



ABL Cash Fund

Half Yearly Report

CONDENSED INTERIM FINANCIAL INFORMATION
For The Period Ended December 31, 2015



ABL Asset Management

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ABL CASH FUND

FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited 11 - B, Lalazar M. T. Khan Road, Karachi.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tariq Mahmood Mr. Kamran Nishat Mr. Muhammad Kamran Shehzad Mr. Farid Ahmed Khan	Chairman CEO/Director
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Kamran Nishat Mr. Farid Ahmed Khan	Chairman Member Member
Chief Executive Officer of The Management Company:	Mr. Farid Ahmed Khan	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Mubeen Ashraf Bhimani	
Trustee:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited Faysal Bank Limited United Bank Limited	
Auditor:	Deloitte Yousuf Adil Chartered Accountant Cavish Court, A-35, Block 7 & 8, KCHSU Shahra-e-Faisal, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Suite # 7, 11th Zamzama Street Phase-V, DHA Karachi.	
Registrar:	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, 2015.

ECONOMIC PERFORMANCE REVIEW

Pakistan's macro-economic landscape got another boost from declining crude oil prices (down another 50% in 1HFY16), with all major macro indicators turning favorable during the period. CPI based inflation averaged at 2.2% YoY during 1HFY16 as opposed to 6.1% YoY in the same period last year. The low inflation reading was primarily a consequence of the global rout in oil prices. Second round impact of falling oil prices was also visible in falling food and transportation costs, which further eased inflationary pressures. Going ahead, the outlook for inflation remains soft with average for FY16 expected to stay in the range of 3%-3.5% YoY compared to 4.6% in FY15.

The decline in oil prices also proved a boon for the external account and the current account deficit fell by 48.6% to USD 1,267mn in 1HFY16 (-0.9% of GDP) compared to USD 2,463mn (-1.8% of GDP) in the corresponding period last year. Country's trade deficit further narrowed down to USD 9.1bn compared to USD 9.9bn as total imports dropped by 10.0% YoY to USD 19.8bn primarily due to global oil slump. However, lower commodity prices had a negative impact on Pakistan's exports which declined by 11.0% YoY to USD 10.8bn. Remittances continued to show a favorable trend, rising to USD 9.7bn from USD 9.2bn, showing a growth of 6.3% YoY in 1HFY16. Improving external sector account combined with some major FX inflows (clubbed IMF tranches of USD 1.1bn) helped country's FX reserves to reach an all-time high level of USD 21.1bn (import cover of 6months). Despite these developments, PKR depreciated by 2.8% during the period to reach Rs 103.73 against the greenback.

The situation on fiscal front remained challenging. Despite showing 16.9% YoY growth in revenue collection in 1HFY16, FBR yet again failed to meet its collection targets of PKR 1.39tn and managed to net only Rs 1.37tn. The government expects to bridge the revenue short fall through expanding the tax net by introducing a new tax amnesty scheme for traders. Efforts are also underway for removal of concessionary SROs and reduction in power subsidies amid falling oil prices. Despite the paucity of time and willingness, government seems confident about restricting fiscal deficit to 4.8% of GDP for FY16 compared to 5.3% in FY15.

SBP keeping the above developments into consideration further reduced the discount rate by 50bps in Sep-15, bringing it to an all-time low level of 6.5%. Going ahead, the outlook for 2HFY16 looks promising as (1) macroeconomic indicators like CPI and CAD continue to improve, (2) IMF program is progressing without major hurdles and (3) authorities reiterate their resolve and commitment to go forward with structural reforms. Icing on the cake is initiation of work on western route of CPEC which is expected to provide impetus to overall economic activity in the country. In the backdrop of these developments, stable policy environment can be expected going forward with focus mainly on internal reforms.

