



ABL Income Fund

Half Yearly Report

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



ABL Asset Management

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ABL INCOME FUND

FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited 14 -MB, DHA Phase-6, Lahore.	
Board of Directors	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
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. Alee Khalid Ghaznavi	Chairman Member Member
Chief Executive Officer of The Management Company:	Mr. Alee Khalid Ghaznavi	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shahzad	
Trustee:	Central Depository Company of Pakistan Limited. CDC-House, Shahrah-e-Faisal, Karachi	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited United Bank Limited Habib Bank Limited	
Auditor:	M/S. A.F. Ferguson & Co. Chartered Accountants State life Building No. 1-C I.I Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

ABL INCOME FUND

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Income Fund (ABL-IF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Income 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.

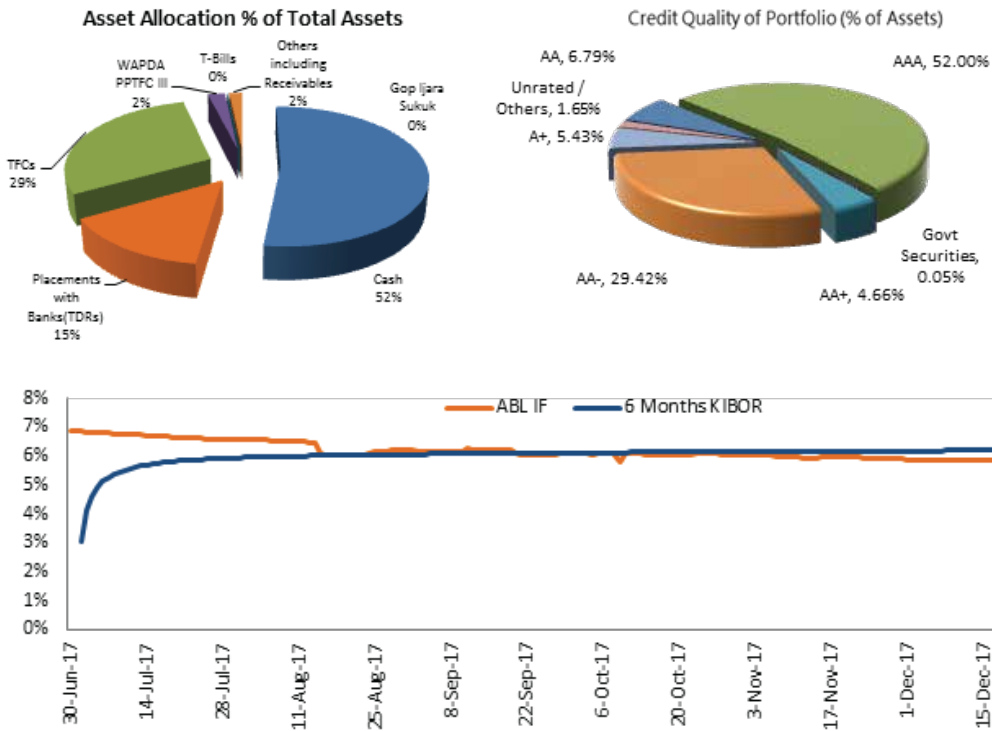
MUTUAL FUND INDUSTRY REVIEW

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

ABL Income Fund’s posted an annualized return 4.34% during 1HFY18 against the benchmark return of 6.21%, thus showing an underperformance of 187 bps. The decline in returns was mainly attributed to lack of opportunities and fund’s averseness towards longer tenor instruments. Secondary market yields on long term bonds remained under pressure, owing to the sharp reversal in international oil prices.

During the period under review, ABL Income Fund’s AUM reduced slightly by around 7% to close at PKR 3,598 million as compared to PKR 3,875 million at June 2017. In order to reduce volatility in returns we reduced exposure in longer duration bonds and increased allocation towards high-yielding bank deposits and floating rate instruments such as high rated TFCs and Sukuks. At the end of the period, Exposure in TFCs was increased to 29.35% compared to 22.27% in June 2017. Similarly, cash in DPAs was reduced to 52.15% of total assets compared to 68.51% in June as 14.59% was placed in TDRs. The fund’s weighted average maturity of the portfolio stood at 644 days compared to 630 days 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 Income Fund (ABL-IF).

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on January 16, 2018 has reaffirmed the Fund Stability Rating of ABL Income Fund at 'A(f)' (Single 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.

Going forward our strategy will be to divide the portfolio allocation between shorter duration instrument such as T-bills and floating rate instruments to hedge against any upwards movements in discount rate. 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.

