



ABL ISLAMIC DEDICATED STOCK FUND
CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD FROM DECEMBER 20, 2016 TO MARCH 31, 2017

FINANCIAL REPORT



ABL Asset Management

Discover the potential

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 (Un-audited)	10
Report of the Directors of the Management Company (Urdu Version)	26
Jama Punji	27

ABL ISLAMIC DEDICATED STOCK FUND FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hassan 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 Shehzad	
Trustee:	MCB Finanacial Services Ltd. 4th Floor, Perdesi House, Old Queens' Road, Karachi - 74400.	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited	
Auditor:	A.F. Ferguson & Co Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Suite # 7, 11th Zamzama Street Phase-V, DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

ABL ISLAMIC DEDICATED STOCK FUND

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Dedicated Stock Fund (ABL-IDSF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Dedicated Stock Fund for the period ended March 31, 2017.

ECONOMIC PERFORMANCE REVIEW

Pakistan's macroeconomic indicators remained steady during the period under review. Despite uptick in inflation in March-17 to 4.94%YoY due to higher fuel and food costs, overall, 9MFY17 average CPI now stands at a comfortable level of 4.01%YoY. Given international oil prices at current level, we foresee inflation to stay around 4.3%-4.5% mark for FY17, well below the GoP target of 6.0%. Furthermore, country is also set to achieve GDP growth of above 5% (SBP's expectations between 5%-6%). The strong GDP growth is a result of improved growth in agricultural sector as well as heavy infrastructure development as the China Pakistan Economic Corridor (CPEC) projects have started in earnest with many early harvest projects for power and electricity slated for completion in 2018.

On the flipside, external position continues to weaken due to deterioration in trade balance, higher services deficit and decline in workers' remittances. Increase in imports on account of machinery and recovery in crude oil prices (9MFY17 average crude oil price up by 21%YoY) have resulted in a higher trade deficit (9MFY17: USD15,395mn +27%YoY). Moreover, exports also suffered (down 2%YoY), largely due to weak global demand and comparative strength of the Pak Rupee as compared to regional currencies (SBP REER at PKR126/USD). As a result, current account (CA) deficit for the period widened by massive 121%YoY to USD5,473mn (2.6% of GDP) compared to USD2,482mn (1.3% of GDP) in the corresponding period last year. To address weak exports, government announced an export package during the quarter under review to bolster annual exports which should help revive exports growth going forward.

Fiscal balance also remained a cause of concern as the government continued to miss the mark on tax collection. Overall tax collection for 9MFY17 clocked in at PKR 2,258bn reflecting an increase of 7.9%YoY. This leaves the FBR with an uphill task of collecting PKR 1,362.8bn in the last quarter of FY17 in order to meet FY17 tax collection target of PKR 3,620.8bn. The government has already admitted to IMF that the budget deficit will remain at 4.1% of the GDP, slightly missing the target of 3.8% of GDP. That said, the FBR is planning on aggressive tax measures to meet the tax collection target. Debt servicing continued to put pressure on external reserves. As a result, FX reserves came off by USD 1,652mn (QoQ) to USD21,551mn. The government is in the process of securing external debt to shore up the reserves and keep the exchange rate in check.

Despite favorable model based numbers, SBP keeping in view the balance of payment concerns decided to maintain policy rate at 5.75% in monetary policy statements.

The economy is expected to continue to post strong GDP growth on the back of infrastructure development related to the CPEC projects. Significant improvement in power generation and distribution as a part of the CPEC will reduce chronic power shortages plaguing the industrial sector as a result driving LSM growth higher. Nevertheless, pressure on external account front is likely to build up as significant external debt servicing is scheduled in 4QFY17.

MARKET OVERVIEW

The year 2017 started on a bullish note with the benchmark KMI-30 Index gaining 2.47% in January on the back of fresh domestic liquidity. Though, the sentiment remained short lived and subsequently KMI-30 Index declined to 81,825 points by the end of the quarter curtailing 1QCY17 market return to meagre 0.04%QoQ. This lackluster performance can be attributed to uneasy political scenario in the country as domestic investors remained on the side lines over uncertainty emanating from much awaited Panama case decision. Moreover, situation further magnified by unabated foreign selling (USD 162.3mn net outflow during the quarter) amidst global move towards safer assets in the wake of contractionary monetary policy stance by the FED.

During the period, stringent regulatory actions against fraudulent practices by stock brokers also spooked local investors. Similarly, liquidity in the market also suffered as the SECP clamped down on illegal in-house financing by stock brokers. As a result, average daily traded volumes during the quarter declined by 19.3% to 347.5mn shares. The issue however, appears to be headed towards a resolution as the SECP came up with a draft framework in consultation with brokers for bank financing.

The market currently trades at an attractive forward P/E multiple of 9.4x and offers a decent DY of 5.6%. Market direction going forward is likely to be determined by the quantum of the political fallout from the Panama case verdict. Barring the political risk associated with the Panama case the market is likely to take a positive cue from the reclassification of Pakistan to the MSCI EM Index May'17 onwards.

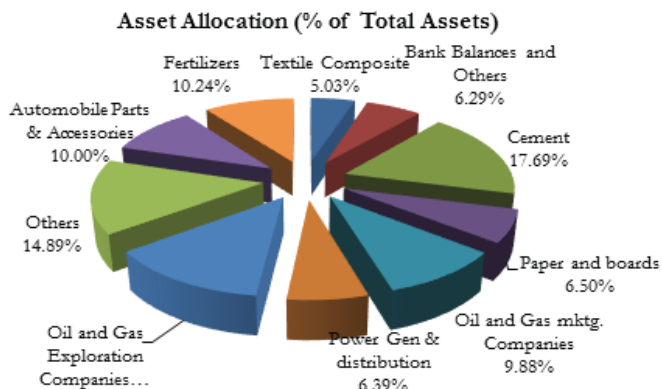
MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of open end mutual fund industry posted a decent growth of 7.5% during 3QFY17 (from PKR610 billion to PKR656 billion), mainly on account of substantial flows in equities amid low interest rates. Equity funds including Conventional and Islamic equity registered a growth of 5%QoQ and 13%QoQ in AUMs to close the period at PKR164 billion and PKR124 billion, respectively. This growth can primarily be attributed to strong market performance where all time low interest rates, upgrade to MSCI EM, divestment of PSX, optimism on CPEC and attractive valuations boosted investor confidence to bet on risky asset classes.

FUND PERFORMANCE

During the quarter under review, ABL-IDSF delivered a return of 3.65% against flattish performance of its benchmark; thus, reflecting an out-performance of 3.61%. On since-inception basis, ABL-IDSF has provided a return of 5.08% as compared to its benchmark return of 1.37%, outperforming the benchmark by 3.71%.

The fund was invested 93.71% in equities at the end of the period under review with major exposure in Cement (17.69%), Oil and Gas Exploration Companies (13.08%) and Fertilizers (10.24%). During this period, ABL Islamic Dedicated Stock Fund's AUM increased by 92.56% to Rs. 1,434.37 million against Rs. 744.88 million as at December 31, 2016.



