

Annual Report

CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018

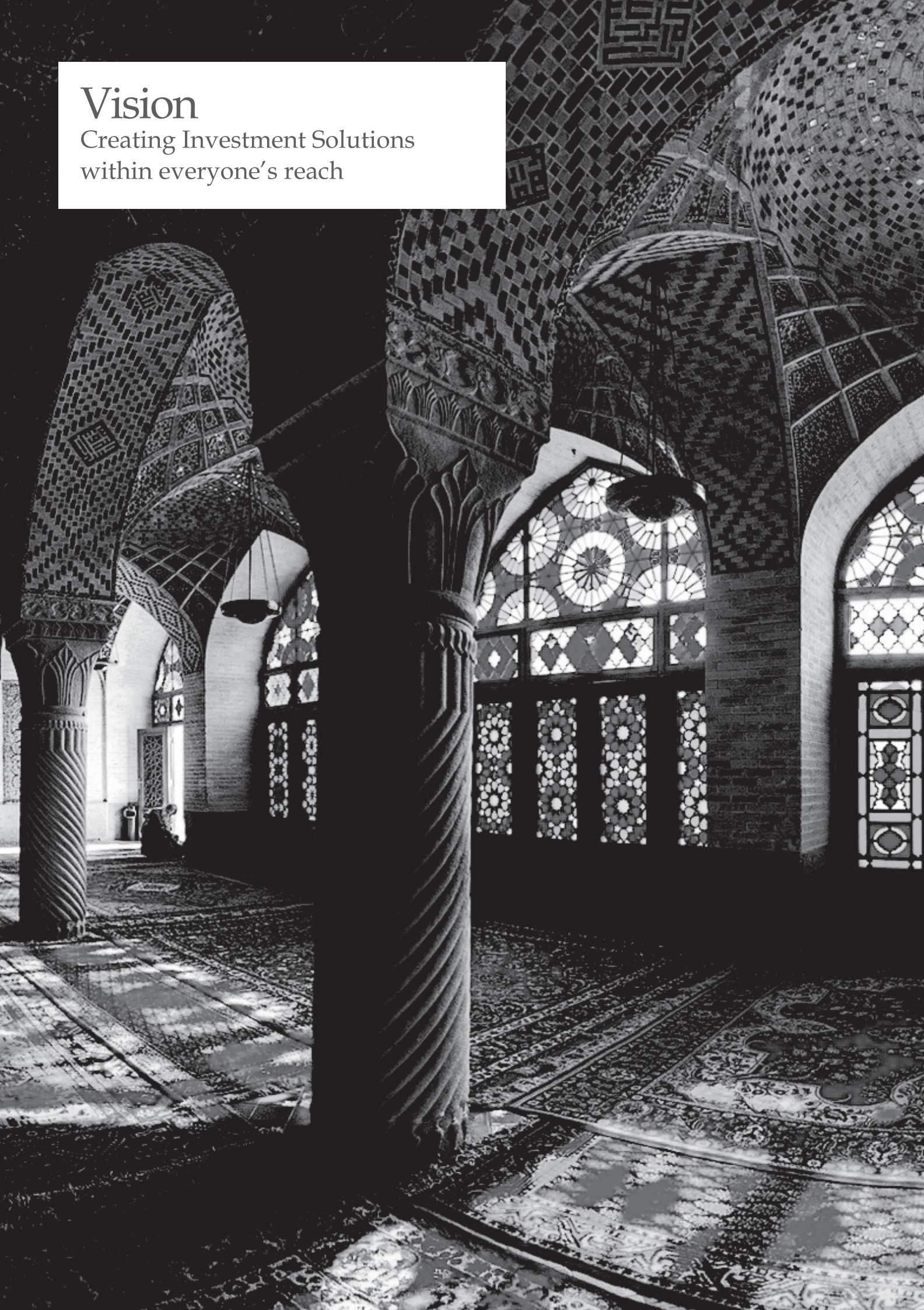


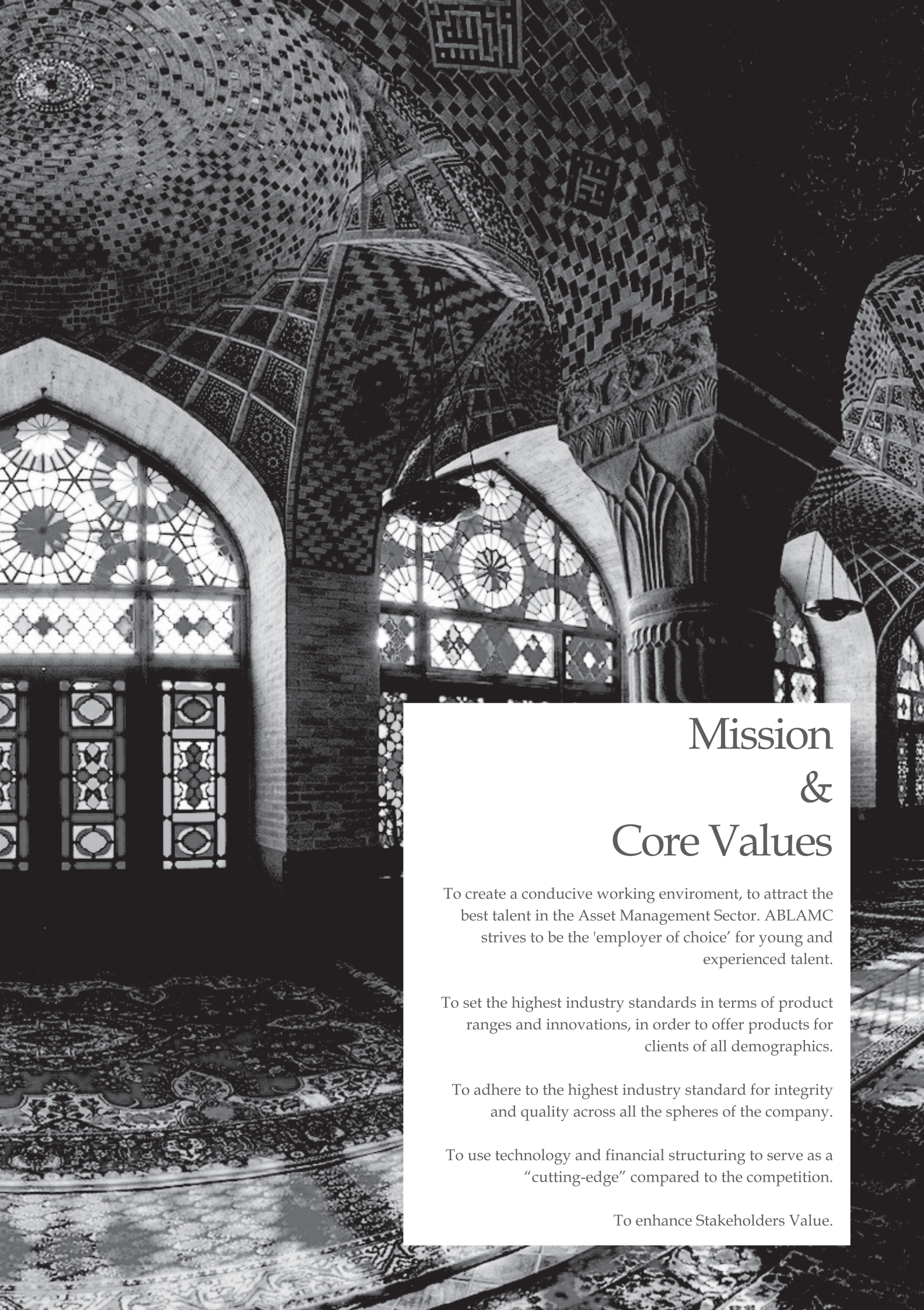
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Vision

Creating Investment Solutions
within everyone's reach





Mission & Core Values

To create a conducive working environment, to attract the best talent in the Asset Management Sector. ABLAMC strives to be the 'employer of choice' for young and experienced talent.

To set the highest industry standards in terms of product ranges and innovations, in order to offer products for clients of all demographics.

To adhere to the highest industry standard for integrity and quality across all the spheres of the company.

To use technology and financial structuring to serve as a "cutting-edge" compared to the competition.

To enhance Stakeholders Value.

FUND'S INFORMATION

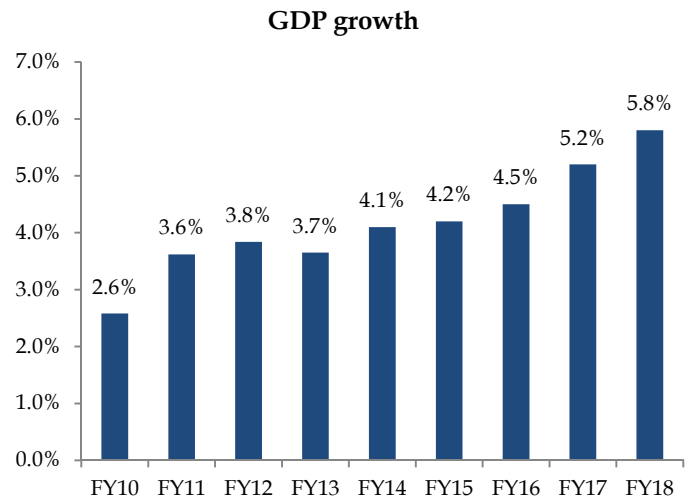
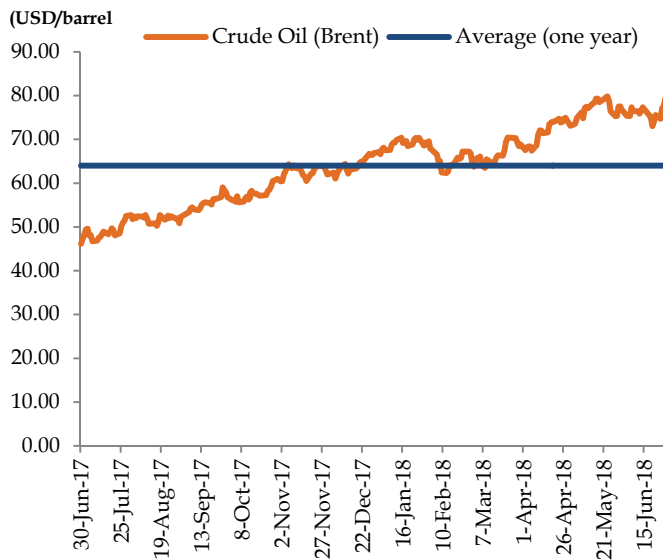
Management Company:	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
Sheikh Mukhtar Ahmed	Chairman Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hasan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	CEO/Director
Audit Committee:	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi	Chairman Member 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:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited Faysal Bank Limited JS Bank Limited Sindh Bank Limited	
Auditor:	Deloitte Yousuf Adil Chartered Accountants 134-A, Abubakar Block New Garden Town, Lahore.	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Pension Fund (ABL-PF), is pleased to present the Audited Financial Statements of ABL Pension Fund for the year ended June 30, 2018.

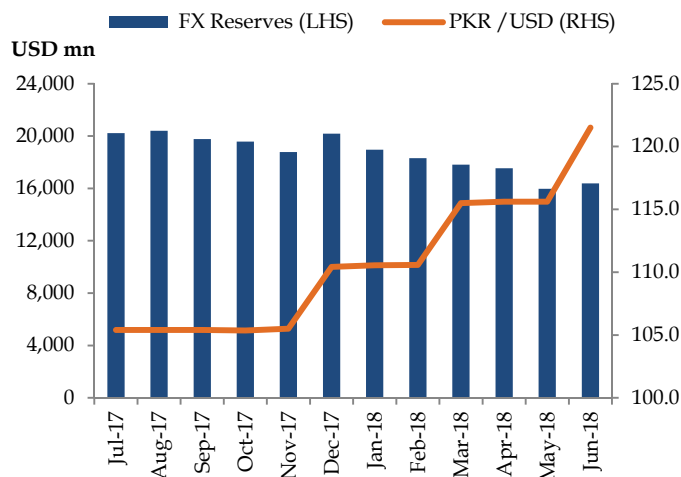
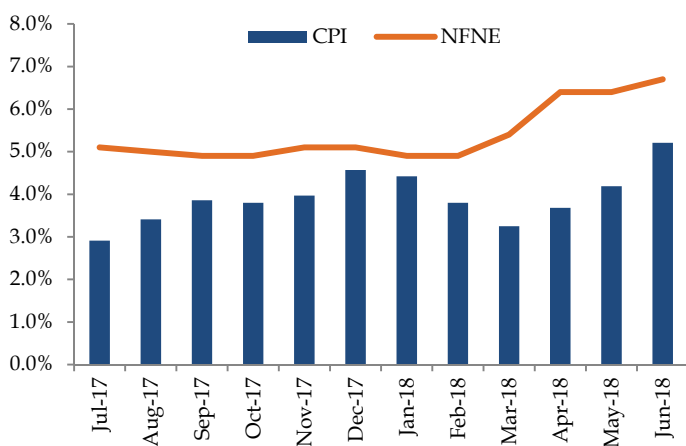
ECONOMIC PERFORMANCE REVIEW

The major theme for Pakistan's macro-economy in FY18 was proliferating twin deficits leading to quickly-depleting reserves. The government took monetary tightening measures in 2HFY18; however, external account deficits continued to widen, while inflationary pressures mounted towards the end of FY18, all indicators of an over-heating economy. Although missing its ambitious target of 6.0%, GDP growth clocked in at 5.8% in FY18, crossing the 13-year high-watermark with all three constituents on an upward trajectory (services/industrial/ agriculture up 6.4%/5.8%/3.8%YoY). Key catalysts for growth included the ongoing implementation of early harvest infrastructure projects under the ambit of CPEC, net energy supply growth (net generated units up 8.4%YoY for 11MFY18), and sustained credit uptick (11MFY18 private sector credit stock grew 18%YoY, adding PKR 780bn offtake during the period). However, the fiscal deficit as percentage of GDP is expected to clock in at 6.8% of GDP (revised upward from 5.5% of GDP estimate given in May 2018).



The Current Account Deficit (CAD) increased 45%YoY to USD 18bn during FY18. A favorable impact of a strong recovery of exports (up 13.2%YoY in FY18) and 3%YoY higher worker's remittances was more than offset by growing imports (up 15.1%YoY in FY18). The SBP devalued PKR by 15.9% against greenback during FY18 in three rounds, beginning in December 2017 to control the increasing imports, without much avail. Besides the drain from the external account, debt repayments during the period added to the steep slide in foreign exchange reserves. As a result, FY18 saw Pakistan going back to the international capital market, raising USD 1.5bn of 10-year Eurobond at 6.875% and USD 1.0bn 5-year Sukuk at 5.625%.

Despite strong growth, headline inflation has remained well below the government’s target of 6.0%YoY for FY18, averaging at 3.9%YoY in FY18 (vs. 4.2%YoY in FY17). However, reversal in international oil prices (Arab light up 24.5% during the fiscal year) and an expensive greenback during 2HFY18 led to buildup of inflationary pressures with CPI reaching 5.2%YoY in June 2018 (Core inflation NFNE at 7.1%YoY vs. 5.5%YoY last year). Subsequently, the SBP raised the policy rate by 75bps in 2HFY18, beginning by 25bps rate hike to 6.00% in January 2018. In March 2018 MPS, however, SBP did not raise the policy rates again, where it reasoned that the effects of the recent PKR depreciation and rebound in exports needed to be gauged before any further rate hikes. However, with core inflation rising to 7.0% in April 2018, SBP raised policy rate by 50bps to 6.50% in May 2018 MPS.



Fiscal deficit for 9MFY18 clocked in at PKR 1,481bn (~4.3% of GDP), reflecting an increase of 20%YoY remaining largely a function of expenditures outpacing revenue collection growth for the period. Growth in development expenditure remained healthy (37%YoY in 9MFY18 beating the 13%YoY growth in current expenditure) supporting the ongoing growth momentum in the economy.