Lahore, February 19, 2018

For & on behalf of the Board



Alee Khalid Ghaznavi
Chief Executive Officer

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S. Main Shakra-e-Faisal,
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TRUSTEE REPORT TO THE UNIT HOLDERS

ABL INCOME 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 Income 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 Income Fund** (the Fund) as at December 31, 2017 and the related condensed interim income statement, condensed interim statement of comprehensive income, 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 and condensed interim statement of comprehensive income 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.

Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**

Dated: February 26, 2018

Karachi

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>

■ KARACHI ■ LAHORE ■ ISLAMABAD


ABL INCOME 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) -----	
ASSETS			
Balances with banks	4	1,913,933	2,737,655
Investments	5	1,693,455	1,199,556
Profit receivable		27,919	28,284
Security deposits, prepayments and other receivables		30,608	31,115
Total assets		3,665,915	3,996,610
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	6	30,314	28,632
Payable to the Central Depository Company of Pakistan Limited - Trustee		523	344
Payable to the Securities and Exchange Commission of Pakistan		1,621	2,813
Dividend payable		-	1
Payable against redemption of units		28,305	45,454
Payable against purchase of investments		-	21,468
Accrued expenses and other liabilities	7	6,272	22,525
Total liabilities		67,035	121,237
NET ASSETS		3,598,880	3,875,373
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,598,880	3,875,373
CONTINGENCIES AND COMMITMENTS	8	---- (Number of units) ----	
NUMBER OF UNITS IN ISSUE		350,565,740	386,170,919
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		10.2659	10.0354
FACE VALUE PER UNIT		10.0000	10.0000

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 INCOME FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2017

		For the half year ended		For the quarter ended	
		December 31,		December 31,	
		2017	2016	2017	2016
Note -----(Rupees in '000)-----					
INCOME					
Gain / (loss) on sale of investments - net		490	(24,744)	1,465	(24,046)
Income from government securities		6,435	18,902	4,513	8,577
Income from term deposit receipts		11,709	7,466	6,233	2,840
Income from letters of placement		-	2,460	-	2,191
Income from term finance certificates / sukuk certificates		42,556	34,487	42,556	15,077
Profit on balances with banks - savings account		82,666	49,974	40,978	22,997
Dividend income		-	26,699	-	14,653
Other income		804	258	153	258
		144,660	115,502	95,898	42,547
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.6	(722)	20,912	(150)	19,768
Unrealised loss on revaluation of future contracts - net		-	(3,393)	-	(5,483)
Total Income		143,938	133,021	95,748	56,832
EXPENSES					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	32,427	28,489	16,311	13,320
Punjab / Sindh sales tax on the Management Company's remuneration	6.2	5,064	3,704	2,609	1,732
Accounting and operational charges	6.4	2,161	1,899	1,087	888
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,266	2,043	1,139	969
Sindh sales tax on remuneration of the Trustee		295	266	148	126
Annual fee to the Securities and Exchange Commission of Pakistan Limited		1,621	1,424	815	666
Brokerage, securities transaction cost and other charges		246	3,515	6	1,212
Bank charges		67	91	26	73
Auditors' remuneration		199	244	101	147
Printing charges		191	151	114	88
Listing fee		14	28	7	14
Annual rating fee		148	149	74	75
Other expenses		173	1,086	173	1,086
Total expenses		44,872	43,089	22,610	20,396
Net income for the period before element of income/ (loss) and capital gains/ (losses) included in the prices of units issued less those in units redeemed - net		99,066	89,932	73,138	36,436
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	3.2	-	1,125	-	2,028
Net income for the period before taxation		99,066	91,057	73,138	38,464
Taxation	9	-	-	-	-
Net income for the period after taxation		99,066	91,057	73,138	38,464
Earnings per unit	10				
Allocation of net income for the period:					
Net income for the period after taxation		99,066	91,057	73,138	38,464
Income already paid on units redeemed		(22,523)	-	(13,030)	-
		76,543	91,057	60,108	38,464
Accounting income available for distribution:					
-Relating to capital gains		490		1,465	
-Excluding capital gains		76,053		58,643	
		76,543		60,108	

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

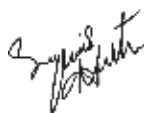
ABL INCOME FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	For the half year ended December 31,		For the quarter ended December 31,	
	2017	2016	2017	2016
	------(Rupees in '000)-----			
Net income for the period after taxation	99,066	91,057	73,138	38,464
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	99,066	91,057	73,138	38,464