AUDITORS

M/s. A.F. Ferguson & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2017 for ABL Islamic Dedicated Stock Fund (ABL-IDSF).

MANAGEMENT QUALITY RATING

On December 30, 2016, JCR-VIS Credit Rating Company Limited has reaffirmed the Management Quality Rating of ABL Asset Management Limited (ABL AMC) at 'AM Two Plus' (AM2+). Outlook on the assigned rating is 'Stable'.

OUTLOOK

Going forward, given the strong economic outlook primarily driven by initiation of China Pakistan Economic Corridor (CPEC) infrastructure and energy projects, the pace of development is expected to pick up strongly. We expect that post Pakistan's re-entry in MSCI EM Index in May 2017, KMI-30 index to rerate on attractive market valuations and increasing foreign investors' interest. Recent decision of FTSE index to include six Pakistani stocks in Global Equity Index Series Asia Pacific excluding Japan will also attract attention and may lead to influx of foreign flows. However, the market may exhibit volatility on unfolding Panama Leaks verdict, global political developments (e.g. Britain officially left EU, US attack on Syria etc.).

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 (MCB Financial Services Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board



Alee Khalid Ghaznavi
Chief Executive Officer

Karachi, April 21, 2017

**ABL ISLAMIC DEDICATED STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2017**

	Note	(Un-Audited) March 31, 2017 Rupees in '000
ASSETS		
Balances with banks	4	72,985
Investments	5	1,351,571
Dividend and profit receivable		5,716
Security deposits		2,603
Receivable against sale of investment		8,284
Preliminary expenses and floatation costs	6	1,019
Other receivable		243
Total assets		1,442,421
LIABILITIES		
Payable to ABL Asset Management Company Limited - Management Company	7	5,152
Payable to the MCB Financial Services Limited - Trustee		113
Payable to the Securities and Exchange Commission of Pakistan		310
Accrued expenses and other liabilities	8	2,476
Total liabilities		8,051
NET ASSETS		1,434,370
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,434,370
CONTINGENCIES AND COMMITMENTS	9	
NUMBER OF UNITS IN ISSUE		Number of units 135,665,632
NET ASSET VALUE PER UNIT		Rupees 10.5728
FACE VALUE PER UNIT		10.0000

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.


ALEE KHALID GHAZNAVI
 CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited
(Management Company)


MUHAMMAD KAMRAN SHEHZAD
 DIRECTOR


ABL D S F
 ABL Islamic Dedicated Stock Fund

 **ABL Asset Management**
 Discover the potential

**ABL ISLAMIC DEDICATED STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	Note	For the Period From December 20, 2016 to March 31, 2017 Rupees in '000
INCOME		
Dividend income		7,213
Capital gain on sale of investments - net		17,868
Profit on deposits with banks		2,419
		27,500
Unrealised appreciation / (diminution) on rereasurement of investments classified as financial assets at fair value through profit or loss - net	5.3	22,535
Total income		50,035
EXPENSES		
Remuneration of ABL Asset Management Company Limited - Management Company	7.1	6,522
Sindh sales tax on remuneration of the Management Company	7.2	848
Accounting and operational charges	7.3	326
Selling and Marketing expense		894
Remuneration of the MCB Financial Services Limited - Trustee		277
Sindh sales tax on remuneration of the Trustee		36
Annual fee of the Securities and Exchange Commission of Pakistan		310
Brokerage and securities transaction costs		1,513
Auditors' remuneration		170
Amortisation of preliminary expenses and floatation costs	6.1	61
Printing charges		80
Shariah advisory fee		119
Settlement and bank charges		133
Total operating expenses		11,289
Net income / (loss) for the period from operating activities		38,746
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net		40,554
Provision for Sindh Workers' Welfare Fund	8.1	(1,586)
Net income / (loss) for the period before taxation		77,714
Taxation	10	-
Net income / (loss) for the period after taxation		77,714
Other comprehensive income		-
Total comprehensive income / (loss) for the period		77,714
Earnings per unit	11	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.


ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited
(Management Company)


MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

**ABL ISLAMIC DEDICATED STOCK FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	For the Period From December 20, 2016 to March 31, 2017 Rupees in '000
Undistributed income brought forward comprising of:	
- realised income	-
- unrealised income	-
Net income / (loss) for the period after taxation	77,714
Undistributed income carried forward	77,714
Undistributed income carried forward comprising of:	
- realised income	55,179
- unrealised income / (loss)	22,535
	<u>77,714</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER

ABLDSF
ABL Islamic Dedicated Stock Fund

For ABL Asset Management Company Limited
(Management Company)



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ABL Asset Management
Discover the potential

ABL ISLAMIC DEDICATED STOCK FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017

For the
 Period From
 December 20, 2016
 to March 31, 2017
 Rupees in '000

Net assets at the beginning of the period	-
Issue of 135,665,632 units	1,397,210
	<u>1,397,210</u>
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed transferred to income statement - net	(40,554)
Capital gain on sale of equity investments - net	17,868
Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets at fair value through profit or loss - net	22,535
Other income for the period - net	37,311
	<u>77,714</u>
Net assets as at the end of the period	<u>1,434,370</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.



ALEE KHALID GHAZNAVI
 CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited
 (Management Company)



MUHAMMAD KAMRAN SHEHZAD
 DIRECTOR

**ABL ISLAMIC DEDICATED STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2017**

For the
Period From
December 20, 2016
to March 31, 2017
Rupees in '000

CASH FLOWS FROM OPERATING ACTIVITIES

Net income / (loss) for the period	77,714
Adjustments for non-cash and other items:	
Unrealised (appreciation) / diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net	(22,535)
Element of (income) / loss and capital gains / (losses) included in prices of units issued less those in units redeemed - net	61
Amortisation of preliminary expenses and floatation costs	(40,554)
	14,686
(Increase) / decrease in assets	
Dividend and profit receivable	(5,716)
Other receivable	(243)
Preliminary expenses and floatation costs	(1,080)
Security deposits	(2,603)
	(9,642)
Increase / (decrease) in liabilities	
Payable to ABL Asset Management Company Limited - Management Company	5,152
Payable to the Central Depository Company of Pakistan Limited - Trustee	113
Payable to the Securities and Exchange Commission of Pakistan	310
Accrued expenses and other liabilities	2,476
	8,051
Net amount paid on purchase and sale of investment	(1,337,320)
Net cash (used in) / generated from operating activities	(1,324,225)
CASH FLOWS FROM FINANCING ACTIVITIES	
Amount received on issuance of units	1,397,210
Net cash generated from financing activities	1,397,210
Net increase in cash and cash equivalents	72,985
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	72,985

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER

ABL D S F
ABL Islamic Dedicated Stock Fund

For ABL Asset Management Company Limited
(Management Company)



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

A ABL Asset Management
Discover the potential

ABL ISLAMIC DEDICATED STOCK FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Islamic Dedicated Stock Fund (the Fund) was established under a Trust Deed executed between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. AMCW/ABLAMC/305/2016 dated November 10, 2016 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 07, 2007. Title to the assets of the Fund is held in the name of MCB Financial Services Limited as the Trustee of the Fund. The registered office of the Management Company is situated at Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore.