MUTUAL FUND INDUSTRY REVIEW

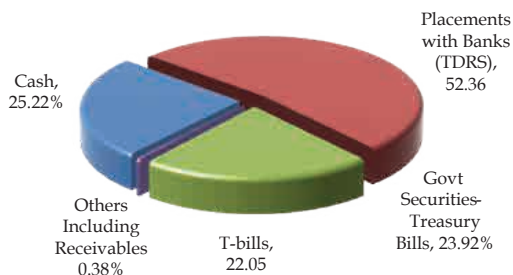
Total assets under management (AUMs) of Pakistan's open end mutual fund industry posted a decent double digit growth of 10% during 1HFY16 (from PKR 426 billion to PKR 469 billion), despite increase in taxes on corporate investors and subdued market performance. The Growth in AUMs was mainly contributed by fixed Income category which showed a jump of 43% during the period to PKR115 billion compared to PKR80 billion in June-15, as investors kept chasing PIBs gains in the last leg of monetary easing cycle. On the flip side, an outflow of PKR13 billion was reported from money market funds category which closed the period at PKR52 billion due to sharp reduction in baseline returns. On cumulative basis, the fixed income category (comprising of Income, Aggressive Income and Money Market funds) registered an increase of 15% in 1HFY16 to close at PKR178 billion in December 2015 compared to PKR154 billion in June 2015. In line with conventional fixed income, Islamic Income Category also posted a strong growth of 38% in AUMs to end the period at PKR 29 billion.

FUND PERFORMANCE

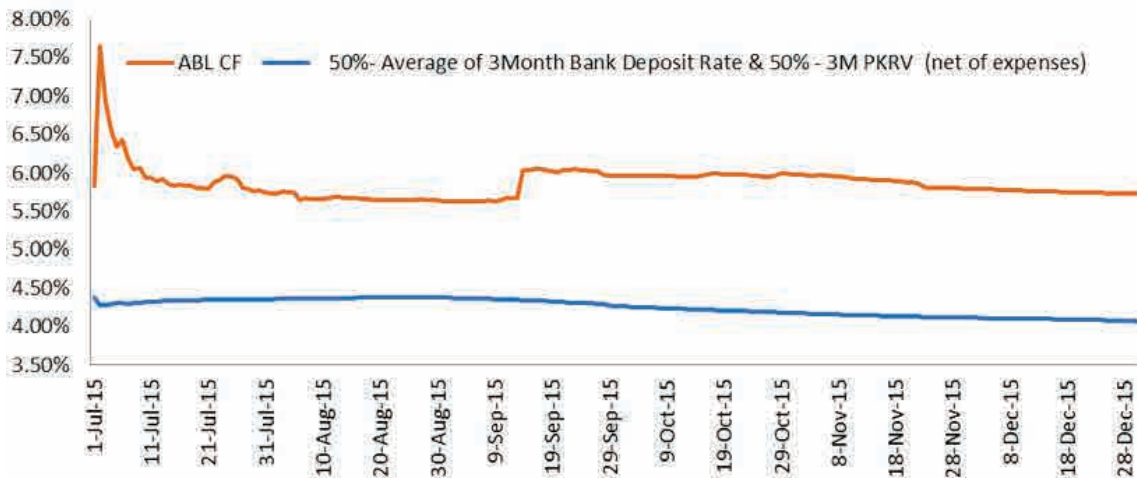
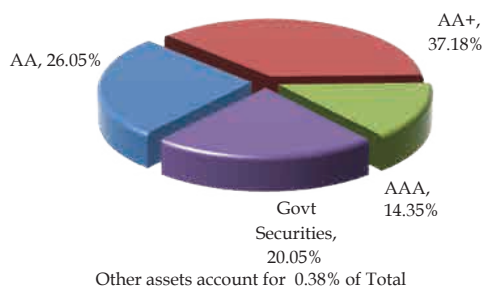
During the period under review, ABL Cash Fund posted an attractive return of 5.73% compared to benchmark performance of 4%, thus showing an outperformance of 173 bps due to trading gains and stable income from TDRs. Acknowledging the improving macros, SBP slashed the discount rate by 50 bps to an all time low of 6.5% during 1HFY16. Money market traded near policy rate of 6% - thanks to SBP's frequent intervention via open market operations (46 Injections and 4 Mop ups). During the period, SBP injected heavy amounts in order to stabilize money market and the highest OMO was recorded at PKR 1,374 billion while the last injection was reported at PKR 864 billion. Yet, the money market still traded at high levels in December due to year end liquidity pressures and the seasonal deposit war amongst the banks to meet year end targets. Taking advantage of high deposit rates compared to short term government securities, the fund was skewed more towards TDRs and bank deposits. At the end of the period,

we maintained heavy exposure of 77.58% of total assets in bank deposits (25.22% as cash at banks & 52.36% as TDRs) and 22.05% allocation in short term treasury Bills. WAM of the portfolio stood at 39 days compared to 59 days in June 2015. During the period under review, ABL Cash Fund's AUMs dropped by 33.86% to PKR 4,201.05 million compared to PKR 6,351.79 million in June 2015.