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 INCOME FUND

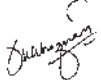
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	For the half year ended December 31, 2017				For the half year ended December 31, 2016			
	Capital Value	Undistributed income	Unrealised (losses)/ gains on investment	Total	Capital Value	Undistributed income	Unrealised (losses)/ gains on investment	Total
	----- Rupees in '000 -----				----- Rupees in '000 -----			
Net assets at beginning of the period	3,860,439	14,934	-	3,875,373	3,722,340	12,150	-	3,734,490
Issue of 251,474,527 units (December 31, 2016: 345,723,374 units)								
- Capital value (at net asset value per unit at the beginning of the period)	2,523,647	-	-	2,523,647				
- Element of income	21,472	-	-	21,472				
Total proceeds on issuance of units	2,545,119	-	-	2,545,119	3,462,292	55,987	-	3,518,279
Redemption of 287,079,706 units (December 31, 2016: 345,233,304 units)								
- Capital value (at net asset value per unit at the beginning of the period)	2,880,960	-	-	2,880,960				
- Element of loss	17,195	22,523	-	39,718				
Total payments on redemption of units	2,898,155	22,523	-	2,920,678	3,457,173	57,112	-	3,514,285
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	-	-	-	-	-	(1,125)	-	(1,125)
Total comprehensive income for the period	-	99,066	-	99,066	-	91,057	-	91,057
Distribution during the period	-	-	-	-	-	(6,016)	-	(6,016)
Net income for the period less distribution	-	99,066	-	99,066	-	85,041	-	85,041
Net assets at end of the period	3,507,403	91,477	-	3,598,880	3,727,459	97,191	-	3,822,400
Undistributed income brought forward								
- Realised income		7,621				5,772		
- Unrealised income		7,313				6,378		
		14,934				12,150		
Accounting income available for distribution								
- Relating to capital gains		490				-		
- Excluding capital gains		76,053				-		
		76,543				-		
Net income for the period after taxation						91,057		
Distribution during the period						(6,016)		
Undistributed Income / (loss) carried forward		91,477				97,191		
Undistributed Income / (loss) carried forward								
- Realised income		92,199				79,672		
- Unrealised income / (loss)		(722)				17,519		
		91,477				97,191		
				(Rupees)				(Rupees)
Net assets value per unit at beginning of the period				10.0354				10.0292
Net assets value per unit at end of the period				10.2659				10.2518

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

	For the half year ended December 31	
	2017	2016
	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	99,066	91,057
Adjustments:		
Income from Government securities	(6,435)	(18,902)
Income from term deposit receipts	(11,709)	(7,466)
Income from letters of placement	-	(2,460)
Income from term finance certificates / sukuk certificates	(42,556)	(34,487)
Profit on balances with banks - savings account	(82,666)	(49,974)
Dividend income	-	(26,699)
Unrealised diminution / (appreciation) on re-measurement of investments classified as financial assets at fair value through profit or loss - net	722	(20,912)
Unrealised loss on revaluation of future contracts	-	3,393
Element of income and capital gains included in prices of units issued less those in units redeemed - net	-	(1,125)
Other income	(572)	-
	(44,150)	(67,575)
Decrease / (increase) in assets		
Security deposits, prepayments and other receivables	507	(114,416)
	507	(114,416)
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	1,682	(791)
Payable to the Central Depository Company of Pakistan Limited - Trustee	179	(90)
Payable to the Securities and Exchange Commission of Pakistan	(1,192)	(1,847)
Dividend payable	(1)	-
Accrued expenses and other liabilities	(15,681)	(31,627)
	(15,013)	(34,355)
Income received from Government securities	6,435	33,150
Income received from term deposit receipts	6,010	7,561
Income received from letters of placement	-	405
Income received from term finance certificates / sukuk certificates	46,143	40,533
Profit received on balances with banks - savings account	85,143	42,653
Dividend income received	-	27,503
Net amount received on purchase and sale of investments	18,911	356,554
Net cash flows generated from operating activities	103,986	292,013


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

		For the half year ended December 31	
		2017	2016
Note		------(Rupees in '000)-----	
CASH FLOWS FROM FINANCING ACTIVITIES			
	Cash distribution paid	-	(6,017)
	Amount received on issuance of units	2,545,119	3,518,279
	Amount paid on redemption of units	(2,937,827)	(3,514,118)
	Net cash flows used in from financing activities	(392,708)	(1,856)
	Net increase in cash and cash equivalents during the period	(288,722)	290,157
	Cash and cash equivalents at the beginning of the period	2,737,655	2,098,702
	Cash and cash equivalents at the end of the period	2,448,933	2,388,859
		4.2	

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 INCOME FUND

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

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Income Fund (the Fund) was established under a Trust Deed executed on June 16, 2008 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Fund commenced its operations on September 20, 2008.

1.2 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, 2016. The registered office of the Management Company is located at Plot number 14 Main Boulevard DHA Phase VI, Lahore.

