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ABL STOCK FUND

FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited 11 - B, Lalazar M. T. Khan Road, Karachi.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tariq Mahmood Mr. Kamran Nishat Mr. Muhammad Kamran Shehzad Mr. Farid Ahmed Khan	Chairman CEO/Director
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Kamran Nishat Mr. Farid Ahmed Khan	Chairman Member Member
Chief Executive Officer of The Management Company:	Mr. Farid Ahmed Khan	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Mubeen Ashraf Bhimani	
Trustee:	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited Bank Alfalah Limited	
Auditor:	A.F. Ferguson & Co Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor:	Bawaney & Partners 3rd & 4th Floors, 68-C, Lane-13 Bokhari Commercial Area Phase-VI, DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. 11 - B, Lalazar, M. T. Khan Road, Karachi.	

ABL STOCK FUND

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Stock Fund (ABL-SF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Stock Fund for the quarter ended September 30, 2015.

ECONOMIC PERFORMANCE REVIEW

New fiscal year started on a positive note for the economy with crude oil prices dropping a further 22.7% during the quarter after a steep 45.2% drop in FY15. Plummeting oil prices also had a soothing effect on inflation as the CPI average during the quarter nosedived to 1.64% YoY with September 2015 reading clocking-in at multi-year low of 1.32% YoY. In addition to contributing towards falling inflation, low oil prices further strengthened current account position with CAD dropping by 93% in 1QFY16 to USD 109mn compared to USD 1,631mn during the same quarter last year. During the period under review, Government of Pakistan closed another successful Eurobond issue of USD 500mn in the international market to refinance upcoming maturity of previous issue.

IMF's EFF program also continued smoothly with IMF granting waivers on fiscal and privatization benchmarks. Thanks to this forbearance, the country successfully completed the 8th review of the IMF program which paved way for another tranche of USD 500mn. As a result, foreign exchange reserves touched the highest ever tally of USD 20bn, translating into a comfortable import cover of more than five months. SBP, acknowledging of macroeconomic developments, further cut the policy rate by 50bps to 6% during the quarter setting a record low interest rates in the country.

The Rupee fell by 2.5% in 1QFY16 in response to a region-wide capitulation by almost all currencies triggered by Chinese Yuan devaluation. However, improving external account position helped stem this slide and by and large, Pak Rupee did well compared with its regional counterparts.

Government's fiscal performance remains a sore point amongst an otherwise positive macro scenario. Fiscal authorities, yet again, failed to meet their revenue collection target and fell short by PKR 48bn (PKR 600bn collected against target of PKR 648bn). In order to meet the deficit, government had to borrow a hefty amount of PKR 401bn from commercial banks, crowding private sector credit off-take.

In the backdrop of positive macroeconomic developments and continued economic reforms process, the economic outlook in the near to medium term remains stable. Govt. has assured IMF to achieve tangible results towards fulfilling its Indicative Targets (ITs) on privatization along with monetary Performance Criteria (PCs). Nonetheless, the government will have to walk the talk amidst ongoing war against terrorism, regional turmoil, and tensions with the neighbors apart from dull global economy. With almost halfway through its tenure, the government does not have much time to lose in taking politically tough decisions and carrying out economic reforms.

MARKET OVERVIEW

Pressure on regional markets in the aftermath of currency devaluations as well as rumors of joint investigation by SECP and NAB against KSE brokers had a telling effect on local equities with KSE-100 Index dropping 6.1% (2,111 points) to close the quarter at 32,287 points. As a result, return generated by Pakistan's equities during CY15 now stands at a meager 0.5% against 17.7% in the corresponding period last year. Despite a slew of positive macro news (50bps policy rate cut, below expectation CPI reading of 1.32% in September 2015, USD 500mn Eurobond, USD 502mn IMF tranche), local sentiment remained depressed. KMI 30 Index, the benchmark for Shariah Compliant Equities, wasn't much different either, as it posted a drop of 5.6% (3,186 points) during the quarter under review. More than half (1,744 points) of that decline was contributed by E&Ps followed by Fertilizers (771 points) and Oil & Gas Marketing Companies (649 points). Power Generation (207 points) and Pharmaceuticals (194 points) were the major positive contributors towards the Index in 1QFY16.

