



ABL Cash Fund

# Half Yearly Report

CONDENSED INTERIM FINANCIAL STATEMENT  
FOR THE PERIOD ENDED DECEMBER 31, 2017



ABL Asset Management

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# ABL CASH FUND

## FUND'S INFORMATION

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<b>Management Company:</b>	ABL Asset Management Company Limited 14 -MB, DHA Phase-6, Lahore.	
<b>Board of Directors</b>	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hasan Qureshi Mr. Kamran Nishat Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman      CEO/Director
<b>Audit Committee:</b>	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Kamran Nishat Mr. Alee Khalid Ghaznavi	Chairman Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alee Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shahzad	
<b>Trustee:</b>	Central Depository Company of Pakistan Limited. CDC-House, Shahrah-e-Faisal, Karachi	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Al- Falah Limited United Bank Limited Habib Bank Limited	
<b>Auditor:</b>	M/S. A.F. Ferguson & Co. Chartered Accountants State life Building No. 1-C I.I Chundrigar Road, Karachi.	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

# ABL CASH FUND

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Cash Fund (ABL-CF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Cash Fund for the half year ended December 31, 2017.

### ECONOMIC PERFORMANCE REVIEW

Pakistan's most economic indicators remained steady during the period despite challenges on external front. Similarly, despite a slight uptrend in December CPI, average CPI for 1HFY18 remained 3.75% YoY as compared to 3.88% YoY during SPLY. December CPI has raised expectations of inflation going forward because of rising international oil prices. This will consequently put pressure on SBP to revise up the policy rate from all-time low level of 5.75% prevalent during the period. Furthermore, Standard & Poor's has maintained Pakistan's long-term credit rating 'B' during the period but lowered its expectation on external and fiscal front.

On the flip side, country's external position continued to remain fragile as Current Account Deficit (CAD) during 5MFY18 was up by a whopping 247% YoY to USD6,430 million as compared to USD2,601 million during 5MFY17. The sharp increase in CAD was caused by +40.3% YoY increase in trade deficit owing to rising imports (+23.4% YoY) and higher services deficit (+12.3% YoY) while slight support came from workers' remittances (+1.9% YoY). Similarly, foreign exchange reserves remained under pressure standing at 2.8 months of import cover in spite of USD2.5 billion financing arranged through issuance of Eurobond/Sukuk during the period. Resultantly, PKR depreciated 5.2% against USD to 110.3 during the period.

On fiscal front, FBR provisionally collected taxes worth PKR1,722 billion during 6MFY17 compared to PKR1,466 billion in SPLY showing a healthy growth of (+17.46% YoY), though falling short of the target by PKR50 billion. In order to bridge the deficit, the government has been trying to broaden the tax net and increase tax collection by offering tax amnesty schemes. Furthermore, the government is also unlikely to absorb the impact of increasing oil prices by reducing GST on petroleum products.

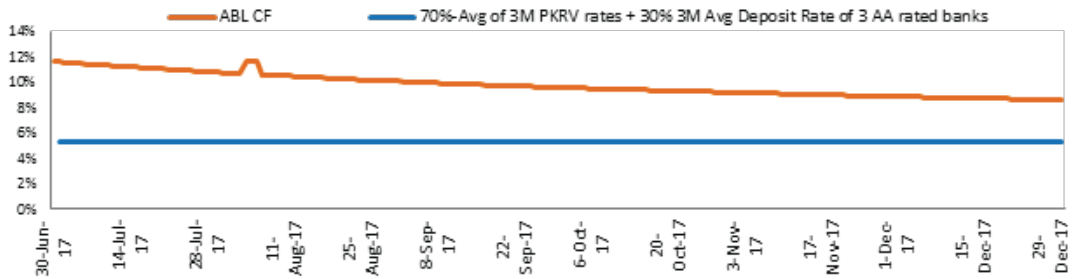
Going forward, increasing international oil prices, strong imports, flattish remittances and external debt servicing are key risks to the economy. However, government is focusing on 'Export Package' to give some breather to the balance of payment as exports have seen an increase of 12.02% YoY in 5MFY18. Besides, improvement in GDP growth remains on track where it is expected to grow by 5.8% YoY in FY18 from 5.3% in FY17 led by 1) recovery in agriculture sector on the back of improved crop yield assessment, further supported by increase in agricultural loans target to PKR1 trillion for FY18 from PKR700 billion in FY17, 2) robust growth in manufacturing activity (LSM growth: 9.64% YoY in 4MFY18) driven by growing consumerism and incomes, 3) growing construction activity attributable to both infrastructure development and private housing, and 4) spillover effects of these on services sector.

### MUTUAL FUND INDUSTRY REVIEW

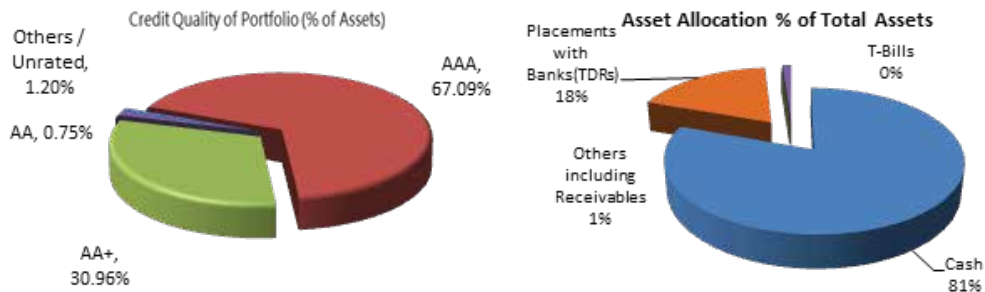
Total assets under management (AUMs) of open end mutual fund industry posted a decline of 6.2% during 1HFY18 (from PKR 662 billion to PKR 621 billion), mainly on account of political uncertainty and economic concerns. Equity funds including Conventional and Islamic equity witnessed a substantial decline of 15.5% and 20% in AUM to close the period at PKR132.5 billion and PKR104 billion, respectively. On the flip side, the fixed income category (comprising of Income, Aggressive Income and Money Market funds) registered a decent growth of 17% in 1HFY18 to close at PKR177 billion in December 2017 compared to PKR151 billion in June 2017. Similarly, Islamic Income Category also posted a growth of 6% in AUMs to end the period at PKR46 billion.