MUTUAL FUND INDUSTRY REVIEW

Total Assets Under Management (AUMs) of Pakistan’s open-end mutual fund industry posted a slight decline of 2.8% in FY18 from PKR 680bn to PKR 661bn. This decline was predominantly led by the Islamic Equity and Income funds categories which declined by 20% and 16%, respectively. On the other hand, the industry witnessed increasing investor interest in the money market funds, as AUMs under the money market funds increased by 77% in FY18 due to the prevailing rising interest rate environment.

On a cumulative basis, the Equity category (comprising of Equity and Islamic Equity funds) registered a decrease of 16.1%YoY to close at PKR 242bn in June 2018 compared to PKR 288bn in June 2017. Weak stock market performance in FY18, due to worsening macro-economic indicator and political uncertainty, allowed the Equity Funds to post a decline of 12.4%YoY to close at PKR 137bn. Similarly, Islamic equity funds posted a steep decline of 20.4%YoY to reach at PKR 104bn. On a cumulative basis, the fixed income category (comprising of income, aggressive income and money market funds) registered an increase of 25.9%YoY to close at PKR 191bn in June 2018 compared to PKR 151bn in June 2017. In the fixed income market, with interest rates expected increase, shorter duration money market funds witnessed an increase of 77%YoY to PKR 123bn in FY18 compared to PKR 69bn in FY17. On the other hand Islamic income funds’ (comprising of Islamic income, Islamic money market and Islamic aggressive income) AUMs increased by 2%YoY to PKR 59bn in FY18 compared to PKR 58bn in FY17, largely due to increasing investor interest in Islamic investments. Since interest rates have been on a rising trend, further uptick in interest rates will attract investors to the fixed income segment.

EQUITY MARKET OVERVIEW

The outgoing year came out as an undesirable year for Pakistan equities where KSE-100 index posted a negative return of 10% to close the year at 41,911 points. The index came to the red zone after 8 consecutive years of positive returns. This was broadly due to political uncertainty following PM Sharif's disqualification from public office by the Supreme Court, fast depleting reserves, and volatile macroeconomic stability. Moreover, despite upgrade of Pakistan by Morgan Stanley Capital International (MSCI) from a Frontier Market (FM) to an Emerging Market (EM) index in June 2017, foreign investors remained net sellers in the local bourse with net outflows worth USD 289mn in FY18. However, this was largely absorbed by insurance companies with USD 204mn worth of net buying. Companies and other organizations also supported the market with net buying of USD 100mn and USD 78mn, respectively. On the other hand, mutual funds remained net sellers, offloading USD 35mn worth of shares. Performance of the market remained lackluster where major index laggards were Cements and Banks, posting return of -42% and -11%, respectively. Persistent rise in input cost (higher coal prices coupled with sharp PKR depreciation) along with pricing indiscipline were major reasons behind the underperformance of the cement sector. On the other hand, banking sector deterioration was mainly due to regulatory challenges (additional capital requirements by SBP, increase in minimum pension rate to PKR 8,000/month) and increased oversight on foreign operations. In contrast, the Oil and Gas Exploration & Production (E&P) sector supported the market with positive returns of 20% in the period, largely due to a rebound in international oil prices (Arab Light prices went up ~28% during the year to close at USD 79/ton). Most notable consequence of the worsening top-down scenario was the decline in market activity during the period. Average traded value and volume fell to USD 74.3mn (down 49%YoY) and 174.5mn shares (down 50%YoY), respectively. The KSE-100 index underperformed both the MSCI FM and EM which posted 3.56% and -1.06% returns, respectively, against negative 10% return of the local bourse. Moving ahead, we expect the market to remain volatile until the political and economic situation stabilizes. Pakistan Stock Exchange (PSX) closed the period at an estimated P/E of 7.6x, a 21% discount to the EM index, and a dividend yield (DY) of 6.3%.

MONEY MARKET REVIEW

During the year, the Fixed Income market remained uncertain due to expected changes in policy rate. The market overall maintained a shorter duration and avoided heavy participation in longer duration instruments. To cater the increasing inflation, SBP increased the policy rate twice in FY18 (75bps increase in total). The policy rate increased from 5.75% to 6% in January 2018 and further to 6.5% in May 2018 (as opposed to a constant rate of 5.75% during FY17).

Inflation clocked in at ~3.9%YoY for FY18 as compared to ~4.2%YoY in FY17. This was as a result of higher food items and fuel prices. While the headline inflation remained in check during the year, pressure on the external side continued to disrupt the position of PKR in the international market, raising concerns regarding spike in inflation during the next fiscal year. Moreover, the core inflation continued to rise during 2HFY18 with June 2018 figure clocking in at 7.1%YoY. Pakistan investment bond (PIBs) trading yields went up ranging from 86bps to 170bps, with a significant tilt towards shorter tenor instruments. Money market mostly remained liquid and traded near the policy rate throughout the year as SBP ensured the availability of liquidity via frequent open market operations (OMOs). OMO maturity size swelled to a level of PKR 1,460bn in June 2018 as market increased their exposure in government securities to exploit arbitrage against the policy rate. In anticipation of an interest rate hike, interest remained heavily tilted towards short term exposure. During the year, participation in PIBs was recorded at PKR 564bn whereas the treasury bills (T-Bills) segment witnessed massive participation of PKR 19,232bn. However, the government accepted bids of PIBs worth only PKR 120bn against a total auction target of PKR 1,000bn and of T-Bills worth PKR 15,969bn versus a target of PKR 16,375bn. On the maturities front, PIBs and T-Bills worth of PKR 819bn and PKR 15,970bn, respectively matured during the year

On the Islamic side, money market remained fairly liquid where placements were made 25-50bps below 6-months T-Bill due to massive deposit growth of 22.5%YoY (deposits as on March 30, 2018). The market share of Islamic Banking Institutions' deposits in overall banking deposits stood at 14.6% by the end of March 2018 in comparison to 13.7% in June 2017. Similarly, total assets of Islamic Banking in overall banking size also increased to 13.5% by March 2018 as compared to 11.6% in June 2017. No fresh issuance of Ijara Sukuks in local as well as international market took place by the government. On the corporate side, PKR 19,530bn worth of Sukuks were issued by Dawood Hercules Corporation Ltd., International Brands Ltd., Dubai Islamic Bank Pakistan Ltd. and Aspin Pharma (Pvt) Ltd during the FY18.

M2 growth for FY18 clocked-in at 10.6% compared to 13.7% in SPLY. Decrease in money supply was mainly attributable to increase of 17% (up by PKR2,336 bn) in Net Domestic Assets (NDA) as credit to private sector remained subdued in FY18. We also attribute this decrease to increase in government borrowings by 16.6% YoY (PKR 1,495bn) to fund the fiscal deficit. Net Foreign Assets (NFA) posted a significant decline of 132%YoY in FY18 in comparison to 40%YoY decline in SPLY due to extensive external debt servicing. Government borrowing from commercial banks had decreased by PKR 77bn in FY18 as compared to an increase of PKR 179bn in SPLY. Government borrowings from SBP increased by PKR 1,439bn compared to an increase of PKR 908bn in SPLY.

FUND PERFORMANCE

Our VPS is systematically classified into 3 sub fund categories based on the risk appetite of our long term investors i.e. (“Debt Sub fund”, “Money Market Sub Fund” & “Equity Sub Fund”).

Debt Sub Fund

Debt Sub fund performed well, yielding a since inception return of 11.22%, whereas the fund posted a YTD return of 3.72%. The fund was consistently invested T-bills to the extent of 48.05% whereas at June end, investment in Corporate Sukuks stood at 13.42%.

Money Market Sub Fund

The money market fund posted an annualized return of 3.85% since inception. The fund was more focused on Short term money market instruments such T-bills and Bank Deposits. Exposure in T-bills at year end stood at 71.12% while 28.66% was placed in Cash.

Equity Sub Fund

The fund posted a negative return of 16.26% during the period under review. The Fund was invested 90.22% in equities at end of the period with major exposure in Commercial Banks 23.78% and Oil and Gas Exploration companies 21.22%.

AUDITORS

M/s. Deloitte Yousuf Adil (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2019 for ABL Pension Fund (ABL-PF).

MANAGEMENT QUALITY RATING

On December 29, 2017, JCR-VIS Credit Rating Company Limited (JCR-VIS) has upgraded the Management Quality Rating of ABL Asset Management Company Limited (ABL AMC) to ‘AM2++’ (AM-Two-Double Plus) from ‘AM2+’ (AM Two Plus). Outlook on the assigned rating is ‘Stable’.

OUTLOOK

Both political uncertainty and economic headwinds are expected to carry on into FY19. While on economic side, external vulnerabilities would continue due to high oil prices. As a result, Pak Rupee will most likely continue losing its strength, inflation will gather further traction, and corrective monetary tightening should carry on. With around USD25bn gross financing requirement, Pakistan is expected begin talks with IMF soon. This could result in cut in development spending, de-subsidization of tariffs and reduction in subsidies

Looking at the aforementioned, stock market is expected to remain volatile. With interest rates expected to reach the double digit mark, valuations have started losing their charm. A defensive investment strategy suits prevailing economic environment. Focus on players that have USD linked returns and/or are steeply undervalued i.e E&Ps, Power, Steels, Banks and selected cements. Major derating is possible if hung parliament is formed in the 2018 election.

While Economic growth remained on track throughout the year, risks related to CPI and Balance of Payments position worsened significantly as compared to last year leading to rupee depreciation and around 75 bps increase in policy rate. On the external side, trend of widening trade deficit and current account deficit and declining remittances continued throughout the year on account of increase in international oil prices and ever increasing exports.

Based on the above assumptions, we believe that SBP will continue to increase policy rate in FY19 Hence; we will maintain a low duration portfolio while optimizing the accrual base via placement of funds in floating rate instruments along with deposit placements with bank and DFIs.


ACKNOWLEDGEMENT

We thank our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board



Director



Alee Khalid Ghaznavi
Chief Executive Officer

Lahore, September 6, 2018

FUND MANAGER REPORT

OBJECTIVE

To provide a secure source of savings and regular income after retirement to the Participants.

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Debt Sub Fund

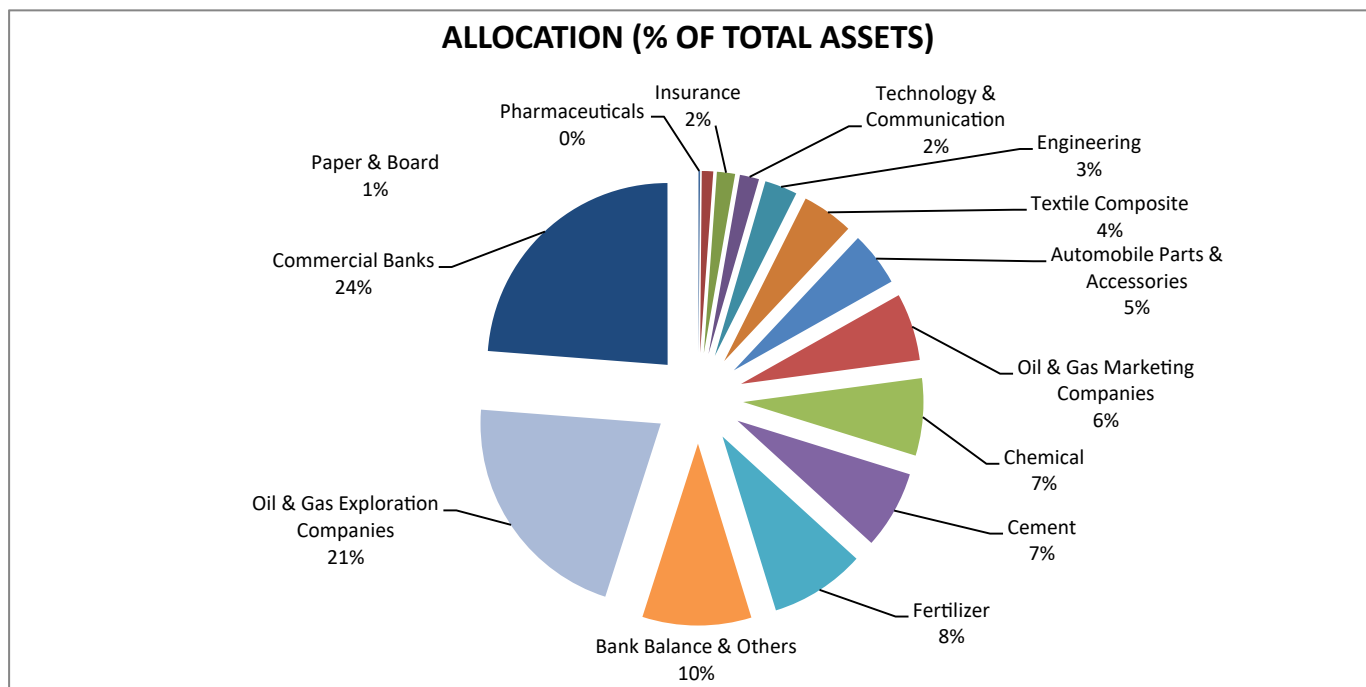
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Based on the above assumptions, we believe that SBP will continue to increase policy rate in FY19 Hence; we will maintain a low duration portfolio while optimizing the accrual base via placement of funds in floating rate instruments along with deposit placements with bank and DFIs.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: Info@cdcpak.com



TRUSTEE REPORT TO THE PARTICIPANTS

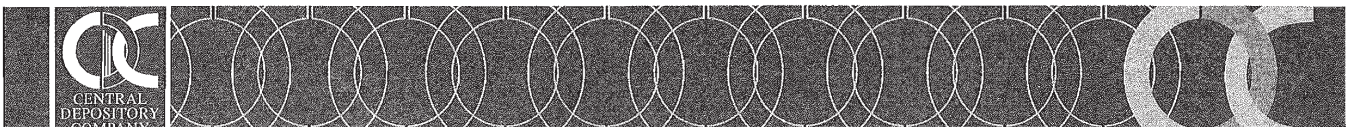
ABL PENSION FUND

Report of the Trustee pursuant to Rule 31(h) of the Voluntary Pension System Rules, 2005

We, Central Depository Company of Pakistan Limited, being the Trustee of ABL Pension Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2018 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.


Aftab Ahmed Diwan
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: October 10, 2018



INDEPENDENT AUDITORS' REPORT TO THE PARTICIPANTS OF THE ABL PENSION FUND

We have audited the annexed financial statements comprising:

- i. Statement of Assets and Liabilities;
- ii. Income Statement and Statement of Comprehensive Income;
- iii. Cash flow Statement;
- iv. Statement of Movement in Participants' Fund, of,

ABL Pension Fund (the Fund) as at June 30, 2018 together with the notes forming part thereof, for the year then ended.

It is the responsibility of ABL Asset Management Company Limited (the Pension Fund Manager) to establish and maintain a system of internal controls; and prepare and present the financial statements of the Fund in conformity with the International Accounting Standards notified under the section 225 of the Companies Act, 2017 and technical releases issued by the Institute of Chartered Accountants of Pakistan from time to time and the requirements of the Voluntary Pensions System Rules, 2005 and the Companies Act, 2017. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- a) the financial statements prepared for the year ended June 30, 2018 have been properly drawn in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) a true and fair view is given of the disposition of the Fund as at June 30, 2018 and the transactions of the Fund for the year then ended in accordance with approved accounting standards as applicable in Pakistan;
- c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- e) the financial statements prepared are in agreement with the Fund's books and records;
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of the audit; and
- g) Zakat deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980) was deducted and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The financial statements of the Company for the period ended June 30, 2017 were audited by another firm of chartered accountants who have expressed an unmodified opinion thereon dated August 23, 2017.