The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered to public for 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 income scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CISs).

The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan. The Fund, in line with its investment objectives, invests primarily in money and debt markets, certificate of investments, clean placements, spread transactions and other absolute return 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 A(f) to the fund as at January 16, 2018.

1.4 The assets of the fund are held the name of the 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 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 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 POLICIES

3.1 The accounting policies adopted and the methods of computation of balances 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, of units 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 the requirement for presentation of 'Distribution Statement' as a part of the financial statements has been deleted in the revised regulation.

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 the 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 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 lower by Rs 18.247 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 the approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. In preparing the condensed interim financial information, the significant judgements 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.

4	BALANCES WITH BANKS	(Un-audited) December 31, 2017	(Audited) June 30, 2017
Note	(Rupees in '000)		
	Savings accounts	1,913,933	2,191,448
	Call deposit receipt	-	546,207
		<u>1,913,933</u>	<u>2,737,655</u>

4.1 These savings accounts carry mark-up at rates ranging between 3.75% to 6.70% (June 30, 2017: 2.5% to 6.7%) per annum. Savings accounts include balance of Rs. 11.839 million maintained with Allied Bank Limited, a related party, which carries mark up at the rate of 5% per annum.

(Un-audited) December 31, 2017
(Un-audited) December 31, 2016

4.2 Cash and cash equivalents

Balances with banks	1,913,933	1,988,859
Term deposit receipts - having original maturity of 3 months or less	535,000	400,000
	2,448,933	2,388,859

(Un-audited) December 31, 2017
(Audited) June 30, 2017

5 INVESTMENTS

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

Financial assets 'at fair value through profit or loss' - net

- Government securities - Market Treasury Bills	5.1	1,791	-
- Term finance certificates - listed	5.2	293,963	309,698
- Term finance certificates - unlisted	5.2	778,701	670,695
- Sukuk certificates	5.3	-	100,670
- Advance against Pre-IPO investment	5.4	84,000	-
- Listed equity securities	5.5	-	21,184
		1,158,455	1,102,247
Loans and receivables	5.7	535,000	97,309
		1,693,455	1,199,556

5.1 Government securities - Market Treasury Bills

Issue date	Tenor	Face Value				Balance as at December 31, 2017			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
		As at July 1, 2017	Purchased during the period	Sold / matured during the period	As at December 31, 2017	Carrying value	Market value	Appreciation / (diminution)		
August 3, 2017	6 Months	-	80,000	-	80,000	796	796	-	0.02%	0.05%
November 9, 2017	3 Months	-	2,500,000	2,500,000	-	-	-	-	-	-
November 23, 2017	3 Months	-	12,500,000	12,500,000	-	-	-	-	-	-
August 3, 2017	6 Months	-	100,000	-	100,000	995	995	-	0.03%	0.06%
December 31, 2017		-	15,180,000	15,000,000	180,000	1,791	1,791	-	0.05%	0.11%
June 30, 2017		9,700	3,975,145	3,984,845	-	-	-	-	-	-

5.2 Term Finance Certificates

Name of the investee company	Profit / Markup Rate	Number of Certificates				Balance as at December 31, 2017			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
		As at July 1, 2017	Purchased during the period	Disposed of / matured during the period	As at December 31, 2017	Carrying value	Market value	(Diminution) / Appreciation		
Term Finance Certificates Listed										
Bank Al Falah Limited TFC V	6 months KIBOR plus 1.25%	16,200	-	3,000	13,200	67,762	67,052	(710)	1.86%	3.96%
NIB Bank Limited TFC II	6 months KIBOR plus 1.15%	44,750	-	-	44,750	226,474	226,911	437	6.31%	13.40%
December 31, 2017		60,950	-	3,000	57,950	294,236	293,963	(273)	8.17%	17.36%
June 30, 2017		63,984	58,000	61,034	60,950	305,549	309,698	4,149		
Un-listed										
Askari Bank Limited TFC V	6 months KIBOR plus 1.75%	17,044	-	4,000	13,044	66,441	65,294	(1,147)	1.81%	3.86%
Askari Bank Limited TFC IV	6 months KIBOR plus 1.75%	1,000	18,000	-	19,000	94,847	94,772	(75)	2.63%	5.60%
WAPDA PPTFC III	6 months KIBOR plus 1.00%	27,800	-	-	27,800	80,189	80,742	553	2.24%	4.77%
Bank of Punjab TFC	6 months KIBOR plus 1.00%	2,350	-	500	1,850	187,053	184,741	(2,312)	5.13%	10.91%
JS Bank TFC	6 months KIBOR plus 1.40%	49,850	-	10,000	39,850	200,620	199,190	(1,430)	5.53%	11.76%
JSCL TFC	6 months KIBOR plus 1.40%	-	30,000	-	30,000	150,000	153,962	3,962	4.28%	9.09%
HBL TFC	6 months KIBOR plus 0.50%	-	1,000	1,000	-	-	-	-	-	-
December 31, 2017		98,044	49,000	15,500	131,544	779,150	778,701	(449)	21.62%	45.99%
June 30, 2017		106,800	122,400	131,156	98,044	667,917	670,695	2,778		