### FUND PERFORMANCE

During the period under review, ABL Cash Fund ranked in the top quartile and posted a competitive return of 5.34% compared to benchmark performance of 5.22%, thus showing an outperformance of 12 bps. The return can be attributed towards stable income from TDRs and Daily Product Accounts (DPAs).



During the period, SBP maintained the discount rate at 6.25% owing to stable macros and inflation. Money market instruments traded near policy rate of 5.75% owing to SBP’s frequent intervention via open market operations (42 times Injection and 5 times Mop Up). During the period, SBP injected heavy amounts in order to stabilize money market, highest OMO was recorded at PKR 1,810 billion while the last injection was reported at PKR 1,626 billion. During the month of December, seasonal hike in deposit rates was witnessed; the fund utilized this opportunity and booked placements at lucrative rates. Taking the advantage of high deposit rates compared to short term government securities, the fund’s allocation shifted towards TDRs and DPAs. At the end of the period, we maintained almost 100% exposure in bank deposits (80.5% as cash at bank, 18.3% as TDRs). WAM of the portfolio stood at 9.69 days compared to 7.14 days in June 2017. During the period under review, ABL Cash Fund’s AUMs increased by an impressive 77.15% to PKR 13,423.4 million compared to PKR 7,577.4 million in June 2017.



**AUDITORS**

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2018 for ABL Cash Fund (ABL-CF).

**FUND STABILITY RATING**

JCR-VIS Credit Rating Company LTD. (JCR-VIS) on January 16, 2018 has reaffirmed the Fund Stability of ABL Cash Fund at ‘AA (f)’ (double A (f)).

**MANAGEMENT QUALITY RATING**

On December 29, 2017, JCR-VIS Credit Rating Company Limited has reaffirmed the Management Quality Rating of ABL Asset Management Limited (ABL AMC) at ‘AM Two Plus Plus’ (AM2++). Outlook on the assigned rating is ‘Stable’.

## FUTURE OUTLOOK

Going ahead, we can witness slight upwards pressure on interest rates in response to the recent upward reversal in commodity prices (mainly international crude oil prices) coupled with exchange rate devaluation may result in inflationary pressures. Headline inflation for 1HFY18 averaged at 3.75% compared to 3.88% during 1HFY17. During the year Central Bank has continued to scrap all PIBs auctions primarily due to lack of market interest in longer tenor instruments.

On the flip side, country's external position continued to remain fragile as Current Account Deficit (CAD) during 5MFY18 was up by a whopping 247%YoY to USD6,430 million as compared to USD2,601 million during 5MFY17. The sharp increase in CAD was caused by +40.3%YoY increase in trade deficit owing to rising imports (+23.4% YoY) and higher services deficit (+12.3%YoY) while slight support came from workers' remittances (+1.9% YoY). Similarly, foreign exchange reserves remained under pressure standing at 2.8 months of import cover in spite of USD2.5 billion financing arranged through issuance of Eurobond/Sukuk during the period. Resultantly, PKR depreciated 5.2% against USD to 110.3 during the period.

Our strategy will be to maintain low portfolio duration by investing in shorter T-Bills against upcoming TDR maturities as we anticipate upwards movement in secondary market yields owing to inflationary pressures in the coming months. In the short run, placements with banks at attractive rates are likely to boost returns.

## ACKNOWLEDGEMENT

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

For & on behalf of the Board



**Alee Khalid Ghaznavi**  
Chief Executive Officer

**Lahore, February 19, 2018**

**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



**TRUSTEE REPORT TO THE UNIT HOLDERS**

**ABL CASH 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 Cash 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, 2017 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.

**Aftab Ahmed Diwan**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 19, 2018







**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 Cash Fund** (the Fund) as at December 31, 2017 and the related condensed interim income 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, 2017. 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 included in the condensed interim income statement for the quarters ended December 31, 2017 and December 31, 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

**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 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The condensed interim financial information of the Fund for the half year ended December 31, 2016 was reviewed and the financial statements of the Fund for the year ended June 30, 2017 were audited by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 22, 2017 and August 23, 2017 respectively.

Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 26, 2018

Karachi

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <[www.pwc.com/pk](http://www.pwc.com/pk)>

■ KARACHI ■ LAHORE ■ ISLAMABAD



**ABL CASH FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2017**

		(Un-Audited) December 31, 2017	(Audited) June 30, 2017
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
Balances with banks	4	10,886,983	6,664,195
Investments	5	2,475,000	997,308
Profit receivable		161,892	40,880
Security deposit and other receivables		406	100
Prepayments		441	-
<b>Total assets</b>		<b>13,524,722</b>	<b>7,702,483</b>
<b>LIABILITIES</b>			
Payable to ABL Asset Management Company Limited - Management Company	6	79,521	70,514
Payable to the Central Depository Company of Pakistan Limited - Trustee		972	489
Payable to the Securities and Exchange Commission of Pakistan		4,859	3,634
Dividend payable		-	2
Accrued expenses and other liabilities	7	10,342	49,939
Payable against redemption of units		5,629	500
<b>Total liabilities</b>		<b>101,323</b>	<b>125,078</b>
<b>NET ASSETS</b>		<b>13,423,399</b>	<b>7,577,405</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>13,423,399</b>	<b>7,577,405</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8	----- Number of units -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>1,300,365,221</b>	<b>749,592,272</b>
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>10.3228</b>	<b>10.1087</b>
<b>FACE VALUE PER UNIT</b>		<b>10.0000</b>	<b>10.0000</b>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For ABL Asset Management Company Limited  
 (Management Company)

  
 SAQIB MATIN  
 CHIEF FINANCIAL OFFICER

  
 ALEE KHALID GHAZNAVI  
 CHIEF EXECUTIVE OFFICER

  
 MUHAMMAD KAMRAN SHEHZAD  
 DIRECTOR

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## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

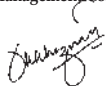
### FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2017

