

CONTENTS

Fund's Information	1
Report of the Directors of the Management Company	2
Condensed Interim Statement of Assets and Liabilities	5
Condensed Interim Income Statement (Un-audited)	6
Condensed Interim Distribution Statement (Un-audited)	7
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-audited)	8
Condensed Interim Cash Flow Statement (Un-audited)	9
Notes to and Forming Part of the Condensed Interim Financial Information (Unaudited)	10

ABL GOVERNMENT SECURITIES 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 Soneri Bank Limited	
Auditor:	A.F. Ferguson & Co Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Suit # 7, 11th Zamzama Steet, Phase-V, DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	



ABL GOVERNMENT SECURITIES FUND

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Government Securities Fund (ABL-GSF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Government Securities Fund for the nine months ended March 31, 2016.

ECONOMIC PERFORMANCE REVIEW

The steep fall in crude oil prices (9MFY16: down by 44%) continued to cast a positive spell on country's macroeconomic landscape with all major indicators reporting noticeable improvements. The most discernible impact appeared on current account as the import bill continued to shrink during the year (down 5.2%YoY in 9MFY16). C/A deficit for the period posted an improvement of 18.5%YoY to USD 1,606mn compared to USD 1,971mn in the corresponding period last year. Apart from flat trade deficit (+0.06%YoY to USD 13,188mn), remittances from expats have also contributed towards healthy C/A balance. In the month of Mar-16, remittances of USD 1,711mn were recorded (+12.9%MoM) taking July-Mar 2016 total to an impressive USD 14,377mn (+5.7%YoY). On the other hand, exports have remained the only upsetting factor in the overall external account with FY16TD exports declining by 9.1%YoY to USD 16,393mn. This can be attributed to (1) loss of export competitiveness as depreciation in regional currencies remained higher than PKR, and (2) weak global demand, especially in Pakistan's traditional markets of Europe and USA. To address weak exports, government announced Strategic Trade Policy Framework (STPF 2015-18) during the quarter under review to bolster annual exports to USD35bn level by June 30, 2018.

Concerns over reversion in CPI numbers also fizzled out during 3QFY16 with better than anticipated readings - thanks to the decline in energy prices and its trickle down impact. CPI inflation for Mar-16 clocked-in at 3.94%YoY vs. Feb-16 reading of 4.0%YoY and against earlier expectations of 4.5-5%YoY. 9MFY16 CPI average now stands at a comfortable 2.64%YoY with year-end average expected to stay around 3% mark.

However, the most pleasant surprise on macro front in the last quarter has been the government's performance on the fiscal front. Revenue collection was commendable with overall collection of Rs.2.1trn (+19.7%YoY) during 9MFY16. The top line has allayed concerns over budget deficit numbers. Under IMF's insistence, a 24% cut in PSDP spending should aid the government in achieving its fiscal deficit target of 4.3%. Progress on IMF program also remained smooth and meeting of all performance criteria resulted in timely disbursement of 11th tranche under the EFF program for the quarter. With this receipt of USD500mn tranche, FX reserves at the end of quarter stood tall at USD20.9bn (almost unchanged from the end of 2QFY16 despite Eurobond maturity of USD500mn) of which USD16.0bn were held by the central bank and the rest with commercial banks. These numbers, while indicating strong import cover of more than 5 months, also indicate improvement in long term debt sustainability of the economy.

Despite tangible improvements in CPI, external accounts and fiscal deficit, the Central Bank decided to maintain a cautious stance by keeping Policy Rate unchanged at 6% during 3QFY16, citing potential pick up in inflationary pressures and leaving some cushion for external shocks. This we believe marks the end of the monetary easing era, where we witnessed discount rate coming off from 10% in Nov-14 to 6.5%.

All these developments bode well for the economic growth prospects of the country which has been suffering from anemic growth rates in the last five years. Green shoots of real activity have become visible like construction sector is thriving (cement domestic dispatches up 17% FYTD) and credit offtake is picking up (+9% FY16TD). In this backdrop, the launch of mega projects under the ambit of China Pakistan Economic Corridor (CPEC) could give a much needed boost to the economy.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of Pakistan's open end mutual fund industry grew by 2.9% in 3QFY16 (from PKR469 billion to PKR482 billion). This growth was led by Income fund and aggressive fixed income fund categories. In anticipation of further monetary easing amidst benign CPI outlook for FY16, the income fund category remained in limelight and registered an increase of 7.5% in AUMs from PKR116 billion in December 2015 to PKR 124 billion in March 2016. On the flip side, low interest rate scenario caused an outflow of PKR4 billion from money market fund category to close the period at PKR48 billion.