5.3 Sukuk Certificates

Name of the investee company	Profit / Markup Rate	Number of Certificates				Balance as at December 31, 2017			Market value as a percentage of net assets	Market value as a percentage of total market value of investments
		As at July 1, 2017	Purchased during the period	Disposed of / matured during the period	As at December 30, 2017	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
DIB Sukuk	6.64%	-	105	105	-	-	-	-	-	-
GOP Ijara Sukuk 19	5.24%	20,000	45,000	65,000	-	-	-	-	-	-
December 31, 2017		20,000	45,105	65,105	-	-	-	-	-	-
June 30, 2017		69,027	93,000	142,027	20,000	100,000	100,670	670		

5.4 Advance against Pre IPO Investment of Sukuk

This represents advance against Pre IPO investment in sukuk certificates of Dawood Hercules Corporation Limited carrying profit at the rate of 3 months KIBOR plus 1 %. The sukuk certificates are quoted on the Mutual Funds Association of Pakistan since January 5, 2018. The opening price of these sukuk certificates at the Pakistan Stock Exchange was Rs 101.3271 per certificate on January 5, 2018.

5.5 Listed equity securities

Name of the investee company	Number of shares				Balance as at December 31, 2017			Market value as a percentage of net assets	Holding as a percentage of total market value of investments
	As at 1 July 2017	Purchased during the period	Sales during the period	As at 31 December 2017	Carrying value	Market value	Appreciation / (diminution)		
----- (Rupees in '000) -----									
Shares of listed companies - Fully paid ordinary shares of Rs. 10 each unless stated otherwise									
Personal Goods (Textile)									
Nishat Mills Limited	-	20,000	20,000	-	-	-	-	-	-
Nishat Chunian Limited	-	20,000	20,000	-	-	-	-	-	-
	-	40,000	40,000	-	-	-	-	-	-
Cement									
Maple Leaf Cement Factory Limited	-	57,000	57,000	-	-	-	-	-	-
Fauji Cement Company Limited	-	10,000	10,000	-	-	-	-	-	-
	-	67,000	67,000	-	-	-	-	-	-
Fertilizers									
Engro Corporation Limited	65,000	-	65,000	-	-	-	-	-	-
Engro Fertilizer Company Limited	-	10,000	10,000	-	-	-	-	-	-
	65,000	10,000	75,000	-	-	-	-	-	-
Oil and Gas Marketing Companies									
Attock Refinery Limited	-	2,500	2,500	-	-	-	-	-	-
Pakistan State Oil Company Limited	-	1,000	1,000	-	-	-	-	-	-
	-	3,500	3,500	-	-	-	-	-	-
Engineering									
International Steel Limited	-	38,500	38,500	-	-	-	-	-	-
Cable & Electrical Goods									
Pak Elektron Limited	-	15,500	15,500	-	-	-	-	-	-
December 31, 2017	65,000	174,500	239,500	-	-	-	-	-	-
June 30, 2017	-	45,033,000	44,968,000	65,000	21,468	21,184	(284)		

	(Un-audited) December 31, 2017	(Audited) June 30, 2017
5.6	----- (Rupees in '000) -----	
Unrealised (diminution)/ appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net		

Market value of securities	1,158,455	1,102,247
Less: carrying value of securities	1,159,177	1,094,934
	<u>(722)</u>	<u>7,313</u>

5.7 Loans and receivables

Term deposit receipts	535,000	-
Commercial Papers	-	97,309
	<u>535,000</u>	<u>97,309</u>

5.7.1 These carry mark-up at rates ranging between 6.5% to 6.75% per annum and maturities ranging between 8th January 2018 to 29th March 2018.

	(Un-audited) December 31, 2017	(Audited) June 30, 2017
6	----- (Rupees in '000) -----	
PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY		

Remuneration of Management Company	6.1	5,330	4,131
Punjab / Sindh sales tax on remuneration of Management Company	6.2	3,664	3,473
Federal Excise duty on remuneration of Management Company	6.3	19,142	19,142
Accounting and operational charges	6.4	2,162	1,840
Sales load		16	46
		<u>30,314</u>	<u>28,632</u>

6.1 The Management Company has charged remuneration at the rate of 1.5% (June 30, 2017 : 1.5%) per annum based on the daily net assets of the Fund. The amount of remuneration is being paid monthly in arrears.