Foreign investors also continued to divest and we saw net selling of USD 103mn during the quarter (9MCMY15 USD 176mn) at KSE as part of global sell-off in the equity markets as investors continued to shy away from risky assets. This overall flight

towards safety, especially in the backdrop of uncertainty over FED's monetary policy decision during the quarter, kept foreign investors at bay. Consequently, lack of both foreign and local interest proved to be a double whammy for the market as volumes dried up and pessimism prevailed during the latter part of the quarter. However, average traded volumes during the period under review improved by 12.6% QoQ to 312mn while average traded value shrunk by 2.5% QoQ to USD 117mn per day.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of open end mutual funds rebounded by 6% in 1QFY16 (from PKR425 billion to PKR450 billion), mainly on account of substantial flows in conventional fixed income funds. Fixed Income category improved by 29% during the quarter to PKR104 billion compared to PKR80 billion in June-15, as lucrative returns on PIBs gathered investors' attention towards government securities-oriented funds. On the other hand, both conventional and Islamic equity categories witnessed AUM decline of 6.7% and 1.3%, to PKR 100 billion and PKR 50 billion, respectively. Volatility in equities during the quarter was the main culprit behind this drop in AUMs.

FUND PERFORMANCE

ABL Stock Fund posted a decline of 3.94% against 10.69% drop in benchmark return, showing an outperformance of 6.65% during the quarter. When measured from its inception date, ABL SF has posted a return of 446.6% as compared to its benchmark return of 153.71%, outpacing the benchmark by a hefty 292.9%. Fund AUM increased by 1.2% during 1QFY16 to Rs.2,282 million as on September 30, 2015 compared to Rs.2,256 million on June 30, 2015.

AUDITORS

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

FUND PERFORMANCE RANKING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on August 24, 2015 assigned MFR 3-Star (based on Three Year weighted average ranking) to ABL-SF, which denotes 'average performance'.

MANAGEMENT QUALITY RATING

On December 31, 2014, JCR-VIS Credit Rating Company Limited reaffirmed the Management Quality Rating of ABL Asset Management Limited (ABL AMC) at 'AM Two' (AM2). Outlook on the assigned rating is 'Stable'.

OUTLOOK

Looking ahead, improvement in domestic macroeconomic conditions (low interest rates, falling CPI reading and strengthening external account) as well as relative stability in regional markets should provide a breather to domestic equities. Moreover, the initiation of work on CPEC should propel overall economic activity and provide impetus for market performance. Furthermore, expected graduation of Pakistan into MSCI Emerging Markets from Frontier Markets should keep local bourse on the foreign investors' radar. With political dust settling post peaceful by-elections, the situation on political front also looks favorable going ahead. At quarter end, market was trading at 2016E P/E of 7.6x, with an attractive dividend yield of 6.7%.

ACKNOWLEDGEMENT

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

For & on behalf of the Board



Farid Ahmed Khan
Chief Executive Officer

Karachi, October 30, 2015



ABL STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2015

	Note	(Un-audited) September 30, 2015	(Audited) June 30, 2014
----- Rupees in '000 -----			
ASSETS			
Balances with banks	4	144,964	298,778
Investments	5	2,123,501	2,137,147
Dividend and profit receivable		40,254	5,112
Advances, security deposits and prepayments		2,878	2,600
Receivable against sale of investments		16,669	-
Receivable against sale of units		-	2,065
Total assets		2,328,266	2,445,702
LIABILITIES			
Payable to ABL Asset Management Company Limited -Management Company	6	16,835	14,479
Payable to Central Depository Company of Pakistan Limited - Trustee		312	260
Payable to Securities and Exchange Commission of Pakistan		568	1,427
Dividend payable		-	1
Accrued expenses and other liabilities	7	26,882	43,647
Payable against purchase of investments		-	111,460
Payable against redemption of units		1,175	17,941
Total liabilities		45,772	189,215
NET ASSETS		2,282,494	2,256,487
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,282,494	2,256,487
CONTINGENCIES AND COMMITMENTS	8		
----- (Number of units) -----			
NUMBER OF UNITS IN ISSUE		178,115,719	166,730,502
----- Rupees -----			
NET ASSETS VALUE PER UNIT		12.8147	13.5337
FACE VALUE PER UNIT		10.0000	10.0000

