



**ABL ISLAMIC INCOME FUND**  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE PERIOD ENDED MARCH 31, 2017

# NINE MONTHS REPORT



**ABL Asset Management**

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# ABL ISLAMIC INCOME FUND

## FUND'S INFORMATION

<b>Management Company:</b>	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
<b>Board of Directors</b>	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
<b>Audit Committee:</b>	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Kamran Nishat Mr. Alee Khalid Ghaznavi	Chairman Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alee Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shehzad	
<b>Trustee:</b>	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Al- Falah Limited Bank Islami Pakistan Limited Askari Bank Limited	
<b>Auditor:</b>	Deloitte Yousuf Adil Chartered Accountants Cavish Court, A- 35, Block 7 & 8, KCHSU Shahra-e-Faisal, Karachi.	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Suite # 7, 11th Zamzama Street Phase-V, DHA Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

# ABL ISLAMIC 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 Islamic Income Fund (ABL-IIF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Income Fund for the nine months 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.

### MUTUAL FUND INDUSTRY REVIEW

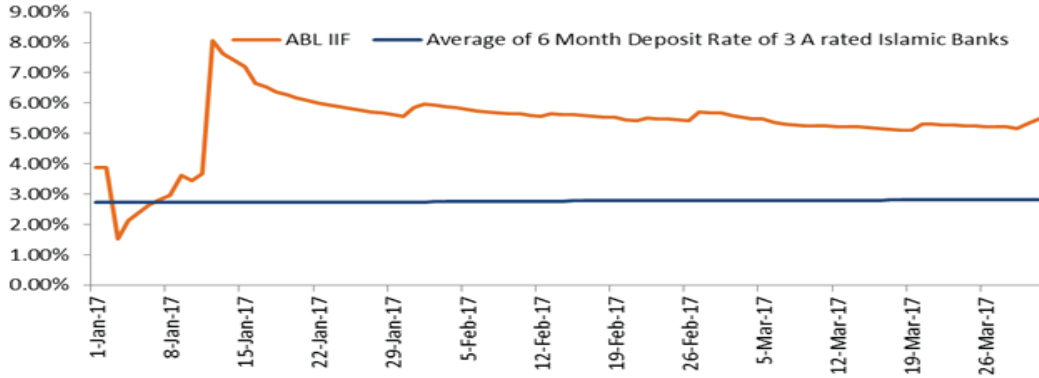
Total assets under management (AUMs) of open end mutual fund industry posted a decent growth of 7.5% during 3QFY17 (from PKR610 billion to PKR656 billion), mainly on account of substantial flows in equities amid low interest rates. Equity funds including Conventional and Islamic equity registered a growth of 5%QoQ and 13%QoQ in AUMs to close the period at PKR164 billion and PKR124 billion, respectively. On the flip side, volatility at low returns resulted into an outflow of PKR6 billion (-7%QoQ) from income funds category to end the quarter at PKR84 billion. On cumulative basis, the fixed income category (comprising of Income, Aggressive Income and Money Market funds) registered a muted growth of 2% in 3QFY17 to close at PKR173 billion in March 2017 compared to PKR170 billion in December 2016. Similarly, with nominal growth of 2%QoQ, Islamic Income Category closed the period at PKR40 billion.

### FUND PERFORMANCE

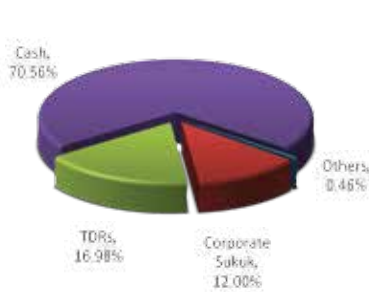
During the period under review, ABL Islamic Income Fund yielded an excellent return of 5.50% compared to benchmark return of 2.81%, a significant outperformance of 269 bps. Outperformance can largely be attributed towards active trading

on high rated corporate bonds along with heavy placements in bank deposits at attractive yields. The fund on Year to Date basis posted an annualized return of 5.96% against the benchmark performance of 3.24%, an outperformance of 272bps. Towards end of quarter ABL Income Fund's AUM posted a healthy growth of 23.92% to PKR 5.314 billion from PKR 4.288 billion as on December 31, 2016.

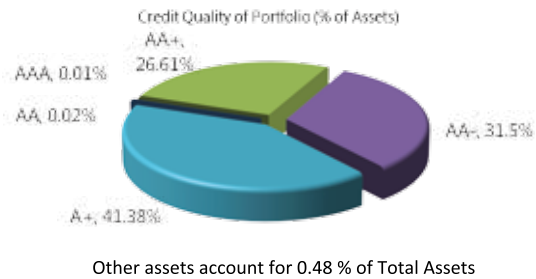
During the quarter Islamic money & debt market remained dull due to non-issuance of GoP Ijara Sukuk, the corporate side however remained fairly active with issuance Sukuks like MEBL and Fatima Fertilizer. Trading in government guaranteed Sukuks such as WAPDA also remained in active. The fund at quarter end held 70.56% in cash, 16.98% in TDRs and 12% in corporate Sukuk whereas the WAM of the fund was decreased to 355 days in March 2017 from 495 days in December 2016.



**Asset Allocation**



**Asset Quality**



**AUDITORS**

M/s. Deloitte Yousuf Adil (Chartered Accountants), on the recommendation of the Audit Committee of the Board of Directors being eligible for re-appointment have been appointed as auditors for the year ending June 30, 2017 for ABL Islamic Income Fund (ABL-IIF).