Deloitte Yousuf Adil
Chartered Accountants

Engagement Partner
Rana M. Usman Khan

Place: Lahore

Date: September 06, 2018

ABL PENSION FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2018

	Note	June 30, 2018				June 30, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees									
ASSETS									
Balances with banks	4	9,903,592	4,669,729	16,045,507	30,618,828	4,007,178	4,484,524	21,474,334	29,966,036
Investments	5	93,967,860	72,707,857	39,867,600	206,543,317	106,306,087	76,105,529	32,434,686	214,846,302
Dividend receivable		134,982	-	-	134,982	374,934	-	-	374,934
Income receivable	6	17,759	245,612	78,963	342,334	12,424	81,348	82,683	176,455
Formation cost	7	-	-	-	-	2,119	2,372	2,627	7,118
Deposits and other receivables	8	124,388	163,873	68,013	356,274	123,887	224,849	94,536	443,272
Total assets		104,148,581	77,787,071	56,060,083	237,995,735	110,826,629	80,898,622	54,088,866	245,814,117
LIABILITIES									
Payable to the Pension Fund Manager	9	383,851	355,447	296,676	1,035,974	423,683	377,180	315,899	1,116,762
Payable to the Trustee	10	13,957	10,978	7,731	32,666	15,716	11,033	7,487	34,236
Payable to the Auditors		50,000	50,000	50,000	150,000	50,000	50,001	50,005	150,006
Payable to the Securities and Exchange Commission of Pakistan	11	32,678	25,904	16,896	75,478	32,214	24,841	17,892	74,947
Payable Against Purchase Of Equity Securities		1,570,965	-	-	1,570,965	-	-	-	-
Accrued expenses and other liabilities	12	719,907	219,488	138,030	1,077,425	653,655	183,966	102,343	939,964
Total liabilities		2,771,358	661,817	509,333	3,942,508	1,175,268	647,021	493,626	2,315,915
NET ASSETS		101,377,223	77,125,254	55,550,750	234,053,227	109,651,361	80,251,601	53,595,240	243,498,202
PARTICIPANTS' SUB FUNDS (AS PER STATEMENT ATTACHED)		101,377,223	77,125,254	55,550,750	234,053,227	109,651,361	80,251,601	53,595,240	243,498,202
NUMBER OF UNITS IN ISSUE	16	647,465	538,026	469,546		586,455	580,648	470,437	
NET ASSET VALUE PER UNIT		156.5757	143.3484	118.3073		186.9731	138.2104	113.9265	
Contingencies and commitments	13								

The annexed notes 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Pension Fund Manager)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ABL PENSION FUND INCOME STATEMENT AS AT JUNE 30, 2018

For the year ended June 30, 2018

For the year ended June 30, 2017

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
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Note

Rupees

INCOME

Financial income	18	437,802	4,858,509	3,139,362	8,435,673	317,007	3,890,313	3,276,129	7,483,449
Unrealised (diminution) / appreciation on remeasurement of investments classified 'as' financial assets at fair value through profit or loss' - net	19	(13,106,867)	(140,288)	(11,042)	(13,258,197)	12,480,896	376,673	(567)	12,857,002
Capital gain / (loss) on sale of investments		(8,287,243)	(111,153)	46,122	(8,352,274)	9,303,318	531,475	(457)	9,834,336
Dividend income		4,335,196	-	-	4,335,196	3,618,574	-	-	3,618,574
Reversal of Provision for Workers' Welfare Fund	12	-	-	-	-	315,140	255,655	76,027	646,822
Total Income		(16,621,112)	4,607,068	3,174,442	(8,839,602)	26,034,935	5,054,116	3,351,132	34,440,183

EXPENSES

Remuneration of the Pension Fund Manager		1,486,432	1,176,445	768,012	3,430,889	1,464,256	1,129,122	813,293	3,406,671
Remuneration of the Trustee		149,121	117,668	76,693	343,482	146,435	112,922	81,336	340,693
Annual fee of the Securities and Exchange Commission of Pakistan		32,677	25,882	16,896	75,455	32,214	24,841	17,892	74,947
Sindh sales tax on remuneration of the Pension Fund Manager		8,831	5,860	4,023	18,714	190,353	146,786	105,728	442,867
Punjab sales tax on remuneration of the Pension Fund Manager		233,657	185,301	120,894	539,852	-	-	-	-
Sindh sales tax on remuneration of the Trustee		19,385	15,297	9,970	44,652	19,037	14,680	10,572	44,289
Auditors' remuneration	20	59,000	59,000	58,995	176,995	55,118	55,119	55,123	165,360
Security transaction charges		86,367	13,013	2,787	102,167	180,368	29,155	2,355	211,878
Bank charges		12,608	12,256	21,752	46,616	24,136	14,207	10,826	49,169
Amortisation of formation cost		2,119	2,372	2,627	7,118	19,673	19,420	19,166	58,259
Legal and professional charges		55,000	55,000	55,000	165,000	-	-	-	-
Printing and other expenses		79,929	79,926	79,929	239,784	76,867	76,866	76,869	230,602
Total operating expenses		2,225,126	1,748,020	1,217,578	5,190,724	2,208,457	1,623,118	1,193,160	5,024,735
Net income / (loss) from operating activities		(18,846,238)	2,859,048	1,956,864	(14,030,326)	23,826,478	3,430,998	2,157,972	29,415,448
Provision for Sindh Workers' Welfare Fund	12	-	-	-	-	(629,694)	(169,488)	(88,031)	(887,213)
Net income / (loss) for the year before taxation		(18,846,238)	2,859,048	1,956,864	(14,030,326)	23,196,784	3,261,510	2,069,941	28,528,235
Taxation	14	-	-	-	-	-	-	-	-
Net income / (loss) for the year after taxation		(18,846,238)	2,859,048	1,956,864	(14,030,326)	23,196,784	3,261,510	2,069,941	28,528,235
Other comprehensive income for the year		-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the year		(18,846,238)	2,859,048	1,956,864	(14,030,326)	23,196,784	3,261,510	2,069,941	28,528,235

Earning / (loss) Per Unit

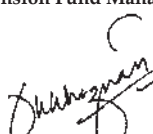
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The annexed notes 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Pension Fund Manager)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

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Discover the potential

ABL PENSION FUND

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND

FOR THE YEAR ENDED JUNE 30, 2018

	For the year ended June 30, 2018				For the year ended June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees							
Net assets at the beginning of the year	109,651,361	80,251,601	53,595,240	243,498,202	67,136,479	70,481,838	66,152,846	203,771,163
Issue of units *	24,708,583	13,041,907	13,798,699	51,549,189	23,609,843	12,487,641	17,415,919	53,513,403
Redemption of units *	(14,136,483)	(19,027,302)	(13,800,053)	(46,963,838)	(4,291,745)	(5,979,388)	(32,043,466)	(42,314,599)
	10,572,100	(5,985,395)	(1,354)	4,585,351	19,318,098	6,508,253	(14,627,547)	11,198,804
Net capital gain on sale of investments	(8,287,243)	(111,153)	46,122	(8,352,274)	9,303,318	531,475	(457)	9,834,336
Unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss	(13,106,867)	(140,288)	(11,042)	(13,258,197)	12,480,896	376,673	(567)	12,857,002
Other net income for the year	2,547,872	3,110,489	1,921,784	7,580,145	1,412,570	2,353,362	2,070,965	5,836,897
	(18,846,238)	2,859,048	1,956,864	(14,030,326)	23,196,784	3,261,510	2,069,941	28,528,235
Net assets at the end of the year	101,377,223	77,125,254	55,550,750	234,053,227	109,651,361	80,251,601	53,595,240	243,498,202

* Total number of units issued and redeemed during the period is disclosed in note 16 of these financial statements.

The annexed notes 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Pension Fund Manager)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ABL PENSION FUND

CASH FLOW STATEMENT

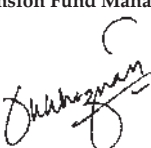
FOR THE YEAR ENDED JUNE 30, 2018

	For the year ended June 30, 2018				For the year ended June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note								
Rupees								
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income / (loss) for the year	(18,846,238)	2,859,048	1,956,864	(14,030,326)	23,196,784	3,261,510	2,069,941	28,528,235
Adjustments for non cash & other items								
Amortisation of formation cost	2,119	2,372	2,627	7,118	19,673	19,420	19,166	58,259
Unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss - net	13,106,867	140,288	11,042	13,258,197	(12,480,896)	(376,673)	567	(12,857,002)
Dividend income	(4,335,196)	-	-	(4,335,196)	(3,618,574)	-	-	(3,618,574)
Provision for Sindh Workers' Welfare Fund	-	-	-	-	629,694	169,488	88,031	887,213
Reversal of Provision for Workers' Welfare Fund	-	-	-	-	(315,140)	(255,655)	(76,027)	(646,822)
	8,773,790	142,660	13,669	8,930,119	(15,765,243)	(443,420)	31,737	(16,176,926)
	(10,072,448)	3,001,708	1,970,533	(5,100,207)	7,431,541	2,818,090	2,101,678	12,351,309
Decrease / (Increase) in assets								
Income receivable	(5,335)	(164,264)	3,715	(165,884)	5,199	1,970,072	2,796,995	4,772,266
Deposits and other receivables	(501)	60,976	26,523	86,998	(9,768)	485,804	23,707	499,743
	(5,836)	(103,288)	30,238	(78,886)	(4,569)	2,455,876	2,820,702	5,272,009
(Decrease) / Increase in liabilities								
Payable against purchase of investments	1,570,965	-	-	1,570,965	-	-	-	-
Payable to the Pension Fund Manager	(39,832)	(21,734)	(19,223)	(80,789)	53,187	4,644	(34,615)	23,216
Payable to the Trustee	(1,759)	(55)	243	(1,571)	6,479	1,748	(2,099)	6,128
Payable to the Auditors	-	-	-	-	14,666	14,666	14,671	44,003
Payable to the Securities and Exchange Commission of Pakistan	464	1,063	(996)	531	14,407	7,163	963	22,533
Accrued expenses and other liabilities	66,252	35,522	35,688	137,462	(41,877)	(4,992)	(4,630)	(51,499)
	1,596,090	14,796	15,712	1,626,598	46,862	23,229	(25,710)	44,381
Dividend received	4,575,148	-	-	4,575,148	3,527,742	-	-	3,527,742
Investments net	(768,640)	(22,686,006)	(11,042)	(23,465,688)	(33,053,194)	51,585,962	62,520,208	81,052,976
Net cash from operating activities	(4,675,686)	(19,772,790)	2,005,441	(22,443,035)	(22,051,618)	56,883,157	67,416,878	102,248,417
CASH FLOW FROM FINANCING ACTIVITIES								
Receipts on issuance of units	24,708,583	13,041,907	13,798,699	51,549,189	23,609,843	12,487,641	17,415,919	53,513,403
Payments on redemption of units	(14,136,483)	(19,027,302)	(13,800,053)	(46,963,838)	(4,291,745)	(5,979,388)	(32,043,466)	(42,314,599)
Net cash from financing activities	10,572,100	(5,985,395)	(1,354)	4,585,351	19,318,098	6,508,253	(14,627,547)	11,198,804
Net increase / (decrease) in cash and cash equivalents during the year	5,896,414	(25,758,185)	2,004,087	(17,857,684)	(2,733,520)	63,391,410	52,789,331	17,693,284
Cash and cash equivalents at beginning of the year	4,007,178	67,803,775	53,909,020	125,719,973	6,740,698	4,412,365	1,119,689	12,272,752
Cash and cash equivalents at end of the year	9,903,592	42,045,590	55,913,107	107,862,289	4,007,178	67,803,775	53,909,020	125,719,973

The annexed notes 1 to 28 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Pension Fund Manager)


SAQIB MATIN
CHIEF FINANCIAL OFFICER


ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER


MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ABL
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PENSION FUND

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ABL ISLAMIC FINANCIAL PLANNING FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Pension Fund ("the Fund") has been established under the Voluntary Pension Scheme Rules, 2005 (VPS Rules) via a Trust Deed dated March 19, 2014 executed between ABL Asset Management Company Limited (ABL AMC) as the Pension Fund Manager and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities & Exchange Commission of Pakistan (SECP) as a pension fund on July 7, 2014. The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. During the year the registered office of the Management Company has been changed to Plot / Building number 14 Main Boulevard DHA Phase VI, Lahore.

1.2 The Fund commenced its operations from August 20, 2014. The Fund is a Voluntary Pension Fund and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the offering document, the Fund shall not distribute any income from the Fund whether in cash or otherwise.

1.3 The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customization through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.

1.4 At present, the Fund consists of the following three Sub-Funds. The investment policy for each of the sub-funds are as follows:

a) ABL Pension Fund - Equity Sub-Fund (ABLPF - ESF)

The Equity Sub-Fund shall have an average minimum investment in listed shares of ninety percent (90%) of its Net Asset Value (NAV). Investment in equity securities of a single company shall not exceed 10% of the net assets value of the Equity Sub Fund, provided that exposure in companies belonging to a single sector as classified by the Stock Exchange shall not exceed 30% of the net assets of the Equity Sub Fund or the index weight, whichever is higher, subject to maximum of 35% of the net assets of the Equity Sub Fund. Any un-invested surplus may be invested in Government treasury bills or Government securities having less than one year time to maturity.

b) ABL Pension Fund - Debt Sub-Fund (ABLPF - DSF)

The Debt Sub-Fund shall invest atleast 25% of the net assets of the Debt Sub Fund in debt securities issued by the Federal Government. The weighted average time to maturity of securities held in the portfolio of Debt Sub Fund shall not exceed 5 years. Exposure to securities issued by companies in a single sector shall not exceed 20% (30% in case of the banking sector) of the net assets of the debt sub fund. The objective of the Fund is to provide income along with capital preservation.

c) ABL Pension Fund - Money Market Sub-Fund (ABLPF - MMSF)

The weighted average time to maturity of the net assets of the Money Market Sub-fund shall not exceed 90 days, provided that time to maturity of any asset in the portfolio of the Money Market Sub-fund shall not exceed 6 months.

1.5 The Fund offers four types of allocation schemes, as prescribed by the SECP under the VPS Rules vide its Circular no. 36 of 2009 dated December 10, 2009 to the participants of the Fund namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has the option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the investment amount of the investors is allocated to the above stated sub-funds. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement and in case of disability or death subject to conditions laid down in the offering document, the VPS Rules and the Income Tax

Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.

1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The 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 Act, 2017, the requirements of the Trust Deed, the Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the Securities and the Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the VPS Rules, 2005 or the requirements of the said directives prevail.

2.2 Standards, Interpretations and amendments to published approved accounting standards that are effective in the current year

There are certain new and amended standards and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2017 but are considered not to be relevant or to have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

2.3 Standards, Interpretations and amendments to published approved accounting standards that are not yet effective

There are certain new and amended standards and interpretations that are mandatory for the accounting period beginning on or after July 1, 2018 but are considered not to be relevant or to have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements, other than those mentioned below.

2.3.1 Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards, Interpretations or Amendments after)	Effective date (accounting period beginning on or after)
- IFRS-9 Financial Instruments	July 1, 2018

2.4 Critical accounting estimates and judgments

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

The areas involving a degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements are as follows:

- i) Classification and valuation of financial assets (notes 3.2.1 and 5)
- ii) Impairment of financial assets (note 3.2.6)

2.5 Basis of measurement

These financial statements have been prepared under the historical cost convention except for investments held at fair value which have been carried at fair value.

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates and are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

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 to all the years presented unless otherwise stated.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

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. The Pension Fund Manager determines the appropriate classification of its financial assets at the initial recognition and re-evaluates this classification on a regular basis.

Investments are categorised as follows:

a) **Financial assets 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. These include held for trading investments and such other investments that, upon initial recognition, are designated under this category.

b) **Loans and receivables**

These are non-derivative 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 or (b) financial assets at fair value through profit or loss. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price.

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Transaction costs

Transaction cost associated with the acquisition of investments at fair value through profit or loss is charged to the income statement.