Asset Allocation of portfolio (% of Assets)



Credit Quality of Portfolio (% of Assets)



AUDITORS

M/s. Deloitte Yousuf Adil (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2016 for ABL Cash Fund (ABL-CF).



FUND STABILITY RATING

JCR-VIS Credit Rating Company LTD. (JCR-VIS) on December 31, 2015 has reaffirmed the Fund Stability of ABL Cash Fund at 'AA (f)' (double A (f)).

MANAGEMENT QUALITY RATING

On December 31 2015, JCR-VIS Credit Rating Company Limited has reaffirmed the Management Quality Rating of ABL Asset Management Limited (ABL AMC) at 'AM Two' (AM2). Outlook on the assigned rating is 'Stable'.

FUTURE OUTLOOK

Lower oil prices are likely to remain the mainstay of economic recovery in the country. CPI for 1HFY16 averaged at 2.08% compared to SBP target inflation of 3.5%-4.5% for FY16. IMF has also revised its inflation estimates downward to 3.7% compared to 4.5% owing to low oil and food prices. Real interest rate is expected to remain around +2% and with no major uptick expected in commodity prices, we believe a 50 bps cut in the discount rate cannot be ruled out in 3QFY16. Other economic indicators like current account deficit and FX reserves will continue to shine owing to sinking oil prices. However, PKR depreciation against USD will remain a threat in next six months due to global economic slowdown, strengthening dollar amid Fed's interest rate hike and pressure on regional currencies.

Our strategy will be to keep maximum duration by purchasing T-Bills against upcoming maturities of TDRs and excess cash. In days ahead, we expect significant downward adjustment in the yield curve due to excitement over low inflation numbers, declining commodity prices and huge maturities linked to T-Bills and PIBs. In the short run, placements banks at attractive rates are likely to boost returns along with potential trading gains in T-Bills.

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



Farid Ahmed Khan
Chief Executive Officer

Karachi, February 8, 2016

Head Office

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URL: www.cdcpakistani.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 for the period ended December 31, 2015 in accordance with the provisions of the following:

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


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

Karachi: February 17, 2016



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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **ABL CASH FUND** (here-in-after referred to as the "Fund") as at December 31, 2015, and the related condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the accounts (here-in-after referred to as the 'condensed interim financial information') for the half year ended December 31, 2015. **ABL Asset Management Company Limited** (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement for the quarters ended December 31, 2015 and 2014 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2015.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2015 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, 2014 and the annual financial statements of the Fund for the year ended June 30, 2015 were reviewed and audited by another firm of Chartered Accountant whose report dated February 23, 2015 and September 19, 2015 expressed an unqualified conclusion and opinion thereon respectively.

Deloitte Yousuf Adil

Chartered Accountants

Engagement Partner:

Nadeem Yousuf Adil

Date: February 08, 2016

Place: Karachi

Member of
Deloitte Touche Tohmatsu Limited

ABL CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2015

		(Un-Audited) December 31, 2015	(Audited) June 30, 2015
	Note	----- Rupees in '000 -----	
ASSETS			
Balances with banks	4	1,238,642	1,671,854
Investments	5	3,655,003	4,875,931
Prepayments		140	-
Profit receivables		18,320	7,054
Preliminary expenses and floatation costs		-	74
Total assets		4,912,105	6,554,913
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	6	64,501	62,079
Payable to the Central Depository Company of Pakistan Limited - Trustee	7	444	501
Payable to the Securities and Exchange Commission of Pakistan		2,138	8,272
Dividend payable		-	3,699
Accrued expenses and other liabilities	8	121,660	128,551
Payable against purchase of investments		522,299	-
Payable against redemption of units		6	16
Total liabilities		711,048	203,118
NET ASSETS		4,201,057	6,351,795
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		4,201,057	6,351,795
CONTINGENCIES AND COMMITMENTS	9	----- Number of units -----	
NUMBER OF UNITS IN ISSUE		407,484,341	633,894,490
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		10.3097	10.0203
FACE VALUE PER UNIT		10.0000	10.0000