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director


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ABL STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	Note	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014
----- Rupees in '000 -----			
INCOME			
Dividend income		39,208	17,411
Capital loss on sale of investments - net		(12,868)	(7,888)
Income from government securities		-	886
Profit on bank deposits		3,419	1,614
		29,759	12,023
Unrealised diminution on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading - net	5.2	(112,665)	(6,206)
Total (loss) / Income		(82,906)	5,817
EXPENSES			
Remuneration of ABL Asset Management Company Limited -Management Company		11,970	5,466
Sindh sales tax on remuneration of the Management Company	6.1	1,944	951
Federal Excise Duty on remuneration of the Management Company	6.2	1,915	875
Remuneration of Central Depository Company of Pakistan Limited- Trustee		850	525
Sindh sales tax on remuneration of Trustee		127	-
Annual fee - Securities and Exchange Commission of Pakistan		569	260
Brokerage and securities transaction costs		1,268	958
Auditors' remuneration		106	111
Printing charges		38	38
Annual rating fee		53	30
Legal and professional charges		177	-
Listing fee		13	13
Settlement and bank charges		187	169
Total operating expenses		19,217	9,396
Net loss from operating activities		(102,123)	(3,579)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed-net		48,228	(3,368)
Provision for Workers' Welfare Fund	7.1	-	-
Net loss for the period before taxation		(53,895)	(6,947)
Taxation	9	-	-
Net loss for the period after taxation		(53,895)	(6,947)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		(53,895)	(6,947)
Earnings per unit	10		

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

ABL STOCK FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014
	----- Rupees in '000 -----	
Undistributed income brought forward		
- Realised income	456,117	76,197
- Unrealised income	133,082	62,760
	<u>589,199</u>	<u>138,957</u>
Net loss for the period after taxation	(53,895)	(6,947)
Distribution during the period		
- Rs. 0.20 per unit on July 24, 2015 (2014: Nil) Cash Distribution	(33,949)	-
	<u>501,355</u>	<u>132,010</u>
Undistributed income comprising of:		
- Realised income	614,020	138,216
- Unrealised loss	(112,665)	(6,206)
	<u>501,355</u>	<u>132,010</u>

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
 Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
 Director

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

	For the quarter ended September 30, 2015 ----- Rupees in '000 -----	For the quarter ended September 30, 2014 ----- Rupees in '000 -----
Net assets at the beginning of the period	2,256,487	1,114,205
Issue of 32,770,502 units (2014: 11,496,707 units)	449,841	129,134
Redemption of 21,385,285 units (2014: 13,346,261 units)	(287,761)	(150,991)
	162,080	(21,857)
Element of (income) / loss and capital (gains) / loss included in prices of units issued less those in units redeemed - net		
- amount representing (income) / loss and capital (gains) / losses - transferred to income statement	(48,228)	3,368
Other net income for the period	71,638	7,147
Net capital loss on sale of investments	(12,868)	(7,888)
Unrealised diminution on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading	(112,665)	(6,206)
	(53,895)	(6,947)
Distribution during the period		
- Rs. 0.20 per unit on July 24, 2015 (2014: Nil)		
Cash distribution	(33,949)	-
Net assets at the end of the period	2,282,494	1,088,769

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director

ABL STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2015

Note	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period after taxation	(53,895)	(6,947)
Adjustments:		
Unrealised diminution on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading - net	112,665	6,206
Dividend income	(39,208)	(17,411)
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed-net	(48,228)	3,368
Amortisation of preliminary expenses and floatation costs	-	-
Federal Excise Duty on remuneration of the Management Company	1,915	875
Provision for Workers' Welfare Fund	-	-
	(26,751)	(13,909)
(Increase) / decrease in assets		
Investments - net	(99,019)	(53,633)
Profit receivable	348	382
Advances, security deposits and prepayments	(278)	(13,807)
Receivable against sale of investments	(16,669)	-
	(115,618)	(67,058)
(Decrease) / increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	441	(938)
Payable to Central Depository Company of Pakistan Limited - Trustee	52	35
Payable to Securities and Exchange Commission of Pakistan	(859)	(471)
Payable against purchase of investments	(111,460)	(187,816)
Accrued expenses and other liabilities	(16,765)	(90)
	(128,591)	(189,280)
Dividend received	3,718	1,755
Net cash used in operating activities	(267,242)	(268,492)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units	451,906	129,134
Payments on redemption of units	(304,527)	(150,991)
Cash Dividend Paid	(33,950)	(32,573)
Net cash generated from / (used in) financing activities	113,428	(54,430)
Net decrease in cash and cash equivalents	(153,814)	(322,922)
Cash and cash equivalents at the beginning of the period	298,778	410,303
Cash and cash equivalents at the end of the period	4	87,381