3.2.4 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 while the related transaction costs are expensed out in the income statement.

3.2.5 Subsequent measurement

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

Subsequent to initial recognition, financial assets classified as "at fair value through profit or loss" and "available for sale" are valued as follows:

- Basis of valuation of debt securities

The investment of the Fund in debt securities (comprising any security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital and includes term finance certificates, bonds, debentures, sukuks and commercial papers etc.) is valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP for valuation of debt securities. In the determination of the rates the MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

- Basis of valuation of government securities

The investment of the Fund in government securities is valued on the basis of rates published by MUFAP.

- Basis of Valuation of equity securities

The investment of the Fund in equity securities is valued on the basis of quoted market price available at the stock exchanges.

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

Net gains and losses arising from changes in the fair value of available for sale financial assets are taken to other comprehensive income until these are derecognised or impaired. At this time, the cumulative gain or loss previously recognised in other comprehensive income is shown as part of net income for the year.

b) Loans and receivables

Subsequent to initial recognition, financial assets classified as loans and receivables are carried at amortised cost using the effective interest method. Gains or losses are also recognised in the 'income statement' when the financial assets carried at amortised cost are derecognised or impaired.

3.2.6 Impairment

The Fund assesses at each reporting date whether there is an objective evidence that a 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.

The amount of provision for certain debt securities is determined based on the provisioning criteria specified by the SECP.

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 Pension Fund Manager in accordance with the requirements of the Securities and Exchange Commission of Pakistan.

3.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred or the Fund has transferred substantially all the 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 assets and financial liabilities

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 to realise the assets and settle the liabilities simultaneously.

3.5 Formation cost

Formation cost represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of three years in accordance with the requirements set out in the Trust Deed of the Fund. These expenses were paid for by the Pension Fund Manager and are payable to them by the Fund.

3.6 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.

3.7 Taxation

The income of the Fund is exempt from taxation under clause 57 (3) (viii) of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

3.8 Revenue recognition

- Capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Unrealised appreciation / (diminution) in the value of investments classified as 'Financial assets at fair value through profit or loss' are included in the income statement in the period which they arise.
- Income on debt and government securities is recognised on an accrual basis
- Profit on bank balances is recognised on an accrual basis
- Dividend income is recognised when the rights to receive the dividend are established

3.9 Expenses

- The Pension Fund Manager's remuneration and the trustee's remuneration is charged to the Sub-Funds in proportion to the net assets of the Sub-Funds.

- Security transaction charges, bank charges, borrowing / financial costs, taxes applicable to the income, and other costs are charged to the pertinent Sub-Funds.
- Audit fees, legal and related costs, annual fees payable to the Commission are charged to the Sub-Funds in proportion to the net assets of the Sub-Funds.

3.10 Issue, Allocation, Reallocation and Redemption of Units

Contributions received from the participants are allocated to the Sub-Funds on the basis of the allocation scheme selected by each participant out of the allocation schemes offered by the pension fund manager. The net asset value (NAV) per unit of each Sub-Fund is determined at the close of each business day, according to the procedure outline in the VPS Rules and is applicable for allocation of units in each Sub-Fund for all the contribution amount realised and credited in collection account of the fund during the business hours' in that business day.

The Pension Fund Manager makes reallocation of the units between the Sub-Funds at least once a year to ensure that the allocations of the units of all the participants are according to the allocation scheme selected by the participants.

All the Sub-Funds units are automatically redeemed in the close of the dealing day at which the retirement date falls or death of a participant has been confirmed. The participant may also withdraw from the scheme prior to retirement. The redemption from the respective Sub-Fund is made on the Net Asset Value per unit prevailing at the close of the dealing day on which the request is received, subject to deduction of zakat and taxes, as applicable.

In case of partial withdrawals, units are redeemed on a pro rata basis by ensuring that the remaining units are in accordance with the allocation scheme last selected by the participants.

Proceeds received on redemptions / paid on issuance of units are reflected in the participant's Sub-Fund. The voluntary pension system rules, 2005 specify that distribution of dividend shall not be allowed for pension funds and return to unit holders is, therefore, only possible through redemption of units which is based on Net Asset Value (NAV). Hence, the management believes that creation of income equalization mechanism through separate recording of "element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed" is not required.

3.11 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.

		June 30, 2018				June 30, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
4	BALANCES WITH BANKS	----- Rupees -----							
	Savings accounts	9,903,592	4,669,729	16,045,507	30,618,828	4,007,178	4,484,524	21,474,334	29,966,036

4.1 Deposits in savings accounts include aggregate balance of Rs. 18,961,799 (2017: 9,028,784) with Allied Bank Limited, a related party and carry markup rate of 3.5% to 7.59% (2017: 3.5% to 6.75%) per annum.

4.2 These savings accounts carry markup at rates ranging from 3.5% to 7.59% (2017: 3.5% to 6.75%) per annum.

		June 30, 2018				June 30, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
4.3	CASH & CASH EQUIVALENT	----- Rupees -----							
	Savings accounts	9,903,592	4,669,729	16,045,507	30,618,828	4,007,178	4,484,524	21,474,334	29,966,036
	T-Bills	-	37,375,861	39,867,600	77,243,461	-	63,319,251	32,434,686	95,753,937
		9,903,592	42,045,590	55,913,107	107,862,289	4,007,178	67,803,775	53,909,020	125,719,973

INVESTMENTS

Financial assets 'at fair value through profit or loss'

		June 30, 2018				June 30, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees									
Listed equity securities	5.1	93,967,860	-	-	93,967,860	106,306,087	-	-	106,306,087
Government securities - Pakistan									
Investment Bonds	5.2	-	24,895,000	-	24,895,000	-	-	-	-
Government securities - Treasury Bills	5.3 & 5.4	-	37,375,861	39,867,600	77,243,461	-	63,319,251	32,434,686	95,753,937
Corporate Sukuk Bonds and Term Finance Certificate	5.6	-	62,270,861	39,867,600	102,138,461	-	63,319,251	32,434,686	95,753,937
Investments at fair value		93,967,860	72,707,857	39,867,600	206,543,317	106,306,087	76,105,529	32,434,686	214,846,302

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

Name of Sector / Investee Company	As at July 01, 2017	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2018	Carrying Value as at June 30, 2018	Market value as at June 30, 2018	Appreciation / (diminution)	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of paid up capital of investee company
COMMERCIAL BANKS											
Habib Bank Limited	28,195	17,000	-	-	45,195	10,582,983	7,522,256	(3,060,727)	7.42%	8.01%	0.51%
MCB Bank Limited	15,800	5,000	-	-	20,800	4,323,794	4,113,616	(210,178)	4.06%	4.38%	0.37%
Bank Al-Falah Limited	-	59,000	-	-	59,000	3,098,185	3,085,110	(13,075)	3.04%	3.28%	0.19%
Bank Al-Habib Limited	-	30,500	-	2,500	28,000	1,990,050	2,207,240	217,190	2.18%	2.35%	0.20%
Faysal Bank Limited	-	30,000	-	-	30,000	773,310	780,000	6,690	0.77%	0.83%	0.06%
United Bank Limited	18,800	23,000	-	-	41,800	8,852,972	7,063,364	(1,789,608)	6.97%	7.52%	0.58%
						29,621,294	24,771,586	(4,849,708)	24.44%		
TEXTILE COMPOSITE											
Nishat Mills Limited	40,500	-	-	6,500	34,000	5,395,120	4,791,280	(603,840)	4.73%	5.10%	1.36%
						5,395,120	4,791,280	(603,840)	4.73%		
CEMENT											
Cherat Cement Company Limited	12,500	-	-	-	12,500	2,234,750	1,215,375	(1,019,375)	1.20%	1.29%	0.07%
D.G. Khan Cement Company Limited	19,900	20,000	-	18,000	21,900	3,562,213	2,507,331	(1,054,882)	2.47%	2.67%	0.06%
Lucky Cement Limited	10,500	-	-	3,600	6,900	5,770,194	3,504,717	(2,265,477)	3.46%	3.73%	0.11%
Pioneer Cement Limited	15,300	-	-	15,300	-	-	-	-	0.00%	0.00%	0.00%
						11,567,157	7,227,423	(4,339,734)	7.13%		
OIL & GAS MARKETING COMPANIES											
Hascol Petroleum Limited (Note 5.1.1)	736	-	-	-	736	251,050	230,927	(20,122)	0.23%	0.25%	0.02%
Sui Northern Gas Pipelines Limited	14,500	30,100	-	10,000	34,600	4,007,781	3,467,612	(540,169)	3.42%	3.69%	0.05%
Pakistan State Oil Company Limited	12,000	1,000	2,400	7,400	8,000	2,568,542	2,546,480	(22,062)	2.51%	2.71%	0.09%
						6,827,373	6,245,019	(582,353)	6.16%		
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	3,800	500	-	-	4,300	6,738,430	6,476,574	(261,856)	6.39%	6.89%	0.59%
Oil & Gas Development Company Limited	22,800	18,000	-	3,000	37,800	5,689,957	5,882,436	192,479	5.80%	6.26%	0.01%
Pakistan Oilfields Limited	5,500	4,400	-	5,600	4,300	2,331,252	2,888,697	557,445	2.85%	3.07%	0.12%
Pakistan Petroleum Limited	13,700	21,200	-	3,000	31,900	6,042,354	6,855,310	812,956	6.76%	7.30%	0.03%
						20,801,993	22,103,017	1,301,024	21.80%		
SUGAR & ALLIED INDUSTRIES											
Faran Sugar Mills Limited	12,000	-	-	12,000	-	-	-	-	0.00%	0.00%	0.00%
						-	-	-	0.00%		
INSURANCE											
Adamjee Insurance Company Limited	25,000	-	-	-	25,000	1,709,000	1,218,250	(490,750)	1.20%	1.30%	0.03%
Jubilee Life Insurance Company Limited	700	-	-	-	700	600,600	479,500	(121,100)	0.47%	0.51%	0.07%
						2,309,600	1,697,750	(611,850)	1.67%		
Balance carried forward						76,522,537	66,836,075	(9,686,461)	65.93%		
Balance brought forward						76,522,537	66,836,075	(9,686,461)	65.93%		
CHEMICAL											
ICI Pakistan Limited	5,900	-	-	550	5,350	5,855,843	4,288,025	(1,567,818)	4.23%	4.56%	0.46%
						5,855,843	4,288,025	(1,567,818)	4.23%		
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars (Pakistan) Limited	8,100	-	-	8,100	-	-	-	-	0.00%	0.00%	0.00%
AUTOMOBILE PARTS & ACCESSORIES											
Thal Limited	13,400	-	-	3,700	9,700	5,878,491	4,632,041	(1,246,450)	4.57%	4.93%	1.14%
General Tyre & Rubber Company of Pakistan Limited	6,500	-	-	4,000	2,500	758,750	415,500	(343,250)	0.41%	0.44%	0.07%
						6,637,241	5,047,541	(1,589,700)	4.98%		
FERTILIZER											
Engro Fertilizers Limited	73,500	-	-	28,500	45,000	2,485,800	3,370,950	885,150	3.33%	3.59%	0.03%
Engro Corporation Limited	15,000	7,500	-	5,000	17,500	5,585,000	5,492,550	(92,450)	5.42%	5.85%	0.10%
Engro Polymer & Chemicals Limited	-	90,000	3,699	-	93,699	3,000,520	2,855,037	(145,483)	2.82%	3.04%	0.04%
Fauji Fertilizer Bin Qasim Limited	30,000	-	-	30,000	-	-	-	-	0.00%	0.00%	0.00%
						11,071,320	11,718,537	647,217	11.57%		
PHARMACEUTICALS											
The Searle Company Limited (Note 5.1.1)	5,128	-	1,025	5,700	453	193,291	153,794	(39,498)	0.15%	0.16%	0.01%
						193,291	153,794	(39,498)	0.15%		
PAPER & BOARD											
Packages Limited	6,250	-	-	4,100	2,150	1,495,497	1,052,898	(442,599)	1.04%	1.12%	0.12%
						1,495,497	1,052,898	(442,599)	1.04%		
ENGINEERING											
International Steels Limited	19,000	15,000	-	4,000	30,000	3,522,424	3,051,000	(471,424)	3.01%	3.25%	0.07%
						3,522,424	3,051,000	(471,424)	3.01%		
Systems Limited	-	14,000	-	2,000	12,000	1,161,574	1,214,640	53,066	1.20%	1.29%	0.11%
Netsol Technologies	-	10,000	-	5,000	5,000	615,000	605,350	(9,650)	0.60%	0.64%	0.07%
						1,776,574	1,819,990	43,416	1.80%		
As at June 30, 2018						107,074,727	93,967,860	(13,106,867)	92.71%		
As at June 30, 2017						93,825,191	106,306,087	12,480,896	92.19%		

5.1.1 The Finance Act 2014 introduced amendments to the Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payment of tax by shareholders. The value of tax will be 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 the Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received, which is pending adjudication. The petition is based on the fact that because VPS 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. A stay order has been granted by the High Court of Sindh in favour of VPS.

As at June 30, 2018, 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	June 30, 2018		June 30, 2017	
	Bonus shares			
	Number	Market value	Number	Market value
Hascol Petroleum Company Limited	412	129,269	412	140,533
The Searle Company Limited	295	100,153	205	104,956
Pakistan State Oil	120	38,197		
		<u>267,619</u>		<u>245,489</u>

5.2 Debt Sub Fund - Government Securities - Pakistan Investment Bonds

Tenure	As at July 01, 2017	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2018	Cost of holding as at June 30, 2018	Market value as at June 30, 2018	(diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
	-----Face Value-----				-----Rupees-----				-----%age-----	
10 years	-	25,000,000	-	-	25,000,000	25,000,000	24,895,000	(105,000)	-	32.28%
As at June 30, 2018	-	<u>25,000,000</u>	-	-	<u>25,000,000</u>	<u>25,000,000</u>	<u>24,895,000</u>	<u>(105,000)</u>	-	<u>32.28%</u>

5.3 Debt Sub Fund - Government Securities - Treasury Bills

Tenure	As at July 01, 2017	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2018	Cost of holding as at June 30, 2018	Market value as at June 30, 2018	(diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
	-----Face Value-----				-----Rupees-----				-----%age-----	
3 Months	63,500,000	801,500,000	648,000,000	179,500,000	37,500,000	37,386,294	37,375,861	(10,433)	51%	48.46%
As at June 30, 2018	<u>63,500,000</u>	<u>801,500,000</u>	<u>648,000,000</u>	<u>179,500,000</u>	<u>37,500,000</u>	<u>37,386,294</u>	<u>37,375,861</u>	<u>(10,433)</u>	<u>51%</u>	<u>48.46%</u>

5.4 Money Market Sub Fund - Government Securities - Treasury Bills

Tenure	As at July 01, 2017	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2018	Cost of holding as at June 30, 2018	Market value as at June 30, 2018	(diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
	-----Face Value-----				-----Rupees-----				-----%age-----	
3 Months	32,500,000	642,500,000	558,000,000	77,000,000	40,000,000	39,878,642	39,867,600	(11,042)	54.83%	51.69%
As at June 30, 2018	<u>32,500,000</u>	<u>642,500,000</u>	<u>558,000,000</u>	<u>77,000,000</u>	<u>40,000,000</u>	<u>39,878,642</u>	<u>39,867,600</u>	<u>(11,042)</u>	<u>54.83%</u>	<u>51.69%</u>

5.5 Debt Sub Fund - Corporate Sukuk and Term Finance Certificate

Investee Company	Tenure	As at July 01, 2017	Purchased during the year	Disposed during the year	Matured during the year	As at June 30, 2018	Cost of holding as at June 30, 2018	Market value as at June 30, 2018	Appreciation / (diminution)	Market value as a percentage of total investment of the Sub-Fund	Market value as a percentage of net assets of the Sub-Fund
		-----Number of units-----				-----Rupees-----				-----%age-----	
Meezan Bank Limited - Tier II	10 Years	20,000	-	-	-	20,000	2,085,188	2,030,000	(55,188)	2.79%	2.63%
Bank of Punjab	10 Years	35	-	-	-	35	3,538,142	3,576,372	38,230	4.92%	4.64%
DHCL SUKUK 16-NOV-2017	5 Years	-	15	-	-	15	1,500,000	1,503,000	3,000	2.07%	1.95%
DHCL SUKUK II (01-03-2018)	5 Years	-	300	-	-	300	1,500,000	1,500,969	969	2.06%	1.95%
Fatima Fertilizer Company Limited	5 Years	89	-	-	-	89	329,492	316,484	(13,008)	0.44%	0.41%
K-Electric Limited	7 Years	1,000	-	-	1,000	-	-	-	-	0.00%	0.00%
IS Bank Limited	7 Years	300	-	-	-	300	1,509,029	1,510,171	1,142	2.08%	1.96%
As at June 30, 2018		<u>21,424</u>	<u>315</u>	-	<u>1,000</u>	<u>20,739</u>	<u>10,461,851</u>	<u>10,436,996</u>	<u>(24,855)</u>	<u>14.36%</u>	<u>13.54%</u>

	June 30, 2018				June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
6 INCOME RECEIVABLE	----- Rupees -----							
Income receivable on bank deposits	17,759	15,438	78,963	112,160	12,424	9,550	82,683	104,657
Income receivable on government securities	-	145,485	-	145,485	-	-	-	-
Income receivable on corporate sukuk	-	84,689	-	84,689	-	71,798	-	71,798
	<u>17,759</u>	<u>245,612</u>	<u>78,963</u>	<u>342,334</u>	<u>12,424</u>	<u>81,348</u>	<u>82,683</u>	<u>176,455</u>

7 FORMATION COST

Formation cost incurred	2,119	2,372	2,627	7,118	21,792	21,792	21,793	65,377
Less: amortisation during the period	2,119	2,372	2,627	7,118	19,673	19,420	19,166	58,259
Balance as at June 30, 2018	-	-	-	-	2,119	2,372	2,627	7,118

7.1 Formation cost represents expenditure incurred prior to the commencement of operations of the Fund. This cost is being amortised over three years in accordance with the requirement set out in the Trust Deed.