1.2 The Fund is an open-end Shariah Compliant Equity Scheme. The units of the fund are transferable and can be redeemed by surrendering them to the Fund.

1.3 To provide higher risk adjusted returns over the long term by investing in a diversified Islamic portfolio of equity instruments offering capital gain and dividends.

1.4 JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of 'AM2+' (stable outlook) to the Management Company.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These interim financial statements have been prepared in accordance with the requirement of approved accounting standards as applicable in Pakistan, the Trust Deed, the NBFC rule, the NBFC Regulations and directives issued by the Securities and Exchange Commission of Pakistan (SECP). 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. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by SECP shall prevail.

2.2 Basis of measurement

These condensed interim financial statements has been prepared under the historical cost convention, except that investments held at 'fair value through profit or loss' category are measured at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements is presented in Pak Rupees which is the functional and presentation currency of the Fund.

2.4 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements is in conformity with the approved accounting standards which requires the use of certain critical accounting estimates. It also requires the management to exercise their judgment in the process of applying the Fund's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in application of accounting policies principally relate to:

- Classification and valuation of investments (note 3.2 and 5)
- Taxation (note 3.8)
- Amortization of preliminary expenses and floatation cost (note 3.7 and 6)

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

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning from the date specified below:

The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning from the date specified below:

Amendments to IAS 19 "Employee Benefits" Employee contributions – a practical approach (effective for annual periods beginning on or after 1 July 2014). The practical expedient addresses an issue that arose when amendments were made in 2011 to the previous pension accounting requirements. The amendments introduce a relief that will reduce the complexity and burden of accounting for certain contributions from employees or third parties. The amendments are relevant only to defined benefit plans that involve contributions from employees or third parties meeting certain criteria. This interpretation has no impact on the Fund's financial statements.

Amendments to IAS 27 "Consolidated and Separate Financial Statements" – consolidation relief for investments funds (effective for annual periods beginning on or after 1 January 2014). A qualifying investment entity is required to account for investments as well as investments in associates and joint ventures - at fair value through profit or loss (FVTPL); the only exception would be subsidiaries that are considered an extension the investment entity's investing activities. The consolidation exception is mandatory - not optional. This interpretation has no impact on the Fund's financial Statements.

IFRIC 21- Levies 'an Interpretation on the accounting for levies imposed by governments' (effective for annual periods beginning on or after 1 January 2014). IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.

Amendments to IAS 39 “Financial Instruments: Recognition and Measurement” Continuing hedge accounting after derivative novations (effective for annual periods beginning on or after 1 January 2014). The amendments add a limited exception to IAS 39, to provide relief from discontinuing an existing hedging relationship when a novation that was not contemplated in the original hedging documentation meets specific criteria. This interpretation has no impact on the Fund's financial statements.

Amendment to IAS 36 “Impairment of Assets” Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after 1 January 2014). These narrow-scope amendments to IAS 36 Impairment of Assets address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. This interpretation has no impact on the Fund's financial statements.

Annual Improvements 2010-2012 and 2011-2013 cycles (most amendments will apply prospectively for annual period beginning on or after 1 July 2014). The new cycle of improvements contain amendments to the following standards:

- IFRS 2 ‘Share-based Payment’. IFRS 2 has been amended to clarify the definition of ‘vesting condition’ by separately defining ‘performance condition’ and ‘service condition’. The amendment also clarifies both: how to distinguish between a market condition and a non-market performance condition and the basis on which a performance condition can be differentiated from a vesting condition. This interpretation has no impact on the Fund's financial statements.
- Amendments to IAS 16 ‘Property, plant and equipment’ and IAS 38 ‘Intangible Assets’. The amendments clarify the requirements of the revaluation model in IAS 16 and IAS 38, recognizing that the restatement of accumulated depreciation (amortization) is not always proportionate to the change in the gross carrying amount of the asset. This interpretation has no impact on the Fund's financial statements.
- IFRS 3 ‘Business Combinations’. These amendments clarify the classification and measurement of contingent consideration in a business combination. Further IFRS 3 has also been amended to clarify that the standard does not apply to the accounting for the formation of all types of joint arrangements including joint operations in the financial statements of the joint arrangement themselves. This interpretation has no impact on the Fund's financial statements.
- IFRS 8 ‘Operating Segments’ has been amended to explicitly require the disclosure of judgments made by management in applying the aggregation criteria. In addition this amendment clarifies that a reconciliation of the total of the reportable segment's assets to the entity assets is required only if this information is regularly provided to the entity's chief operating decision maker. This change aligns the disclosure requirements with those for segment liabilities. This interpretation has no impact on the Fund's financial statements.
- IAS 24 ‘Related Party Disclosure’. The definition of related party is extended to include a management entity that provides key management personnel services to the reporting entity, either directly or through a group entity.
- IAS 40 ‘Investment Property’. IAS 40 has been amended to clarify that an entity should: assess whether an acquired property is an investment property under IAS 40 and perform a separate assessment under IFRS 3 to determine whether the acquisition of the investment property constitutes a business combination. This interpretation has no impact on the Fund's financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and are carried in the statement of assets and liabilities at cost.

3.2 Financial assets

3.2.1 Classification

The Fund classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification on a regular basis.

Investments are classified as follows:

a) Financial instruments at fair value through profit or loss

Financial assets that are acquired principally for the purpose of generating profit from short-term fluctuations in prices are classified as financial assets at fair value through profit or loss category.

b) Loans and receivables

These are non-derivatives financial assets with fixed or determinable payments that are not quoted in an active market.

c) Available for sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held to maturity investments or (c) financial assets at fair value through profit or loss.

3.2.2 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed out in the income statement.

3.2.3 Subsequent measurement

a) Financial assets at fair value through profit or loss and available for sale

Subsequent to initial recognition, financial assets designated by the management as at fair value through profit or loss and available for sale are valued as follows:

- **Basis of valuation of units of mutual funds**

The investment of the fund in units of mutual funds is valued by reference to the net asset values (redemption prices) declared by the respective funds

Net gains and losses arising from changes in the fair value and on sale of financial assets carried at fair value through profit or loss are taken to the income statement.

Net gains and losses arising from changes in fair value of available for sale financial assets are taken to other comprehensive income until these are derecognised or impaired.

b) Loans and receivables

Subsequent to initial recognition financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method.

Gains or losses are recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired.

3.2.4 Impairment

The Fund assesses at each reporting date whether there is an objective evidence that the financial asset or a group of financial assets is impaired. The carrying value of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

In case of investment classified as 'available for sale', a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for 'available for sale' financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the Income Statement is transferred from Other Comprehensive Income and recognised in the Income Statement. However, the decrease in impairment loss on equity securities classified as 'available for sale' is recognised in Other Comprehensive Income.

For certain other financial assets, a provision for impairment is established when there is an objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The provision against these amounts is made as per the provisioning policy duly formulated and approved by the Board of Directors of the Management Company in accordance with the requirements of the Securities and Exchange Commission of Pakistan.

