,157,499	23,219,637	3,062,138	6.03%	6.13%	0.62
Fauji Fertilizer Bin Qasim Limited	225,592	543,218	-	768,810	-	-	-	-	0.00%	0.00%	-
Fauji Fertilizer Company Limited	338,252	247,300	-	303,538	282,014	43,280,969	45,658,067	2,377,098	11.85%	12.05%	0.67
ICI Pakistan Limited	33,395	-	-	33,395	-	-	-	-	0.00%	0.00%	-
Lotte Pakistan PTA Limited	-	2,102,996	-	2,102,996	-	-	-	-	0.00%	0.00%	-
	<b>1,870,356</b>	<b>5,374,244</b>	<b>-</b>	<b>5,630,851</b>	<b>1,668,448</b>	<b>84,220,748</b>	<b>91,049,096</b>	<b>6,828,348</b>	<b>23.63%</b>	<b>24.02%</b>	<b>2.03</b>
<b>Construction and materials</b>											
D.G. Khan Cement Company Limited	297,836	135,000	-	335,524	97,312	2,096,606	2,001,708	(94,898)	0.52%	0.53%	0.07
Lucky Cement Limited	292,396	361,974	-	405,000	249,370	18,009,590	18,832,422	822,832	4.89%	4.97%	0.58
	<b>590,232</b>	<b>496,974</b>	<b>-</b>	<b>740,524</b>	<b>346,682</b>	<b>20,106,196</b>	<b>20,834,130</b>	<b>727,934</b>	<b>5.41%</b>	<b>5.50%</b>	<b>0.65</b>
<b>General industries</b>											
Thal Limited (Face value of Rs 5 each)	71,741	-	-	71,741	-	-	-	-	0.00%	0.00%	0.00%
	<b>71,741</b>	<b>-</b>	<b>-</b>	<b>71,741</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>-</b>
<b>Automobile and parts</b>											
Agriauto Industries Limited (Face value of Rs 5 each)	177,412	1,500	-	28,000	150,912	10,489,050	9,847,008	(642,042)	2.56%	2.60%	8.21
	<b>177,412</b>	<b>1,500</b>	<b>-</b>	<b>28,000</b>	<b>150,912</b>	<b>10,489,050</b>	<b>9,847,008</b>	<b>(642,042)</b>	<b>2.56%</b>	<b>2.60%</b>	<b>8.21</b>
<b>Personal goods</b>											
Nishat Mills Limited	187,024	336,640	-	327,024	196,640	9,296,048	9,456,418	160,370	2.45%	2.49%	0.39
	<b>187,024</b>	<b>336,640</b>	<b>-</b>	<b>327,024</b>	<b>196,640</b>	<b>9,296,048</b>	<b>9,456,418</b>	<b>160,370</b>	<b>2.45%</b>	<b>2.49%</b>	<b>0.39</b>
<b>Food Producers</b>											
Engro Food	-	600,000	-	29,016	570,984	14,280,310	14,063,336	(216,974)	3.65%	3.71%	0.47
	<b>-</b>	<b>600,000</b>	<b>-</b>	<b>29,016</b>	<b>570,984</b>	<b>14,280,310</b>	<b>14,063,336</b>	<b>(216,974)</b>	<b>3.65%</b>	<b>3.71%</b>	<b>0.47</b>
<b>Fixed line Telecommunications</b>											
Pakistan Telecommunication Company Limited	-	1,365,000	-	956,188	408,812	4,689,271	4,750,395	61,124	1.23%	1.25%	0.01
	<b>-</b>	<b>1,365,000</b>	<b>-</b>	<b>956,188</b>	<b>408,812</b>	<b>4,689,271</b>	<b>4,750,395</b>	<b>61,124</b>	<b>1.23%</b>	<b>1.25%</b>	<b>0.01</b>
<b>Electricity</b>											
Nishat Chunian Power Limited	633,641	309,461	-	440,000	503,102	6,890,278	7,179,266	288,988	1.86%	1.89%	0.20
Nishat Power Limited	-	926,963	-	566,000	360,963	5,460,936	5,454,151	(6,785)	1.42%	1.44%	0.15
The Hub Power Company Limited	1,278,727	390,000	-	783,000	885,727	33,586,111	36,757,671	3,171,560	9.54%	9.70%	0.32
	<b>1,912,368</b>	<b>1,626,424</b>	<b>-</b>	<b>1,789,000</b>	<b>1,749,792</b>	<b>45,937,325</b>	<b>49,391,088</b>	<b>3,453,763</b>	<b>12.82%</b>	<b>13.03%</b>	<b>0.67</b>
<b>Banks</b>											
Bank Al Habib Limited	660,990	-	-	423,670	237,320	6,993,820	7,088,748	94,928	1.84%	1.87%	0.190
MCB Bank Limited	159,988	144,565	-	202,073	102,480	19,140,734	17,756,710	(1,384,024)	4.61%	4.68%	0.260
Meezan Bank Limited	665,533	48,305	-	300,000	413,838	7,264,783	8,318,144	1,053,361	2.16%	2.19%	0.130
National Bank of Pakistan	216,250	464,500	-	680,750	-	-	-	-	0.00%	0.00%	-
United Bank Limited	370,936	141,000	-	295,000	216,936	13,092,956	13,046,530	(46,426)	3.39%	3.44%	0.120
	<b>2,073,697</b>	<b>798,370</b>	<b>-</b>	<b>1,901,493</b>	<b>970,574</b>	<b>46,492,293</b>	<b>46,210,132</b>	<b>(282,161)</b>	<b>11.99%</b>	<b>12.19%</b>	<b>0.70</b>
	<b>7,625,007</b>	<b>11,270,429</b>	<b>25,224</b>	<b>12,418,819</b>	<b>6,556,540</b>	<b>347,141,081</b>	<b>359,279,944</b>	<b>12,138,863</b>	<b>93.3%</b>	<b>91%</b>	<b>18.71</b>