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 19.142 million (June 30, 2017: Rs 19.142 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 0.0546 (June 30, 2017: Re 0.0496) 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.

		(Un-audited) December 31, 2017	(Audited) June 30, 2017
7	ACCRUED EXPENSES AND OTHER LIABILITIES		
		Note ----- (Rupees in '000) -----	
	Auditors' remuneration	193	336
	Brokerage	96	146
	Printing and others charges	217	143
	Rating fee	148	-
	Provision for Sindh Workers' Welfare Fund	4,183	4,755
	Withholding taxes	1,390	17,145
	Other payable	45	-
		6,272	22,525

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 had 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 of 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).

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, as a result of which the SWWF is no longer applicable with effect from July 1, 2017. 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 4.183 million (June 30, 2017: Rs 4.755 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. 0.01195 per unit.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the 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 (EPU) have not been disclosed as in the opinion of management the determination of 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 2.051% which includes 0.317% representing government levies on the Fund such as sales taxes, annual fee payable to the SCEP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulation.

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.

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

	(Un-audited) For the half year ended December 31	
	2017	2016
----- (Rupees in '000) -----		
ABL Asset Management Company Limited - Management Company		
Cash dividend	-	232
Issue of 23,853,065 units (2016: 59,184,265 units)	240,000	603,308
Redemption of 19,729,314 Units (2016: 12,497,214 units)	200,000	128,000
Remuneration for the period	32,427	28,489
Punjab / Sindh sales tax on remuneration of the Management Company	5,064	3,704
Accounting and operational charges	2,161	1,899
Allied Bank Limited		
Profit on bank deposits	5,334	13,695
Bank charges	27	31
Ibrahim Agencies (Private) Limited (Common directorship)		
Cash dividend	-	17
Issue of nil units (2016: 1,732 units)	-	17
Redemption of Nil units (2016: 1,491,163 units)	-	15,166
Central Depository Company of Pakistan Limited		
Remuneration	2,266	2,043
Sindh sales tax on remuneration of Trustee	295	266
Connection fee and CDS charges	73	184
ABL Financial Planning Fund - Conservative Allocation Plan		
Cash dividend	-	469
Issue of 1,508,347 units (2016: 13,796,309 units)	15,200	140,845
Redemption of 4,793,729 units (2016: 33,039,710 units)	48,676	336,408
ABL Financial Planning Fund - Active Allocation Plan		
Cash dividend	-	195
Issue of Nil units (2016: 10,994,827 units)	-	112,183
Redemption of Nil units (2016: 8,238,562 units)	-	84,320
ABL Financial Planning Fund - Strategic Allocation Plan		
Issue of 25,368,591 units (2016: 73,944,727 units)	255,000	758,000
Redemption of 16,066,801 units (2016: Nil units)	162,696	-
Millat Tractors		
Redemption of 21,916,367 units (2016: Nil) *	225,000	-
DIRECTORS OF THE MANAGEMENT COMPANY		
Muhammad Waseem Mukhtar		
Cash dividend	-	9
Issue of Nil units (2016: 937 units)	-	9

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

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	----- (Rupees in '000) -----	
ABL Asset Management Company Limited - Management Company		
Outstanding 82,550,409 units (June 30, 2017: 78,426,658 units)	847,454	787,043
Remuneration payable	5,330	4,131
Punjab / Sindh sales tax on remuneration of the Management Company	3,664	3,473
Federal Excise duty on remuneration of Management Company	19,142	19,142
Accounting and operational charges	2162	1,840
Sales load	16	46
Allied Bank Limited		
Balances held in savings accounts	11,839	-
Investment in call deposit receipts	-	546,207
Mark - up accrued on deposits	72	569
Central Depository Company of Pakistan Limited- Trustee		
Remuneration and CDC connection fee payable	474	304
Sindh sales tax on remuneration of the Trustee	49	40
Security deposits receivable	100	100
Balance in IPS account	55	112
Millat Tractors		
June 30, 2017: 38,644,375 units *	-	387,812
ABL Financial Planning Fund - Conservative Allocation Plan		
Outstanding 18,729,478 units (June 30, 2017: 22,014,860 units)	192,275	220,928
ABL Financial Planning Fund - Strategic Allocation Plan		
Outstanding 60,856,922 units (June 30, 2017: 51,555,132 units)	624,751	517,376
DIRECTORS OF THE MANAGEMENT COMPANY		
Muhammad Waseem Mukhtar		
Outstanding 706,104 units (June 2017: 706,104 units)	7,249	7,086

* Current year 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

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:

- Fair value of listed Equity securities is determined on the basis of closing market prices quoted on the stock exchange.
- Investments in government securities are valued on the basis of average rates of Brokers as announced by the Financial Markets Association of Pakistan.
- Listed and unlisted debt securities, other than government securities, are valued on the basis of prices announced by the Mutual Funds Association of Pakistan (MUFAP), as per the method of valuation agreed with the Trustees of the Fund under the Rules.
- Fair value of future contracts are determined on the basis of closing market prices quoted on the respective stock exchange.
- 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).