**FUND STABILITY RATING**

JCR-VIS Credit Rating Company LTD. (JCR-VIS) on December 30, 2016 has reaffirmed the Fund Stability of ABL Islamic Income Fund at 'A(f)' (Single A (f)).

**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

We foresee stable interest rates regime in near term amid stable international oil prices and controlled inflation numbers. The next fiscal year however pose challenges primarily on Balance of Payments (BoP) front due to weak trade balance (higher growth in imports while exports remain under pressure) and subdued growth in remittances. Thus, all this could mount pressure on PKR against greenback. Nevertheless, growth targets appear achievable due to improved business activity (LSM up 3.48% in 7MFY17), higher agricultural growth, better energy availability and lower input prices.

Above all, with elections due next year, we expect the government to remain focused on development spending which will provide much needed boost to the growth in medium term.

Due to unavailability of GoP Ijara at attractive yields from the secondary market and no fresh issuance from the primary market the fund will continue with the strategy of accumulating quality corporate debt instruments along with concentration towards placements with bank.

## 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 Karachi 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 INCOME FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT MARCH 31, 2017**

		(Un-audited) March 31, 2017	(Audited) June 30, 2016
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Balances with banks	4	3,780,377	1,756,813
Investments	5	1,552,810	1,573,477
Security deposit and prepayments		172	100
Profit receivable		24,669	14,357
<b>Total assets</b>		<b>5,358,028</b>	<b>3,344,747</b>
<b>LIABILITIES</b>			
Payable to ABL Asset Management Company Limited - Management Company	6	16,945	13,320
Payable to Central Depository Company of Pakistan Limited - Trustee	7	503	323
Payable to the Securities and Exchange Commission of Pakistan		2,373	1,860
Dividend payable		-	32
Accrued expenses and other liabilities	8	22,437	19,299
Payable against redemption of units		1,273	33,277
<b>Total liabilities</b>		<b>43,531</b>	<b>68,111</b>
<b>NET ASSETS</b>		<b>5,314,497</b>	<b>3,276,636</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>5,314,497</b>	<b>3,276,636</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	9	----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>507,725,206</b>	<b>327,090,279</b>
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>10.4673</b>	<b>10.0175</b>
<b>FACE VALUE PER UNIT</b>		<b>10.0000</b>	<b>10.0000</b>

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

  
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# ABL ISLAMIC INCOME FUND

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

### FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2017

		For the Nine Months ended March 31, 2017	For the Nine Months ended March 31, 2016	For the Quarter ended March 31, 2017	For the Quarter ended March 31, 2016
<b>INCOME</b>					
Profit on deposits with banks		110,862	55,956	39,778	18,836
Income from term deposit receipts		16,662	16,855	9,788	8,581
Income from sukuku		60,649	43,387	14,734	18,443
Capital gain on sale of government securities - net		17,437	5,499	8,147	4,216
		205,610	121,697	72,447	50,076
Unrealised gain on re-measurement of investments at fair value through profit or loss - held for trading - net	5.3	22,634	5,202	1,361	2,577
<b>Total income</b>		<b>228,244</b>	<b>126,899</b>	<b>73,808</b>	<b>52,653</b>
<b>EXPENSES</b>					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	31,634	16,381	11,226	6,759
Sindh sales tax on remuneration of the Management Company	6.2	4,112	2,660	1,459	1,097
Federal Excise Duty (FED) on remuneration of the Management Company	6.3	-	2,621	-	1,082
Reimbursement of operational expenses to the Management Company	6.4	3,165	-	1,122	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		3,323	2,033	1,160	785
Sindh sales tax on remuneration of Trustee	7.1	435	288	152	113
Annual fee - Securities and Exchange Commission of Pakistan (SECP)		2,373	1,229	842	507
Auditors' remuneration		408	345	136	94
Legal and professional charges		-	274	-	-
Printing charges		206	106	55	38
Listing fee		41	38	13	13
Annual rating fee		174	145	57	48
Brokerage and securities transaction costs		764	717	175	485
Bank and settlement charges		119	132	46	45
Shariah advisory fee		401	71	119	71
<b>Total operating expenses</b>		<b>47,155</b>	<b>27,040</b>	<b>16,562</b>	<b>11,137</b>
<b>Net income for the period from operating activities</b>		<b>181,089</b>	<b>99,859</b>	<b>57,246</b>	<b>41,516</b>
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net		43,382	50,805	38,479	31,213
Provision for Sindh Workers' Welfare Fund	8.1	(5,934)	-	(5,934)	-
Reversal of Provision for Workers' Welfare Fund	8.1	9,813	-	9,813	-
<b>Net income for the period before taxation</b>		<b>228,350</b>	<b>150,664</b>	<b>99,604</b>	<b>72,729</b>
Taxation	10	-	-	-	-
<b>Net income for the period after taxation</b>		<b>228,350</b>	<b>150,664</b>	<b>99,604</b>	<b>72,729</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>228,350</b>	<b>150,664</b>	<b>99,604</b>	<b>72,729</b>
<b>Earnings per unit</b>	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 INCOME FUND**  
**CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2017**

	For the Nine Months ended March 31, 2017	For the Nine Months ended March 31, 2016
	----- (Rupees in '000) -----	
<b>Undistributed income brought forward comprising of:</b>		
- realised income	8,798	151
- unrealised (loss) / income	(3,069)	5,002
	<b>5,729</b>	<b>5,153</b>
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	<b>3,161</b>	3,914
Net income for the period after taxation	<b>228,350</b>	150,664
Undistributed income carried forward	<b>237,240</b>	159,731
<b>Undistributed income carried forward comprising of:</b>		
- realised income	<b>214,606</b>	154,529
- unrealised income	<b>22,634</b>	5,202
	<b>237,240</b>	159,731