	June 30, 2018				June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
8 DEPOSITS AND OTHER RECEIVABLES	----- Rupees -----							
Security deposit with Central Depository Company of Pakistan Limited	100,000	119,354	-	219,354	100,000	104,475	-	204,475
Deposit in IPS account	-	44,519	21,857	66,376	-	120,374	53,232	173,606
Advance tax	24,388	-	46,156	70,544	23,887	-	41,304.00	65,191
	<u>124,388</u>	<u>163,873</u>	<u>68,013</u>	<u>356,274</u>	<u>123,887</u>	<u>224,849</u>	<u>94,536</u>	<u>443,272</u>

9 PAYABLE TO THE PENSION FUND MANAGER

Remuneration to the Pension Fund Manager	9.1	123,526	97,708	68,477	289,711	139,079	97,659	66,262	303,000
Sindh Sales Tax on remuneration of the Pension Fund Manager	9.2	30,249	30,193	27,023	87,465	52,502	45,818	37,625	135,945
Punjab Sales Tax on remuneration of the Pension Fund Manager	9.2	19,766	15,634	10,957	46,357	-	-	-	-
Federal Excise Duty on remuneration of the Pension Fund Manager	9.3	210,310	211,912	190,219	612,441	210,310	211,911	190,219	612,440
Formation cost		-	-	-	-	21,792	21,792	21,793	65,377
		<u>383,851</u>	<u>355,447</u>	<u>296,676</u>	<u>1,035,974</u>	<u>423,683</u>	<u>377,180</u>	<u>315,899</u>	<u>1,116,762</u>

9.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to remuneration for its services for a fee not exceeding 1.50% of the net assets of each Sub-Funds. Currently, the Pension Fund Manager fee is charged at the rate of 1.50% (2017: 1.50%) of the daily net assets of the Sub-Funds which is paid monthly in arrears.

9.2 During the year, Punjab Sales Tax has been charged at the rate of 16% (2017: Sindh Sales Tax 13%).

9.2.1 Consequent to change in registered office of the Management Company, the Fund has completed its registration process with the Punjab Revenue Authority in July 2017 and, moving forward, the services obtained by the Fund will be subject to the Punjab sales tax at a rate specified in the Punjab Sales Tax on Services Act, 2012. During the period, Punjab Sales tax has been charged at the rate of 16% (June 30, 2017: Sindh Sales tax at the rate of 13%).

9.3 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 9.2, 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, along with other asset management companies and trustees of collective investment schemes (CISs), through a constitutional petition filed in the Honorable Sindh High Court (SHC) during September 2013. The SHC has issued a stay order against the recovery of FED and therefore we have not made any payments of FED since its application. 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 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.

The Management Company, as a matter of abundant caution, has maintained full provision for FED (since June 13, 2013) aggregating to Rs 612,440 (June 30, 2017: Rs 612,440). The impact of this provision on the Net Assets Value per unit of ABLPF - ESF, ABLPF - DSF and ABLPF - MMSF as at June 30, 2018 would have been higher by Rs. 0.3248, Rs. 0.3939 and Rs. 0.4051 (2017: Rs. 0.3586, Rs. 0.3650 and Rs. 0.4043) per unit respectively.

		June 30, 2018				June 30, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
10	PAYABLE TO THE TRUSTEE	----- Rupees -----							
	Trustee Fee 10.1	12,352	9,708	6,849	28,909	13,908	9,764	6,626	30,298
	Sindh Sales Tax on remuneration of the trustee fee 10.2	1,605	1,270	882	3,757	1,808.00	1,269.00	861	3,938
		<u>13,957</u>	<u>10,978</u>	<u>7,731</u>	<u>32,666</u>	<u>15,716</u>	<u>11,033</u>	<u>7,487</u>	<u>34,236</u>

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Sub-Funds under the provisions of the Trust Deed as per the tariff specified therein and shall be charged in proportion to the daily net assets of the pertinent Sub-Fund. The remuneration is paid to the trustee monthly in arrears.

10.2 During the year, Sindh Sales Tax has been charged at the rate of 13% (2017: Sindh sales tax 13%).

The tariff structure applicable to the Fund as at June 30, 2018 is as follows:

Net Assets (Rupees)		Tariff
From	To	
1	1 billion	Rs. 0.3 million or 0.15% per annum of the net assets whichever is higher. Rs. 1.5 million plus 0.10% per annum of the net assets on amount exceeding Rs 1 billion. Rs. 3.5 million plus 0.08% per annum of the net assets on amount exceeding Rs 3 billion. Rs. 5.9 million plus 0.06% per annum of the net assets on amount exceeding Rs 6 billion.
Above 1 billion	3 billion	
Above 3 billion	6 billion	
Above 6 billion	N/A	

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to the Securities and Exchange Commission of Pakistan (SECP) in accordance with the requirements of rule 36 of the Voluntary Pension System Rules, 2005 whereby each Sub-Fund is required to pay to the SECP an amount equal to one thirtieth of 1% of the average annual net assets of each of the Sub-Funds.

		June 30, 2018				June 30, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
12	ACCRUED EXPENSES AND OTHER LIABILITIES	----- Rupees -----							
	Provision for Workers' Welfare Fund 12.1	-	-	-	-	-	-	-	-
	Provision for Sindh Workers' Welfare Fund 12.1	629,694	169,488	88,030	887,212	629,694	169,488	88,031	887,213
	Printing charges	50,001	50,000	50,000	150,001	13,319	13,317	13,318	39,954
	Security transaction charges	40,212	-	-	40,212	7,806	-	-	7,806
	Withholding tax	-	-	-	-	1,572	1,161	994	3,727
	Other payable	-	-	-	-	1,264	-	-	1,264
		<u>719,907</u>	<u>219,488</u>	<u>138,030</u>	<u>1,077,425</u>	<u>653,655</u>	<u>183,966</u>	<u>102,343</u>	<u>939,964</u>

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

The Finance Act 2015 incorporated an amendment in WWF Ordinance by excluding CIS from the definition of Industrial Establishment, and consequently CIS are no more liable to pay contribution to WWF with effect from July 1, 2015.

Subsequently, the Ministry of Labour and Manpower (the Ministry) vide its letter dated July 15, 2010 clarified that "Mutual Fund(s) is a product which is being managed / sold by the Asset Management Companies which are liable to contribute towards Workers Welfare Fund under Section 4 of the WWF Ordinance. However, the income on Mutual Fund(s), the product being sold, is exempted under the law *ibid*".

Further, the Secretary (Income Tax Policy) Federal Board of Revenue (FBR) issued a letter dated October 6, 2010 to the Members (Domestic Operation) North and South FBR. In the letter, reference was made to the clarification issued by the Ministry stating that mutual funds are a product and their income are exempted under the law *ibid*. The Secretary (Income Tax Policy) Federal Board of Revenue directed that the Ministry's letter may be circulated amongst field formations for necessary action. Following the issuance of FBR Letter, show cause notices which were issued by taxation office to certain mutual funds for payment of levy under WWF were withdrawn. However, the Secretary (Income Tax Policy) Federal Board of Revenue vide letter January 4, 2011 cancelled ab-initio clarificatory letter dated October 6, 2010 on applicability of WWF on mutual funds and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

During the year ended June 30, 2013, the Larger Bench of the Sindh High Court (SHC) issued a judgment in response to a petition in another similar case in which it is held that the amendments introduced in the WWF Ordinance through Finance Acts, 2006 and 2008 do not suffer from any constitutional or legal infirmity.

During the year ended June 30, 2014, the Peshawar High Court on a petition filed by certain aggrieved parties (other than the mutual funds) has adjudicated that the amendments introduced in the Workers Welfare Fund Ordinance, 1971 through the Finance Acts of 1996 and 2009 lacks the essential mandate to be introduced and passed through the money bill under the Constitution of Pakistan and hence have been declared as *ultra vires* the Constitution.

However, the Supreme Court of Pakistan (SCP) passed a judgment on November 10, 2016, deciding that amendments made through the Finance Acts through which WWF was levied are unlawful, as such are not in nature of tax; therefore, it could not be introduced through the money bill. However, the Federal Board of Revenue has filed a review petition in the SCP against the said judgment, which is pending for hearing in the SCP.

Further, the Government of Sindh also introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The Mutual Fund Association of Pakistan, in the previous years based on opinion obtained from the tax consultants, concluded that SWWF is not applicable on mutual funds. MUFAP also wrote to the Sindh Revenue Board (SRB) that mutual funds are not establishments and are pass through vehicles; therefore, they do not have any worker and, as a result, no SWWF is payable by them. SRB responded that some funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, SWWF is payable by them. MUFAP has taken up the matter with the concerned ministry [Sindh Finance Ministry] for appropriate resolution of the matter.

Considering the above developments, the Management Company assessed the position of the Fund with regard to reversal of provision of WWF and recognition of provision of SWWF, and decided that:

- * 'The Sindh Workers' Welfare Fund (SWWF) should be recognized from July 01, 2014, and
- * 'Provision computed for SWWF should be adjusted against provision of WWF, as the SCP declared WWF unlawful. It was also decided that if any further provision is required, then it should be recognized in books of the Fund. If provision of WWF is in excess of provision required for SWWF, the remaining provision of WWF should be carried forward unless further clarification is received from the MUFAP.

As a result, the Management Company assessed that no further provision is required for SWWF and additional provision of WWF should be carried forward till the matter is cleared.

In the wake of the aforesaid developments, the MUFAP called its Extraordinary General Meeting (EOGM) on January 11, 2017, wherein the MUFAP recommended to its members that effective from January 12, 2017, Workers' Welfare Fund (WWF) recognised earlier should be reversed in light of the decision made by the Supreme Court of Pakistan; and Sindh Workers' Welfare Fund (SWWF) should be recognized effective from May 21, 2015.

MUFAP also communicated the above-mentioned decisions to the Securities and Exchange of Commission (SECP) through its letter dated January 12, 2017, and the SECP through its letter dated February 01, 2017, advised that the adjustment should be prospective and supported by adequate disclosures.

As at June 30 2018 'the provision in relation to SWWF amounted Rs 0.887 million (June 30, 2017: Rs 0.887 million) is being retained in financial statement of the Fund till the final decision in respect of SWWF.

Had the provision for SWWF not been recorded in these financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value per unit of the ABLPF - ESF, ABLPF - DSF and ABLPF - MMSF as at June 30 2018 would have been higher by Re. 0.9726, Re. 0.3150 and Re. 0.1875 per unit respectively (2017: ABLPF - ESF Rs. 1.0737, ABLPF - DSF Rs. 0.2919, ABLPF - MMSF Rs. 0.1871).

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2018 and June 30, 2017 other than those mentioned in respective areas.

14 TAXATION

No provision for taxation has been made for the year ended June 30, 2018, in view of the exemption available to the Fund under clause 57(3)(viii) of Part-1 of the second schedule to the Income Tax Ordinance, 2001. The Fund is also exempt from the provision of minimum tax (section 113) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

15 EARNINGS PER UNIT (EPU)

Earnings per unit are calculated based on the number of units outstanding at the year end as in the opinion of the management, the determination of the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

16 NUMBER OF UNITS IN ISSUE

	June 30, 2018				June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----							
Total units in issue at the beginning of the year	586,455	580,648	470,437	1,637,540	471,487	532,484	603,264	1,607,235
Add: issue of units during the year								
- Directly by participants	150,241	92,777	119,050	362,068	137,670	92,437	157,943	388,050
Less: units redeemed during the year								
- Directly by participants	(89,231)	(135,399)	(119,941)	(344,571)	(22,702)	(44,273)	(290,770)	(357,745)
Total units in issue at the end of the year	<u>647,465</u>	<u>538,026</u>	<u>469,546</u>	<u>1,655,037</u>	<u>586,455</u>	<u>580,648</u>	<u>470,437</u>	<u>1,637,540</u>

17 CONTRIBUTION TABLE

	-----June 30, 2018-----						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	150,241	24,708,583	92,777	13,041,907	119,050	13,798,699	51,549,189
	150,241	24,708,583	92,777	13,041,907	119,050	13,798,699	51,549,189
	-----June 30, 2017-----						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	137,670	23,609,843	92,437	12,487,623	157,943	17,415,917	53,513,383

18 FINANCIAL INCOME

	June 30, 2018				June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----							
Profit on investments								
- Profit on Pakistan Investment Bonds	-	146,088	-	146,088	-	416,799	154,679	571,478
- Profit on Market Treasury Bills	-	3,181,077	1,865,431	5,046,508	-	2,637,306	2,018,473	4,655,779
- Profit on Corporate Sukuk Bonds and TFCs	-	905,421	-	905,421	-	438,179	79,424	517,603
Profit on bank balances	437,802	625,923	1,273,931	2,337,656	317,007	398,029	1,023,553	1,738,589
	<u>437,802</u>	<u>4,858,509</u>	<u>3,139,362</u>	<u>8,435,673</u>	<u>317,007</u>	<u>3,890,313</u>	<u>3,276,129</u>	<u>7,483,449</u>

19 **UNREALISED (DIMINUTION) / APPRECIATION / ON REMEASUREMENT OF INVESTMENTS CLASSIFIED AS FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	June 30, 2018				June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----							
Market value of investment	93,967,860	72,707,857	39,867,600	206,543,317	106,306,087	76,105,529	32,434,686	214,846,302
Less: cost of investment	(107,074,727)	(72,848,145)	(39,878,642)	(219,801,514)	(93,825,191)	(75,728,856)	(32,435,253)	(201,989,300)
	<u>(13,106,867)</u>	<u>(140,288)</u>	<u>(11,042)</u>	<u>(13,258,197)</u>	<u>12,480,896</u>	<u>376,673</u>	<u>(567)</u>	<u>12,857,002</u>

20 **AUDITORS' REMUNERATION**

Annual statutory audit fee	50,000	50,000	49,995	149,995	50,000	50,001	50,005	150,006
Sindh sales tax on audit fee	4,000	4,000	4,000	12,000	666	666	666	1,998
Out of pocket expenses	5,000	5,000	5,000	15,000	4,452	4,452	4,452	13,356
	<u>59,000</u>	<u>59,000</u>	<u>58,995</u>	<u>176,995</u>	<u>55,118</u>	<u>55,119</u>	<u>55,123</u>	<u>165,360</u>

22 **TRANSACTIONS WITH CONNECTED PERSONS**

22.1 Connected persons / related parties include ABL Asset Management Company Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, Allied Bank Limited, retirement funds of Allied Bank Limited, Ibrahim Agencies (Private) Limited being entities under common management and / or directorship, directors and key management personnel of the Management Company and any person or Company beneficially owning directly or indirectly 10 percent or more of the units in issue / net asset of the Fund.