		For the Half year ended December 31, 2017	For the Half year ended December 31, 2016	For the Quarter ended December 31, 2017	For the Quarter ended December 31, 2016
	Note	----- Rupees in '000 -----			
<b>INCOME</b>					
Gain / (loss) on sale of Government securities - net		456	(83)	512	(62)
Income from Government securities		67,014	24,545	39,508	19,970
Income from term deposit receipts		61,120	2,493	39,773	2,493
Income from commercial paper		2,691	-	771	-
Income from letters of placement		788	2,896	-	2,880
Profit on balances with banks - savings accounts		283,933	97,765	145,176	45,088
<b>Total income</b>		<b>416,002</b>	<b>127,616</b>	<b>225,740</b>	<b>70,369</b>
<b>EXPENSES</b>					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	48,604	18,746	26,361	10,810
Punjab / Sindh Sales Tax on remuneration of Management Company	6.2	7,662	2,437	4,218	1,382
Accounting and operational charges	6.4	6,477	1,870	3,513	1,078
Remuneration of Central Depository Company of Pakistan Limited - Trustee		5,010	1,784	2,675	1,000
Sindh Sales Tax on remuneration of Trustee		651	232	348	129
Annual fee to the Securities and Exchange Commission of Pakistan		4,859	1,406	2,636	811
Brokerage and securities transaction costs		15	108	11	85
Bank charges		161	93	53	49
Auditors' remuneration		271	280	160	172
Legal and professional charges		73	-	73	-
Printing charges		101	141	51	91
Listing fee		21	29	14	15
Annual rating fee		115	117	58	60
<b>Total expenses</b>		<b>74,020</b>	<b>27,243</b>	<b>40,171</b>	<b>15,682</b>
<b>Net income for the period before element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net</b>		<b>341,982</b>	<b>100,373</b>	<b>185,569</b>	<b>54,687</b>
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	3.2	-	44,967	-	35,341
<b>Net income for the period before taxation</b>		<b>341,982</b>	<b>145,340</b>	<b>185,569</b>	<b>90,028</b>
Taxation	9	-	-	-	-
<b>Net income for the period after taxation</b>		<b>341,982</b>	<b>145,340</b>	<b>185,569</b>	<b>90,028</b>
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>341,982</b>	<b>145,340</b>	<b>185,569</b>	<b>90,028</b>
Earnings per unit	10				
<b>Allocation of net income for the period:</b>					
Net income for the period after taxation		341,982	145,340	185,569	90,028
Income already paid on units redeemed		(124,747)	-	(81,188)	-
		<b>217,235</b>	<b>145,340</b>	<b>104,381</b>	<b>90,028</b>
<b>Accounting income available for distribution:</b>					
-Relating to capital gains		456	-	512	-
-Excluding capital gains		216,779	-	103,869	-
		<b>217,235</b>		<b>104,381</b>	

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For ABL Asset Management Company Limited  
(Management Company)

  
SAQIB MATIN  
CHIEF FINANCIAL OFFICER

  
ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

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# ABL CASH FUND


## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)

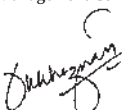
### FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	For the half year ended December 31, 2017				For the half year ended December 31, 2016			
	Capital Value	Undistributed income	Unrealised appreciation / (diminution) available for sale' investments	Total	Capital Value	Undistributed income	Unrealised appreciation / (diminution) available for sale' investments	Total
	----- Rupees in '000 -----				----- Rupees in '000 -----			
Net assets at beginning of the period (audited)	7,496,031	81,374	-	7,577,405	2,596,376	6,537	-	2,602,913
Issue of 2,015,845,205 units (December 31, 2016: 655,921,717 units)								
- Capital value (at net asset value per unit at the beginning of the period)	20,294,820			20,294,820				
- Element of income	253,786	-	-	253,786				
<b>Total proceeds on issuance of units</b>	<b>20,548,606</b>	<b>-</b>	<b>-</b>	<b>20,548,606</b>	<b>6,576,009</b>	<b>114,584</b>	<b>-</b>	<b>6,690,593</b>
Redemption of 1,465,072,255 units (December 31, 2016: 387,516,890 units)								
- Capital value (at net asset value per unit at the beginning of the period)	14,734,608	-	-	14,734,608				
- Element of loss	119,235	124,747	-	243,982				
<b>Total payments on redemption of units</b>	<b>14,853,843</b>	<b>124,747</b>	<b>-</b>	<b>14,978,590</b>	<b>3,885,090</b>	<b>69,617</b>	<b>-</b>	<b>3,954,707</b>
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	-	-	-	-	-	(44,967)	-	44,967
Income already paid on units redeemed								
Total comprehensive income for the period	-	341,982	-	341,982	-	145,340	-	145,340
Distribution during the period	-	(66,004)	-	(66,004)	-	-	-	-
Net income for the period less distribution	-	275,978	-	275,978	-	145,340	-	145,340
<b>Net assets at end of the period (un-audited)</b>	<b>13,190,794</b>	<b>232,605</b>	<b>-</b>	<b>13,423,399</b>	<b>5,287,295</b>	<b>151,877</b>	<b>-</b>	<b>5,439,172</b>
Undistributed income brought forward								
- Realised income		81,374				6,450		
- Unrealised income		-				87		
		81,374				6,537		
Accounting income available for distribution								
- Relating to capital gains		456						
- Excluding capital gains		216,779						
		217,235						
Net profit for the period after taxation						145,340		
Distribution during the period		(66,004)				-		
Undistributed income carried forward		232,605				151,877		
Undistributed income carried forward								
- Realised income		232,605				151,877		
- Unrealised income		-				-		
		232,605				151,877		
				(Rupees)				(Rupees)
Net assets value per unit at beginning of the period				10.1087				10.0256
Net assets value per unit at end of the period				10.3228				10.3008

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For ABL Asset Management Company Limited  
(Management Company)

  
SAQIB MATIN  
CHIEF FINANCIAL OFFICER

  
ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

  
MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

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**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2017**

	For the Half year ended December 31, 2017	For the Half year ended December 31, 2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	341,982	145,340
<b>Adjustments:</b>		
Income from term deposit receipts	(61,120)	(2,493)
Income from letters of placement	(788)	(2,896)
Profit on balances with bank - savings accounts	(283,933)	(97,765)
Element of Income and capital gains included in prices of units issued less those in units redeemed - net	-	(44,967)
	(345,841)	(148,121)
<b>Increase in assets</b>		
Security deposit and other receivables	(306)	-
Prepayments	(441)	(214)
	(747)	(214)
<b>Increase / (decrease) in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	9,007	3,606
Payable to the Central Depository Company of Pakistan Limited - Trustee	483	48
Payable to the Securities and Exchange Commission of Pakistan	1,225	(2,283)
Accrued expenses and other liabilities	(39,597)	(9,585)
	(28,882)	(8,214)
Profit received on term deposit receipt	40,023	-
Profit received on letters of placement	6,233	70
Profit received on balances with banks - saving accounts	178,573	79,844
Net amount received on purchase and sale of investments	97,308	531,630
Net cash flows generated from operating activities	288,649	600,335
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash dividend paid	(66,006)	-
Amount received on issuance of units	20,548,606	6,690,593
Amount paid on redemption of units	(14,973,461)	(3,943,733)
Net cash flows generated from financing activities	5,509,139	2,746,860
Net increase in cash and cash equivalents during the period	5,797,788	3,347,195
Cash and cash equivalents at the beginning of the period	7,564,195	2,289,749
Cash and cash equivalents at the end of the period	4.2 13,361,983	5,636,944