3.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

3.3 Financial Liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

3.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Collateral

Cash collateral provided by the Fund is identified in the statement of assets and liabilities as margin cash and is not included as a component of cash and cash equivalents. For collateral other than cash, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Fund classifies that asset in its statement of assets and liabilities separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge, a disclosure of the collateral provided is made in the notes to the financial statements.

3.7 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period years as per the requirements set out in the constitutive documents of the Fund.

3.8 Taxation

The income of the Fund is exempt from income tax under clause 99 of the 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 Fund intends to distribute such income by the year end in order to avail this tax exemption. Accordingly, no tax liability has been recorded for the current year.

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.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

3.9 Proposed distributions

Distributions declared subsequent to the reporting date are considered as non-adjusting events and are recognised in the year in which such distributions are declared.

3.10 Issue and redemption of units

Units issued are recorded at the offer price as per constitutive documents. The offer price is determined by the Management Company after realisation of subscription money.

The offer price represents the net asset value per unit as of the close of the business day plus the allowance for sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, as per constitutive documents, applicable to units for which the distributors receive redemption requests during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, provision for transaction costs and any provision for duties and charges, if applicable, back end loads are recorded as income of the Fund/Plan.

3.11 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

An equalisation account called the element of income / (loss) and capital gains / (losses) included in the prices of the units issued less those units redeemed is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

The Fund records that portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting year which pertains to unrealised income / (loss) held in the unit holder's fund and undistributed income / (loss) of the Fund in a separate reserve account and any amount remaining in this reserve account at the end of accounting year (whether gain or loss) is included in the amount available for distribution to the unit holders.

The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting year is recognised in the income statement.

3.12 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

		(Unaudited) March 31, 2017 Rupees in '000
4	BALANCES WITH BANKS	
	Saving accounts	4.1 <u>72,985</u>
4.1	These accounts carry mark-up at rates ranging from 5.45% to 5.60% per annum.	
5	INVESTMENTS	
	Financial assets at fair value through profit or loss	
	- Listed equity securities	5.1 <u>1,351,571</u>

5.1 Listed equity securities

Shares of listed companies - fully paid ordinary shares with a face value of Rs 10 each except for the shares of K-Electric Limited and Thall Limited which have face value of Rs. 3.5 and Rs. 5 respectively.

Name of investee company	Number of Shares					Balance as at March 31, 2017			Market Value as a percentage of		
	As at December 20, 2016	Purchased during the period	Bonus / Right shares received during the period	Sold during the period	As at March 31, 2017	Carrying value	Market value	Appreciation / (diminution)	Net assets of the fund	Total market value of investments	Paid-up capital of investee company
OIL AND GAS MARKETING COMPANIES											
Pakistan State Oil Company Limited	-	122,000	-	-	122,000	53,658	51,669	(1,989)	3.60%	3.82%	0.04%
Sui Northern Gas Pipelines Limited.	-	856,500	-	220,000	636,500	64,414	90,873	26,459	6.34%	6.72%	0.10%
						118,072	142,542	24,470	9.94%	10.54%	
OIL AND GAS EXPLORATION COMPANIES											
Oil and Gas Development Company Limited	-	404,000	-	-	404,000	65,484	59,917	(5,567)	4.18%	4.43%	0.01%
Pakistan Oilfields Limited	-	63,000	-	-	63,000	34,037	28,038	(5,998)	1.95%	2.07%	0.03%
Pakistan Petroleum Limited	-	292,000	-	-	292,000	53,777	45,234	(8,543)	3.15%	3.35%	0.01%
Mari petroleum Company Limited	-	36,500	-	-	36,500	50,632	55,497	4,865	3.87%	4.11%	0.03%
						203,930	188,686	(15,244)	13.15%	13.96%	
FERTILIZERS											
Engro Corporation Limited	-	324,000	-	70,000	254,000	84,759	93,477	8,719	6.52%	6.92%	0.05%
Engro Fertilizer Limited	-	965,000	-	100,000	865,000	59,705	54,201	(5,504)	3.78%	4.01%	0.06%
						144,464	147,678	3,214	10.30%	10.93%	
ENGINEERING											
International Steels Limited	-	205,000	-	-	205,000	34,093	26,433	(7,661)	1.84%	1.96%	0.05%
						34,093	26,433	(7,661)	1.84%	1.96%	
CEMENT											
Fauji Cement Company Limited	-	485,000	-	485,000	-	-	-	-	-	-	-
Pioneer Cement Limited	-	290,000	-	-	290,000	41,415	41,470	55	2.89%	3.07%	0.13%
D.G. Khan Cement Company Limited	-	354,000	-	-	354,000	78,605	82,270	3,664	5.74%	6.09%	0.08%
Cherat Cement Company Limited	-	106,000	-	106,000	-	-	-	-	-	-	-
Lucky Cement Limited	-	157,000	-	-	157,000	134,509	131,470	(3,039)	9.17%	9.73%	0.05%
						254,529	255,210	681	17.80%	18.89%	
PAPER & BOARD											
Packages Limited	-	108,000	-	-	108,000	91,966	93,742	1,776	6.54%	6.94%	0.12%
						91,966	93,742	1,776	6.54%	6.94%	
AUTOMOBILE ASSEMBLER											
Ghandhara Industries Limited	-	40,000	-	25,000	15,000	12,237	12,911	674	0.90%	0.96%	0.07%
Pakistan Suzuki Motor Company Limited	-	23,500	-	23,500	-	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	-	88,000	-	11,000	77,000	52,967	57,898	4,931	4.04%	4.28%	0.05%
						65,204	70,809	5,606	4.94%	5.24%	
SUGAR & ALLIED INDUSTRIES											
Faran Sugar Mills Limited	-	25,000	-	-	25,000	4,500	3,490	(1,010)	0.24%	0.26%	0.10%
						4,500	3,490	(1,010)	0.24%	0.26%	
TEXTILE COMPOSITE											
Nishat Mills Limited	-	489,400	-	50,000	439,400	72,951	72,589	(362)	5.06%	5.37%	0.12%
						72,951	72,589	(362)	5.06%	5.37%	
AUTOMOBILE PARTS & ACCESORIES											
Thal Limited	-	175,000	-	-	175,000	90,662	92,750	2,088	6.47%	6.86%	0.17%
General Tyre & Rubber Company of Pakistan	-	189,800	-	-	189,800	51,251	51,451	200	3.59%	3.61%	0.32%
						141,912	144,201	2,289	10.06%	10.67%	
PHARMACEUTICALS											
The Searle Company Limited (note 5.4)	-	96,000	5,600	30,000	71,600	44,039	45,245	1,206	3.15%	3.35%	0.06%
						44,039	45,245	1,206	3.15%	3.35%	
ELECTRICITY											
The Hub Power Company Limited	-	853,000	-	150,000	703,000	90,631	92,135	1,505	6.42%	6.82%	0.06%
K-Electric Limited	-	1,200,000	-	1,200,000	-	-	-	-	-	-	-
						90,631	92,135	1,505	6.42%	6.82%	
COMMERCIAL BANKS											
Meezan Bank Limited	-	65,000	-	-	65,000	4,399	4,648	248	0.32%	0.34%	0.01%
						4,399	4,648	248	0.32%	0.34%	
CHEMICAL											
I.C.I. Pakistan Limited	-	57,500	-	-	57,500	58,346	64,162	5,817	4.47%	4.75%	0.06%
						58,346	64,162	5,817	4.47%	4.75%	
Total - March 31, 2017						1,329,036	1,351,571	22,535	94.23%	100%	