**6.1.1** The above investment includes shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs 58,661,940 (June 30, 2011: Rs 62,153,370) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan, which are as follows:

- Attock Petroleum Limited: 20,000 (2011: 20,000)
- Engro Corporation Limited: 50,000 (2011: 50,000)
- Fauji Fertilizer Company Limited: 8,000 (2011: 8,000)
- Lucky Cement Limited: 5,000 (2011: 5,000)
- MCB Bank Limited: 20,000 (2011: 20,000)
- Pakistan Oilfields Limited: 23,000 (2011: 23,000)
- Pakistan Petroleum Limited: 20,000 (2011: 20,000)
- Pakistan State Oil Company Limited: 15,000 (2011: 28,000)
- The Hub Power Company Limited: 300,000 (2011: 300,000)
- United Bank Limited: 160,000 (2011: 160,000)

## 6.2 Government securities

Issue date	Tenor	As at July 1, 2011	Face Value		Balance as at September 30, 2011			Market value as a percentage of net assets	Market value as a percentage of total investment
			Purchases during the period	Disposed/Matured during the period	Balance as at Sep 30, 2011	Cost	Market Value		
-----Rupees-----									
May 19, 2011	3 Months	15,000,000	-	15,000,000	-	-	-	-	-
April 21, 2011	3 Months	-	100,000,000	100,000,000	-	-	-	-	-
July 14, 2011	3 Months	-	100,000,000	100,000,000	-	-	-	-	-
July 28, 2011	3 Months	-	10,000,000	10,000,000	-	-	-	-	-
August 11, 2011	3 Months	-	20,000,000	-	20,000,000	19,771,396	19,761,331	(10,065)	5.13%
<b>Total September 30, 2011</b>		<b>15,000,000</b>	<b>230,000,000</b>	<b>225,000,000</b>	<b>20,000,000</b>	<b>19,771,396</b>	<b>19,761,331</b>	<b>(10,065)</b>	

**6.2.1** Net unrealised diminution on re-measurement of investments classified as fair value through profit or loss - 'held for trading'