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

For ABL Asset Management Company Limited  
(Management Company)

  
**SAQIB MATIN**  
CHIEF FINANCIAL OFFICER

  
**ALEE KHALID GHAZNAVI**  
CHIEF EXECUTIVE OFFICER

  
**MUHAMMAD KAMRAN SHEHZAD**  
DIRECTOR

# ABL CASH FUND

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

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### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Cash Fund (the Fund) was established under a Trust Deed executed on September 25, 2009 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed in accordance with the Non-Banking Finance Companies and the Notified Entities Regulations, 2008 (NBFC Regulations). The Fund commenced its operations on July 31, 2010.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on December 07, 2016. The registered office of the Management Company is located at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore.

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

The Fund has been categorized as an open-end money market scheme as per the criteria laid down by the SECP for categorisation of Collective Investment Schemes (CIS).

The objective of the Fund is to earn consistent returns with a high level of liquidity through a blend of money market and sovereign debt instruments. The Fund, in line with its investment objectives, invests primarily in market treasury bills, other government securities and cash and near cash instruments.

1.3 JCR-VIS Credit Rating Company Limited has assigned management quality rating of AM2++ (stable outlook) to the Management Company as at December 29, 2017 and fund stability rating of AA(f) to the Fund as at January 16, 2018.

1.4 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the trustee of the Fund.

### 2 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations 2008 and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations 2008 or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations 2008 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 the 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 annual published audited financial statements of the Fund for the year ended June 30, 2017.

This condensed interim financial information is unaudited. However, a limited scope review has been performed by the statutory auditors in accordance with the requirements of the Code of Corporate Governance. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial information give a true and fair view of the state of affairs of the Fund as at December 31, 2017.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2017 except for the change in accounting policy as explained in note 3.2.

3.2 The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the determination of "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosures with respect to 'Distribution statement has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting period which pertained to unrealised appreciation / (diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period was recognised in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 based on the clarification issued by SECP. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the through aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the income of the Fund would have been higher Rs 9.804 million. However, the change in accounting policy does not have any impact on the 'Cash flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

3.3 The preparation of the condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, 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. In preparing the condensed interim financial information, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2017. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2017.

### 3.4 Amendments to published approved accounting standards that are effective in the current period

There are certain amendments to the approved accounting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2017. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in this condensed interim financial information.

### 3.5 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

During the current period the SECP has adopted IFRS 9: 'Financial Instruments' and IFRS 15: 'Revenue from Customers', which are applicable with effect from July 1, 2018. The management is currently assessing the impacts of these standards on the Fund's future financial statements. There are certain other new standards, interpretations and amendments to the approved accounting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2018. However, these are not expected to have any significant impacts on the Fund's operations and are, therefore, not detailed in this condensed interim financial information.

		(Unaudited) December 31, 2017	(Audited) June 30, 2017
	Note	----- Rupees in '000 -----	
<b>4 BALANCES WITH BANKS</b>			
Current accounts		54	383
Savings accounts	4.1	10,886,929	6,663,812
		<u>10,886,983</u>	<u>6,664,195</u>

4.1 These savings accounts carry mark-up at rates ranging between 3.75% to 6.70% (June 30, 2017: 3.75% to 6.75%) per annum. Savings accounts include a balance of Rs. 2481.345 million (June 30, 2017: Rs. 1,766.812 million) maintained with Allied Bank Limited, a related party which carries markup at the rate of 6.2% (June 30, 2017: 6.70%) per annum.

		(Unaudited) December 31, 2017	(Unaudited) December 31, 2016
		----- Rupees in '000 -----	
<b>4.2 Cash and cash equivalents</b>			
Balances with banks		10,886,983	4,336,944
Letters of placement		-	550,000
Term deposit receipt		2,475,000	750,000
		<u>13,361,983</u>	<u>5,636,944</u>



(Unaudited)      (Audited)  
December 31,      June 30,  
2017                      2017  
----- Rupees in '000 -----

5 INVESTMENTS

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

Government securities

- Market Treasury Bills

5.1

-

-

Loans and receivables

5.2

2,475,000

997,308

2,475,000

997,308

5.1 Market Treasury Bills

Tenor	Face Value				Balance as at December 31, 2017			Market value as a percent age of net assets	Market value as a percent age of total investment
	As at July 01, 2017	Purchased during the period	Disposed / matured during the period	As at December 31, 2017	Carrying value	Market value	Appreciation / (diminution)		
----- (Rupees in '000) ----- (%) -----									
3 Months	-	54,900,000	54,900,000	-	-	-	-	-	-
6 Months	-	1,000,000	1,000,000	-	-	-	-	-	-
<b>Total - December 31, 2017</b>	<b>-</b>	<b>55,900,000</b>	<b>55,900,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - June 30, 2017</b>					<b>-</b>	<b>-</b>	<b>-</b>		

(Unaudited)      (Audited)  
December 31,      June 30,  
2017                      2017  
----- Rupees in '000 -----

5.2 Loans and receivables

Letters of placement

5.2.1

-

400,000

Term deposit receipts

2,475,000

500,000

Commercial paper

-

97,308

2,475,000

997,308

5.2.1 These carry mark-up at rates ranging between 6.25% to 6.5% (June 30, 2017: 6.5%) per annum and maturities ranging between January 08, 2018 to February 28, 2018.