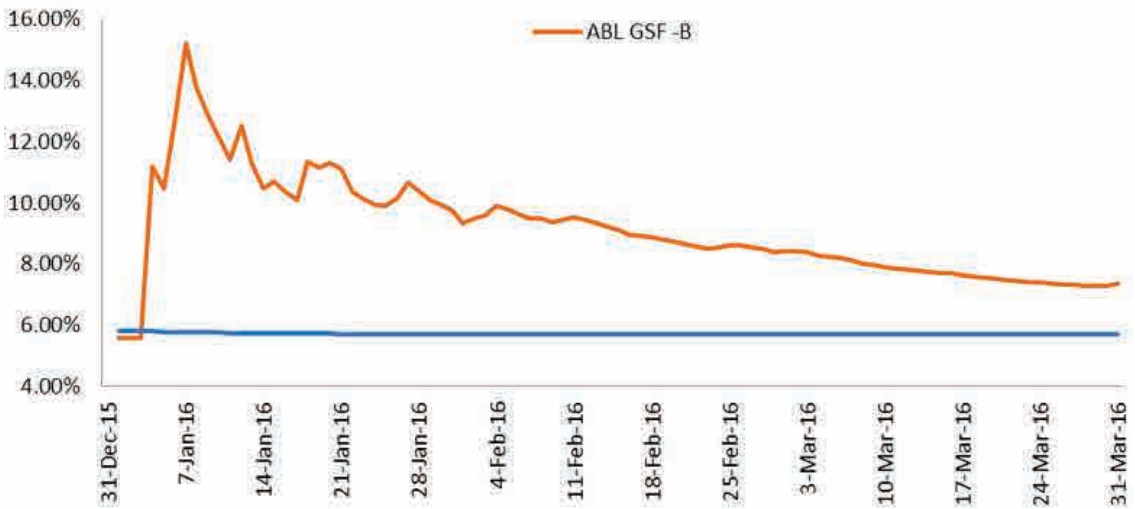
On cumulative basis, the fixed income category (comprising of Income, Aggressive Income and Money Market funds)

registered a cumulative increase of 4.1% last quarter to close at PKR185 billion in March 2016 compared to PKR178 billion in December 2015. In line with conventional fixed income funds, Islamic Income Category was also up by 4.3%QoQ to PKR31 billion, largely contributed by launch of new funds under the Islamic fund of funds category.

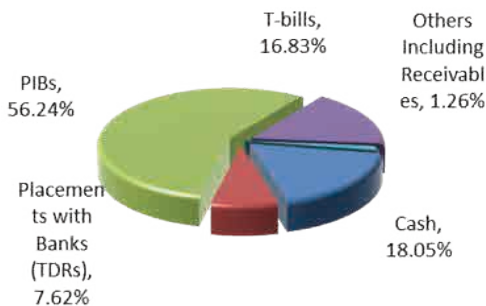
FUND PERFORMANCE

During the period under review, ABL GSF yielded an attractive return of 7.37% against the benchmark performance of 5.67%, an outperformance of 170bps. This was primarily due to trading and valuation gains on long term government securities (Treasury Bills and Bonds) on the back of downwards adjustments in market yields due to aggressive re-profiling of bond portfolios by banks and corporates. The main factors behind the rally were: a) current and future PIB maturities b) downward revision in NSS rates (twice in the quarter) c) reduction in PIB coupons and d) expectation of rate cut in upcoming MPS. On YTD basis, the fund generated an annualized return of 8.06% against the benchmark of 5.72%.