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

22.3 Remuneration to the Pension Fund Manager is determined in accordance with the provisions of the Voluntary Pension Schemes and the Trust Deed.

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

22.5 Details of transactions with connected persons / related parties during the year are as follows:

	June 30, 2018				June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----							
ABL Asset Management Company Limited - the Pension Fund Manager								
Remuneration	1,486,432	1,176,445	768,012	3,430,889	1,464,256	1,129,122	813,293	3,406,671
Sindh Sales Tax on Remuneration of the Pension Fund Manager	8,831	5,860	4,023	18,714	190,353	146,786	105,728	442,867
Punjab Sales Tax on Remuneration of the Pension Fund Manager	233,657	185,301	120,894	539,852	-	-	-	-
Formation cost paid on behalf of the Fund	16,541	16,541	16,541	49,623	16,541	16,541	16,541	49,623
Issue of Nil unit (2015: 300,000) units in each Sub-Fund	-	-	-	-	-	-	-	-
Central Depository Company of Pakistan Limited - the Trustee								
Trustee fee	149,121	117,668	76,693	343,482	146,435	112,922	81,336	340,693
Sindh Sales Tax on Remuneration of the Trustee	19,385	15,297	9,970	44,652	19,037	14,680	10,572	44,289
Security deposit	-	-	-	-	-	-	-	-
Amount paid in respect of IPS deposit during the year	-	-	-	-	-	-	-	-
Allied Bank Limited								
Bank charges	9,323	7,979	8,798	26,100	21,514	6,833	4,712	33,059
Profit on bank deposits	15,689	429,089	421,411	866,189	8,638	397,579	331,877	738,094
Khalid Rehman								
- Issue of 4,454 (2016:4,454) units during the year 22.7	-	-	-	-	-	-	-	-
- Issue of 3,270 (2015: 3,270) units during the year 22.7	-	-	-	-	-	-	-	-

	June 30, 2018				June 30, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees -----								
DIRECTOR OF THE PENSION FUND MANAGER								
Alee Khalid Ghaznavi (Chief Executive Officer)								
-Issue of 521 (2017: 9,358 units)	81,299	-	-	81,299	1,760,000	-	-	1,760,000
-Issue of Nil (2017: 3,249units)	-	-	-	-	-	445,696	-	445,696
-Redemption of Nil (2017:30 units)	-	-	-	-	5,696	-	-	5,696
-Redemption of 567 units (2017:Nil units)	-	81,299	-	81,299	-	-	-	-

22.6 Details of balances with connected persons / related parties as at year end are as follows:

ABL Asset Management Company Limited

- Pension Fund Manager

Remuneration payable	123,526	97,708	68,477	289,711	139,079	97,659	66,262	303,000
Sindh Sales Tax on Remuneration of Pension Fund Manager	30,249	30,193	27,023	87,465	52,502	45,818	37,625	135,945
Punjab Sales Tax on Remuneration of Pension Fund Manager	19,766	15,634	10,957	46,357	-	-	-	-
Federal Excise Duty on Remuneration of Pension Fund Manager	210,310	211,912	190,219	612,441	210,310	211,911	190,219	612,440
Formation cost payable	-	-	-	-	21,792	21,792	21,793	65,377
Number of units held: 300,000 (2017: 300,000) units in each Sub-Fund	46,972,710	43,004,520	35,492,190	125,469,420	56,091,930	41,463,120	34,177,920	131,732,970

Central Depository Company of Pakistan Limited - Trustee

Trustee fee payable	12,352	9,708	6,849	28,909	13,908	9,764	6,626	30,298
Sindh Sales Tax payable on Remuneration of the Trustee	1,605	1,270	882	3,757	1,808	1,269	861	3,938
Security deposit	100,000	119,354	-	219,354	100,000	104,475	-	204,475
Deposit in IPS account	-	44,519	21,857	66,376	-	120,374	53,232	173,606

Allied Bank Limited

Balances in savings accounts	9,454,580	4,552,829	4,954,391	18,961,800	3,949,428	4,476,139	603,217	9,028,784
Profit receivable	15,689	11,267	24,034	50,990	8,638	9,523	2,505	20,666

Khalid Rehman

Number of Units held:								
- 16,345 (2016: 16,345) units	22.7	-	-	-	-	-	-	-
- 50,574 (2016: 50,574) units	22.7	-	-	-	-	-	-	-

DIRECTOR OF THE PENSION FUND MANAGER

Alee Khalid Ghaznavi (Chief Executive Officer)

Number of Units held:								
- 9,850 (2017: 9,329 units)	1,542,271	-	-	1,542,271	1,744,120	-	-	1,744,120
- 2,682 (2017: 3,249 units)	-	384,460	-	384,460	-	371,400	-	371,400

22.7 Holding being less than 10% in reporting period, disclosure is not applicable.

22.7 Holding being less than 10% in reporting period, disclosure is not applicable.

23 FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2018, all the financial assets carried on the statement of assets and liabilities are categorised either as loans and receivables or financial assets at fair value through profit or loss. All the financial liabilities carried on the statement of assets and liabilities are categorised as other financial liabilities i.e. liabilities other than at fair value through profit or loss.

Particulars	June 30, 2018									June 30, 2017										
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	Loans and receivables	At fair value through profit or loss	Sub total	Loans and receivables	At fair value through profit or loss	Sub total	Loans and receivables	At fair value through profit or loss	Sub total		Loans and receivables	At fair value through profit or loss	Sub total	Loans and receivables	At fair value through profit or loss	Sub total	Loans and receivables	At fair value through profit or loss	Sub total	
Rupees																				
Financial assets																				
Balances with banks	9,903,592	-	9,903,592	4,669,729	-	4,669,729	16,045,507	-	16,045,507	30,618,828	4,007,178	-	4,007,178	4,484,524	-	4,484,524	21,474,334	-	21,474,334	29,966,036
Investments	-	93,967,860	93,967,860	-	72,707,857	72,707,857	-	39,867,600	39,867,600	206,543,317	-	106,306,087	106,306,087	-	76,105,529	76,105,529	-	32,434,686	32,434,686	214,846,302
Dividend receivable	134,982	-	134,982	-	-	-	-	-	-	134,982	374,934	-	374,934	-	-	-	-	-	-	374,934
Income receivable	17,759	-	17,759	245,612	-	245,612	78,963	-	78,963	342,334	12,424	-	12,424	81,348	-	81,348	82,683	-	82,683	176,455
Deposits and other receivables	100,000	-	100,000	163,873	-	163,873	-	-	-	263,873	100,000	-	100,000	224,849	-	224,849	53,232	-	53,232	378,081
	10,156,333	93,967,860	104,124,193	5,079,214	72,707,857	77,787,071	16,124,470	39,867,600	55,992,070	237,903,334	4,494,536	106,306,087	110,800,623	4,790,721	76,105,529	80,896,250	21,610,249	32,434,686	54,044,935	245,741,808
Rupees																				
Particulars	June 30, 2018									June 30, 2017										
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At fair value through profit or loss	Other financial liabilities	Sub total	At fair value through profit or loss	Other financial liabilities	Sub total	At fair value through profit or loss	Other financial liabilities	Sub total		At fair value through profit or loss	Other financial liabilities at amortized cost	Sub total	At fair value through profit or loss	Other financial liabilities at amortized cost	Sub total	At fair value through profit or loss	Other financial liabilities at amortized cost	Sub total	
Rupees																				
Financial liabilities																				
Payable to the Pension Fund Manager	-	383,851	383,851	-	355,447	355,447	-	296,676	296,676	1,035,974	-	423,683	423,683	-	377,180	377,180	-	315,899	315,899	1,116,762
Payable to the Trustee	-	13,957	13,957	-	10,978	10,978	-	7,731	7,731	32,666	-	15,716	15,716	-	11,033	11,033	-	7,487	7,487	34,236
Payable to the Auditor	-	50,000	50,000	-	50,000	50,000	-	50,000	50,000	150,000	-	50,000	50,000	-	50,001	50,001	-	50,005	50,005	150,006
Accrued expenses and other liabilities	-	90,213	90,213	-	50,000	50,000	-	50,000	50,000	190,213	-	22,389	22,389	-	13,317	13,317	-	13,318	13,318	49,024
	-	538,021	538,021	-	466,425	466,425	-	404,407	404,407	1,408,853	-	511,788	511,788	-	451,531	451,531	-	386,709	386,709	1,350,028

24 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

24.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Pension Fund Manager manages the market risk through diversification of the investment portfolio by exposures and by following the internal guidelines established by the investment committee.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

24.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign currency exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

24.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund does not hold any variable rate instrument and is not exposed to cash flow interest rate risk except for balances in certain saving accounts, the interest rate of which in certain circumstances ranged between 3.5% to 6.75% (2016: 4.00 % to 6.75%) per annum.

b) Sensitivity analysis for fixed rate instruments

Fixed rates instruments held as at June 30, 2018 include market treasury bills, Pakistan Investment Bonds and Corporate Sukuk Bonds. The Fund's income from these investments is substantially independent of changes in market interest rates, except for changes if any as a result of fluctuation in respective fair values.

Market treasury bills, Pakistan Investment Bonds and Corporate Sukuk Bonds which are classified as financial assets at fair value through profit or loss expose the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Market Association on June 30, 2018, with all other variables held constant, the net income for the year and the net assets would be lower / higher by Rs 1.123 million.

The composition of the aforementioned Fund's investment portfolio and rates announced by the Financial Market Association are expected to change over time. Therefore, the sensitivity analysis is not necessarily indicative of the effect on the Fund's net assets due to future movements in interest rates.

24.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from the interest risk or the currency risk) whether those changes are caused by the factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Fund's price risk generally arises on equity securities.

The Fund manages this risk by limiting its investment exposure in the following ways:

- Through diversification of investment portfolio
- Placing limits on individuals and aggregate exposures in accordance with the internal risk management policies and regulations laid down by the SECP.

The Fund's investments in equity securities are publicly traded and are valued at the rates quoted on the relevant stock exchanges.

In case of 10% change in KSE 100 index on June 30, 2018, with all other variables held constant, net income for the period would increase / decrease by Rs. 0.939 million as a result of gains / losses on equity securities classified as at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Sub-Funds equity instruments moved according to historical correlation with the index. This represents the Pension Fund Manager's best estimate of a reasonable possible shift in the KSE 100 index, having regard to historical volatility of the index. The composition of the Sub-Fund investment's portfolio and the correlation thereof to the KSE 100 index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2018 is not necessarily indicative of the effect on the Sub-Fund's net assets of the future movements in the level of the KSE 100 index.

24.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its balances with banks and investment in corporate sukuks and term finance certificates. The Fund does not foresee any issue with these balances as the counter parties are financial institutions and listed entity with reasonable high credit ratings. The Fund does not foresee any credit risk with respect to its investment in government securities since these represent the interests of the Government of Pakistan. The internal risk management policies and investment guidelines (approved by the Investment Committee) require the Fund to invest in securities that have been rated as investment grade by a well known rating agency.

24.2.1 The analysis below summarises the available published credit ratings of the Fund's financial assets as at June 30, 2018:

Name of Bank	Rating agency	Latest available published rating	Percentage of bank balance
--------------	---------------	-----------------------------------	----------------------------

Balances with banks by rating category

Allied Bank Limited	PACRA	A1+	95.47%
Bank Al Falah Limited		A1+	4.53%

ABL Pension Fund - Debt Sub Fund

Name of Bank	Rating agency	Latest available published rating	Percentage of bank balance
--------------	---------------	-----------------------------------	----------------------------

Balances with banks by rating category

Allied Bank Limited	PACRA	A1+	97.67%
Bank Al Falah Limited	PACRA	A1+	2.33%

Balances with listed and unlisted entities by rating category

Meezan Bank Limited - Tier II	JCRVIS	AA-	27.31%
Bank of Punjab	PACRA	AA-	48.11%
Fatima Fertilizer Company Limited	PACRA	AA-	4.26%
K-Electric Limited	JCRVIS	AA+	0.00%
JS Bank Limited	PACRA	A+	20.32%

ABL Pension Fund - Money Market Sub Fund

Name of Bank	Rating agency	Latest available published rating	Percentage of bank balance
--------------	---------------	-----------------------------------	----------------------------

Balances with banks by rating category

Zarai Taraqati Bank Limited	JCR-VIS	A1+	0.12%
Allied Bank Limited	PACRA	A1+	30.89%
Bank Al Falah Limited	PACRA	A1+	0.03%
JS Bank Limited	PACRA	A1+	68.96%

A portion of the investment is invested by the Fund in market treasury bills which are auctioned by the State Bank of Pakistan and are available for investment / trade through secondary market.

There are no financial assets that are past due or impaired.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly held with / invested in various banks and securities issued by the State Bank of Pakistan on behalf of Government of Pakistan. The Fund has invested a significant portion of bank balance in Allied Bank Limited, a related party.

24.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on the terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any which may create liquidity risk. The Fund's approach to manage liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund's investments are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

The table below indicates the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity dates. The amounts in the table are the contractual undiscounted cash flows.

Particulars	June 30, 2018				June 30, 2018			
	Upto three months	More than three months and upto one year	More than one year	Total	Upto three months	More than three months and upto one year	More than one year	Total
----- Rupees -----								
Liabilities								
ABL Pension Fund - Equity Sub Fund								
Payable to the Pension Fund Manager	123,526	-	-	123,526	423,683	-	-	423,683
Payable to the Trustee	12,352	-	-	12,352	15,716	-	-	15,716
Payable to the Auditors	50,000	-	-	50,000	50,000	-	-	50,000
Accrued expenses and other liabilities	90,213	-	-	90,213	22,389	-	-	22,389
	<u>276,091</u>	<u>-</u>	<u>-</u>	<u>276,091</u>	<u>511,788</u>	<u>-</u>	<u>-</u>	<u>511,788</u>
ABL Pension Fund - Debt Sub Fund								
Payable to the Pension Fund Manager	97,708	-	-	97,708	377,180	-	-	377,180
Payable to the Trustee	9,708	-	-	9,708	11,033	-	-	11,033
Payable to the Auditors	50,000	-	-	50,000	50,001	-	-	50,001
Accrued expenses and other liabilities	50,000	-	-	50,000	19,091	-	-	19,091
	<u>207,416</u>	<u>-</u>	<u>-</u>	<u>207,416</u>	<u>457,305</u>	<u>-</u>	<u>-</u>	<u>457,305</u>
ABL Pension Fund - Money Market Sub Fund								
Payable to the Pension Fund Manager	68,477	-	-	68,477	315,899	-	-	315,899
Payable to the Trustee	6,849	-	-	6,849	7,487	-	-	7,487
Payable to the Auditors	50,000	-	-	50,000	50,005	-	-	50,005
Accrued expenses and other liabilities	50,000	-	-	50,000	13,318	-	-	13,318
	<u>175,326</u>	<u>-</u>	<u>-</u>	<u>175,326</u>	<u>386,709</u>	<u>-</u>	<u>-</u>	<u>386,709</u>

24.4 FAIR VALUE OF FINANCIAL INSTRUMENTS

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:

- Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.
- 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).
- Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

ASSETS	----- As at June 30, 2018 -----				----- As at June 30, 2017 -----			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	-----Rupees-----				-----Rupees-----			
ABL Pension Fund - Equity Sub Fund								
Investment in securities - financial assets at fair value through profit or loss								
- Listed equity securities	93,967,860	-	-	93,967,860	106,306,087	-	-	106,306,087
ABL Pension Fund - Debt Sub Fund								
Investment in securities - financial assets at fair value through profit or loss								
- Government securities - Pakistan Investment Bonds	-	24,895,000	-	24,895,000	-	-	-	-
- Government securities - Treasury Bills	-	37,375,861	-	37,375,861	-	63,319,251	-	63,319,251
- Corporate Sukuks and Term Finance Certificates	-	10,436,996	-	10,436,996	-	12,786,278	-	12,786,278
	-	72,707,857	-	72,707,857	-	76,105,529	-	76,105,529
ABL Pension Fund - Money Market Sub Fund								
Investment in securities - financial assets at fair value through profit or loss								
- Government securities - Treasury Bills	-	39,867,600	-	39,867,600	-	32,434,686	-	32,434,686
- Government securities - Pakistan Investment Bonds	-	-	-	-	-	-	-	-
- Corporate Sukuks	-	-	-	-	-	-	-	-
	-	39,867,600	-	39,867,600	-	32,434,686	-	32,434,686

25 UNIT HOLDER'S FUND RISK MANAGEMENT

The participants' sub fund is represented by the net assets attributable to participant / redeemable units. The participants of the Fund are entitled to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in participants' sub funds.