		(Unaudited) December 31, 2017	(Audited) June 30, 2017
	Note	----- Rupees in '000 -----	
<b>6</b>	<b>PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY</b>		
	Remuneration of Management Company	8,362	3,851
	Punjab / Sindh sales tax on remuneration of Management Company	9,784	9,059
	Federal excise duty on remuneration of Management Company	54,898	54,898
	Accounting and operational charges	6,477	2,706
		<u>79,521</u>	<u>70,514</u>

**6.1** Under the provisions of the NBFC Regulations, the Management Company of the Fund is entitled to a remuneration not exceeding 1% of the average annual net assets of the fund. During the period the management company has charged remuneration at the rate of 10% of the gross earnings subject to a minimum fee of 0.75% of average daily net assets and maximum fee of 1% of average daily net assets.

**6.2** Consequent to change in registered office of the Management Company, the Fund has completed its registration process with the Punjab Revenue Authority in July 2017 and, moving forward, the services obtained by the Fund will be subject to the Punjab sales tax at a rate specified in the Punjab Sales Tax on Services Act, 2012. During the period, Punjab Sales tax has been charged at the rate of 16% (June 30, 2017: Sindh Sales tax at the rate of 13%).

**6.3** As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company and sales load has applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Funds Association of Pakistan with the Sindh High Court (SHC) on September 4, 2013.

The SHC while disposing of the Constitutional Petition No. D-3184 of 2014 relating to levy of FED on Mutual Funds had declared the said provisions to be ultra vires and as a result no FED was payable with effect from July 1, 2011, (i.e., the date on which Sindh Sales Tax on Services Act, 2011 came into force). However, the tax authorities subsequently filed an appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for decision.

Effective July 1, 2016, mutual funds have been excluded from levy of FED vide Finance Act, 2016, hence, no provision of FED has been recognised in the financial statements of the Fund since July 1, 2016.

Since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained the provision on FED and related Sindh Sales Tax on management fee and sales load with effect from June 13, 2013, till June 30, 2016, aggregating to Rs 54.898 million (June 30, 2017: Rs 54.898 million). Had the provision for FED not been made, the Net Asset value of the fund as at December 31, 2017 would have been higher by Re 0.0422 (June 30, 2017: Re 0.0732) per unit.

**6.4** During the period, the Fund was charged 0.1% of the average annual net assets as allocated expenses by the Management Company according to regulation 60 of the NBFC Regulations.

		(Unaudited) December 31, 2017	(Audited) June 30, 2017
	Note	----- Rupees in '000 -----	
<b>7 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration		222	325
Brokerage payable		7	-
Rating Fee		115	-
Printing charges		134	150
Withholding taxes		6,338	45,938
Provision for Sindh Workers' Welfare Fund	7.1	3,526	3,526
		<b>10,342</b>	<b>49,939</b>

#### 7.1 Provision for Sindh Workers' Welfare Fund (SWWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual Funds, the MUFAP had recommended that as a matter of abundant caution provision in respect to SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from may 21, 2015).

The registered office of the Management Company of the Fund (as mentioned in note 6.2 to this condensed interim financial information) has been relocated from the Province of Sindh to the Province of Punjab. Accordingly, the Fund has not recorded provision in respect of SWWF during the current period. However, as a matter of abundant caution the provision for SWWF made for the period from May 21, 2015 till June 30, 2017 amounting to Rs 3.526 million (June 30, 2017: Rs 3.526 million) is being retained in this condensed interim financial information of the Fund till the final decision in respect of SWWF.

Had the provision for SWWF not been recorded in this condensed interim financial information of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value of the Fund as at December 31, 2017 would have been higher by Re 0.0027 per unit.

#### 8 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at December 31, 2017 and June 30, 2017.

#### 9 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unitholders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90 percent of the net accounting

income other than capital gains to the unitholders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2018 as reduced by capital gains (whether realised or unrealised) to its unitholders.

The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 10 EARNINGS PER UNIT

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

## 11 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund as at December 31, 2017 is 1.131% which includes 0.20% representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC regulations.

## 12 TRANSACTIONS WITH CONNECTED PERSONS

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

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

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

12.3 Remuneration to the Trustee is determined in accordance with the provisions of the Trust Deed.

12.4 Detail of transactions with related parties / connected persons during the period:

	(Unaudited) For the Half year ended December 31, 2017	(Unaudited) For the Half year ended December 31, 2016
	----- Rupees in '000 -----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Issue of 11,401,781 units (2016: 2,928,258 units)	116,209	30,000
Redemption of 12,893,732 units (2016: 1,942,436 units)	132,000	20,000
Remuneration for the period	48,604	18,746
Punjab / Sindh sales tax on remuneration of Management Company	7,662	2,437
Allocation of accounting and operational charges by the Management Company	6,477	1,870

	(Unaudited) For the Half year ended December 31, 2017	(Unaudited) For the Half year ended December 31, 2016
	----- Rupees in '000 -----	
<b>Allied Bank Limited</b>		
Profit on balances with bank	68,239	59,124
Profit on term deposit receipts	-	885
Net purchase / (redemption) of term deposit receipt	-	400,000
Bank charges	62	60
<b>Halmore Power Generation Company Limited - Associated Company *</b>		
Issue of Nil units (2016: 97,107,177 units)	-	1,000,000
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Officers Gratuity Fund</b>		
Issue of 8,401 units (2016: 1,394,347 units)	85	14,300
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Staff Provident Fund</b>		
Issue of 9,869 units (2016: 1,638,113 units)	100	16,800
<b>Cyan Limited - Employees Provident Fund</b>		
Issue of 2,363,683 units (2016: Nil units)	23,923	-
Redemption of 2,363,683 units (2016: Nil units)	24,360	-
<b>ABL Financial Planning Fund Conservative Allocation Plan</b>		
Issue of 8,418 units (2016: Nil units)	85	-
Redemption of 1,514,250 units (2016: Nil units)	15,515	-
<b>ABL Financial Planning Fund Active Allocation Plan</b>		
Issue of 19,901,924 units (2016: Nil units)	201,659	-
Redemption 25,423,598 Nil units (2016: Nil units)	259,061	-
<b>ABL Financial Planning Fund Strategic Allocation Plan</b>		
Issue of 28,094 units (2016: Nil units)	284	-
Redemption 5,053,684 Nil units (2016: Nil units)	51,772	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	5,010	1,784
Sindh sales tax on remuneration of the Trustee	651	232
<b>DIRECTORS OF THE MANAGEMENT COMPANY</b>		
<b>Muhammad Waseem Mukhtar **</b>		
Issue of 10 units (2016: Nil units)	-	-