5.2.1 The above investments include shares having a market value (in aggregate) amounting to Rs 79,222 million which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Nishat Mills Limited
Oil and Gas Development Company Limited

(Unaudited)
March 31,
2017
Shares
300,000
200,000
<u>500,000</u>

5.1.2 This represents advance for purchase of equity shares of Engro Fertilizer Limited (500,000 shares at a strike price of Rs 28.25 per share) and Avanceon Limited (130,000 shares at a strike price of Rs 14.00 per share). The Fund has subscribed to the initial public offering (IPO) of these companies. As at December 31, 2013 these companies have allotted shares against the subscribed amount.

5.3 **Unrealised appreciation on re-measurement of investments classified as financial asset at fair value through profit or loss - net**

(Unaudited)
March 31,
2017
Rupees in '000
1,351,571
(1,329,036)
<u>22,535</u>

Market value of securities
Less: carrying value of securities

5.4 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withheld bonus shares at the rate of 5 percent. In accordance with the requirement of the Ordinance these shares shall only be released if the fund deposit tax equivalent to 5% of the value of the bonus shares issued. The value of tax is computed on the basis of day-end price on the first day of book closure.

In this regard, a constitution petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

As at March 31, 2017, the following bonus shares of the Fund were withheld by certain companies at the time of bonus declaration. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

Name of the company	March 31, 2017 Bonus Shares	
	Number Shares	Market value Rupees in '000
The Searle Company Limited	280	177
		<u>177</u>

6 **PRELIMINARY EXPENSES AND FLOATATION COSTS**

		(Unaudited)
		March 31,
		2017
		Rupees in '000
Opening balance	Note	-
Preliminary expenses and floatation costs incurred during the period		1,080
Less: Amortization for the period	6.1	(61)
		<u>1,019</u>

- 6.1 This represents expenses incurred on the formation of the Fund. Formation cost approved by the Securities and Exchange Commission of Pakistan vide letter no. SCD/AMCW/ABLAMC/464/2017, permits the deferral exceeding five years. Accordingly the said expenses are being amortised over a period of five years effective from December 20, 2016.

		(Unaudited)
		March 31,
		2017
		Rupees in '000
7	PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY	
	Remuneration of the Management Company	7.1 2,419
	Sindh sales tax on remuneration of the Management Company	7.2 315
	Allocation of operational expense from the Management Company	7.3 326
	Preliminary expenses and floatation costs	7.4 1,080
	Selling and marketing payable	7.5 894
	Other payable	118
		5,152

- 7.1 The Management company has charged remuneration at the rate of 2% per annum based on the daily net assets of the Fund. The amount of remuneration is being paid monthly in arrears.

- 7.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% (June 30, 2016: 14%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 7.3 During the year, the SECP vide SRO No 1160 (1) / 2015 dated November 25, 2015 introduced amendments in the NBFC regulations. As a result of these amendments, the Management Company of the Fund is entitled to reimbursement of fees and expenses incurred by the Management Company in relation to registrar services, accounting, operation and valuation services related to collective investment schemes upto maximum of 0.1% of the average annual net assets of the scheme or actual whichever is less. Based on these requirements, the Management Company has charged operating expenses amounting to Rs 0.326 million to the Fund from December 20, 2016 to March 31, 2017.

- 7.4 This represents the amount payable to the Management Company, over a period of five years, in relation to formation cost and deposits paid to SECP and payments for other marketing expenses by the Management Company at the time of formation on behalf of the Fund.

- 7.5 During the year, the SECP issued Circular No. 40 of 2016 dated December 30, 2016. As a result of this circular, the Management Company of the Fund is entitled to reimbursement of expenses incurred by the Management Company in relation to selling and marketing services related to collective investment schemes upto maximum of 0.4% of the average annual net assets of the scheme or actual whichever is less. Based on these requirements, the Management Company has charged selling and marketing expenses amounting to Rs 0.894 million to the Fund.

		(Unaudited)
		March 31,
		2017
		Rupees in '000
8	ACCRUED EXPENSES AND OTHER LIABILITIES	
	Auditors' remuneration	170
	Brokerage and other charges	577
	Provision for Sindh Workers' Welfare Fund	8.1 1,586
	Printing and stationery	80
	Shariah advisory fee payable	40
	Other payable	23
		2,476

8.1 Provision for Sindh Workers' Welfare Fund

Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May 21, 2015 requires every Industrial Establishment located in the province of Sindh and having total income of Rs. 500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of "Industrial Undertaking" but does not define Financial Institution.

In January 2016, the Sindh Revenue Board (SRB) communicated to certain mutual funds to register and pay SWWF for the accounting year closing on or after December 31, 2013. MUFAP reviewed the issue and, based on an opinion obtained in August 2016, had taken a view that SWWF is not applicable on mutual funds as they are not financial institutions as defined in SWWF Act. MUFAP wrote to SRB that mutual funds are not establishments and are pass through entities, hence, they do not have any worker and no SWWF is payable by them. On November 11, 2016, the SRB responded back that as mutual funds are included in the definition of financial institutions in The Financial Institutions (Recovery of Finances) Ordinance, 2001, therefore, SWWF is payable by them. MUFAP replied to SRB through its letter dated December 26, 2016 and has simultaneously taken up the matter with the Sindh Finance Ministry to have mutual funds / CISs excluded from SWWF.

Without prejudice to the above, MUFAP considered to provide for SWWF on prudence basis and therefore, has taken a legal opinion that SWWF, if applicable, can only be applied from the date of enactment of SWWF Act, 2014, i.e., May 21, 2015. Accordingly, in the meeting held on January 12, 2017, MUFAP as an abundant caution, decided that mutual funds / CISs should provide for SWWF with effect from May 21, 2015, while the efforts to exclude mutual funds for SWWF would continue. Consequently, the Fund has recognized provision for SWWF subsequent to period end, amounting to Rs. 1.586 million. The decision was also communicated to the SECP by MUFAP through its letter dated January 12, 2017 on which no objection has been raised by SECP till to date.

The total provision for SWWF till March 31, 2017 is amounting to Rs 1.586 million. Had the provision not been made the net assets value per unit of the Fund as at March 31, 2017 would have been higher by Re 0.0117 per unit

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2017

10 TAXATION

The income of the Fund is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The management intends to distribute 90 percent of the Fund's net accounting income earned by the year end as cash dividend to the unit holders. Accordingly, no provision in respect of taxation has been made in these condensed financial information.

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.

11 EARNINGS PER UNIT (EPU)

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

12 TOTAL EXPENSE RATIO (TER)

The Total Expense Ratio (TER) of the Fund as at March 31, 2017 is 1.1013% which includes 0.8372% representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulations.