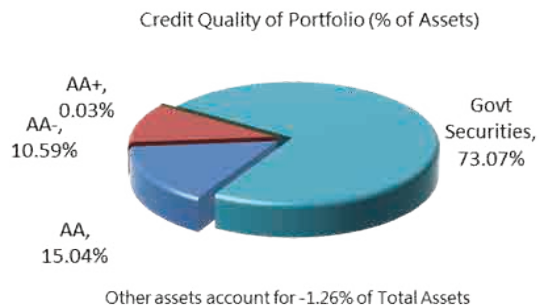
Due to stable performance during the quarter, ABL Government Securities Fund’s size increased by 11.14% to PKR 10.121 billion in March 2016 from PKR 9.107 billion as at December 31, 2015. During the quarter, we increased our duration to 422 days from 325 days by increasing allocation towards T-Bills & PIBs. As a result, asset allocation of the fund as at 31st March 2016 comprised of 56.24% in PIBs & 16.83% in Treasury bills, whereas term deposits and cash constituted 7.62% and 18.05% of total assets respectively. Allocation towards bank deposits was increased in late March due to better rates offered by banks at quarter end.



Asset Allocation



Asset Quality



OUTLOOK

Interest rate outlook for rest of 2016 appears stable, barring an oil shock. Similarly, the outlook for most macro indicators remains healthy. Average inflation for FY16 is expected to remain in the comfortable range of 2.5-3% despite erosion of last year's low base effect as well as low fuel and food prices. Fiscal side also appears to be on the right path mainly on account of robust growth (+19%YoY) in tax revenues, which so far has jumped to 5.3% of GDP in 1HFY16 vs 4.7% in 1HFY15. Foreign exchange reserves are in comfortable position despite decline in exports due to healthy growth in remittances, increase in FDIs & net foreign assistance (IMF tranches & CSF). Growth targets also appear achievable due to improved business activity (LSM up 4.1% in Jul-Jan 16), better energy availability and lower input prices. We believe over valuation of PKR compared to regional peers, declining exports and reversal in international oil prices are the key challenges for the economic managers in CY16.

In this scenario, ABL GSF will maintain current weighted average maturity of the portfolio as we expect market yields to remain sticky in near term amid stable interest rate environment. However, we will position the fund to play the yield curve actively and book gains on timely basis to curb volatility in returns.

AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2016 for ABL Government Securities Fund (ABL-GSF).

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on December 31, 2015, revised the Fund Stability Rating of ABL Government Securities Fund (ABL-GSF) from 'A+ (f)' (Single A plus (f)) to 'A(f)' (Single A(f)).

MANAGEMENT QUALITY RATING

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

ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, 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, April 27, 2016

ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2016

	Note	(Un-Audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in '000 -----			
ASSETS			
Balances with banks	4	1,896,562	3,791,467
Investments	5	8,476,693	5,518,037
Profit receivable		131,530	134,837
Prepayments		76	-
Preliminary expenses and floatation costs		660	1,414
Total assets		10,505,521	9,445,755
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	6	55,664	39,626
Payable to the Central Depository Company of Pakistan Limited - Trustee		773	643
Payable to the Securities and Exchange Commission of Pakistan		5,599	6,586
Dividend payable		-	30,266
Accrued expenses and other liabilities	7	133,065	180,120
Payable against redemption of units		1,438	3,154
Payable against purchase of investment		187,077	-
Total liabilities		383,616	260,395
NET ASSETS		10,121,905	9,185,360
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		10,121,905	9,185,360
CONTINGENCIES AND COMMITMENTS	9	----- Number of units -----	
NUMBER OF UNITS IN ISSUE		951,142,683	915,570,610
NET ASSETS VALUE PER UNIT		10.6418	10.0324
FACE VALUE PER UNIT		10.0000	10.0000

The annexed notes 1 to 13 form an integral part of these 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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 Discover the potential

ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	For the Nine Months ended March 31, 2016	For the Nine Months ended March 31, 2015	For the quarter ended March 31, 2016	For the quarter ended March 31, 2015
Note	----- Rupees in '000 -----			
INCOME				
Net capital gain on sale of investments	147,809	294,371	70,400	277,719
Income from Government Securities	403,370	509,873	112,462	236,071
Income from Term Deposit Receipts	55,414	176	27,922	176
Income from Letter of Placement	3,397	13,890	110	10,431
Income from Certificate of Investment	-	5,794	-	5,794
Profit on bank deposits	70,020	48,874	18,050	19,822
	680,010	872,978	228,944	550,013
Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - net	5.2 9,803	245,166	(13,557)	5,678
Total Income	689,813	1,118,144	215,387	555,691
EXPENSES				
Remuneration of ABL Asset Management Company Limited - Management Company	93,320	68,735	29,360	34,920
Sindh sales tax on remuneration of the Management Company	15,159	11,962	4,772	6,078
Federal excise duty on remuneration of Management Company	14,931	10,998	4,697	5,587
Remuneration of Central Depository Company of Pakistan Limited - Trustee	6,097	4,633	1,948	2,226
Sindh sales tax on remuneration of the Trustee	854	-	273	-
Annual fee - Securities and Exchange Commission of Pakistan	5,599	4,124	1,761	2,095
Brokerage and Securities transaction costs	3,862	2,603	1,129	1,364
Bank charges	317	440	70	233
Auditors' remuneration	367	342	100	121
Amortisation of preliminary expenses and floatation costs	753	751	249	247
Printing charges	113	153	37	37
Listing fee	38	38	13	12
Legal & professional charges	274	-	-	-
Rating fee	193	161	85	68
Total operating expenses	141,877	104,940	44,494	52,988
Net income from operating activities	547,936	1,013,204	170,893	502,703
Element of income and capital gains included in prices of units issued less those in units redeemed	31,762	602,430	45,119	345,113
Provision for Workers' Welfare Fund	7.1 -	(32,313)	-	(16,957)
Net income for the period before taxation	579,698	1,583,321	216,012	830,859
Taxation	8 -	-	-	-
Net income for the period after taxation	579,698	1,583,321	216,012	830,859
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	579,698	1,583,321	216,012	830,859
Earnings per unit	10			

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director

ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

For the Nine Months ended
March 31,
2016

For the Nine Months ended
March 31,
2015

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

Undistributed income brought forward comprising of:

- realised income	48,886	19,819
- unrealised loss	(19,318)	(1,880)
	29,568	17,939

Element of income and capital gains included in the prices of units issued less those in units redeemed - net	1,153	30,106
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Net income for the period after taxation	579,698	1,583,321
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Undistributed income carried forward	610,419	1,631,366
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Undistributed income carried forward comprising of:

- realised income	600,616	1,386,200
- unrealised income	9,803	245,166
	610,419	1,631,366

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director



ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	For the Nine Months ended March 31, 2016	For the Nine Months ended March 31, 2015
	----- Rupees in '000 -----	
Net assets at the beginning of the period	9,185,360	4,394,902
Issue of 1,373,578,729 units (2015: 1,610,552,325 units)	14,200,590	17,455,495
Redemption of 1,338,006,655 units (2015: 879,818,838 units)	(13,811,980)	(9,515,618)
	388,610	7,939,877
Net element of income and capital gains included in the prices of units issued less those in units redeemed		
- amount representing income and capital gains transferred to income statement	(31,762)	(602,430)
- amount representing income and capital gains transferred to distribution statement	(1,153)	(30,106)
	(32,915)	(632,536)
Capital gain on sale of government securities - net	147,809	294,371
Unrealised appreciation on re-measurement of investments at fair value through profit or loss - net	9,803	245,166
Other net income	422,086	1,043,784
	579,698	1,583,321
Net element of income and capital gains included in prices of units issued less those in units redeemed transferred to distribution statement	1,153	30,106
Net assets as at the end of the period	10,121,905	13,315,670

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL GOVERNMENT SECURITIES FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2016

	For the Nine Months ended March 31, 2016	For the Nine Months ended March 31, 2015
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	579,698	1,583,321
Adjustment:		
Net unrealised appreciation on re-measurement of investments classified as "financial assets at fair value through profit or loss"	(9,803)	(245,166)
Net element of income and capital gains included in prices of units issued less those in units redeemed	(31,762)	(602,430)
Amortisation of preliminary expenses and floatation costs	753	751
Provision for Workers' Welfare Fund	-	32,313
Federal excise duty on remuneration of Management Company	14,931	10,998
	553,817	779,787
(Increase) / decrease in assets		
Investments	(2,148,853)	(6,988,178)
Profit receivable	3,307	(23,735)
Prepayments	(76)	(84)
	(2,145,622)	(7,011,997)
Increase / (decrease) in liabilities		
Remuneration Payable to ABL Asset Management Company Limited	16,038	22,989
Remuneration Payable to Central Depository Company of Pakistan Limited - Trustee	130	523
Payable to Securities and Exchange Commission of Pakistan	(987)	2,342
Accrued expenses and other liabilities	(61,986)	34,372
Payable against purchase of Investment	187,077	47,205
	140,272	107,431
Net cash used in operating activities	(1,451,533)	(6,124,779)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(30,266)	-
Receipts from issue of units	14,200,590	17,455,495
Payments against redemption of units	(13,813,696)	(9,491,611)
Net cash generated from financing activities	356,628	7,963,884
Net (decrease) / increase in cash and cash equivalents during the period	(1,094,905)	1,839,105
Cash and cash equivalents at the beginning of the period	3,791,467	1,227,836
Cash and cash equivalents at the end of the period	4.2 2,696,562	3,066,941