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 INCOME FUND

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

	For the Nine Months ended March 31, 2017	For the Nine Months ended March 31, 2016
	----- (Rupees in '000) -----	
<b>Net assets at the beginning of the period</b>	3,276,636	1,832,477
Issue of 550,560,566 units (2016: 381,309,660 units)	5,650,898	3,936,257
Redemption of 369,925,639 units (2016: 242,509,672 units)	(3,798,006)	(2,493,538)
	1,852,892	1,442,719
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed - net		
- amount representing (income) / loss and capital (gains) / losses - transferred to income statement	(43,382)	(50,805)
- amount representing (income) / loss and capital (gains) / losses - transferred to distribution statement	(3,161)	(3,914)
	(46,543)	(54,719)
Capital gain on sale of government securities - net	17,437	5,499
Unrealised gain on re-measurement of investments at "fair value through profit or loss - held for trading" - net	22,634	5,202
Other net income	188,279	139,963
	228,350	150,664
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed transferred to distribution statement - net	3,161	3,914
<b>Net assets as at the end of the period</b>	<b>5,314,497</b>	<b>3,375,055</b>

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

	Note	For the Nine Months ended March 31, 2017	For the Nine Months ended March 31, 2016
----- (Rupees in '000) -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period before taxation		228,350	150,664
<b>Adjustments for non-cash items:</b>			
Unrealised gain on re-measurement of investments at "fair value through profit or loss - held for trading" - net		(22,634)	(5,202)
Federal Excise Duty on Management Company's Remuneration		-	2,621
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed - net		(43,382)	(50,805)
		(66,016)	(53,386)
<b>(Increase) / decrease in assets</b>			
Investments - net		751,301	(470,058)
Security deposit and prepayments		(72)	(95)
Profit receivable		(10,312)	(3,052)
		740,917	(473,205)
<b>Increase / (decrease) in liabilities</b>			
Payable to ABL Asset Management Company Limited - Management Company		3,625	2,906
Payable to Central Depository Company of Pakistan Limited - Trustee		180	90
Payable to the Securities and Exchange Commission of Pakistan		513	104
Accrued expenses and other liabilities		3,138	6,708
Payable against redemption of units		(32,004)	-
		(24,548)	9,808
<b>Net cash generated from / (used in) operating activities</b>		<b>878,703</b>	<b>(366,119)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(32)	(11,397)
Receipts against issuance of units during the period		5,650,898	3,936,257
Payments against redemption of units during the period		(3,798,006)	(2,648,317)
<b>Net cash generated from financing activities</b>		<b>1,852,860</b>	<b>1,276,543</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,731,563</b>	<b>910,424</b>
Cash and cash equivalents at the beginning of the period		1,958,813	1,201,777
<b>Cash and cash equivalents at the end of the period</b>	4.3	<b>4,690,377</b>	<b>2,112,201</b>

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

  
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# ABL ISLAMIC INCOME FUND

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

### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 ABL Islamic Income Fund (the Fund) was established under a Trust Deed executed on June 23, 2010 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 (NBFC Regulations). The Fund commenced its operations on July 31, 2010.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules) through a certificate issued by the Securities and Exchange Commission of Pakistan (SECP) on December 7, 2007. The last license certificate was renewed on November 26, 2013 which has expired on December 7, 2016. The Management Company has applied for the renewal of the license with the SECP through a letter dated November 14, 2016 which is in process up till now. The registered office of the Management Company is situated at plot # 14, Main boulevard, DHA phase VI, Lahore - 54810.

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

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

The objective of the Fund is to invest in liquid shariah compliant instruments like shariah compliant government securities and cash and near cash instruments.

- 1.3 JCR-VIS Credit Rating Company has assigned management quality rating of AM2+ (stable outlook) to the Management Company and fund stability rating of A(f) to the Fund as at December 30, 2016.
- 1.4 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2016.

In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2017.

## **2.2 Basis of measurement**

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

## **2.3 Functional and presentation currency**

Items included in this condensed interim financial information are measured using the currency of the primary economic environment in which the Fund operates. This condensed Interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Fund.

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

The accounting policies applied for the preparation of this condensed interim financial information are the same as those applied in the preparation of the published annual audited financial statements of the Fund for the year ended June 30, 2016.

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

The significant estimates, judgments and assumptions made by the Management Company in applying the accounting policies and the key sources of estimation of uncertainty are the same as those applied to the published annual audited financial statements of the Fund for the year ended June 30, 2016.

The financial risk management objectives and policies are consistent with those disclosed in the published annual audited financial statements of the Fund for the year ended June 30, 2016.

Certain amendments to approved accounting standards have been published and are mandatory for the Fund's accounting period beginning on or after July 1, 2016. None of these amendments are expected to have a significant effect on this condensed interim financial information.

		(Un-audited) March 31, 2017	(Audited) June 30, 2016
	Note	----- (Rupees in '000) -----	
<b>4. BALANCES WITH BANKS</b>			
Saving accounts	4.1	3,767,050	1,708,489
Current account	4.2	13,327	48,324
		<u>3,780,377</u>	<u>1,756,813</u>

4.1 These saving accounts carry profit at rates ranging from 4.00% to 5.60 % (June 30, 2016: 5.00% to 6.10%) per annum. Deposits in saving accounts include Rs. 393,976,628 (June 30, 2016: Rs 486,727,846) maintained with Allied Bank Limited, a related party, and carries profit at the rate of 5.25% (June 30, 2016: 6.00%) per annum.