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL CASH FUND


CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

		For the half year ended December 31, 2015	For the half year ended December 31, 2014	For the quarter ended December 31, 2015	For the quarter ended December 31, 2014
INCOME	Note	Rupees in '000			
Capital gain on sale of government securities - net		4,339	6,808	1,425	7,464
Income from government securities		132,217	333,904	43,596	162,643
Income from term deposit receipts		53,609	173,094	38,896	80,586
Income from letters of placement		2,425	41,044	453	29,872
Income from reverse repurchase transactions		-	155	-	-
Income from sukuk		-	273	-	-
Profit on deposits with banks		14,104	30,499	9,496	14,978
		206,694	585,777	93,866	295,543
Unrealised (loss) / gain on re-measurement of investments at "fair value through profit or loss - held for trading" - net	5.1	(68)	1,119	(1,531)	1,660
Total income		206,626	586,896	92,335	297,203
EXPENSES					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	28,601	59,472	13,323	29,878
Sindh sales tax on remuneration of the Management Company		4,647	10,348	2,164	5,199
Federal Excise Duty (FED) on remuneration of the Management Company	6.2	4,576	9,515	2,131	4,780
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,515	4,564	1,185	2,279
Sindh sales tax on remuneration of Trustee		352	-	166	-
Amortization of preliminary expenses and floatation costs		74	470	-	235
Annual fee - Securities and Exchange Commission of Pakistan		2,138	4,287	997	2,139
Auditors' remuneration		264	292	156	184
Legal and professional charges		274	319	97	319
Bank and settlement charges		176	229	98	98
Printing charges and annual rating fee		217	223	110	127
Brokerage and securities transaction costs		475	1,322	153	836
Listing fee		25	25	12	12
Total operating expenses		44,334	91,066	20,592	46,086
Net income for the period from operating activities		162,292	495,830	71,743	251,117
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net		(44,216)	(54,754)	(37,765)	(35,729)
Provision for Workers' Welfare Fund	8.1	-	(8,821)	-	(4,308)
Net income for the period before taxation		118,076	432,255	33,978	211,080
Taxation	10	-	-	-	-
Net income for the period after taxation		118,076	432,255	33,978	211,080
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		118,076	432,255	33,978	211,080
Earnings per unit	11				

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director

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ABL CASH FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	For the half year ended December 31, 2015	For the half year ended December 31, 2014
	----- Rupees in '000 -----	
Undistributed income brought forward comprising of:		
- Realised income	12,125	37,709
- Unrealised income	924	237
	<u>13,049</u>	<u>37,946</u>
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	(4,596)	(13,483)
Net income for the period after taxation	118,076	432,255
Undistributed income carried forward	<u>126,529</u>	<u>456,718</u>
Undistributed income carried forward comprising of:		
- Realised income	126,597	455,599
- Unrealised income (loss) / income	(68)	1,119
	<u>126,529</u>	<u>456,718</u>

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL CASH FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	For the half year ended December 31, 2015	For the half year ended December 31, 2014
	----- Rupees in '000 -----	
Net Assets at the beginning of the period	6,351,795	15,395,723
Issue of 524,135,946 units (2014: 914,386,661 units)	5,327,266	9,359,192
Redemption of 750,546,095 units (2014: 1,467,637,217 units)	(7,640,296)	(14,960,059)
	(2,313,030)	(5,600,867)
Net element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed		
- amount representing (income) / loss and capital (gains) / losses transferred to income statement	44,216	54,754
- amount representing (income) / loss and capital (gains) / losses transferred to distribution statement	4,596	13,483
	48,812	68,237
Capital gain on sale of government securities - net	4,339	6,808
Unrealised (loss) / gain on re-measurement of investments at "fair value through profit or loss - held for trading" - net	(68)	1,119
Other net income	113,805	424,328
	118,076	432,255
Net element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed transferred to distribution statement	(4,596)	(13,483)
Net assets as at the end of the period	4,201,057	10,281,865