The Fund has no restrictions or specific funding requirements on the subscription and redemption of units.

The Fund's objectives when managing funds received are to safeguard its ability to continue as a going concern so that it can continue to provide returns for participants and to maintain a strong base to meet unexpected losses or opportunities.

In accordance with the risk management policies, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests. Such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

26 FINANCIAL PERFORMANCE

Particulars	Equity Sub-Fund	Equity Sub-Fund	Equity Sub-Fund	Equity Sub-Fund
	2018	2017	2016	2015
	----- Rupees -----			
Net income	(18,846,238)	23,196,784	5,768,498	9,673,341
Capital (loss) / gain on sale of investments - net	(8,287,243)	9,303,318	(717,146)	5,196,503
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(13,106,867)	12,480,896	4,963,374	3,681,727
Dividend income	4,335,196	3,618,574	2,949,701	1,730,469
Financial income	437,802	317,007	216,871	391,757
Net asset value per unit as at June 30	156.5757	186.9731	142	129
Total Net Assets as at June 30	101,377,223	109,651,361	67,136,479	48,916,684
Total contributions received - Gross	24,708,583	23,609,843	13,301,771	39,291,808

26.2 Debt Sub-Fund

Particulars	Debt Sub-Fund	Debt Sub-Fund	Debt Sub-Fund	Debt Sub-Fund
	2018	2017	2016	2015
---- Rupees ----				
Net income	2,859,048	3,261,510	6,156,590	6,370,523
Capital gain on sale of investments - net	(111,153)	531,475	3,082,236	2,641,733
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(140,288)	376,673	871,575	1,373,970
Financial income	4,858,509	3,890,313	3,664,536	3,453,983
Net asset value per unit as at June 30	143.3484	138.2104	132	118
Total Net Assets as at June 30	77,125,254	80,251,601	70,481,838	46,967,123
Total contributions received - Gross	13,041,907	12,487,641	18,734,583	40,644,594

26.3 Money Market Sub-Fund

Particulars	Money Market Sub-Fund	Money Market Sub-Fund	Money Market Sub-Fund	Money Market Sub-Fund
	2018	2017	2016	2015
---- Rupees ----				
Net income	1,956,864	2,069,941	1,648,096	1,648,096
Capital gain on sale of investments - net	46,122	(457)	106,641	48,312
Unrealised gain on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(11,042)	(567)	88,553	15,629
Financial income	3,139,362	3,276,129	3,204,302	2,418,018
Net asset value per unit as at June 30	118.3073	113.9265	110	105
Total Net Assets as at June 30	55,550,750	53,595,240	66,152,846	43,106,892
Total contributions received - Gross	13,798,699	17,415,919	22,346,483	41,479,038

26.4 Highest and lowest issue price of units issued during the year

	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price	Lowest issue price	Highest issue price
----- Rupees -----						
For the year ended June 30, 2018	149.0980	187.2400	138.2734	143.3192	113.9724	118.2180
For the year ended June 30, 2017	143.4422	212.5933	132.4274	138.2104	109.6986	113.9265

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 06, 2018 by the Board of Directors of the Pension Fund Manager.

28 GENERAL

28.1 Figures have been rounded off to the nearest rupee.

28.2 Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial statements.

For ABL Asset Management Company Limited
(Pension Fund Manager)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ABL
MUSTAQBIL
PENSION FUND

 ABL Asset Management
Discover the potential

مالی سال 2019 میں بھی سیاسی غیر یقینی اور معاشی باد مخالف کے جاری رہنے کا امکان ہے۔ جبکہ معاشی صورتحال میں، تیل کی بڑھی ہوئی قیمتوں کی وجہ سے بیرونی خطرات بھی لاحق رہیں گے۔ نتیجتاً، امکان ہے کہ پاکستانی روپے کی قدر میں مزید کمی واقع ہوگی، افراط زر میں اضافہ ہوگا، اور اصلاحی مالیاتی سختی برقرار رہے گی۔ تقریباً 25 بلین امریکی ڈالرز کی سرمایہ کاری کی شرط کے ساتھ، امکان ہے کہ پاکستان جلد ہی IMF سے بات چیت کا آغاز کرے گا۔ اس کے نتیجے میں امکان ہے کہ سبسڈی اور ترقیاتی کاموں میں خرچ ہونے والی رقم میں کمی واقع ہوگی اور اس کے ساتھ ساتھ ٹیرف کی سبسڈی بھی ختم ہو جائے گی۔


مذکورہ بالا حالات کو دیکھتے ہوئے معلوم ہوتا ہے کہ اسٹاک مارکیٹ بھی عدم استحکام کا شکار رہے گی۔ شرح سود کے دہرے ہندسوں میں داخل ہونے کا امکان ہے، valuations بھی اپنی جاذبیت کھورہی ہیں۔ موجودہ معاشی ماحول کے لیے سرمایہ کاری کی دفاعی حکمت عملی بہتر ہے۔ توجہ ایسے اداروں پر ہے جن کے ریٹرنز کا تعلق امریکی ڈالرز سے ہے اور / یا بہت کم قیمت ہیں جیسے E&Ps، توانائی، اسٹیل، بینک اور منتخب سیمنٹ۔ اگر 2018 کے انتخابات کے بعد معلق پارلیمان تشکیل دی گئی تو بڑے پیمانے پر derating کا امکان ہے۔ سال بھر کے دوران جبکہ معاشی نشوونما درست راہ پر گامزن رہی، پچھلے سال کے مقابلے میں CPI اور Balance of Payments کی صورتحال واضح طور پر خراب ہوتی نظر آئی جس کے نتیجے میں روپے کی بے قدری اور پالیسی ریٹ میں تقریباً 75bps کا اضافہ ہوا۔ بیرونی سائڈ پر، تیل کی بڑھتی ہوئی بین الاقوامی قیمتوں اور بڑھتی ہوئی برآمدات کی وجہ سے تجارتی خسارے اور کرنٹ اکاؤنٹ کے خسارے اور گرتی ہوئی ترسیلات زر کا رجحان سال بھر جاری رہا۔


مذکورہ بالا مفروضوں کی بنیاد پر، ہمیں یقین ہے کہ اسٹاک بینک آف پاکستان مالی سال 2019 کے دوران پالیسی ریٹ میں اضافہ جاری رکھے گا لہذا؛ بینکوں اور DFIs کے ساتھ ڈپازٹس کی پلیمینٹ اور فلوئنگ ریٹ انسٹرومنٹس میں فنڈز کی پلیمینٹ کی بنیاد پر ہم قلیل المدتی پورٹ فولیو کو accrual base میں بہتری لاتے ہوئے جاری رکھیں گے

اظہار تشکر

ہم اپنے پیش قیمت سرمایہ کاروں کے شکر گزار ہیں، جنہوں نے ہم پر اپنا اعتماد قائم رکھا۔ بورڈ Securities Commission of Pakistan، Exchange Commission، ٹرسٹی (Central Depository Company of Pakistan Limited) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کی جانب سے ہمیشہ ملنے والی رہنمائی اور سپورٹ کے لیے ان کا شکر گزار ہے۔ ڈائریکٹرز منجسٹ ٹیم کی کاوشوں کو بھی سراہتے ہیں۔

بورڈ کی طرف سے اور بورڈ کے لیے


علی خالد غزنوی
چیف ایگزیکٹو آفیسر


ڈائریکٹر

لاہور، 6 ستمبر 2018

بڑی شرکت ریکارڈ کی گئی۔ تہم، حکومت نے PIBs کی نیلامی کے ہدف 1,000 بلین روپے کے مقابلے میں صرف 120 بلین روپے کی بولیاں قبول کیں اور T-Bills کے ہدف 375,16 بلین روپے کے مقابلے میں صرف 969,15 بلین روپے کی۔ اس سال کے دوران maturities کے محاذ پر علی الترتیب 819 بلین روپے اور 970,15 بلین روپے کے PIBs اور T-Bills mature ہوئے۔

اسلاک سائیڈ پر، money market کافی حد تک liquid رہی جہاں ڈپازٹ کی بڑی نشوونما 5.22% YoY کے باعث 6 ماہ سے کم کے T-Bill میں 25-50bps سے کم کی پلیسمنٹ کی گئی۔ بینکنگ سیکٹر کے مجموعی ڈپازٹس میں مارچ 2018 کے آخر تک اسلامی بینکنگ کے اداروں کے ڈپازٹس کا مارکیٹ شیئر جون 2017 کے 7.13% مقابلے میں 6.14% پر پہنچ گیا۔ اسی طرح، مجموعی طور پر بینکنگ میں اسلامی بینکنگ کے کل اثاثے جون 2017 کے 6.11% کے مقابلے میں بڑھ کر مارچ 2018 میں 5.13% تک پہنچ گئے۔ حکومت کی جانب سے نئے اجارہ سکو کا اجراء تو مقامی اور نہ ہی بین الاقوامی مارکیٹ میں کیا گیا۔ کارپوریٹ سائڈ پر، مالی سال 2018 کے دوران Dawood Hercules Corporation Ltd اور (Pvt) Aspin Pharma International Brands Ltd نے 530,19 بلین روپے کے سکو کا اجراء کیا۔

مالی سال 2018 کے دوران M2 کی نشوونما پچھلے سال انھی دنوں کی 7.13% کے مقابلے میں 6.10% رہی۔ مالی سال 2019 کے دوران زر کی فراہمی میں کمی بنیادی طور پر Net Domestic Assets (NDAD) میں 17% (336,2 بلین روپے تک کے) اضافے کا باعث بنی کیونکہ نئی شعبے کو دیا جانے والا کریڈٹ بھی کافی کم رہا۔ مالی خسارے کو پورا کرنے کے لیے حکومتی قرضوں میں 6.16% (YoY 495,1 بلین روپے) تک کا اضافہ بھی اس کی کا باعث ہے۔ وسیع پیمانے پر بیرونی قرضوں کی سرونگ کی وجہ سے Net Foreign Assets (NFA) میں گزشتہ سال اسی عرصے کے دوران واقع ہونے والی 40% YoY کمی کے مقابلے میں مالی سال 2018 کے دوران 132% YoY کی خاطر خواہ کمی واقع ہوئی۔ مالی سال 2018 کے دوران کمرشل بینکوں سے لیے جانے والے حکومتی قرضوں میں گزشتہ سال اسی عرصے کے دوران 179 بلین روپے کے اضافے کے مقابلے میں 77 بلین روپے کی کمی واقع ہوئی ہے۔ اسٹیٹ بینک آف پاکستان سے لیے جانے والے حکومتی قرضوں میں گزشتہ سال اسی عرصے کے دوران واقع ہونے والے 908 بلین روپے کے اضافے کے مقابلے میں 439,1 بلین روپے کا مزید اضافہ ہوا ہے۔

فنڈ کی کارکردگی

ہمارے VPS کی درجہ بندی منظم طریقے سے ہمارے طویل المدتی سرمایہ کاروں کے risk appetite پر مبنی 3 ذیلی فنڈز کے زمروں ("Debt Sub fund"*) Money Market Sub Fund "Equity Sub Fund"*) میں ہوتی ہے

Debt Sub Fund

Debt Sub fund کی کارکردگی اچھی رہی، اپنے آغاز سے اس نے 22.11% کارڈن دیا، جبکہ اس سال میں اب تک اس فنڈ نے 72.3% کارڈن دیا۔ یہ فنڈ مستقل 05.48% تک T-bills سرمایہ کاری کرتا رہا جبکہ جون کے آخر میں، کارپوریٹ سکو کے سرمایہ کاری 42.13% تک پہنچ چکی تھی۔

Money Market Sub Fund

اپنے آغاز سے money market fund نے 85.3% کا سالانہ ریٹرن دیا ہے۔ اس فنڈ کی زیادہ توجہ T-bills اور Bank Deposits جیسے قلیل المدتی money market instruments پر رہی۔ سال کے آخر میں T-bills میں 12.71% جبکہ Cash میں 66.28% Exposure رہا۔

Equity Sub Fund

عرصہ مذکورہ کے دوران فنڈ نے 26.16% کا منفی ریٹرن دیا۔ اس عرصے کے آخر میں فنڈ کی 22.90% سرمایہ کاری ایکویٹیٹیز بالخصوص کمرشل بینکوں میں 78.23% اور Oil and Gas Exploration کمپنیوں میں 22.21% کی گئی۔

آڈیٹران

ABL-PFABL Pension Fund) کے لیے 30 جون 2019 کو ختم ہونے والے سال کے لیے Deloitte Yousuf Adil چارٹرڈ اکاؤنٹنٹس کو دوبارہ آڈیٹر مقرر کیا گیا ہے۔ منجمنٹ کو الٹی ریٹنگ

29 دسمبر 2017 کو (JCR-VISJCR-VIS Credit Rating Company Limited) نے ABL Asset Management Limited (ABL AMC) کو اپنا گریڈ کر کے 'AM Two-Plus' سے 'AM Two-Double Plus' (+AM2) کر دی ہے۔ دی جانے والی ریٹنگ پر Outlook 'Stable' ہے۔

کمی نظر آئی جو 137 بلین روپے تھی۔ اسی طرح، اسلامک ایکویٹی فنڈز میں بھی 4.20% YoY کی کمی نظر آئی جو 104 بلین روپے تھی۔ مجموعی طور پر، فکسڈ انکم (aggressive income) اور money market funds پر مشتمل) کے زمرے میں 9.25% YoY کا اضافہ ہوا جو جون 2017 کے 151 بلین روپے کے مقابلے میں جون 2018 میں 191 بلین روپے پر بند ہوا۔ فکسڈ انکم کی مارکیٹ میں، شرح سود میں متوقع اضافے کے ساتھ، قلیل المدتی money market funds مالی سال 2017 کے 69 بلین کے مقابلے میں مالی سال 2018 میں 77% YoY اضافے سے بڑھ کر 123 بلین روپے ہو گئے۔ دوسری جانب، Islamic Islamic income funds (Islamic Islamic income funds) پر مشتمل) کے AUMs مالی سال 2017 کے 58 بلین روپے کے مقابلے میں مالی سال 2018 میں 2% YoY کے اضافے سے 59 بلین روپے ہو گئے، اس کی بڑی وجہ سرمایہ کاروں کی اسلامی سرمایہ کاری میں بڑھتی ہوئی دلچسپی ہے۔ چونکہ شرح سود میں اضافے کا رجحان پایا جاتا ہے، اس لیے بڑھتی ہوئی شرح سود کی وجہ سے سرمایہ کار فکسڈ انکم کے شعبے میں اور زیادہ دلچسپی لیں گے۔