4.2 The balance is maintained in an account with Allied Bank Limited, a related party.

		(Un-audited) March 31, 2017	(Audited) June 30, 2016
	Note	----- (Rupees in '000) -----	
<b>4.3 Cash and cash equivalents</b>			
Balances with banks	4	3,780,377	1,756,813
Term deposit receipts	5.2	910,000	202,000
		<u>4,690,377</u>	<u>1,958,813</u>

## 5. INVESTMENTS

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

- Government of Pakistan (GoP) Ijarah sukuku	5.1.1	-	428,358
- Other sukuk certificates	5.1.2	642,810	943,119
		<u>642,810</u>	<u>1,371,477</u>

### Loans and receivables

- Term deposit receipts	5.2	910,000	202,000
		<u>1,552,810</u>	<u>1,573,477</u>

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

### 5.1.1 GoP Ijarah sukuk:

Particulars of the issue / issue date	Maturity Date	Coupon rate in %	Face Value @ Rs 5,000 each				Balance as at March 31, 2017			Market value as a percentage of total net assets
			As at July 01, 2016	Purchased during the period	Disposed of / matured during the period	As at March 31, 2017	Carrying Value	Market value	Unrealized gain / (loss)	
----- Rupees in '000 -----										
GOPIS-16 / December 16, 2015	December 18, 2018	5.8946	425,000	16,687,000	17,112,000	-	-	-	-	-
<b>Total - March 31, 2017</b>			<b>425,000</b>	<b>16,687,000</b>	<b>17,112,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total - June 30, 2016							<u>428,634</u>	<u>428,358</u>	<u>(276)</u>	

### 5.1.2 Other sukuk certificates:

Particulars of the issue / issue date	Maturity Date	Coupon rate in %	Face Value				Balance as at March 31, 2017			Market value as a percentage of net assets
			As at July 01, 2016	Purchased during the period	Disposed of / matured during the period	As at March 31, 2017	Carrying Value	Market value	Unrealized gain / (loss)	
----- Rupees in '000 -----										
<b>Par value @ 5,000 each</b>										
K-Electric / March 19, 2014	March 19, 2017	3 months KIBOR + 2.25	126,000	10,000	136,000	-	-	-	-	-
K-Electric / June 17, 2015	June 17, 2022	3 months KIBOR + 1.00	234,650	48,900	175,000	108,550	109,657	113,814	4,157	2.14%
Engro Fertilizer / July 9, 2014	July 9, 2019	6 months KIBOR + 1.75	76,960	-	76,960	-	-	-	-	-
Engro Fertilizer / May 25, 2016	November 25, 2016	6 months KIBOR + 0.40	500,000	-	500,000	-	-	-	-	-
Fatma Fertilizer / November 28, 2016	November 28, 2021	6 months KIBOR + 1.10	-	214,265	83,500	130,765	132,917	135,324	2,407	2.55%
<b>Par value @ 1,000,000 each</b>										
Meezan Bank Ltd / September 06, 2016	September 22, 2026	6 months KIBOR + 0.5	-	564,000	188,000	376,000	377,602	393,672	16,070	7.41%
<b>Total - March 31, 2017</b>			<b>937,610</b>	<b>837,165</b>	<b>1,159,460</b>	<b>615,315</b>	<b>620,176</b>	<b>642,810</b>	<b>22,634</b>	<b>12.10%</b>
Total - June 30, 2016							<u>945,912</u>	<u>943,119</u>	<u>(2,793)</u>	

5.2 Term deposit receipts carry profit rates ranging from 5.75% to 5.80% (June 30, 2016: 6.25%) per annum and maturities ranging from May 25, 2017 to June 27, 2017 (June 30, 2016: September 30, 2016).

### 5.3 Unrealised gain / (loss) on re-measurement of investments classified as financial assets at "fair value through profit or loss - held for trading" - net

(Un-audited) (Audited)  
March 31, June 30,  
2017 2016  
Note -----(Rupees in '000)-----

Market value of securities	642,810	1,371,477
Less: carrying value of securities	(620,176)	(1,374,546)
	<u>22,634</u>	<u>(3,069)</u>

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

Remuneration of the Management Company	6.1	4,436	2,507
Sindh sales tax payable on remuneration of the Management Company	6.2	1,811	1,586
Federal Excise Duty on remuneration of the Management Company	6.3	8,366	8,366
Sales load payable to the Management Company		38	17
Reimbursement of operational expenses to the Management Company	6.4	2,294	844
		<u>16,945</u>	<u>13,320</u>

- 6.1 Under the provisions of the NBFC Regulations, the Management Company of the Fund is charging a remuneration at 1% of the daily net assets of the Fund.
- 6.2 The 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 (as amended from time to time).
- 6.3 Through Finance Act 2013, Federal Excise Duty (FED) was made applicable at the rate of 16% on the remuneration of the Management Company, effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax as explained in note 6.2, further levy of FED results in double taxation, which does not appear to be the spirit of the law.

The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED upto June 30, 2016

On June 30, 2016 the Honorable Sindh High Court had passed a Judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of Federal Excise Duty after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016 the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication.

Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED (since June 13, 2013) aggregating to Rs. 8.366 million. Had the provision not been made, the net asset value per unit of the Fund as at March 31, 2017 would have been higher by Re 0.0165 (June 30, 2016: Re 0.0256) per unit.

Further, through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Therefore, during the current period, provision for FED has not been recorded.

- 6.4 This represents reimbursement of certain expenses to the Management Company. As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operations and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum upto 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund during the period.

		(Un-audited) March 31, 2017	(Audited) June 30, 2016
7.	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>	Note	----- (Rupees in '000) -----
	Remuneration of the Trustee	445	283
	Sindh Sales Tax payable on remuneration of the Trustee	58	40
		503	323

- 7.1 The Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2016: 14%) on the remuneration of the Trustee through the Finance Act, 2016.



		(Un-audited) March 31, 2017	(Audited) June 30, 2016
	Note	------(Rupees in '000)-----	
<b>8. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration		204	380
Printing charges		40	100
Brokerage payable		170	92
Withholding tax payable		199	8,867
Shariah advisory fee		40	47
Advance against issue of units		15,850	-
Provision for Workers' Welfare Fund (WWF)	8.1	-	9,813
Provision for Sindh Workers' Welfare Fund (SWWF)	8.1	5,934	-
		<u>22,437</u>	<u>19,299</u>

#### 8.1 Provision for Workers' Welfare Fund (WWF) and Sindh Workers' Welfare Fund (SWWF)

The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeded Rs 0.5 million in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable Sindh High Court (SHC) challenging the applicability of WWF on CISs which is pending adjudication. Similar cases were disposed of by the Peshawar and the Lahore High Courts in which these amendments were declared unlawful and unconstitutional. However, these decisions were challenged in the Supreme Court of Pakistan.

Subsequently, the Finance Act, 2015 introduced an amendment under which CISs / mutual funds have been excluded from the definition of "industrial establishment" subject to WWF under the WWF Ordinance. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable from tax year 2016. Accordingly, no further provision in respect of WWF was made with effect from July 1, 2015.

On November 10, 2016 the Supreme Court of Pakistan (SCP) has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition in the SCP against the said judgment, which is pending hearing. While the petitions filed by the CISs on the matter are still pending before the SHC, the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) has taken legal and tax opinions on the impact of the SCP judgement on the CISs petition before the SHC. Both legal and tax advisors consulted were of the view that the judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Furthermore, 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 (including the Management Company of the Fund) whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have mutual funds excluded from the applicability of Sindh WWF.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual Funds, MUFAP has recommended the following to all its members on January 12, 2017:

- \* based on legal opinion, the entire provision against the Federal WWF held by the CISs till June 30, 2015, to be reversed on January 12, 2017; and
- \* as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015) on January 12, 2017.

Accordingly, on January 12, 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from May 21, 2015 to January 12, 2017. Thereafter, the provision for SWWF is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on January 12, 2017 and the SECP vide its letter dated February 1, 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds.

The total provision for SWWF till March 31, 2017 is amounting to Rs 5.934 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 other contingencies and commitments outstanding as at March 31, 2017 and as at June 30, 2016.

## 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 company intends to distribute through cash at least 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision in respect of taxation has been made in this condensed interim financial information.

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

## 11. EARNINGS PER UNIT (EPU)

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

## 12. TOTAL EXPENSE RATIO

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the Total Expense Ratio of the Fund for the nine months ended March 31, 2017 is 1.26% which includes 0.30% representing government levy and SECP fee.

## 13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include the Management Company, its parent and the related subsidiaries of the parent, associated companies / undertakings of the Management Company, its parents and the related subsidiaries, other funds managed by the Management Company, post employment benefit funds of the Management Company, employment funds of the parent, subsidiaries and its associated undertakings. It also includes Central Depository Company of Pakistan Limited being the Trustee of the Fund and the directors and key management personnel of the Management Company.

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

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

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

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

	------(Un-audited)-----	
	For the Nine Months ended March 31, 2017	For the Nine Months ended March 31, 2016
	------(Rupees in '000)-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Issue of 19,191,119 units (2016: Nil units)	195,525	-
Redemption of 19,191,119 units (2016: Nil units)	197,553	-
Remuneration for the period	31,634	16,381
Sindh sales tax on remuneration of the Management Company	4,112	2,660
Federal Excise Duty on remuneration of the Management Company	-	2,621
Reimbursement of operational expenses to the Management Company	3,165	-
Sales load paid	400	-
<b>Allied Bank Limited - Holding Company of the Management Company</b>		
Profit on bank deposit	23,735	-
Bank charges	28	26
<b>ABL Government Securities Fund - Common Management</b>		
Purchase of Meezan Bank Limited Sukuk (Face Value 374,000,000)	374,538	-
Purchase of Fatima Fertilizer Sukuk (Face Value 30,650,000)	31,263	-