\*\* Figures have been rounded off to the nearest thousand rupees

12.5 Detail of balances with related parties / connected persons as at period / year end:

	(Unaudited) December 31, 2017	(Audited) June 30, 2017
----- Rupees in '000 -----		
<b>ABL Asset Management Company Limited - Management Company</b>		
Outstanding 981,387 units (2017: 2,473,338 units)	10,131	25,002
Remuneration payable to the Management Company	8,362	3,851
Punjab / Sindh sales tax on the Management Company's remuneration	9,784	9,059
Federal excise duty on remuneration of the Management Company	54,898	54,898
Accounting and operational charges	6,477	2,706
<b>Allied Bank Limited</b>		
Balances with banks	2,481,345	1,897,474
Profit receivable on balances with bank - saving account	9,792	2,602
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Officers Gratuity Fund</b>		
Outstanding 1,511,032 units (2017: 1,502,631 units)	15,598	15,190
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Staff Provident Fund</b>		
Outstanding 1,775,198 units (2017: 1,765,329 units)	18,325	17,845
<b>Pak Telecom Mobile Limited*</b>		
Outstanding Nil units (2017: 149,473,740 units)	-	1,510,985
<b>Haleeb Foods Limited*</b>		
Outstanding Nil units (2017: 119,919,126 units)	-	1,212,226
<b>Getz Pharma (Pvt) Limited*</b>		
Outstanding 47,024,494 units (2017: 47,024,494 units)	-	475,357
<b>ABL Financial Planning Fund Conservative Allocation Plan</b>		
Outstanding Nil units (2017: 1,505,832 units)	-	15,224
<b>ABL Financial Planning Fund Active Allocation Plan</b>		
Outstanding Nil units (2017: 5,521,674 units)	-	55,825
<b>ABL Financial Planning Fund Strategic Allocation Plan</b>		
Outstanding Nil units (2017: 5,025,590 units)	-	50,810
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable to the Trustee	860	308
Sindh sales tax on Trustee remuneration	112	43
<b>DIRECTORS OF THE MANAGEMENT COMPANY</b>		
<b>Muhammad Waseem Mukhtar</b>		
Outstanding 1,945 units (2017: 1,935 units)	20	20

\* Current period figures have not been presented as the person is not classified as a related party / connected person of the Fund as at December 31, 2017.

**12.6** The transactions with related parties / connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

## **13 FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments is determined as follows:

- Investments in government securities are valued on the basis of average rates of Brokers as announced by the Financial Markets Association of Pakistan.
- the Fair value of all other financial assets and financial liabilities of the Fund approximate their carrying amounts due to short term maturities of these instruments.

### **13.1 Fair value hierarchy**

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The fund has no investments in securities carried at fair value as at December 31, 2017 and June 30, 2017

## **14 GENERAL**

**14.1** Figures have been rounded off to the nearest thousand rupee.

**14.2** Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosures. There have been no significant reclassifications during the period for the impact of Change in accounting policies as more fully disclosed in note 3.2 to the condensed interim financial information.



15 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on February 19, 2018 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited  
(Management Company)



SAQIB MATIN  
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR

درآمدات (+23.4% YOY) اور ہائرسروس ڈیفیسیٹ (+12.3% YoY) کے کاروباری خسارہ میں +40.3% YoY تک اضافے کی وجہ سے تھا جبکہ ورکرز کی جانب سے ریٹیننس (+19% YoY) میں تھوڑی بہت مدد ملی۔ اسی طرح بین الاقوامی زیرمبادلہ، دوران مدت پوروبانڈ رسلوک کے اجراء کے ذریعے 2.5 بلین امریکی ڈالر کی سرمایہ کاری کے باوجود 2.8 ماہ کے امپورٹ کو رکھنے پر رہتے ہوئے دباؤ کا شکار رہا۔ نتیجے کے طور پر اس مدت کے دوران ڈالر کے مقابلے میں پاکستانی روپیہ 5.2% کمی کے ساتھ 110.3 پاکستانی روپے پر رہا۔

ہماری حکمت عملی آنے والی TDR میچورٹیز کے خلاف قلیل المدتی بلز میں سرمایہ کاری کے ذریعے کم پورٹ فولیو دورانہ کو برقرار رکھنا ہوگی۔ کیوں کہ ہم آنے والے مہینوں میں افراط زر کے دباؤ کے ساتھ ثانوی مارکیٹ کے نفع جات کی اوپر کی جانب پیش قدمی کر رہے ہیں۔ قلیل مدت میں بینک کی پلیٹفم سنٹس پرکشش شرح کے ساتھ منافع جات میں اضافے کا سبب بنیں گی۔

## اظہار تشکر

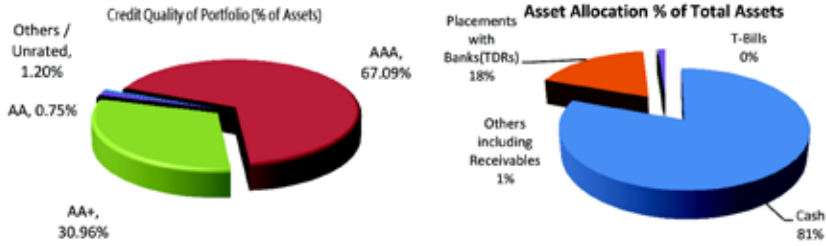
ہم اپنے معزز سرمایہ کاروں کا اُن کے ہم پر اعتماد کا شکریہ ادا کرتے ہیں۔ بورڈ سیکریٹری ریڈ اینڈ آئی پی سی کی کمیشن آف پاکستان، ٹرسٹی (سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور ایگزیکٹو آف پاکستان اسٹاک ایکسچینج لمیٹڈ کا بھی، ان کی راہنمائی اور معاونت پر تہ دل سے مشکور ہے۔ ڈائریکٹرز نے انتظامی ٹیم کی جانب سے کی جانے والے کاموں کو بھی سراہا ہے۔

برائے و منجانب بورڈ

علی خالد غزنوی  
چیف ایگزیکٹو آفیسر

لاہور، 19 فروری، 2018

7.14 ایام کے مقابلے میں 9.69 ایام پر رہا۔ زیر بحث مدت کے دوران، ABL کیش فنڈز کے AUMs جون 2017 کے 7,577.4 ملین پاکستانی روپے کے مقابلے میں 13,423.4 ملین پاکستانی روپے کے ساتھ 77.15% کی متاثر کن شرح پر رہا۔