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

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director

ABL STOCK FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2015

1 LEGAL STATUS AND NATURE OF BUSINESS

ABL Stock Fund (the Fund) was established under a trust deed executed on April 23, 2009 between ABL Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised the constitution of the Trust Deed vide letter no. NBFC-II/DD/ABLAMC/422/09 on April 10, 2009 in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on December 7, 2007. The Registered office of the Management Company is situated at 11-B, Lalazar, M.T Khan Road, Karachi.

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

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

The objective of the Fund is to provide higher risk adjusted returns to investors by investing in diversified portfolio of equity instruments.

The JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of 'AM2 (stable outlook)' to the Management Company as at December 31, 2014 and Fund Performance Rating MFR 4-Star (JCR VIS) (Based on one year weighted average ranking), MFR 3-Star (JCR VIS) (Based on three years weighted average ranking) as at August 24, 2015.

The assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim 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 (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim

financial statements does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2015.

3 ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended June 30, 2015.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2015.

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

		(Un-audited) September 30, 2015	(Audited) June 30, 2015
	Note	----- Rupees in '000 -----	
4	BALANCES WITH BANKS		
	Savings accounts	4.1	298,778
		<u>144,964</u>	<u>298,778</u>
4.1	These accounts carry mark-up at rates ranging from 5.00% to 6.25% (June 30, 2015: 5.00% to 6.25%) per annum. Deposits in these accounts include Rs. 42.966 million (June 30, 2015: Rs. 297.159 million) maintained with Allied Bank Limited, a related party and carry mark up at rate of 6.25% (June 30, 2015: 6.25%).		
		(Un-audited) September 30, 2015	(Audited) June 30, 2015
		----- Rupees in '000 -----	
5	INVESTMENTS		
	Financial assets at fair value through profit or loss		
	- held for trading		
	- Listed equity securities	5.1	2,137,147
		<u>2,123,501</u>	<u>2,137,147</u>

5.1 Listed equity securities

Shares of listed companies - fully paid ordinary shares with a face value of Rs 10 each unless stated otherwise.