	------(Un-audited)-----	
	For the Nine Months ended March 31, 2017	For the Nine Months ended March 31, 2016
	------(Rupees in '000)-----	
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	3,323	2,033
Sindh Sales Tax on the remuneration of the Trustee	435	288
Settlement charges	22	47
<b>ABL Asset Management Company Limited - Staff Provident Fund</b>		
Issue of 408,081 units (2016: 570,982 units)	4,200	5,965
Redemption of 168,663 units (2016: 1,007,533 units)	1,700	10,466
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Active Allocation Plan Under Common Management</b>		
Issue of 24,658,025 units (2016: 49,711,863 units)	253,091	513,881
Redemption of 42,800,192 units (2016: 3,552,154 units)	442,660	36,994
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Conservative Allocation Plan Under Common Management</b>		
Issue of 46,325,075 Units (2016: 44,685,535 units)	474,311	462,023
Redemption of 54,016,460 units (2016: 23,482,658 units)	554,015	243,188
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Aggressive Allocation Plan Under Common Management</b>		
Issue of 12,644,885 units (2016: 3,792,248 units)	129,885	39,176
Redemption of 7,174,729 units (2016: 24,549 units)	74,009	255
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan Under Common Management</b>		
Issue of Nil Units (2016: 81,167,594 units)	-	852,000
Redemption of 14,216,391 units (2016: Nil units)	146,082	-
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan II Under Common Management</b>		
Issue of 113,680,291 units (2016: Nil units)	1,152,000	-
Redemption of 25,096,430 units (2016: Nil units)	258,600	-
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan III Under Common Management</b>		
Issue of 108,968,825 units (2016: Nil units)	1,136,000	-

	------(Un-audited)-----	
	For the Nine Months ended March 31, 2017	For the Nine Months ended March 31, 2016
	------(Rupees in '000)-----	
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Officer Gratuity Fund</b>		
Issue of Nil Units( 2016: 2,762,829 units)	-	28,000
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Staff Provident Fund</b>		
Issue of Nil Units( 2016: 2,473,150 units)	-	25,000
<b>KEY MANAGEMENT PERSONNEL</b>		
<b>Former Chief Executive Officer *</b>		
Issue of Nil Units( 2016: 4,562 units)	-	46
Redemption of Nil units (2016: 927,120 units)	-	9,411
<b>Executives</b>		
Issue of 384,915 units (2016: 322,673 units)	3,908	3,287
Redemption of 278,416 units (2016: 686,182 units)	2,794	6,935

\* Current period figures have not been presented for those connected persons / related parties with whom such relationship does not exist as at March 31, 2017

**13.2 Details of amounts outstanding as at period end with connected persons / related parties are as follows:**

	(Un-audited) March 31, 2017	(Audited) June 30, 2016
	------(Rupees in '000)-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration payable to the Management Company	4,436	2,507
Sindh sales tax on remuneration of the Management Company's remuneration	1,811	1,586
Federal Excise Duty on remuneration of the Management Company	8,366	8,366
Sales load payable to the Management Company	38	17
Reimbursement of operational expenses	3,165	844
<b>Allied Bank Limited - Holding Company of the Management Company</b>		
Balance in current account	13,327	48,324
Balance in saving accounts	393,977	486,728
Profit accrued on bank deposit	1,104	2,077
<b>ABL Asset Management Company Limited - Staff Provident Fund</b>		
Outstanding 895,164 units (June 30, 2016: 655,745 units)	9,370	6,569

	(Un-audited) March 31, 2017	(Audited) June 30, 2016
	----- (Rupees in '000) -----	
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	503	323
Security deposit	100	100
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Active Allocation Plan Under Common Management</b>		
Outstanding 16,630,511 units (June 30, 2016: 34,772,678 units)	174,077	348,335
Payable against redemption of units	-	31,400
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Aggressive Allocation Plan Under Common Management</b>		
Outstanding 10,027,671 units (June 30, 2016: 4,557,516 units)	104,963	45,655
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Conservative Allocation Plan Under Common Management</b>		
Outstanding 22,711,976 units (June 30, 2016: 30,403,360 units)	237,733	304,566
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan Under Common Management</b>		
Outstanding 50,296,804 units (June 30, 2016: 64,513,195 units)	526,472	646,261
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan II Under Common Management</b>		
Outstanding 88,583,861 units (June 30, 2016: Nil units)	927,234	-
<b>MCBFSL Trustee - ABL Islamic Financial Planning Fund - Strategic Allocation Plan III Under Common Management</b>		
Outstanding 108,968,825 units (June 30, 2016: Nil units)	1,140,609	-
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Officer Gratuity Fund</b>		
Outstanding 3,733,283 units (June 30, 2016: 3,733,283 units)	39,077	37,398
<b>Muller &amp; Phipps Pakistan (Pvt) Ltd. Staff Provident Fund</b>		
Outstanding 3,325,598 units (June 30, 2016: 3,325,598 units)	34,810	33,314

	(Un-audited) March 31, 2017	(Audited) June 30, 2016
	----- (Rupees in '000) -----	
<b>KEY MANAGEMENT PERSONNEL</b>		
<b>Former Chief Executive Officer*</b>		
Outstanding Nil Units (June 30, 2016: 60,711 units)	-	608
<b>EXECUTIVES</b>		
Outstanding 660,400 units (June 30, 2016: 553,901 units)	6,913	5,549

\* Current period end figures have not been presented for those connected persons / related parties with whom such relationship does not exist as at March 31, 2017.

#### 14. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 "Fair Value Measurement" defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

The fair value of financial assets and liabilities traded in active markets are based on the quoted market price at the close of trading on the period end date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying values as the items are either short-term in nature or periodically repriced.

##### Fair value hierarchy

IFRS 13 requires the Fund to classify financial instruments 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: Quoted market prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or the liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investment of the Fund carried at fair value are categorised as follows:

	As at March 31, 2017			Total
	Level 1	Level 2	Level 3	
	----- (Rupees in '000) -----			
<b>Assets</b>				
Investment in securities - financial assets at fair value through profit or loss - held for trading				
- Other Sukuk Certificate	-	642,810	-	642,810

	As at June 30, 2016			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>	----- (Rupees in '000) -----			
Investment in securities - financial assets at fair value through profit or loss - held for trading				
- GoP Ijara Sukuks and other Sukuks	-	1,371,477	-	1,371,477

There were no transfers between levels during the period.