The annexed notes 1 to 13 form an integral part of these 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 GOVERNMENT SECURITIES FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

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

The objective of the Fund is to deliver optimal risk adjusted returns by investing mainly in a mix of short to long term government securities and other debt instruments.

The JCR-VIS Credit Rating Company has assigned management quality rating of AM2 (stable outlook) to the Management Company as at December 31, 2014 and a fund stability rating of A+(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 Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the 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 March 31, 2016.

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

3.1 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.

3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the 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 assumption made by the management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended June 30, 2015.

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

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in '000 -----			

4 BALANCES WITH BANKS

Saving accounts	4.1	<u>1,896,562</u>	<u>3,791,467</u>
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4.1 These saving accounts carry profit at rates ranging from 5% to 6.7% (June 30, 2015: 5% to 7.25%) per annum. Deposits in savings accounts include Rs 1,952 thousand (June 30, 2015: Rs 31,798 thousand) maintained with Allied Bank Limited, a related party and carry profit at the rate of 5.35% (June 30, 2015: 6.25%) per annum.

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in '000 -----			

4.2 Cash and cash equivalents

Balances with banks	4	<u>1,896,562</u>	3,791,467
Term deposit receipts	5.3	<u>800,000</u>	-
		<u>2,696,562</u>	<u>3,791,467</u>

5 INVESTMENTS

Financial assets at fair value through profit or loss

Government securities

Market treasury bills	5.1.1	<u>1,768,497</u>	909,113
Pakistan investment bonds	5.1.2	<u>5,908,196</u>	4,608,924
		<u>7,676,693</u>	5,518,037
Loans and receivables	5.3	<u>800,000</u>	-
		<u>8,476,693</u>	<u>5,518,037</u>



5.1 Government securities

5.1.1 Market treasury bills:

Issue date	Tenor	Face Value				Balance as at March 31, 2016			Market value as a percentage of net Assets	Market value as a percentage of total market value of investment
		As at July 1, 2015	Purchased during the period	Disposed/ matured during the period	As at March 31, 2016	Carrying Value	Market value	Appreciation/ (diminution)		
-----Rupees in '000-----										
June 29, 2015	OMO Issue	-	191,000	191,000	-	-	-	-	-	-
May 28, 2015	3 Months	-	500,000	500,000	-	-	-	-	-	-
June 25, 2015	3 Months	-	388,500	388,500	-	-	-	-	-	-
July 9, 2015	3 Months	-	600,000	600,000	-	-	-	-	-	-
July 23, 2015	3 Months	-	377,000	377,000	-	-	-	-	-	-
January 21, 2016	3 Months	-	250,000	250,000	-	-	-	-	-	-
February 19, 2015	6 Months	50,000	-	50,000	-	-	-	-	-	-
March 5, 2015	6 Months	50,000	-	50,000	-	-	-	-	-	-
March 19, 2015	6 Months	350,000	-	350,000	-	-	-	-	-	-
April 16, 2015	6 Months	500	-	500	-	-	-	-	-	-
July 23, 2015	6 Months	-	336,000	336,000	-	-	-	-	-	-
September 3, 2015	6 Months	-	160,000	160,000	-	-	-	-	-	-
September 17, 2015	6 Months	-	517,000	517,000	-	-	-	-	-	-
January 21, 2016	6 Months	-	1,750,000	1,750,000	-	-	-	-	-	-
November 13, 2014	12 Months	200	-	200	-	-	-	-	-	-
November 27, 2014	12 Months	790	-	790	-	-	-	-	-	-
December 26, 2014	12 Months	200	-	200	-	-	-	-	-	-
January 8, 2015	12 Months	100,095	-	100,095	-	-	-	-	-	-
February 6, 2015	12 Months	185,000	1,400,000	1,585,000	-	-	-	-	-	-
March 5, 2015	12 Months	50,000	708,000	758,000	-	-	-	-	-	-
March 19, 2015	12 Months	89,000	-	89,000	-	-	-	-	-	-
April 16, 2015	12 Months	60,000	-	60,000	-	-	-	-	-	-
July 9, 2015	12 Months	-	100,000	100,000	-	-	-	-	-	-
August 6, 2015	12 Months	-	5,762,500	5,762,000	500	489	490	1	0.00%	0.01%
August 20, 2015	12 Months	-	500,000	500,000	-	-	-	-	-	-
September 3, 2015	12 Months	-	1,100,000	1,100,000	-	-	-	-	-	-
November 12, 2015	12 Months	-	100,000	100,000	-	-	-	-	-	-
January 21, 2016	12 Months	-	4,471,000	2,615,000	1,856,000	1,769,583	1,768,007	(1,576)	17.47%	20.86%
February 18, 2016	12 Months	-	700,000	700,000	-	-	-	-	-	-
March 3, 2016	12 Months	-	250,000	250,000	-	-	-	-	-	-
March 17, 2016	12 Months	-	500,000	500,000	-	-	-	-	-	-
Sub - total		935,785	20,661,000	19,740,285	1,856,500	1,770,072	1,768,497	(1,575)	17.47%	20.86%