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director

ABL CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	For the half year ended December 31, 2015	For the half year ended December 31, 2014
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	118,076	432,255
Adjustments for non-cash and other items:		
Unrealised loss / (gain) on re-measurement of investments at "fair value through profit or loss - held for trading" - net	68	(1,119)
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	44,216	54,754
Amortization of preliminary expenses and floatation cost	74	470
Provision for Workers' Welfare Fund	-	8,821
FED on Management Company's remuneration	4,576	9,515
	48,934	72,441
(Increase) / decrease in assets		
Profit receivable	(11,266)	(28,642)
Prepayments	(140)	680
Investments	2,792,860	2,421,355
	2,781,454	2,392,033
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	(2,154)	(3,997)
Payable to Central Depository Company of Pakistan Limited - Trustee	(57)	(221)
Payable to Securities and Exchange Commission of Pakistan	(6,134)	(8,182)
Accrued expenses and other liabilities	(6,891)	973
Payable against purchase of investments	522,299	538,321
Payable against redemption of units	(10)	-
	507,053	526,894
Net cash generated from operating activities	3,455,517	3,423,623
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(3,699)	-
Receipts against issuance of units	5,327,266	9,359,192
Payments against redemption of units	(7,640,296)	(14,959,661)
Net cash used in financing activities	(2,316,729)	5,600,469
Net increase / (decrease) in cash and cash equivalents	1,138,788	(2,176,846)
Cash and cash equivalents at the beginning of the period	2,671,854	12,110,588
Cash and cash equivalents at the end of the period	3,810,642	9,933,742
	4.2	

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL CASH FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE HALF YEARLY ENDED DECEMBER 31, 2015

1 LEGAL STATUS AND NATURE OF BUSINESS

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 Notified Entities Regulations, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the Securities and Exchange Commission of Pakistan (SECP) on December 7, 2007. The registered office of the Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

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

The Fund has been categorised 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, government securities and cash and near cash instruments.

JCR-VIS Credit Rating Company Limited has assigned management quality rating of AM2 (Stable out look) to the Management Company as at December 31, 2015 and fund stability rating of AA(f) to the Fund as at December 31, 2015.

The assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. 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 Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance and Notified Entities Regulations, 2008 (the NBFC Regulations) and the 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 the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2015.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2015.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the investments which are stated at fair value.

2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Fund.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published audited financial statements of the Fund for the year ended June 30, 2015.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses. It also requires management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the Management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those applied to the audited annual financial statements as at and for the year ended June 30, 2015.

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2015.

Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 1, 2015. None of these amendments are expected to have a significant effect on this condensed interim financial information.

4	BANK BALANCES	Note	(Un-audited)	(Audited)
			December 31, 2015	December 31, 2014
			Rupees in '000	
	Saving accounts	4.1	1,238,638	1,671,850
	Current accounts		4	4
			<u>1,238,642</u>	<u>1,671,854</u>

- 4.1 These saving accounts carry mark-up rates ranging from 5% to 6.95% (June 30, 2015: 5.00% to 7.25%) per annum. Deposits in savings accounts include Rs. 48,563,135 (June 30, 2015: Rs. 60,435,805) maintained with Allied Bank Limited, a related party and carries mark-up rate of 5.35% (June 30, 2015: 6.25%).

4.2	CASH AND CASH EQUIVALENTS	Note	(Un-audited)	(Audited)
			December 31, 2015	December 31, 2014
			Rupees in '000	
	Balances with banks	4	1,238,642	1,671,854
	Term deposit receipts	5.2	2,572,000	1,000,000
			<u>3,810,642</u>	<u>2,671,854</u>