## 15. GENERAL

15.1 Figures have been rounded off to the nearest thousand rupee, unless otherwise stated.

## 16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 21, 2017.



ALEE KHALID GHAZNAVI  
CHIEF EXECUTIVE OFFICER

For ABL Asset Management Company Limited  
(Management Company)



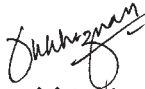
MUHAMMAD KAMRAN SHEHZAD  
DIRECTOR



## اعتراف

ہم اپنے معزز سرمایہ کاروں کے انتہائی مشکور ہیں جنہوں نے ہم پر اعتماد کیا۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور کراچی 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

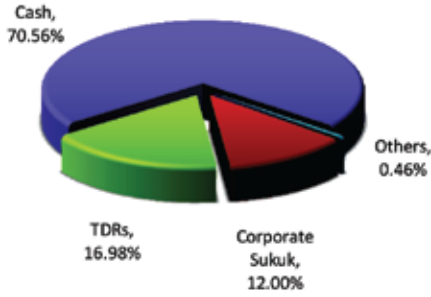


علی خالد غنوی

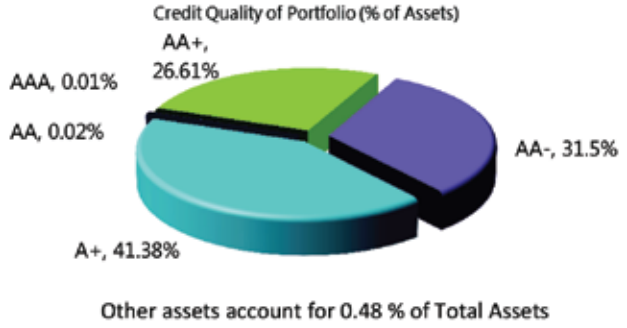
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کراچی - 21 اپریل 2017

## Asset Allocation



## Asset Quality



## آڈیٹرز

میسرز ڈیلوائٹ یوسف عادل (چارٹرڈ اکاؤنٹینٹس) بورڈ آف ڈائریکٹرز کی آڈٹ کمیٹی کی سفارشات پر 30 جون 2017 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامک آفٹنڈ (اے بی ایل - آئی آئی ایف) کے آڈیٹرز کی حیثیت سے تقرری کے لئے اہل ہیں۔

## فنڈ کے استحکام کی ریٹنگ

جے سی آر - وی آئی ایس (JCR-VIS) کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 30 دسمبر 2016 کو اے بی ایل اسلامک آفٹنڈ (اے بی ایل - آئی آئی ایف) کے فنڈ کے استحکام کی ریٹنگ کی 'A(f)' (سنگل اے (ایف)) پر دوبارہ توثیق کی ہے۔

## میجمنٹ کوالٹی ریٹنگ

30 دسمبر 2016 کو جے سی آر - وی آئی ایس (JCR-VIS) کریڈٹ ریٹنگ کمپنی لمیٹڈ نے اے بی ایل ایسیٹ میجمنٹ لمیٹڈ (اے بی ایل اے ایم سی) کی میجمنٹ کوالٹی ریٹنگ 'اے ایم ٹوپلس' (AM2+) پر دوبارہ توثیق کی ہے۔ آؤٹ لک پر ریٹنگ 'مستحکم' تفویض کی گئی ہے۔

## آؤٹ لک

ہم مستقبل قریب میں تیل کے عالمی مستحکم نرخوں اور کنٹرول شدہ افراط زر کے ہندسوں کے باوجود مستحکم سود کی رجیم دیکھ رہے ہیں جبکہ اگلے مالی سال میں کمزور تجارتی توازن (درآمدات میں نمایاں اضافے جبکہ برآمدات پر دباؤ برقرار رہنے) اور زر ترسیل میں معمولی شرح نمو کے باعث ادا کیوں کے توازن (BoP) کے محاذ پر ابتدائی چیلنجوں کا سامنا رہے گا۔ لہذا اس کے باعث گرین بیک کے برخلاف پاک روپے پر دباؤ بڑھ سکتا ہے۔ اس باوجود ترقی کے اہداف کاروباری سرگرمیوں میں بہتری (مالی سال 17 کے سات ماہ میں 3.48 فیصد ایل ایس ایم کے اضافے)، زرعی پیداوار میں اضافے، توانائی کی بہتر دستیابی اور کمتر ان پٹ نرخوں کے باعث قابل حصول رہیں گے۔ سب سے بڑھ کر آئندہ سال انتخابات کے باعث ہم توقع کرتے ہیں کہ حکومت ترقیاتی اخراجات پر زیادہ توجہ دے گی جس سے وسط مدتی سطح پر بہتر شرح نمو کو مزید فروغ حاصل ہوگا۔

حکومت پاکستان کے اجارہ کی سیکندری مارکیٹ سے پرکشش نرخوں پر عدم دستیابی کے باعث اور پرائمری مارکیٹ سے کوئی نیا اجراء نہ ہونے کے سبب فنڈ کوالٹی کا رپورٹ ڈیپٹ انسٹرومنٹس اکٹھے کرنے کے ساتھ بینک کے ساتھ پلیٹفم سمنٹس کے ضمن میں توجہ دینے کی حکمت عملی جاری رکھے گا۔