Market treasury bills carry effective interest rates ranging from 6.14% to 6.25% (June 30, 2015: 6.72% to 8.35%) per annum.

5.1.2 Pakistan investment bonds:

Issue date	Coupon rate in %/ Tenor	Face Value				Balance as at March 31, 2016			Market value as a percentage of net Assets	Market value as a percentage of total market value of investment
		As at July 1, 2015	Purchased during the period	Disposed/ matured during the period	As at March 31, 2016	Carrying Value	Market value	Appreciation/ (diminution)		
-----Rupees in '000-----										
July 18, 2013	11.25 / 3 Years	137,500	14,685,000	11,235,500	3,587,000	3,638,198	3,638,780	581	35.95%	42.93%
July 17, 2014	11.25 / 3 Years	100,000	40,000	140,000	-	-	-	-	-	-
March 26, 2015	8.75 / 3 Years	2,374,000	4,068,000	5,486,900	955,100	992,335	998,349	6,014	9.86%	11.78%
July 19, 2012	11.50 / 5 Years	-	10,300	10,300	-	-	-	-	-	-
July 17, 2014	11.50 / 5 Years	253,200	3,000,000	2,803,200	450,000	514,198	514,083	(115)	5.08%	6.06%
March 26, 2015	9.25 / 5 Years	1,496,000	4,382,500	5,691,000	187,500	201,881	203,063	1,181	2.01%	2.40%
July 19, 2012	12.00 / 10 Years	117,000	1,450,000	1,567,000	-	-	-	-	-	-
July 17, 2014	12.00 / 10 Years	-	1,600,000	1,150,000	450,000	550,205	553,922	3,717	5.47%	6.53%
March 26, 2015	9.50 / 10 Years	-	775,000	775,000	-	-	-	-	-	-
Sub - total		4,477,700	30,010,800	28,858,900	5,629,600	5,896,818	5,908,196	11,378	58.37%	69.70%

Pakistan investment bonds carry effective interest rates ranging from 8.75% to 12.00% (June 2015: 7.75% to 9.65%) per annum.

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in '000 -----			
5.2	Unrealised appreciation / (diminution) in value of investments classified as 'at fair value through profit or loss' - net		
	Market value of investments	7,676,693	5,518,037
	Less : Carrying value of investments	(7,666,890)	(5,537,355)
	Net unrealised appreciation / (diminution) in the value of investments 'at fair value through profit or loss' -net	<u>9,803</u>	<u>(19,318)</u>

5.3 Term deposit receipts carry mark-up at rates of 6.95% per annum (June 30, 2015: Nil) and will mature on May 19, 2016 (June 30, 2015: Nil).