## آڈیٹرز

سال ختم 30 جون، 2018 کے لیے ABL کیش فنڈ (ABL-CF) کے لیے بطور آڈیٹر تقرری کے حوالے سے میسرز A.F.Fergusons & Co. (چارٹرڈ اکاؤنٹنٹس) کا تقرر کیا گیا ہے۔

## فنڈ کے استحکام کی درجہ بندی

18 جنوری، 2018 کو JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے (JCR-VIS) نے ABL کیش فنڈ کی "AA (f) (Double A (f))" کی فنڈ کے استحکام کی ریٹنگ کی دوبارہ توثیق (اعادہ) کیا ہے۔

## انتظامی معیار کی درجہ بندی

29 دسمبر، 2017 کو JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے ABL ایسٹس مینجمنٹ لمیٹڈ (ABL AMC) کی "AM Two Plus Plus" (AM2++) کی مینجمنٹ کو ای ریٹنگ کی دوبارہ توثیق (اعادہ) کیا ہے۔ مختص شدہ ریٹنگ کی پوزیشن مستحکم ہے۔

## مستقبل کے بارے میں پیش بینی

ہم پیش قدمی کے ساتھ اجناس کے نرخوں (بالخصوص بین الاقوامی خام تیل کے نرخ) میں حالیہ اوپری جانب منسوخی کے ردعمل میں شرح سود پر تھوڑا بہت دباؤ دیکھ سکتے ہیں اور ساتھ ہی زرمبادلہ کی شرح میں کمی کے نتیجے میں افراط زر پر دباؤ ہو سکتا ہے۔ 1HFY18 کے حوالے سے سرفہرست افراط زر 1HFY17 کے دوران 3.88% کے مقابلے میں اوسطاً 3.75% پر رہا۔ دوران سال مرکزی بینک نے ابتدائی طور پر طویل مدت کے انسٹرومنٹس میں مارکیٹ کی عدم دلچسپی کے باعث تمام PIBs آکٹوبر کو اسکریپ کرنے کا عمل جاری رکھا ہے۔

دوسری طرف ملک کی بیرونی صورتحال کرنٹ اکاؤنٹ ڈیفیسیٹ (CAD) کے باعث خراب رہی، جو کہ 5MFY17 کے دوران یہ میں، 2,601 امریکی ڈالر کے مقابلے میں 5MFY18 کے دوران 6,430 امریکی ڈالر کے ساتھ 247% YoY کی اوپری سطح تک تھا۔ CAD میں یہ تیزی، بڑھتی ہوئی

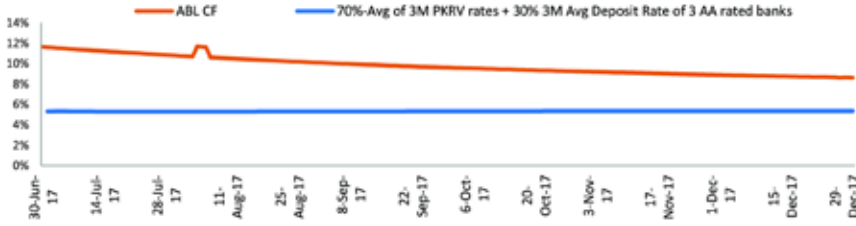
اضافہ (4) سروسیکٹ پر ان کے پھیلنے ہوئے اثرات، شامل ہیں۔

## میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے مجموعی ایسٹس انڈر مینجمنٹ (AUMs) بالخصوص غیر یقینی سیاسی صورتحال اور معاشی معاملات کی وجہ سے 1HFY18 کے دوران 6.2% کی کمی کے ساتھ درج کئے گئے۔ ایکویٹی فنڈز بشمول روایتی (کنویشنل) اور اسلاک ایکویٹی کے AUM میں مدت کے اختتام پر 132.5 بلین پاکستانی روپے اور 104 بلین پاکستانی روپے کیساتھ بالترتیب 15.5% اور 20% کی شدید مندی دیکھنے میں آئی۔ دوسری طرف مقررہ آمدنی کی کٹیگری (آمدن، جارحانہ آمدنی اور منی مارکیٹ فنڈز) نے 1HFY18 میں 17% کی موزوں بڑھوتری ظاہر کرتے ہوئے جون۔2017 کے 151 بلین پاکستانی روپے کے مقابلے میں دسمبر۔2017 میں 117 بلین پاکستانی روپے پر بند ہوئی۔ اسی طرح اسلاک آمدن کی کٹیگری بھی 6% کی بڑھوتری ظاہر کرتے ہوئے مدت کے اختتام پر 46 بلین پاکستانی روپے پر بند ہوئی۔

## فنڈ کی کارکردگی

زیر بحث مدت کے دوران ABL کیش فنڈ کو ارنٹل کی فہرست میں سب سے اوپر رہا اور اس نے 5.34% کا مساقتی ریٹن ظاہر کیا جو کہ 5.22% اہدائی کارکردگی کے مقابلے میں 5.34% ہے، چنانچہ اس نے 12 bps بہتر کارکردگی کا مظاہرہ کیا۔ اس ریٹن (نفع) کو TDR اور ڈیلی پراڈکٹ اکاؤنٹس (DPAs) کی مستقیم آمدن سے منسوب کیا جاسکتا ہے۔