5. INVESTMENTS

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

Government securities

- Market treasury bills

5.1 1,083,003 3,875,931

Loans and receivables

- Term deposit receipts

5.2 2,572,000 1,000,000

3,655,003 4,875,931

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

5.1.1 Government securities - market treasury bills

Issue date	Tenor	Face Value			Balance as at December 31, 2015			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2015	Purchased during the period	Disposed / matured during the period	As at December 31, 2015	Carrying value	Market value		
----- Rupees in '000 -----									
June 29, 2015	2 Months	755,000	1,175,000	1,930,000	-	-	-	-	-
April 16, 2015	3 Months	-	55,000	55,000	-	-	-	-	-
April 30, 2015	3 Months	-	1,602,495	1,602,495	-	-	-	-	-
May 14, 2015	3 Months	-	150,000	150,000	-	-	-	-	-
June 11, 2015	3 Months	-	125,000	125,000	-	-	-	-	-
June 25, 2015	3 Months	-	1,905,000	1,905,000	-	-	-	-	-
July 9, 2015	3 Months	-	2,900,000	2,900,000	-	-	-	-	-
July 23, 2015	3 Months	-	100,000	100,000	-	-	-	-	-
August 6, 2015	3 Months	-	300,000	300,000	-	-	-	-	-
August 20, 2015	3 Months	-	50,000	50,000	-	-	-	-	-
September 17, 2015	3 Months	-	1,000,000	1,000,000	-	-	-	-	-
November 26, 2015	3 Months	-	588,000	296,000	292,000	289,811	289,807	(4)	6.90%
December 10, 2015	3 Months	-	239,500	10,000	229,500	227,047	227,040	(7)	5.40%
		755,000	10,189,995	10,423,495	521,500	516,858	516,847	(11)	12.30%
January 8, 2015	6 Months	-	200,000	200,000	-	-	-	-	-
February 19, 2015	6 Months	-	225,000	225,000	-	-	-	-	-
March 5, 2015	6 Months	1,478,500	1,453,500	2,932,000	-	-	-	-	-
March 19, 2015	6 Months	16,000	600,000	616,000	-	-	-	-	-
April 2, 2015	6 Months	-	11,000	11,000	-	-	-	-	-
April 16, 2015	6 Months	883,000	517,000	1,400,000	-	-	-	-	-
April 30, 2015	6 Months	400,000	-	400,000	-	-	-	-	-
May 14, 2015	6 Months	-	317,000	317,000	-	-	-	-	-
May 28, 2015	6 Months	400,000	-	400,000	-	-	-	-	-
June 25, 2015	6 Months	-	198,500	198,500	-	-	-	-	-
July 9, 2015	6 Months	-	100,000	100,000	-	-	-	-	-
July 23, 2015	6 Months	-	3,529,000	3,279,000	250,000	249,347	249,349	2	5.94%
August 6, 2015	6 Months	-	750,000	750,000	-	-	-	-	-
August 20, 2015	6 Months	-	398,500	398,500	-	-	-	-	-
September 3, 2015	6 Months	-	250,000	250,000	-	-	-	-	-
September 17, 2015	6 Months	-	250,000	250,000	-	-	-	-	-
October 1, 2015	6 Months	-	350,000	350,000	-	-	-	-	-
October 15, 2015	6 Months	-	261,700	-	261,700	257,063	257,027	(36)	6.12%
November 12, 2015	6 Months	-	850,000	809,000	41,000	40,098	40,075	(23)	0.95%
		3,177,500	10,261,200	12,886,000	552,700	546,508	546,451	(57)	13.01%
July 24, 2014	12 Months	6,000	-	6,000	-	-	-	-	-
October 30, 2014	12 Months	-	1,750,000	1,750,000	-	-	-	-	-
November 13, 2014	12 Months	-	1,550,000	1,550,000	-	-	-	-	-
December 11, 2014	12 Months	-	5,000	5,000	-	-	-	-	-
January 8, 2015	12 Months	-	36,000	36,000	-	-	-	-	-
January 22, 2015	12 Months	-	1,355,500	1,355,500	-	-	-	-	-
February 6, 2015	12 Months	-	350,000	350,000	-	-	-	-	-
March 19, 2015	12 Months	-	113,000	100,000	13,000	12,830	12,830	-	0.31%
April 16, 2015	12 Months	-	7,000	-	7,000	6,875	6,875	-	0.16%
		6,000	5,166,500	5,152,500	20,000	19,705	19,705	-	0.47%
Total December 31, 2015		3,938,500	25,617,695	28,461,995	1,094,200	1,083,071	1,083,003	(68)	25.78%

5.1.1.1 Market treasury bills carry effective interest rates ranging from 6.36% to 6.38% (June 30, 2015: 6.95% to 6.96%) per annum.

5.2 Term deposit receipts carry mark-up at rates from 7% to 7.45% (June 30, 2015: 7.4%) per annum. These term deposit receipts will mature from January 18, 2016 to February 19, 2016 (June 30, 2015: August 07, 2015). These include Rs. 500,000,000 (June 30, 2015: Rs 1,000,000,000) maintained with Allied Bank Limited, a related party and carries mark-up at rate of 7.15% (June 30, 2015: 7.4%).