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in '000 -----			
6	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED		
	Remuneration of Management Company	10,264	9,955
	Sindh sales tax on remuneration of Management Company	6,952	4,914
	Federal excise duty on remuneration of Management Company	37,419	22,488
	Preliminary expenses and floatation costs	1,000	2,000
	Sales load	29	269
		<u>55,664</u>	<u>39,626</u>

6.1 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 14% (June 30, 2015: 15%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

6.2 As per the requirements of the Finance Act 2013, Federal Excise 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 the provincial sales tax as explained in note 6.2, 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 decision of the 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 37.419 million (including 14.931 million for the current period). Had the provision not been made the net asset value per unit of the Fund as at March 31, 2016 would have been higher by Re 0.039 per unit.



	Note	(Unaudited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in '000 -----			
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration		301	280
Brokerage payable		437	466
Advance against issue of units		-	31,742
Printing charges		69	89
Withholding tax payable		329	16,135
Legal and professional charges payable		-	100
Provision for Workers' Welfare Fund	7.1	131,308	131,308
Other payable		621	-
		133,065	180,120

7.1 Provision for Workers' Welfare Fund

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

During the year ended June 30, 2011, a clarification was issued by the Ministry of Labor 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 Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Honorable Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honorable High Court of Sindh has not addressed the other amendments made in the WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the court. In a recent judgment, 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. 131.308 million (June 30, 2015: Rs. 131.308). Had the same not been made the net asset value per unit of the Fund as at March 31, 2016 would have been higher by Re 0.138 per unit.

8 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 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.

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2016 and as at June 30, 2015.

10 EARNINGS PER UNIT (EPU)

Earnings per unit has 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 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTY

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 officers of the Management Company.

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.

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



11.1 Details of transactions with connected persons / related parties during the period are as follows:

	----- (Un-audited) -----	
	For the Nine Months ended March 31, 2016	For the Nine Months ended March 31, 2015
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Issue of 24,024,611 Units (2015: Nil units)	248,859	-
Redemption of 20,235,732 units(2015: 7,168,383 Units)	211,000	72,852
Remuneration for the period	93,320	68,735
Sindh sales tax on Management Company's remuneration	15,159	11,962
Federal excise duty on remuneration of Management Company	14,931	10,998
Central Depository Company of Pakistan Limited		
Remuneration for the period	6,097	4,633
Sindh sales tax on remuneration of the Trustee	854	-
Allied Bank Limited		
Mark up accrued on bank deposits	1,147	6,067
Bank charges	78	250
Pioneer Cement Ltd - Connected Person**		
Issue of 8,891,875 Units (2015: Nil units)	90,000	-
Ibrahim Agencies (Private) Limited-Connected Person		
Redemption of Nil units (2015: 16,678,977 Units)	-	184,568
D.G. Khan Cement Company Limited*		
Issue of 115,801,928 units(2015: 238,207,202 units)	1,200,000	2,506,000
Redemption of 432,094,170 units (2015: Nil Units)	4,381,337	-
KEY MANAGEMENT PERSONNEL		
Chief Executive Officer		
Issue of 1,250,025 units (2015: 5,087,290 Units)	12,747	54,776
Redemption of 1,695,628 units (2015: 2,944,811 units)	17,424	31,500

11.2 Amounts outstanding with connected persons / related parties as at period end / year end:

	(Un-audited) March 31, 2016	(Audited) June 30, 2015
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Units held 3,788,879 units (2015: Nil units)	40,320	-
Preliminary expenses and floatation costs payable	1,000	2,000
Remuneration payable	10,264	9,955
Sindh sales tax payable on remuneration of the Management Company	6,952	4,914
Federal excise duty payable on remuneration of the Management Company	37,419	22,488
Sales load payable	29	269
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	678	643
Sindh sales tax on remuneration of the trustee	95	-
Allied Bank Limited-Holding Company of the Management Company		
Bank Balances held	1,952	31,798
Mark-up accrued on deposits with banks	54	1,051
D.G. Khan Cement Company Limited		
Units held Nil units (2015: 316,292,242 units)	-	3,173,170
Pioneer Cement Limited		
Units held 109,184,485 units (2015: 100,292,611 units)	1,161,919	1,006,176
KEY MANAGEMENT PERSONNEL OF THE MANAGEMENT COMPANY		
Chief Executive Officer		
Units held 3,138,956 units (2015: 3,584,560 units)	33,404	35,962
Dividend payable	-	247



12 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 27, 2016 by the Board of Directors of the Management Company.

13 GENERAL

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

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director