As at December 31, 2017, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2017			Total
	Level 1	Level 2	Level 3	
----- (Rupees in '000) -----				
ASSETS				
Investment in securities - financial assets at fair value through profit or loss				
- Government securities - Market Treasury Bills	-	1,791	-	1,791
- Term finance certificates - listed	-	293,963	-	293,963
- Term finance certificates - unlisted	-	778,701	-	778,701
- Sukuk certificates (Pre - IPO)	-	84,000	-	84,000

As at June 30, 2017

Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

ASSETS

Investment in securities - financial assets at fair value through profit or loss

- Term finance certificates - listed	-	309,698	-	309,698
- Term finance certificates - unlisted	-	670,695	-	670,695
- Sukuk certificates	-	100,670	-	100,670
- Listed equity securities	-	21,184	-	21,184

14 GENERAL

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

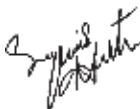
14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

14.3 Units have been rounded off to the nearest decimal place.

15 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised 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

کے ذریعے 2.5 بلین امریکی ڈالر کی سرمایہ کاری کے باوجود 2.8 ماہ کے امپورٹ کو رکھنے پر سٹیج پر سٹیج ہونے 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 دورانیہ 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 پلیسمنٹس پر کٹش شرح کے ساتھ منافع جات میں اضافے کا سبب بنیں گی۔

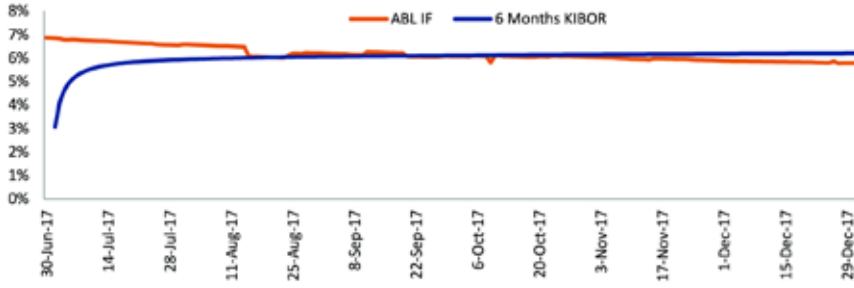
اظہار تشکر

ہم اپنے معزز سرمایہ کاروں کا اُن کے ہم پر اعتماد کا شکریہ ادا کرتے ہیں۔ بورڈ سیکریٹریز اینڈ انکیسٹنگ کمیشن آف پاکستان، ٹرسٹی (سینٹرل ڈیپازٹری کمپنی آف پاکستان لمیٹڈ) اور اینجمنٹ آف پاکستان اسٹاک انکیسٹنگ لمیٹڈ کا بھی، ان کی راہنمائی اور معاونت پر تہ دل سے مشکور ہے۔ ڈائریکٹرز نے انتظامی ٹیم کی جانب سے کی جانے والے کاوشوں کو بھی سراہا ہے۔

برائے و منجانب بورڈ

علی خالد غزنوی
چیف ایگزیکٹو آفیسر

لاہور، 19 فروری، 2018



آڈیٹرز

سال ختم شدہ 30 جون، 2018 کے لیے ABL انکم فنڈ (ABL-IF) 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

16 جنوری، 2018 کو JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے (JCR-VIS) نے ABL انکم فنڈ کی "A(f) (Single 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 کوالٹی 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 زرخوں (بالخصوص بین الاقوامی خام تیل کے زرخ) میں حالیہ اوپری جابجانب 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 آکشنز کو اسکرپ کرنے کا عمل جاری رکھا ہے۔

دوسری طرف ملک کی بیرونی صورتحال کرنٹ اکاؤنٹ ڈیفیسٹ (CAD) کے باعث خراب رہی، جو کہ 5MFY17 کے دورانیہ 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 درآمدات (+23.4% YOY) اور ہائرسروس ڈیفیسٹ (+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 زرمبادلہ، دوران مدت یوروبانڈ رٹس کوکے کے اجراء