5.3 Unrealised (loss) / gain on re-measurement of investments at "fair value through profit or loss - held for trading" - net	(Un-Audited) December 31, 2015	(Audited) June 30, 2015
Note	----- Rupees in '000 -----	
Market value of securities	1,083,003	3,875,931
Less: carrying value of securities	(1,083,071)	(3,875,007)
	<u>(68)</u>	<u>924</u>

6. PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED
- MANAGEMENT COMPANY

Note	(Un-Audited) December 31, 2015	(Audited) June 30, 2015
Note	----- Rupees in '000 -----	
Remuneration of the Management Company	6.1 4,344	5,929
Sindh sales tax payable on remuneration of the Management Company	8,587	8,225
Federal excise duty on remuneration of the Management Company	6.2 51,570	46,994
Preliminary expenses and floatation costs	-	931
	<u>64,501</u>	<u>62,079</u>

6.1 Under the provisions of the NBFC Regulations, the Management Company of the Fund is entitled to a remuneration during the first five years of the Fund, of an amount not exceeding 3 percent of the average annual net assets of the Fund and thereafter of an amount not exceeding 2 percent of such assets of the Fund. During the period ended December 31, 2015, the Management Company has charged remuneration at the rate of 10% of annualized gross return which is subject to upper cap of 1.25% and a lower cap of 1.00% of daily net assets of the fund.

6.2 As per the requirements of the Finance Act 2013, Federal Exercise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law.

The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies together with their respective Collective Investment Schemes through their trustees, through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013 challenging the levy of FED. In this respect, the SHC has issued a stay order against the recovery of FED and the hearing of the petition is still pending.

Pending the decision of SHC, the Fund is not making payments for FED. However, the Fund, as a matter of abundant caution, has made full provision in respect of FED effective June 13, 2013 aggregating to Rs. 51.570 million (including Rs. 4.576 million for the current period). Had the provision not been made the net asset value per unit of the Fund as at December 31, 2015 would have been higher by Re 0.1265 (June 30, 2015: Re 0.0741) per unit.

		(Un-Audited) December 31, 2015	(Audited) June 30, 2015
	Note	----- Rupees in '000 -----	
7. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration of the trustee		389	501
Sindh sales tax payable on remuneration of the trustee	7.1	55	-
		<u>444</u>	<u>501</u>

7.1 The Government of Sindh has levied Sindh Sales Tax at the rate of 14% (June 30, 2015: Nil) on the remuneration of the Trustee through the Finance Act, 2015.

		(Un-Audited) December 31, 2015	(Audited) June 30, 2015
	Note	----- Rupees in '000 -----	
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration		217	365
Brokerage payable		35	155
Printing charges		133	120
Withholding tax payable		1,480	8,016
Legal and professional charges		-	100
Provision for Workers' Welfare Fund	8.1	119,795	119,795
		<u>121,660</u>	<u>128,551</u>

8.1 Provision for Workers' Welfare Fund

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

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

During the year ended June 30, 2012, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance through the Finance Act, 2006 and the Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Honourable Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinance through the Finance Act, 2006 and Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in the WWF Ordinance about applicability of WWF to the CISs which is still pending before the Court. In a judgment of May 2014, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential

mandate to be introduced and passed through the Money Bill under the Constitution. Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 119.795 million in these condensed interim financial information. Had the same not been made the net asset value per unit of the Fund as at December 31, 2015 would have been higher by Re 0.2940 (June 30, 2015: Re 0.1890) per unit.

The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'Industrial establishment' subject to WWF under WWF Ordinance, 1971. The provision made till June 30, 2015 has not been reversed as the above law suit is still pending in the SHC. This amendment is however applicable prospectively i.e. from tax year 2016.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2015 and as at June 30, 2015.

10. TAXATION

The income of the Fund 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management intends to distribute through cash atleast 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision in respect of taxation has been made in this condensed interim financial information.

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

11. EARNINGS PER UNIT (EPU)

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

12. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons / related parties include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, 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 Central Depository Company being the Trustee of the Fund and the directors and key management personnel of the Management Company.