Name of investee company	Number of Shares				Balance as at September 30, 2015			Market value as a percentage of net assets of the Fund	Market value as a percentage of total market value of investments	Market value as a percentage of paid-up capital of investee company	
	As at July 01, 2015	Purchased during the period	Bonus / Right shares received during the period	Sold during the period	As at September 30, 2015	Carrying value	Market value				Appreciation/ (diminution)
Rupees in '000											
Oil and gas Marketing Companies											
Attock Petroleum Limited	114,200	-	-	13,700	100,500	57,006	50,275	(6,730)	2.20%	2.37%	6.06%
Hascol Petroleum Limited	1,267,210	190,000	291,442	194,500	1,554,152	150,361	185,861	35,500	8.14%	8.75%	15.40%
Pakistan State Oil Company Limited	353,900	-	-	353,900	-	-	-	-	-	-	-
						207,367	236,136	28,769	10.34%	11.12%	
Oil and gas Exploration Companies											
Oil and Gas Development											
Company Limited	523,900	147,000	-	26,000	644,900	109,444	80,400	(29,044)	3.52%	3.79%	0.19%
Pakistan Oilfields Limited	321,100	-	-	-	321,100	129,667	94,381	(35,286)	4.13%	4.44%	3.99%
Pakistan Petroleum Limited	474,800	-	-	-	474,800	77,991	56,568	(21,423)	2.48%	2.66%	0.29%
						317,101	231,348	(85,753)	10.13%	10.89%	
Fertilizers											
Engro Fertilizer Limited	1,227,500	530,000	-	461,500	1,296,000	118,192	116,381	(1,811)	5.10%	5.48%	0.87%
Engro Corporation Limited	552,200	23,400	-	59,000	516,600	153,607	154,143	536	6.75%	7.26%	2.98%
Fatima Fertilizer Company Limited	-	821,500	-	800,000	21,500	999	995	(4)	0.04%	0.05%	-
Fauji Fertilizer Company Limited	-	145,000	-	-	145,000	19,046	17,900	(1,146)	0.78%	0.84%	-
						291,845	289,419	(2,425)	12.67%	13.63%	
Engineering											
Crescent Steel and Allied Products Limited											
Products Limited	-	255,000	-	-	255,000	29,308	21,170	(8,138)	0.93%	1.00%	3.41%
Crescent Steel and Allied Products Limited (Right Shares)	-	-	63,750	-	63,750	3,698	5,293	1,595	0.23%	0.25%	0.85%
Mughal Iron and Steel Industries Limited	-	180,500	-	-	180,500	11,553	11,727	174	0.51%	0.55%	1.07%
International Industries Limited	228,500	-	-	-	228,500	15,341	14,626	(715)	0.64%	0.69%	1.22%
						59,900	52,816	(7,084)	2.31%	2.49%	
Cement											
D.G. Khan Cement Company Limited											
Fauji Cement Company Limited	1,096,000	155,000	-	296,000	955,000	136,476	130,854	(5,622)	5.73%	6.16%	2.99%
Maple Leaf Cement Factory Limited	1,200,000	821,000	-	1,321,000	700,000	25,438	23,436	(2,002)	1.03%	1.10%	0.18%
Pioneer Cement Limited	14,000	300,000	-	314,000	-	-	-	-	-	-	-
Lucky Cement Limited	375,000	430,000	-	-	805,000	70,118	69,826	(292)	3.06%	3.29%	3.07%
	188,800	74,000	-	46,000	216,800	113,808	114,189	381	5.00%	5.38%	3.53%
						345,840	338,304	(7,536)	14.82%	15.93%	
Paper & Board											
Packages Limited											
Products Limited	7,500	120,000	-	1,500	126,000	74,964	67,221	(7,743)	2.95%	3.17%	7.61%
						74,964	67,221	(7,743)	2.95%	3.17%	
Automobile Assembler											
Indus Motor Company											
Millat Tractors Limited	29,500	-	-	-	29,500	36,846	29,541	(7,304)	1.29%	1.39%	3.76%
Honda Atlas Cars Limited	45,150	-	-	-	45,150	30,965	28,204	(2,760)	1.24%	1.33%	6.37%
	-	142,000	-	142,000	-	32,915	32,708	(207)	1.43%	1.54%	7.38%
						100,726	90,454	(10,272)	3.96%	4.26%	
Cable & Electrical Goods											
Pak Elektron Limited											
Products Limited	1,095,000	531,500	-	675,000	951,500	77,354	68,594	(8,760)	3.01%	3.23%	1.72%
						77,354	68,594	(8,760)	3.01%	3.23%	
Leather & Tanneries											
Service Industries Limited											
Products Limited	33,450	-	-	-	33,450	28,278	26,927	(1,350)	1.18%	1.27%	22.39%
						28,278	26,927	(1,350)	1.18%	1.27%	
Glass & Ceramics											
Tariq Glass Industries Limited											
Products Limited	649,000	-	-	-	649,000	37,960	47,020	9,060	2.06%	2.21%	6.40%
						37,960	47,020	9,060	2.06%	2.21%	
Pharmaceuticals											
Highnoon Laboratories Limited											
Sanoofi Aventus Pakistan Limited	-	40,000	-	-	40,000	13,922	14,385	463	0.63%	0.68%	7.06%
The Searle Company Limited	-	1,250	-	-	1,250	909	793	(117)	0.03%	0.04%	0.82%
	18,320	65,000	-	-	83,320	30,863	33,355	2,492	1.46%	1.57%	3.89%
						45,694	48,532	2,838	2.12%	2.29%	
Electricity											
Pakgen Power Limited											
Hub Power Company Limited	2,071,500	-	-	1,200,000	871,500	26,154	24,358	(1,795)	1.07%	1.15%	0.65%
Lalpir Power Company Limited	1,566,300	250,000	-	150,000	1,666,300	157,367	163,697	6,330	7.17%	7.71%	1.41%
Kot Addu Power Company Limited	1,989,000	959,500	-	-	2,948,500	93,155	86,008	(7,147)	3.77%	4.05%	2.26%
	750,000	255,000	-	-	1,005,000	88,056	95,224	7,168	4.17%	4.48%	1.08%
						364,732	369,287	4,555	16.18%	17.39%	
Commercial Banks											
Bank Al Habib Limited											
Askari Bank Limited	13,950	-	-	-	13,950	613	580	(33)	0.03%	0.03%	0.01%
Habib Metropolitan Bank Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Habib Bank Limited	1,156,000	-	-	24,500	1,131,500	33,945	32,734	(1,211)	1.43%	1.54%	0.31%
United Bank Limited	320,405	-	-	-	320,405	68,935	63,338	(5,597)	2.77%	2.98%	0.43%
JS Bank Limited	998,600	131,700	-	215,000	915,300	153,159	134,293	(18,866)	5.88%	6.32%	1.10%
	777,000	-	-	-	777,000	5,734	5,377	(357)	0.24%	0.25%	0.05%
						262,386	236,322	(26,064)	10.35%	11.12%	
Real Estate Investment Trust											
Dolmen City RIET											
Products Limited	2,000,000	-	-	-	2,000,000	22,020	21,120	(900)	0.93%	0.99%	0.09%
						22,020	21,120	(900)	0.93%	0.99%	
Total - September 30, 2015						2,236,166	2,123,501	(112,665)	93.01%	100.00%	