ایکویٹی مارکیٹ کا جائزہ

یہ سال پاکستان کی ایکویٹیز کے لیے اچھا ثابت نہیں ہوا کیونکہ KSE-100 انڈیکس نے 10% کا منفی ریٹرن ظاہر کیا اور سال کا اختتام 911,41 پوائنٹس پر ہوا۔ مسلسل 8 سال مثبت ریٹرن دینے کے بعد انڈیکس پہلی بار ریڈ زون میں آیا۔ اس کی بڑی وجہ سیاسی غیر یقینی اور سپریم کورٹ کی طرف سے وزیراعظم نواز شریف کی نااہلی، تیزی سے ختم ہونے والے ذخائر اور غیر مستحکم میکرو اکنامک صورتحال تھی۔

مزید برآں، جون 2017 میں (MSCI Morgan Stanley Capital International) کی طرف سے (FM Frontier Market) سے (EM Emerging Market) انڈیکس میں پاکستان کی مستقل ترقی کے باوجود، مالی سال 2018 کے دوران بیرونی سرمایہ کار مقامی بازار حصص میں خالص فروخت کنندگان رہے اور باہر کی جانب خالص اخراج 289 بلین رہا۔ تاہم، اس کو بڑے پیمانے پر بیمہ کمپنیوں نے 204 بلین امریکی ڈالر کی خالص خریداری سے جذب کر لیا۔ کمپنیوں اور دیگر اداروں نے بھی علی الترتیب 100 بلین اور 78 بلین امریکی ڈالر کی خالص خریداری سے مارکیٹ کو سہارا دیا۔ دوسری طرف، 35 بلین ڈالر کے حصص کی فروخت کے باعث میوچل فنڈز بھی خالص فروخت کنندگان رہے۔ بازار کی کارکردگی بھی مایوس کن رہی جہاں بڑے انڈیکس میں سست رفتار سیسٹم اور بینکس رہے، جنھوں نے علی الترتیب 42% اور 11% کا ریٹرن پوسٹ کیا۔ سینٹ سیکٹر کی خراب کارکردگی کی اہم وجوہات ان پٹ کو سٹ میں مسلسل اضافے (کوئلے کی بڑھی ہوئی قیمتیں روپے کی بے قدری کے ساتھ) کے ساتھ ساتھ قیمت کے تعین میں بے ضابطگی تھیں۔ دوسری طرف، بینکنگ سیکٹر کی کارکردگی میں تنزلی کی اہم وجوہات ریگولیٹری چیلنجز (اسٹیٹ بینک آف پاکستان کی طرف سے اضافی کسٹومائزیشن کی شرائط، کم از کم پینشن ریٹ میں 8,000 ماہانہ تک کا اضافہ) اور بیرون ملک آپریشن کی خراب نگرانی تھیں۔ اس کے برعکس (E&P Production Oil and Gas Exploration) سیکٹر نے اس عرصے کے دوران 20% مثبت ریٹرن سے مارکیٹ کو سہارا دیا، بالخصوص تیل کی بین الاقوامی قیمتوں میں واپسی کے باعث (عرب لائٹ قیمتیں) اس سال کے دوران 28% تک اضافے کے ساتھ 79 ڈالر فی ٹن پر بند ہوئے۔ اوپر سے نیچے گرتے ہوئے بدترین منظر نامے کا سب سے قابل ذکر نتیجہ اس عرصے کے دوران مارکیٹ کی سرگرمی کی گراوٹ تھا۔ اوسط کاروباری قیمت اور وولیم 3.74 بلین (49% YoY تک نیچے) امریکی ڈالر تک گر گیا اور 5.174 حصص (50% YoY تک نیچے)، علی الترتیب KSE-100 انڈیکس کی MSCI FM اور EM دونوں میں خراب کارکردگی رہی جس نے مقامی بازار حصص منفی 10% ریٹرن کے مقابلے میں علی الترتیب 56.3% اور 06.1% ریٹرن پوسٹ کیا۔ آگے بڑھتے ہوئے، ہم امید کرتے ہیں کہ مارکیٹ سیاسی و معاشی استحکام تک غیر مستحکم رہے گی۔ پاکستان اسٹاک ایکسچینج (PSX) اس عرصے میں 6x.7 کے تخمیناً P/E پر بند ہوئی، EM انڈیکس کا ڈسکاونٹ 21% رہا، اور حاصل ہونے والا منافع 3.6 (DY) رہا۔

MONEY MARKET کا جائزہ

اس سال کے دوران، پالیسی ریٹ میں متوقع تبدیلیوں کی وجہ سے Fixed Income مارکیٹ غیر یقینی کیفیت کا شکار رہی۔ مجموعی طور پر مارکیٹ میں قلیل المدتی شمولیت کی صورتحال رہی اور طویل المدتی شمولیت سے گریز کیا۔ بڑھتے ہوئے افراط زر کی ضروریات کو پورا کرنے کے لیے، اسٹیٹ بینک آف پاکستان نے مالی سال 2018 کے دوران پالیسی ریٹ میں دوبارہ اضافہ کیا (75bps کا کل اضافہ کیا)۔ جنوری 2018 میں پالیسی ریٹ 75.5% سے بڑھ کر 6% ہو گیا اور مئی 2018 میں مزید بڑھ کر 5.6% ہو گیا (مالی سال 2017 کے مستقل ریٹ 75.5% کے برخلاف)

افراط زر مالی سال 2017 کے 2.4% YoY کے مقابلے میں مالی سال 2018 میں 9.3% رہی۔ اس کی وجہ ایشیا خورد و نوش اور ایندھن کی بڑھی ہوئی قیمتیں تھیں۔ اس سال کے دوران چونکہ ہیڈلائن افراط زر قابو میں رہا، بیرونی دباؤ کی وجہ سے بین الاقوامی منڈی میں روپے کی پوزیشن کمزور ہوتی رہی، اس کی وجہ سے اگلے مالی سال کے دوران افراط زر اچانک بڑھنے یا گھٹنے کے خدشات بڑھ گئے۔ مزید برآں، مالی سال 2018 کے دوسرے نصف میں بھی بنیادی افراط زر میں اضافہ ہوا تاہا اور وہ 1.7% YoY ہو گئی۔ Pakistan investment bond (PIBs) کی تجارت سے ہونے والے منافع میں قلیل المدتی instruments کی طرف واضح جھکاؤ کی وجہ سے اضافہ ہوا اور وہ 86bps سے بڑھ کر 170bps ہو گیا۔ زیادہ تر Money market لیکوئڈ رہی اور سال بھر پالیسی ریٹ کے قریب قریب تجارت جاری رہی کیونکہ اسٹیٹ بینک آف پاکستان نے متواتر open market operations (OMOs) کے ذریعے liquidity کی دستیابی کی یقین دہانی کروائی تھی۔ جون 2018 میں OMO کی maturity کا سائز بڑھ کر 460 بلین روپے کے درجے پر پہنچ گیا مارکیٹ نے گورنمنٹ سیکورٹیز میں اپنا exposure بڑھالیا تھا تاہم پالیسی ریٹ کے خلاف arbitrage کا استحصال کر سکے۔ شرح سود میں متوقع اضافے کی وجہ سے مارکیٹ کا جھکاؤ بڑی حد تک قلیل المدتی exposure کی طرف رہا۔ سال کے دوران PIBs میں 564 بلین روپے کی شرکت ریکارڈ کی گئی جبکہ Treasury bills (T-Bills) کے سیکٹور میں بھی 232,19 بلین روپے کی

منیجمنٹ کمپنی کے ڈائریکٹروں کی رپورٹ

ABL-PFABL Pension Fund) کی منیجمنٹ کمپنی (ABL AMCLABL Asset Management Company Limited) کا بورڈ آف ڈائریکٹرز 30 جون 2018ء کو اختتام پذیر ہونے والے سال کے ABL Pension Fund کے آڈٹ شدہ مالیاتی گوشوارے Audited Financial Statements پیش کرتے ہوئے خوشی محسوس کر رہا ہے۔

معاشی کارکردگی کا جائزہ

مالی سال 2018 میں پاکستان کی میکرو اکانومی کا اہم موضوع دہرے خسارے میں اضافہ تھا جس کے نتیجے میں ذخائر تیزی سے ختم ہو رہے تھے۔ حکومت نے مالیاتی سال 2018 کے دوسرے نصف میں سخت مالیاتی اقدامات کیے؛ تاہم، بیرونی کھاتوں کا خسارہ بڑھتا رہا، جبکہ مالیاتی سال 2018 کے اختتام تک افراط زر کا دباؤ بھی برقرار رہا، یہ تمام علامتیں ایک ایسی معیشت کی تھیں جس نے ایک طویل عرصے تک ترقی کی ہوا اور اب وہ افراط زر کی طرف جارہی ہو۔ گو کہ 0.6% کا بلند و بالا ہدف حاصل نہ ہو سکا، لیکن مالیاتی سال 2018 میں GDP کی نشوونما 8.5% رہی، جو گزشتہ 13 سال کے مقابلے میں اوپر کی طرف جاتی ہوئی تینوں عناصر (خدمات/ صنعتی/ زریعی 4.6% / 8.5% / 3.8% YoY) میں سب سے زیادہ ہے۔ نشوونما کی کلیدی حتمائی عوامل میں CPEC پر محیط جلد فائدہ دینے والے انفراسٹرکچر کے منصوبے، خالص توانائی کی فراہمی کی نشوونما (خالص پیدا کرہ) کا 4.8% YoY تک مالیاتی سال 2018 کے پہلے گیارہ ماہ کے لیے، اور قائم رہنے والا قرضوں کا اضافہ (مالیاتی سال 2018 کے پہلے گیارہ ماہ کے لیے نجی شعبے میں کریڈٹ اسٹاک میں 18% YoY کے حساب سے اضافہ ہوا، بشمول اس عرصے کے دوران 780 بلین روپے (offtake)۔ تاہم، مالیاتی خسارہ بطور GDP کی شرح فیصد GDP کے 8.6% ہونے کی امید تھی (جس کا تخمینہ 5.5% مئی 2018 میں دیا گیا تھا)

مالی سال 2018 کے دوران موجودہ اکاؤنٹ خسارہ Current Account Deficit (CAD) میں 45% YoY سے امریکی ڈالر 18 بلین تک اضافہ ہوا ہے۔ برآمدات کی مضبوط بحالی کا اثر (مالی سال 2018 کے دوران 2.13% YoY تک) اور 3% YoY اعلیٰ کارکنوں کی تسلیات بڑھتی ہوئی درآمدات (مالی سال 2018 میں 1.15% YoY تک) کی وجہ سے ممکنہ ہدف سے زیادہ رہیں۔ اسٹیٹ بینک آف پاکستان نے مالی سال 2018 کے دوران دسمبر 2017 سے آغاز کرتے ہوئے تین مرحلوں میں ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں 9.15% تک کمی کی تا کہ بڑھتی ہوئی درآمدات پر زیادہ فائدے کے بغیر قابو پایا جاسکے۔ بیرونی کھاتے سے اخراج کے باوجود، اس عرصے کے دوران قرضوں کی ادائیگی زرمبادلہ کے ذخائر میں اوپر کی جانب بڑھی۔ نتیجتاً، مالی سال 2018 کے دوران پاکستان انٹرنیشنل کیپیٹل مارکیٹ میں دوبارہ چلا گیا، 875.6% کی زرخ سے 10 سالہ یوربونڈ میں 5.1 بلین امریکی ڈالر کا اضافہ ہوا اور 625.5% کی شرح سے 5 سالہ سکوک میں 0.1 بلین امریکی ڈالر کا اضافہ ہوا۔

مضبوط نشوونما کے باوجود، مالی سال 2018 کے لیے headline inflation حکومت کے ہدف 0.6% YoY سے کافی نیچے رہا، جس کی اوسط مالی سال 2018 کے دوران (مالی سال 2017) 2.4% YoY کے مقابلے میں (9.3% YoY رہی)۔ تاہم، تیل کی بین الاقوامی قیمتوں میں (مالی سال 2018 کے دوران عرب لائٹ اپ 5.24%) مخالف سمت تبدیلی اور مالی سال 2018 کے دوسرے نصف میں ڈالر کی قیمتوں میں اضافے کے باعث افراط زر کے دباؤ میں اضافہ ہوا اور جون 2018 میں 5% CPI پر پہنچ گیا (مرکزی افراط زر NFNE گزشتہ سال 5.5% YoY کے مقابلے میں 1.7% رہی)۔ بعد ازاں اسٹیٹ بینک آف پاکستان نے مالی سال 2018 کے دوسرے نصف میں پالیسی ریٹ میں اضافہ کر کے 75bps کر دیا، جس کا آغاز جنوری 2018 میں 6% اضافے یعنی 25bps سے ہوا تھا۔ تاہم، MPS مارچ 2018 میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹس میں دوبارہ اضافہ نہیں کیا، جس کی وجہ یہ بتائی گئی کہ روپے کی حالیہ بے قدری اور برآمدات میں بہتری کوریٹ میں اضافے سے قبل ناہم ضروری ہے۔ تاہم، اپریل 2018 میں مرکزی افراط زر میں 0.7% اضافے کے ساتھ MPS مئی 2018 میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50bps سے 50.6% اضافہ کر دیا۔

مالی سال 2018 کے پہلے 9 ماہ کے دوران مالیاتی خسارہ 1481 بلین روپے (GDP کا تقریباً 3.4%) رہا، جو 20% YoY کے اضافے کی عکاسی کرتا ہے اور جو اس عرصے کے دوران اخراجات کا بنیادی فنکشن رہا اور آمدنی کے جمع کرنے کے مقابلے میں تیز رہا۔ ترقیاتی اخراجات کی نشوونما بھی اچھی رہی (مالی سال 2018 کے پہلے 9 ماہ کے دوران 37% YoY یعنی 13% YoY کے مقابلے میں زیادہ نشوونما موجودہ اخراجات میں) اس سے معیشت کی نشوونما کی رفتار کو سہارا ملا۔

میوچل فنڈ انڈسٹری کا جائزہ

پاکستان کی اوپن اینڈ میوچل فنڈ انڈسٹری کے کل زیر انتظام اثاثوں (AUMs) میں مالی سال 2018 کے دوران 8.2% کی معمولی سی کمی نظر آئی جو 680 بلین روپے سے کم ہو کر 661 بلین روپے ہو گئے۔ اس کمی کی بڑی وجہ اسلامک ایکویٹی اور انکم فنڈز کے زمروں میں 20% اور 16% علی الترتیب کمی ہے۔ اس کے برعکس، انڈسٹری میں منی مارکیٹ فنڈز میں سرمایہ کاروں کی بڑھتی ہوئی دلچسپی دیکھی گئی، اس لیے منی مارکیٹ فنڈز کے زیر انتظام AUMs میں مالی سال 2018 کے دوران 77% اضافہ موجودہ بڑھتی ہوئی شرح سود کی وجہ سے نظر آیا۔ مجموعی بنیاد پر، ایکویٹی کے زمرہ (ایکویٹی اور اسلامک ایکٹیو فنڈز پر مشتمل) میں جون 2017 کے 288 بلین کے مقابلے میں جون 2018 میں 1.16% YoY کمی نظر آئی جو تقریباً 242 بلین روپے تھی۔ مالی سال 2018 میں اسٹاک مارکیٹ کی کمزور کارکردگی رہی، جس کی وجہ میکرو اکانومک انڈیکس اور سیاسی غیر یقینی تھی، اس لیے ایکویٹی فنڈز میں 4.12% YoY کمی

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