	Note	Un-audited September 30, 2011	Audited June 30, 2011
-----Rupees-----			
Market value of securities	6.1	379,041,275	527,623,600
Less: Carrying value of securities		366,912,477	518,639,774
		<b>12,128,798</b>	<b>8,983,826</b>

## 7 PROFIT AND DIVIDEND RECEIVABLE

Dividend receivable	3,616,579	1,564,836
Profit accrued on savings accounts	394,684	387,080
	<b>4,011,263</b>	<b>1,951,916</b>

## 8 **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 (the Court), challenging the applicability of WWF to the CISs, the said petitions reserved earlier were subsequently became time barred. Recently Lahore High Court made an order against the WWF levy, which provides further comfort to management company's views on the subject. Sindh High Court merged all nine petitions filed by the MUFAP members and hearing on the single merge petition will be started soon.

As the matter relating to levy of WWF is currently pending in the court, the Management Company, as a matter of abundant caution, has decided to make provision for WWF amounting to Rs 0.068 million in these condensed interim financial statements.

## 9 **CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments outstanding as at September 30, 2011.

## 10 **NET ASSET VALUE PER UNIT**

The net asset value (NAV) per unit is calculated by dividing the net assets of the Fund by the number of units in circulation as at the period end.

## 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 / RELATED PARTIES**

Connected persons/ Related parties include ABL Asset Management Company Limited being the Management Company, Allied Bank Limited, ABL Asset Management Company Limited - Staff Provident Fund, Allied Bank Limited- Employees Superannuation (Pension) Fund, Central Depository Company being the trustee of the Fund 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.



Detail of transactions and balances with connected persons are as follows:

	For the quarter ended from September 30, 2011	For the quarter ended from September 30, 2010
-----Rupees-----		
<b>ABL Asset Management Company Limited - Management Company</b>		
Redemption of Nil units ( 2010: 3,771,806)	-	40,000,000
Remuneration for the period	4,778,550	2,839,467
<b>Allied Bank Limited</b>		
Markup income for the period	515,547	209,528
Bank charges	6,601	4,730
<b>Ibrahim Agencies (Private) Limited</b>		
Redemption of 26,530,977 units ( 2010: Nil)	258,894,581	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	318,569	189,298
Settlement charges and connection fee	14,980	12,997
<b>Key Management personnel</b>		
<b>Executives</b>		
Redemption of 30,626 units ( 2010: Nil)	300,000	-
<b>DETAIL OF BALANCES OUTSTANDING AS AT QUARTER/ YEAR END</b>		
	Un-audited September 30, 2011	Audited June 30, 2011
-----Rupees-----		
<b>ABL Asset Management Company Limited - Management Company</b>		
Management fee payable	1,494,268	1,440,008
Preliminary expenses and floatation costs	2,866,699	2,866,699
Sales Load Payable	8,359	176,491
Sales Tax Payable	239,085	-
Units held 2,533,357 (June 30, 2011: 2,533,357)	25,729,787	25,436,930

**Allied Bank Limited**

Markup accrued	103,611	59,098
Bank balance	4,335,655	97,122,982
Units held 10,000,000 (June 30, 2011: 10,000,000)	101,564,000	100,408,000

**ABL Employees Superannuation (Pension) Fund**

Units held 10,000,000 (June 30, 2011: 10,000,000)	101,564,000	100,408,000
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**Ibrahim Agencies (Private) Limited**

Units held Nil (June 30, 2011: 26,530,977)	-	266,392,234
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**Central Depository Company of Pakistan Limited  
- Trustee**

Trustee fee payable	99,616	96,001
Settlement charges payable	4,212	9,394
Security deposit with CDC	100,000	100,000

**Key Management personnel****Executives**

Units held 27,716 (June 30, 2011: 58,342)	281,495	585,800
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**13 GENERAL**

Figures have been rounded off to the nearest Rupee.

**14 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the management company on October 25, 2011.

For ABL Asset Management Company Limited  
(Management Company)

  
FARID AHMED KHAN  
CEO

  
MUHAMMAD YASEEN  
DIRECTOR

**ABL**  
**Stock Fund**

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