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

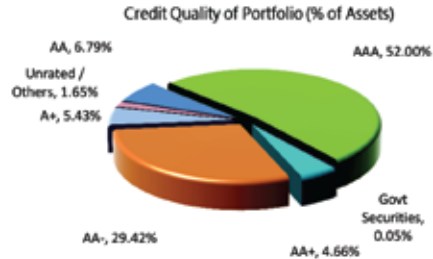
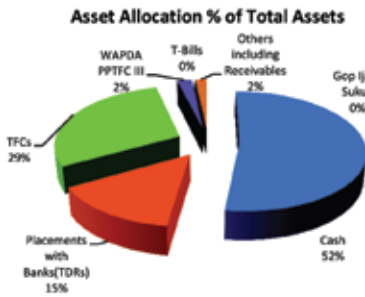
میوچل فنڈ انڈسٹری کا جائزہ

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 (662 بلین پاکستانی روپے سے 621 بلین پاکستانی روپے) کے ساتھ درج کئے گئے۔ ایکویٹی فنڈز بشمول روائتی (کنوینیشنل) اور اسلامک 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 کیٹیگری (آمدن، جارحانہ آمدنی اور مٹی 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 اسلامک آمدن کی کیٹیگری بھی 6% کی بڑھوتری ظاہر کرتے ہوئے مدت کے اختتام پر 46 بلین پاکستانی روپے پر بند ہوئی۔

فنڈ کی کارکردگی

ABL انکم فنڈ نے 1HFY18 کے دوران اپنی اہدائی منافع 6.21% کے مقابلے میں 4.43% کا سالانہ منافع حاصل کیا، جو کہ 187 bps کی کم تر کارکردگی کو ظاہر کرتا ہے۔ زیر بحث مدت کے دوران یہ مندی فنڈ کا منافع طویل مدت کے انسٹرومنٹس (PIBs) میں کاروباری مواقع اور رجحان میں کمی کی وجہ سے رہی۔ دوران مدت ثانوی مارکیٹ میں طویل مدت کے بانڈز بین الاقوامی سطح پر تیل کے تبدیل ہوتے ہوئے نرخوں کی وجہ سے دباؤ کے زیر اثر رہے۔

دوران مدت ABL انکم فنڈ کے 3,598 AUM، بلین پاکستانی روپے کی کمی کے ساتھ تقریباً 7% تک معمولی کم ہوئے، جو کہ جو کہ جون 2017 میں 3,875 پاکستانی روپے تھے۔ منافع میں عدم استحکام کو کم کرنے کی غرض سے ہم نے طویل المدت بانڈز کے مواقع کو کم کیا اور زیادہ منافع والے بینک ڈپازٹس اور فلوئنگ ریٹس انسٹرومنٹس جیسے بلند شرح کے TFCs اور وکلوک کی جانب ایلوکیشن کا عمل بڑھایا۔ مدت کے اختتام پر TFCs کے مواقعوں میں جون 2017 کے 22.27% کے مقابلے میں 29.35% اضافہ ہو گیا۔ اسی طرح DPAs میں زرفنڈ مجموعی اثاثہ جات کا 52.15% کم ہو گیا، جو کہ TDRs میں 14.59% رکھے جانے کی وجہ سے جون 2017 میں 68.51% تھا۔ فنڈ کا پورٹ کی اوسط میچورٹی کاؤزن جون 2017 کے 630 ایام کے مقابلے میں 644 ایام پر رہا۔



بینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

ABL اسٹیشن بینجمنٹ کمپنی لمیٹڈ، ABL انکم فنڈ (ABL-IF) کی بینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2017 کو ختم شدہ ششماہی کے حوالے سے ABL انکم فنڈ کے منجملہ عبوری مالی گوشواروں (غیر آڈٹ شدہ) کا نفاذ یہ 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 (+23.4% YoY) کے باعث تجارتی خسارے میں + 40.3% YoY تک اضافہ اور سروسز کے بلند خسارے (+12.3% YoY) کی وجہ سے تھا، جبکہ ملازمین کے ریٹینینس سے معمولی سپورٹ (1.9% YoY) 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 (+17.46% YoY) کی صحت 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 ریٹینینس اور بیرونی قرضوں کی سروسنگ معیشت کے لیے اہم خدشات کا باعث ہیں۔ ہر چند یہ کہ حکومت ادا یگی کو متوازن رکھنے اور آسانی کی غرض سے ایک سپورٹ پیکج "پر توجہ دے رہی ہے، کیوں کہ 5MFY18 میں برآمدات (ایکسپورٹ) میں 12.02% YoY کا اضافہ مشاہدے میں آیا ہے۔ اس کے علاوہ، GDP میں بڑھوتری FY18 میں متوقع 5.8% YoY کی سطح پر قرار 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 امدانی 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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