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

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

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

12.1 Details of transactions with related parties / connected persons are as follows:

	(Un-Audited -----)	
	For the half year ended December 31, 2015	For the half year ended December 31, 2014
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Issue of 3,638,831 units (2014: 5,113,486 units)	37,000	53,000
Redemption of 75,931,036 units (2014: 4,093,537 units)	774,889	42,000
Preliminary expenses and floatation costs paid during the period	931	932
Remuneration for the period	28,601	59,472
Sindh sales tax on remuneration of the Management Company	4,647	10,348
Federal excise duty on remuneration of the Management Company	4,576	9,515
Allied Bank Limited - Holding Company of the Management Company		
Redemption of NIL units (2014: 526,227,593 units)	-	5,281,517
Profit on bank deposits	3,813	5,059
Term deposit receipts	(500,000)	3,925,000
Profit on term deposit receipts	19,289	31,845
Bank charges	77	62
Cyan Limited		
Issue of NIL units (2014: 29,546,192 units)	-	302,000
Redemption of NIL units (2014: 29,546,192 units)	-	304,601
Cyan Limited - Employees Provident Fund		
Issue of NIL units (2014: 134,361 units)	-	1,367
Redemption of NIL units (2014: 1,500,413 units)	-	15,416
CFA Association of Pakistan		
Issue of 244,165 units (2014: NIL units)	2,506	-
Redemption of 98,647 units (2014: NIL units)	1,000	-
Pakistan Petroleum Limited		
Issue of 65,162,410 units (2014: NIL units)	657,000	-
Redemption of NIL units (2014: 56,546,673 units)	-	580,000
Indus Motor Company Limited		
Redemption of 38,883,272 units (2014: NIL units)	400,000	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	2,515	4,564
Sindh sales tax on remuneration of the Trustee	352	-
DIRECTORS OF THE MANAGEMENT COMPANY *		
Tahir Yaqoob Bhatti		
Issue of 142 units (2014: NIL units)	1	500
Redemption of NIL units (2014: 2,117 units)	-	22
KEY MANAGEMENT PERSONNEL		
Chief Executive Officer		
Issue of 5,210,769 units (2014: 3,454,706 units)	52,721	35,716
Redemption of 5,210,769 units (2014: 3,769,806 units)	52,842	39,100

12.2 Amounts outstanding as at period end with related parties / connected persons are as follows

	(Un-Audited) December 31, 2015	(Audited) June 30, 2015
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Outstanding 1,155,552 units (June 30, 2015: 73,447,757 units)	11,913	735,968
Preliminary expenses and floatation costs payable	-	931
Remuneration payable to the Management Company	4,344	5,929
Sindh sales tax payable on remuneration of the Management Company	8,587	8,225
Federal excise duty payable on remuneration of the Management Company	51,570	46,994
Allied Bank Limited - Holding Company of the Management Company		
Bank balances held	48,563	60,436
Profit accrued on bank deposit	111	1,583
Profit accrued on term deposit receipts	2,742	1,419
Term deposit receipt	500,000	1,000,000
CFA Association of Pakistan		
Outstanding 1,126,328 units (June 30, 2015: 980,809 units)	11,612	9,828
Dividend payable	-	106
Pakistan Petroleum Limited		
Outstanding 65,162,410 units (June 30, 2015: NIL units)	671,805	-
Indus Motor Company Limited		
Outstanding 51,021,429 units (June 30, 2015: 89,904,701 units)	526,016	900,872
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee	389	501
Sindh sales tax payable on trustee fee	55	-
DIRECTORS OF THE MANAGEMENT COMPANY *		
Muhammad Waseem Mukhtar		
Outstanding 1,720 units (June 30, 2015: 1,720 units)	18	7
Mr. Tahir Yaqoob Bhatti		
Outstanding 104,643 units (June 30, 2015: 104,501 units)	1,079	1,047
Dividend payable	-	1
KEY MANAGEMENT PERSONNEL		
Chief Executive Officer		
Outstanding 106,943 units (June 30, 2015: 106,943 units)	1,103	1,072

* These include transactions and balances in relation to those directors that exist as at half year end. However, it does not include the transactions and balances whereby the director has resigned from the Management Company during the period.

13 GENERAL

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

14 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on February 8, 2016.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director



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