13 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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.

13.1 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.

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

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

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

(Unaudited)
For the
Period From
December 20, 2016
to March 31, 2017
Rupees in '000

ABL Asset Management Company Limited - Management Company

Remuneration for the period	6,522
Sindh sales tax on remuneration of Management Company	848
Allocation of accounting and operational charges by the Management Company	326
Selling and Marketing expense	894

MCB Financial Services Limited - Trustee

Remuneration	277
Sindh sales tax on remuneration of Trustee	36

ABL Islamic Financial Planning Fund-Active Allocation Plan

Issue of 91,204,531 units	941,710
---------------------------	---------

ABL Islamic Financial Planning Fund-Conservative Allocation Plan

Issue of 3,596,051 units	37,920
--------------------------	--------

ABL Islamic Financial Planning Fund-Aggressive Allocation Plan

Issue of 11,900,065 units	125,580
---------------------------	---------

ABL Islamic Financial Planning Fund Strategic Allocation Plan

Issue of 20,000,000 units	200,000
---------------------------	---------

ABL Islamic Financial Planning Fund Strategic Allocation Plan - II

Issue of 6,100,000 units	61,000
--------------------------	--------

ABL Islamic Financial Planning Fund Strategic Allocation Plan - III

Issue of 2,864,985 units	31,000
--------------------------	--------

13.5 Amounts outstanding with connected persons / related parties as at the period end:

(Unaudited)
March 31,
2017
Rupees in '000

ABL Asset Management Company Limited - Management Company	
Remuneration payable	2,419
Sindh sales tax payable on on remuneration of Management Company	315
Allocation of accounting and operational charges by the Management Company	326
Formation cost payable	1,080
Selling and marketing payable	894
Other payable	118
Allied Bank Limited	
Bank balances held	5
MCB Financial Services Limited - Trustee	
Remuneration payable	100
Sindh sales tax on remuneration of Trustee	13
ABL Islamic Financial Planning Fund-Active Allocation Plan	
Outstanding 91,204,531 units	964,287
ABL Islamic Financial Planning Fund-Conservative Allocation Plan	
Outstanding 3,596,051 units	38,020
ABL Islamic Financial Planning Fund-Aggressive Allocation Plan	
Outstanding 11,900,065 units	125,817
ABL Islamic Financial Planning Fund Strategic Allocation Plan	
Outstanding 20,000,000 units	211,456
ABL Islamic Financial Planning Fund Strategic Allocation Plan - II	
Outstanding 6,100,000 units	64,494
ABL Islamic Financial Planning Fund Strategic Allocation Plan - III	
Outstanding 2,864,985 units	30,291

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability can be 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.

Financial assets which are traded in an open market are revalued at the market prices prevailing on the reporting date. Investments of the Fund in equity securities are revalued on the basis of closing quoted market prices available at the stock exchange.

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 respective stock exchange.
- The fair value of all other financial assets and financial liabilities of the Fund approximate their carrying amounts due to short term maturities of these instruments.

14.1 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, 2016, the Fund held the following financial instruments measured at fair value:

	As at March 31, 2017			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
ASSETS				
Investment - financial assets 'at fair value through profit or loss' - Listed equity securities	1,351,571	-	-	1,351,571

15 GENERAL

- 15.1 Figures have been rounded off to the nearest thousand rupee.
- 15.2 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.

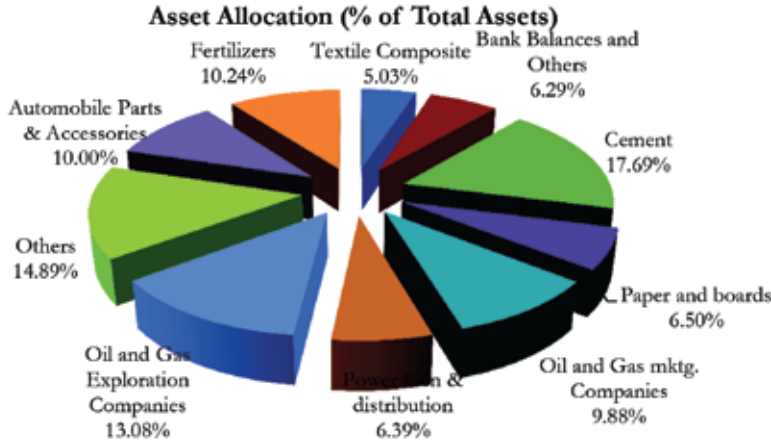
16 DATE FOR AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 21, 2017 by the Board of Directors of the Management Company.


ALEE KHALID GHAZNAVI
 CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited
(Management Company)


MUHAMMAD KAMRAN SHEHZAD
 DIRECTOR



آڈیٹرز

میسرز ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کا 30 جون 2017 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ (اے بی ایل-آئی ڈی ایس ایف) کے آڈیٹرز کی حیثیت سے تقرر کیا گیا ہے۔

مینجمنٹ کو الٹی ریٹنگ

30 دسمبر 2016 کو جے سی آر-وی آئی ایس (JCR-VIS) کریڈٹ ریٹنگ کمپنی لمیٹڈ نے اے بی ایل ایسیٹ مینجمنٹ لمیٹڈ (اے بی ایل اے ایم سی) کی مینجمنٹ کو الٹی ریٹنگ ”اے ایم ٹو پلس“ (AM2+) پر دوبارہ توثیق کی ہے۔ آؤٹ لک پر ریٹنگ ”مستحکم“ تفویض کی گئی ہے۔

آؤٹ لک

آگے بڑھتے ہوئے ہم چاہنا پاکستان اکنامک کوریڈور (سی بی سی) انفراسٹرکچر اور ازبک پریڈجیکٹس کے آغاز کے ذریعے ترقی کی رفتار کو تیز تر ہوتا دیکھ رہے ہیں۔ ہمیں توقع ہے کہ مئی 2017 میں MSCI EM انڈیکس میں پاکستان کی دوبارہ شمولیت کے بعد KMI-30 انڈیکس پر کشش مارکیٹ ویلو ایشنز پر ری-ریٹ کیا جائے گا اور غیر ملکی سرمایہ کاروں کی دلچسپی بڑھے گی۔ FTSE انڈیکس کی جانب سے چھ پاکستانی اسٹاکس کو گلوبل ایکویٹی انڈیکس سیریز ایشیا پیسیفک ماسوائے جاپان میں شامل کرنے کے حالیہ فیصلے سے مزید توجہ حاصل ہوگی اور غیر ملکی سرمایہ کاری میں اضافہ ممکن ہے۔ تاہم مارکیٹ پانامہ لیکس فیصلے میں تاخیر عالمی سیاسی اتار چڑھاؤ (مثلاً برطانیہ کی جانب سے یورپی یونین چھوڑنے کے باقاعدہ اعلان اور شام پر امریکی حملے وغیرہ) کے باعث مستقل طور پر اتار چڑھاؤ کا شکار ہو سکتی ہے۔