دوران مدت SBP نے میکرو اور افراط زر کو مستحکم رکھنے کے لیے 6.25% کی رعایتی شرح کو برقرار رکھا۔ SBP کی جانب سے اوپن مارکیٹ آپریشنز (42 دفعہ انجیکشن اور 5 مرتبہ مپ اپ) کے ذریعے مسلسل مداخلت سے منی مارکیٹ کے انسٹرمنٹس کا کاروبار 5.75% کی پالیسی شرح کے قریب رہا۔ اس مدت کے دوران SBP نے منی مارکیٹ کو مستحکم رکھنے کی غرض سے بھاری رقوم شامل کی۔ SBP کی جانب سے شامل کی جانے والے 1,626 بلین روپے کی آخری رقم شامل کئے جانے کے وقت ریکارڈ شدہ بلند ترین 1,810 OMO بلین روپے پر تھا۔ دسمبر کے مہینے کے دوران ڈپازٹ کی شرح میں موسمی روایتی اضافہ دیکھنے میں آیا۔ اس موقع سے فنڈ نے فائدہ اٹھا یا اور منافع بخش نزخوں پر پلیمینٹس تک کیں۔ قلیل مدت کی گورنمنٹ سیکورٹیز کے مقابلے میں ڈپازٹ کی بلند شرح سے فائدہ اٹھاتے ہوئے، فنڈ کی تقرری کا عمل TDRs اور DPAs کی جانب منتقل ہو گیا۔ مدت کے اختتام پر ہم نے بینک ڈپازٹس (80.5% بینک میں بصورت نقد، 18.3% بطور TDRs) کا تقریباً 100% احاطہ کیا۔ پورٹ فولیو کا WAM، جون۔2017 کے

## بینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

ABL اسٹیشن بینجمنٹ کمپنی لمیٹڈ، ABL کیش فنڈ (ABL-CF) کی بینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2017 کو ختم شدہ ششماہی کے حوالے سے ABL کیش فنڈ کے منجمنٹ بورڈ کی مالی گوشواروں (غیر آڈٹ شدہ) کا فخریہ اعلان کرتے ہیں۔

### اقتصادی کارکردگی کا جائزہ

اس مدت کے دوران بیرونی سطح پر درپیش چیلنجز کے باوجود پاکستان کے زیادہ تر اقتصادی عوامل مستحکم رہے۔ اسی طرح، دسمبر میں CPI کی معمولی بڑھوتری کے رجحان کے باوجود 1HFY18 کے لیے اوسط CPI، YoY 3.75% رہا، جو کہ SPLY کے دوران 3.88% تھا۔ دسمبر CPI نے بین الاقوامی مارکیٹ میں تیل کے نرخوں میں اضافے کی وجہ سے افراط زر کی توقعات کو بڑھا دیا ہے۔ دوران مدت اس کی وجہ سے SBP پر پالیسی کی 5.75% کی کم ترین شرح پر نظر ثانی کرنے کے لیے مستقل دباؤ رہا۔ مزید برآں اسٹینڈرڈ اور Poor نے پاکستان کی طویل المدت کریڈٹ ریٹنگ بی "کو برقرار رکھا تاہم بیرونی اور مالی سطح پر اس کی توقعات کم ہوئی۔

دوسری جانب، 5MFY18 کے دوران کرنٹ اکاؤنٹ ڈیفیسیٹ (CAD) کے 6,430 ملین امریکی ڈالر کے ساتھ 247% YoY بڑھوتری سے ملک کی بیرونی صورتحال مسلسل خراب رہی، جو کہ 5MFY17 کے دوران 2,601 ملین امریکی ڈالر تھی۔ CAD میں تیزی سے اس اضافے کی وجہ بڑھتی ہوئی درآمدات (YoY +23.4%) کے باعث تجارتی خسارے میں + 4.0.3 % YoY تک اضافہ اور سروسز کے بلند خسارے (YoY +12.3%) کی وجہ سے تھا، جبکہ ملازمین کے ریٹینینس سے معمولی سپورٹ (YoY 1.9% میسر آئی۔ اسی طرح دوران مدت زرمبادلہ کے ذخائر، یورو بانڈ اسٹاک کے اجراء کے ذریعے 2.5 بلین امریکی ڈالر کی سرمایہ کاری کے باوجود اچھوٹ کور کے 2.8 ماہ کی سطح پر رہتے ہوئے دباؤ کا شکار رہے۔ جس کے نتیجے میں دوران مدت پاکستانی روپے کی قدرہ 5.2% کمی کے ساتھ 110.3 پر آگئی۔

مالیاتی سطح پر، FBR نے 6MFY17 کے دوران 1,722 بلین پاکستانی روپے مالیت کے محصولات وصول کئے، جو کہ SPLY میں 1,466 بلین پاکستانی روپے تھے، جس سے 50 بلین پاکستانی روپے کے ہدف کی کمی کے باوجود (YoY +17.46%) کی سحت مندانہ سرگرمی ظاہر ہوئی۔ اس خسارے کو پورا کرنے کے لیے حکومت نے محصولات کے حلقے کو وسیع کرنے اور ٹیکس ایمنٹی اسکیمز کی پیشکش کے ذریعے ٹیکس میں اضافے کی کوشش کی ہے۔ مزید برآں، حکومت پٹرولیم کی مصنوعات پر GST کو کم کر کے تیل کے بڑھتے ہوئے نرخوں کے اثرات کو ختم کرنے پر بھی شکوک و شبہات کا شکار ہے۔








اس پیش قدمی کے ساتھ، بین الاقوامی سطح پر تیل کے بڑھتے ہوئے نرخوں، مستحکم درآمدات، سطحی ریٹینینسز اور بیرونی قرضوں کی سروسنگ معیشت کے لیے اہم خدشات کا باعث ہیں۔ ہر چند یہ کہ حکومت ادائیگی کو متوازن رکھنے اور آسانی کی غرض سے ایک سپورٹ پیکیج "پر توجہ دے رہی ہے، کیوں کہ 5MFY18 میں برآمدات (ایکسپورٹ) میں YoY 12.02% کا اضافہ مشاہدے میں آیا ہے۔ اس کے علاوہ، GDP میں بڑھوتری FY18 میں متوقع YoY 5.8% کی سطح برقرار ہے جو کہ FY17 میں 5.3% تھی، جس کی بنیادی وجوہات میں (1) فصل کے بہتر نفع جاتی تجزیہ کی مدد سے زرعی شعبے سے وصولی ہے جسے بعد ازاں FY18 میں 1 ٹریلین پاکستانی روپے کے اہدائی زرعی قرضہ جات میں اضافے کے ذریعے مدد دی گئی، جو کہ FY17 میں 700 بلین پاکستانی روپے تھے۔ (2) صارفین کی تعداد اور آمدن میں اضافے کے ذریعے مینوفیکچرنگ کی سرگرمیوں میں مستحکم انداز میں اضافہ (LSM بڑھوتری: 4MFY18 میں 9.64%)۔ (3) انفراسٹرکچر کے ترقیاتی کاموں اور نجی ہاؤسنگ کے کاموں کے فروغ کے ذریعے تعمیراتی سرگرمی میں










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