5.1.1 The above investment includes shares having a market value (in aggregate) amounting to Rs 49.193 million (June 30, 2015: Rs 52.669 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

	September 30, 2015	June 30, 2015	September 30, 2015	June 30, 2015
	Number of Shares		----- Rupees in '000 -----	
D.G Khan Cement Company Limited	50,000	50,000	6,851	7,139
Engro Corporation Limited	50,000	50,000	14,919	14,840
Pakistan Petroleum Limited	90,000	90,000	10,723	14,783
Hub Power Company Limited	170,000	170,000	16,701	15,907
	360,000	360,000	49,193	52,669
			(Un-audited) September 30, 2015	(Audited) June 30, 2015
			----- Rupees in '000 -----	

5.2 **Unrealised appreciation/ (diminution) on re-measurement of investments classified as fair value through profit or loss - net**

Market value of securities	2,123,501	2,137,147
Less: carrying value of securities	2,236,166	2,004,065
	(112,665)	133,082

5.2.1 The Finance Act 2014 introduced amendments to 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 payments 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 Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

During the current year, Hascol Petroleum Company Limited issued 291,442 bonus shares, after withholding 5 percent of bonus shares issued (i.e. 14,572 shares). Hascol Petroleum Company Limited instructed the Fund to pay withholding tax of Rs. 1.896 million, in order to release withheld bonus shares. Based on the stay order, the Fund has not paid the amount of tax. Further, shares against withholding tax held by the Hascol Petroleum Company Limited have neither been released nor deposited with the Government Treasury. However, the Fund has included the withheld bonus shares in the portfolio on the basis of the aforementioned stay order.

	(Un-audited) September 30, 2015	(Audited) June 30, 2015
----- Rupees in '000 -----		
6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY		
Remuneration of the Management Company	3,838	3,549
Sales load	264	386
Sindh sales tax payable on remuneration of the Management Company 6.1	2,145	1,872
Federal excise duty on remuneration of the Management Company 6.2	10,588	8,672
	<u>16,835</u>	<u>14,479</u>

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

6.2 As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law. The matter has been taken up collectively by the Mutual Fund Association of Pakistan where various options are being considered. During the year ended June 30, 2014, the Honourable High Court Sindh in a Constitutional petition relating to levy of Federal Excise Duty (FED) on Mutual Fund has granted stay order for the recovery of Federal Excise Duty (FED). As a matter of abundant caution, the Management Company has made a provision with effect from June 13, 2013, aggregating to Rs. 10.588 million (including Rs. 1.915 million for the current year). Had the provision not being made, the Net Asset Value per unit of the fund as at September 30, 2015 would have been higher by 0.0594 (June 30, 2015: 0.0520) per unit.