اعتراف

ہم اپنے معزز سرمایہ کاروں کے انتہائی مشکور ہیں جنہوں نے ہم پر اعتماد کیا۔ بورڈ سیکورٹیز اینڈ ایپیکس کمیشن آف پاکستان، ٹرسٹی (ایم سی بی فنانشل سروسز لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا بھی ان کی مستقل رہنمائی اور معاونت پر شکریہ ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

برائے اور بورڈ کی جانب سے

Abulhasan
 علی خالد غزنوی
 چیف ایگزیکٹو آفیسر

کراچی-21 اپریل 2017

مارکیٹ کا جائزہ

سال 2017 کا آغاز تیزی کے نوٹ پر ہوا اس کے ساتھ تازہ ترین مقامی لیکویڈیٹی کے باعث بیچ مارک KMI-30 انڈیکس نے جنوری میں 2.47 فیصد حاصل کیا۔ اگرچہ یہ صورتحال مختصر مدت تک رہی اور بعد ازاں KMI-30 انڈیکس سہ ماہی کے آخر تک 81,825 پوائنٹس تک کم ہو گیا جس سے سال 17 کی پہلی سہ ماہی میں مارکیٹ کا منافع 0.04 فیصد QoQ تک کم ہوا۔ یہ مایوس کن کارکردگی ملک میں کٹھن سیاسی صورتحال کا نتیجہ بھی ہو سکتی ہے کیونکہ مقامی سرمایہ کار پانامہ کیس کے فیصلے میں تاخیر کے باعث تذبذب کا شکار ہو کر ایک طرف ہو چکے ہیں۔ مزید برآں ایف ای ڈی کی جانب سے تحقیقی مانیٹری پالیسی اختیار کرنے کے ضمن میں محفوظ اثاثہ جات کے لئے عالمی مہم کے باوجود بلا روک ٹوک غیر ملکی فروخت (سہ ماہی کے دوران 162.3 ملین ڈالر کا خالص بہاؤ) کے سبب صورتحال بگڑی۔

اس مدت کے دوران اسٹاک بروکرز کے ذریعے فراڈ کے واقعات کے خلاف بھی سخت ترین کارروائیوں نے مقامی سرمایہ کاروں کو محتاط رکھا۔ اسی طرح مارکیٹ میں لیکویڈیٹی بھی متاثر ہوئی کیونکہ ایس ای سی پی نے اسٹاک بروکرز کی جانب سے غیر قانونی ان ہاؤس فنائنگ کو ختم کر دیا۔ اس کے نتیجے میں سہ ماہی کے دوران اوسطاً روزانہ تجارت کا حجم 19.3 فیصد تک کم ہو کر 347.5 ملین شیئرز رہا۔ تاہم یہ معاملہ ایک قرارداد کے ضمن میں پیش کیا گیا کیونکہ ایس ای سی پی نے بینک فنائنگ کے لئے بروکرز کے ساتھ مشاورت کے تحت ایک ڈرافٹ فریم ورک تیار کیا تھا۔

موجودہ طور پر مارکیٹ 9.4x کے پی/ای ملٹی پل کی پُرکشش سطح پر تجارت کر رہی ہے اور 5.6 فیصد کے مناسب ڈی وائی کی پیشکش کرتی ہے۔ مارکیٹ کی سمت کا ممکنہ طور پر پانامہ کیس کے فیصلے سے سیاسی صورتحال کا پیش منظر واضح ہونے پر تعین کیا جاسکے گا۔ پانامہ کیس کے ساتھ منسلک سیاسی خطرات کو روکتے ہوئے مارکیٹ ممکنہ طور پر پاکستان کی ری کلاسیفیکیشن سے ایک مثبت سمت بڑھتے ہوئے مئی 17 کے بعد ایم ایس سی آئی۔ ای ایم انڈیکس کی طرف بڑھ سکتی ہے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے مینجمنٹ کے تحت مجموعی اثاثہ جات (AUMs) نے مالی سال 17 کی تیسری سہ ماہی کے دوران 7.5 فیصد کا مناسب اضافہ ظاہر کیا (610 ارب پاک روپے سے 656 ارب پاک روپے) جو کم شرح سود کے باعث ایکویٹیز میں مناسب بہاؤ کے ضمن میں ممکن ہوا۔ ایکویٹی فنڈز بشمول کنوشنل اور اسلامک ایکویٹی نے اے یو ایم (AUMs) میں 5 فیصد QoQ اور 13 فیصد QoQ کی شرح نمو ظاہر کی اور مدت کے اختتام پر یہ بالترتیب 164 ارب پاک روپے اور 124 ارب پاک روپے رہی۔ یہ گروتھ ابتدائی طور پر مستحکم مارکیٹ پر فارمنس سے منسوب کی جاسکتی ہے جہاں سب سے کم شرح سود، MSCI EM کے لئے اپ گریڈ، پی ایس ایکس کی ڈائی وِسٹمنٹ، سی بیک پر کام کا آغاز اور پُرکشش ویلیو اینٹرنز نے خطرات پر مبنی ایسیٹ کلاسز پر بھی انویسٹر کے اعتماد کو مضبوط کیا۔

فنڈ کی کارکردگی

زیر جائزہ سہ ماہی کے دوران اسے بی ایل۔ آئی ڈی ایس ایف نے اس کے بیچ مارک کی فلیٹش کارکردگی کے برخلاف 3.65 فیصد منافع فراہم کیا۔ جو 3.61 فیصد کی غیر معمولی کارکردگی کا عکاس ہے۔ اپنے قیام کی بنیاد پر اے بی ایل۔ آئی ڈی ایس ایف نے اپنے 1.37 فیصد کے بیچ مارک منافع کے مقابلے میں 5.08 فیصد منافع فراہم کیا جو 3.71 فیصد تک بیچ مارک کی غیر معمولی کارکردگی ظاہر کرتا ہے۔

فنڈ نے زیر جائزہ مدت کے اختتام تک ایکویٹیز میں 93.71 فیصد کا سرمایہ لگایا جس میں مرکزی توجہ سیمنٹ (17.69 فیصد)، آئل اینڈ گیس ایکسپلوریشن کمپنیوں (13.08 فیصد) اور فٹیلرز (10.24 فیصد) کو دی گئی۔ اس مدت کے دوران اسے بی ایل اسلامک ڈیڈ لیکویڈیٹی اسٹاک فنڈ کا اے یو ایم (AUM) 92.56 فیصد تک بڑھ کر 1,434.37 ملین روپے ہو گیا جو 31 دسمبر 2016 کو 744.88 ملین روپے تھا۔

انتظامی کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ (اے بی ایل- آئی ڈی ایس ایف) کی انتظامی کمپنی اے بی ایل ایسیٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز بمسرت 31 مارچ 2017 کو ختم ہونے والے نو ماہ کے لئے اے بی ایل اسلامک ڈیڈیکٹڈ اسٹاک فنڈ کے مجموعی عبوری مالیاتی حسابات (غیر آڈٹ شدہ) پیش کر رہے ہیں۔