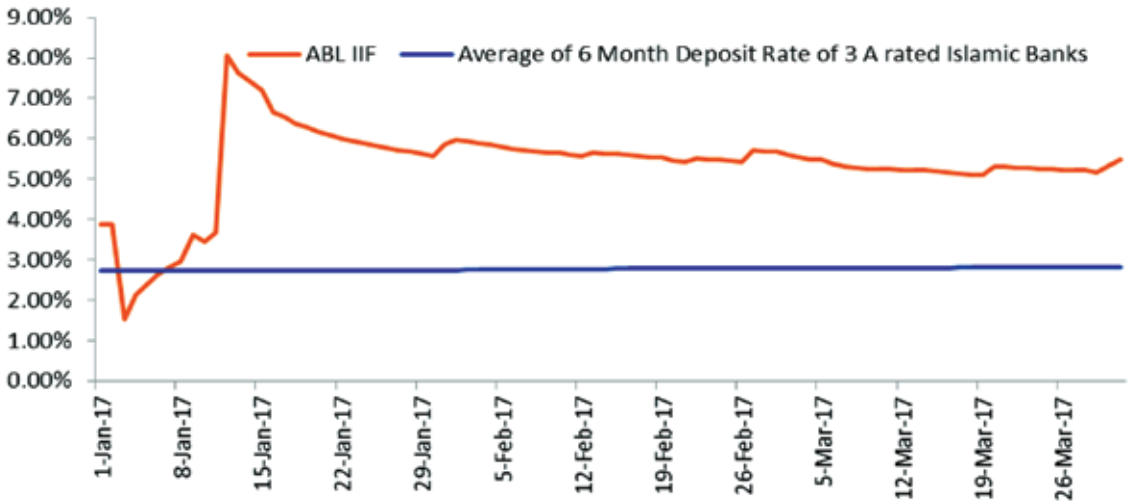
## میوچل فنڈ انڈسٹری کا جائزہ

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 فنڈ بشمول کنٹیننل اور اسلامک ایکویٹی نے اے یو ایم (AUM) 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۔ دوسری جانب کم منافع جات پر اتار چڑھاؤ کے نتیجے میں انکم فنڈز لکٹیگری سے 6 ارب پاک روپے (-7 فیصد QoQ) کا بیرونی بہاؤ رہا اور سہ ماہی کے اختتام پر یہ 84 ارب پاک روپے رہے۔ مجموعی بنیاد پر فکسڈ انکم لکٹیگری (انکم، ایگریسیو انکم اور مینی مارکیٹ فنڈز پر مشتمل) نے مالی سال 17 کی تیسری سہ ماہی میں 2 فیصد کی خاموش نمو رجسٹرڈ کی اور مارچ 2017 میں 173 ارب پاک روپے پر بند ہوئے جبکہ اس کے مقابلے میں دسمبر 2016 کو یہ 170 ارب پاک روپے پر بند ہوئے تھے۔ اسی طرح 2 فیصد QoQ کی معمولی بہتر شرح نمو کے ساتھ اسلامک انکم لکٹیگری مدت کے اختتام پر 140 ارب پاک روپے پر بند ہوئی۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران اے بی ایل اسلامک انکم فنڈ نے 2.81 فیصد کے بیچ مارک منافع کے مقابلے میں 5.50 فیصد کا بہترین منافع حاصل کیا جس سے 269 بی پی ایس کی غیر معمولی کارکردگی ظاہر ہوتی ہے۔ غیر معمولی کارکردگی کے ضمن میں بلند ترین ریٹ پر کارپوریٹ بانڈز کی فعال تجارت بشمول پرکشش پیداوار پر بینک ڈپازٹس میں بھاری پلیسمنٹس کا نمایاں حصہ رہا۔ سال سے تاریخ کی بنیاد پر فنڈ نے 3.24 فیصد کی بیچ مارک کارکردگی کے برخلاف 5.96 فیصد کا سالانہ منافع ظاہر کیا جو 272 بی پی ایس کی غیر معمولی کارکردگی کا ثبوت ہے۔ سہ ماہی کے اختتام کی جانب اے بی ایل انکم فنڈ کے اے یو ایم نے 23.92 فیصد کی صحت مند گروتھ ظاہر کرتے ہوئے 5.314 ارب پاک روپے کا منافع حاصل کیا جو 31 دسمبر 2016 کے مطابق 4.288 ارب پاک روپے تھا۔

سہ ماہی کے دوران اسلامک منی اور ڈیبٹ مارکیٹ حکومت کے اجارہ سکوک کے عدم اجراء کے باعث سست رہی، تاہم کارپوریٹ سائیکل کے سکوکس مثلاً ایم ای بی ایل (MEBL) اور فاطمہ فریڈیلٹیز کے اجراء کے ساتھ مناسب طور پر فعال رہی۔ حکومت کے ضمانت شدہ سکوکس مثلاً واپڈا میں تجارت بھی موثر رہی۔ سہ ماہی کے اختتام پر فنڈ نقد میں 70.56 فیصد، ٹی ڈی آر میں 16.98 فیصد اور کارپوریٹ سکوک میں 12 فیصد رہے جبکہ فنڈ کا ڈیلٹا اے ایم (WAM) مارچ 2017 میں کم کر کے 355 دن کر دیا گیا جو دسمبر 2016 میں 495 دن تھا۔



## انتظامی کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک انکم فنڈ (اے بی ایل- آئی آئی 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 انکم 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 فی 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 چیکنگ 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 ماٹری 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۔



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