	(Un-audited) September 30, 2015	(Audited) June 30, 2015
----- Rupees in '000 -----		
7 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	406	300
Rating fee	30	120
Brokerage and other charges	968	777
Provision for Workers' Welfare Fund 7.1	25,199	25,199
Legal Fee	-	100
Printing and stationery	123	85
Advance against issuance of units	-	5,370
Withholding tax payable	138	8,621
Other payables	18	3,075
	<u>26,882</u>	<u>43,647</u>

7.1 Provision for Workers' Welfare Fund

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

trustees in the Honourable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF. This clarification was forwarded by the Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) to its collectorates for necessary action. Based on this clarification, FBR also withdrew notice of demand which it had earlier issued to one of the funds managed by ABL Asset Management Company Limited for collection of WWF.

During the year ended June 30, 2012, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 declared the said amendments as unlawful and unconstitutional. In March 2013, a large bench of Sindh High Court (SHC) in various Constitutional Petitions declared that amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the court.

The Management Company believes that the aforementioned constitutional petition pending in SHC has strong grounds for decision in favour of the mutual funds. However, the management as a matter of abundant caution has continued to maintained the provision for WWF amounting to Rs. 25.199 million (June 30, 2015: 25.199 million) . Had the WWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.1511 (June 30, 2015: 0.1511) per unit.

The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'Industrial establishment' subject to WWF under WWF Ordinance, 1971. The provision made till June 30, 2015 has not been reversed as the above law suit is still pending in the SHC. This amendment is however applicable prospectively i.e. from tax year 2016.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2015 and June 30, 2015.

9 TAXATION

The Fund's income is exempt from Income Tax as per clause 99 of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's accounting income for the year ending 30 June 2015 as reduced by capital gain (whether realised or unrealised) to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Accordingly, no provision for taxation has been made in this financial statements.

10 EARNINGS PER UNIT (EPU)

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

11 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

11.1 Detail of transactions with connected persons during the period are as follows:

	(Un-audited) For the quarter ended September 30, 2015	(Un-audited) For the quarter ended September 30, 2014
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Remuneration for the period	11,970	5,466
Sindh sales tax payable on remuneration of the Management Company	1,944	951
Federal Excise duty on Management fee	1,915	875
Issue of 1,934,273 units (2014: Nil units)	27,078	-
Allied Bank Limited - Holding company of Management Company		
Profit on bank deposits	3,238	1,584
Bank charges	17	10
Ibrahim Agencies (Private) Limited*		
Issue of 456,531 units (2014: Nil units)	6,302	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	850	
Sindh sales tax on remuneration of Trustee	127	-
Settlement charges and connection fee	78	
Mr. Sheikh Mukhtar Ahmad		
Issue of 37,172 units (2014: Nil units)	513	-
Mr. Mohammad Waseem Mukhtar		
Issue of 5,570 units (2014: Nil units)	77	-
KEY MANAGEMENT PERSONS		
Chief Executive Officer		
Issue of 1,288 units (2014: Nil units)	18	-
Redemption of 314 units (2014: Nil units)	4	-

11.2 Detail of balances outstanding at the period / year end with connected persons are as follows:

	(Un-audited) September 30, 2015	(Audited) June 30, 2015
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Remuneration payable	1,784	3,549
Sales load payable	42	386
Outstanding 7,215,954 units (June 30, 2015: 5,281,681 units)	92,470	71,481
Sindh sales tax payable on remuneration of the Management Company	1,017	1,872
Federal Excise Duty on remuneration of the Management Company	4,741	8,672
Allied Bank Limited - Holding company of Management Company		
Profit receivable on saving accounts	717	1,193
Bank balance	42,966	291,789
Ibrahim Agencies (Private) Limited - Connected Person		
Outstanding 31,183,336 units (June 30, 2015: 30,726,805 units)	399,605	415,847
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	274	260
Sindh sales tax on remuneration of Trustee	38	-
Security deposit	100	100
DIRECTOR OF THE MANAGEMENT COMPANY		
Mr. Sheikh Mukhtar Ahmad		
Outstanding 2,538,423 units (June 30, 2015: 2,501,251 units)	32,529	33,851
Mr. Mohammad Waseem Mukhtar		
Outstanding 312,674 units (June 30, 2015: 307,104 units)	4,007	4,156
KEY MANAGEMENT PERSONS		
Chief Executive Officer		
Outstanding 80,745 units (June 30, 2015: 79,771 units)	1,035	1,080

12 GENERAL

Figures have been rounded off to the nearest thousand rupee.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 30, 2015 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited
(Management Company)


FARID AHMED KHAN
Chief Executive Officer


MUHAMMAD KAMRAN SHEHZAD
Director