اقتصادی کارکردگی کا جائزہ

پاکستان کے وسیع تر اقتصادی اشاریے زیر جائزہ مدت کے دوران مستحکم رہے۔ مارچ 17 میں ایندھن اور خوراک کے اخراجات میں 4.94 فیصد YoY تک اضافے کے سبب افراط زر کی شرح بڑھنے کے باوجود مالی سال 17 کے نو ماہ میں مجموعی طور پر اوسطاً پی آئی آئی 4.01 فیصد YoY کی سہولت سطح پر موجود ہے۔ موجودہ سطح پر دی گئی تیل کی بین الاقوامی قیمتوں کے باعث ہم افراط زر کی شرح کو مالی سال 17 کے لئے 4.3 فیصد تا 4.5 فیصد کے اطراف دیکھتے ہیں جو کہ حکومت پاکستان کے 6.0 فیصد کے ہدف سے کم ہے۔ مزید برآں ملک میں جی ڈی پی گروتھ کا ہدف 5 فیصد سے زائد حاصل ہونے کی توقع ہے (اسٹیٹ بینک آف پاکستان نے 5 فیصد تا 6 فیصد کا امکان ظاہر کیا ہے)۔ مستحکم جی ڈی پی گروتھ زرعی شعبے میں بہتر شرح نمو نیز انفراسٹرکچر ڈیولپمنٹ کی ترقی کے نتیجے میں ہے جیسا کہ چائنا پاکستان اکنامک کوریڈور (سی پیک) پروجیکٹس کا آغاز ہو چکا ہے اور اس کے ساتھ توانائی اور بجلی کے لئے کئی منصوبے 2018 میں مکمل ہونے کی توقع ہے۔

دوسری جانب تجارتی توازن میں نقصان، سروسز میں بھاری خسارے اور ملازمین کی زرتریل میں کمی کے باعث خارجی پوزیشن مسلسل کمزور ہو رہی ہے۔ مشینری کے ضمن میں درآمدات میں اضافے اور کروڈ آئل کے نرخوں میں بحالی (مالی سال 17 کے نو ماہ میں کروڈ آئل کے اوسطاً نرخ 21 فیصد YoY تک بڑھے) کے نتیجے میں تجارتی خسارہ بڑھ گیا (مالی سال 17 کے 9 ماہ: 15,395 ملین امریکی ڈالر + 27 فیصد YoY)۔ مزید برآں برآمدات بھی متاثر ہوئیں (2 فیصد YoY کم ہو گئیں) جس کی بڑی وجہ عالمی طلب میں کمی اور خطے کی دیگر کرنسیوں کے مقابلے میں پاک روپے کا استحکام تھا (ایس بی پی REER 126.0 روپے/ پی ڈالر پر رہی)۔ اس کے نتیجے میں کرنٹ اکاؤنٹ (CA) خسارہ اس مدت کے لئے بڑے پیمانے پر 121 فیصد YoY تک بڑھ کر 5,473 ملین امریکی ڈالر (جی ڈی پی کا 2.6 فیصد) ہو گیا جو گزشتہ سال کی اس مدت میں مقابلاً 2,482 ملین امریکی ڈالر (جی ڈی پی کا 1.3 فیصد) تھا۔ برآمدات میں کمی کی صورتحال سے نمٹنے کے لئے حکومت نے زیر جائزہ سہ ماہی کے دوران ایک برآمدی چیکجنگ کا اعلان کیا تاکہ سالانہ برآمدات کو فروغ دیا جاسکے جس سے مستقبل میں برآمدات کی شرح نمو کو بحال رکھنے میں مدد ملے گی۔

مالیاتی توازن بھی تشویش کا موجب بنا رہا کیونکہ حکومت کی جانب سے ٹیکس وصولی کا ہدف حاصل کرنے میں ناکامی کا سلسلہ جاری رہا۔ مالی سال 17 کے اس نو ماہ کے لئے مجموعی طور پر ٹیکس وصولی کا حجم 2,258 ارب روپے تھا جو 7.9 فیصد YoY اضافے کا عکاس ہے۔ اس کی وجہ سے ایف بی آر کو مالی سال 17 کی آخری سہ ماہی میں 1,362.8 ارب روپے وصولی کا ایک کٹھن مرحلہ عبور کرنا ہو گا تاکہ مالیاتی سال 17 کے لئے 3,620.8 ارب روپے کی ٹیکس وصولی کا ہدف حاصل کیا جاسکے۔ حکومت پہلے ہی آئی ایم ایف کے سامنے یہ اعتراف کر چکی ہے کہ بجٹ خسارہ جی ڈی پی کا 4.1 فیصد رہے گا جو جی ڈی پی کے 3.8 فیصد کے ہدف سے معمولی حد تک کم ہے۔ اس کا کہنا ہے کہ ایف پی آر ٹیکس وصولی کے ہدف کو پورا کرنے کے لئے فعال اور متحرک ٹیکس وصولی کے اقدامات کی منصوبہ بندی کر رہی ہے۔ ڈی بیٹ سروسنگ نے مستقل طور پر بیرونی ذخائر پر دباؤ ڈالنے کا سلسلہ جاری رکھا جس کے نتیجے میں غیر ملکی زرمبادلہ کے ذخائر 1,652 ملین ڈالر (QoQ) تک کم ہو کر 21,551 ملین امریکی ڈالر پر آ گئے۔ حکومت بیرونی ڈی بیٹ کے تحفظ کے عمل سے گزر رہی ہے تاکہ ذخائر کو بچا جاسکے اور آپیکس ریٹ کو کنٹرول میں رکھا جائے۔

موزوں ترین ماڈل پر منحصر نمبروں کے باوجود ایس بی پی نے ادائیگیوں کے توازن کی صورتحال کو مد نظر رکھتے ہوئے مانیٹری پالیسی کے گوشواروں میں پالیسی ریٹ 5.75 فیصد پر برقرار رکھنے کا فیصلہ کیا۔








سی پیک پروجیکٹس سے متعلق انفراسٹرکچر ڈیولپمنٹ کے باعث مستحکم جی ڈی پی گروتھ جاری رہنے سے معیشت مستحکم رہنے کی توقع ہے۔ سی پیک کے سبب توانائی کی پیداوار اور تقسیم میں نمایاں بہتری سے ملک میں بجلی کے وسیع تر بحران میں نمایاں کمی آئے گی اور صنعتی شعبے کو قدرے استحکام حاصل ہو گا جس کے نتیجے میں ایل ایس ایم گروتھ کی سطح بلند تر ہو جائے گی۔ اس کے باوجود بیرونی اکاؤنٹ کے محاذ پر ممکنہ طور پر بیرونی ڈی بیٹ سروسنگ میں مالی سال 17 کی چوتھی سہ ماہی میں نمایاں حد تک دباؤ طے شدہ ہے۔



**Be aware, Be alert,
Be safe**

Learn about investing at
www.jamapunji.pk

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event
notifications, corporate and
regulatory actions)
-  Jamapunji application for
mobile device
-  Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices



ABL Asset Management

Discover the potential

For Information on ABL AMC's Funds, please visit



www.ablamc.com

or



0800-22526

or visit any Allied Bank Branch