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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. M. Shakeb Murad Mr. M. Jawaid Iqbal Mr. Farid Ahmed Khan	Chairman CEO
Audit Committee:	Mr. Kamran Nishat Mr. Muhammad Waseem Mukhtar Mr. M. Shakeb Murad	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Jawaid Iqbal Mr. Kamran Nishat Mr. Farid Ahmed Khan	Chairman Member 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 Standard Chartered Bank (Pakistan) Limited	
Auditor:	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No. 2 Beaumont Road Karachi, 75530 Pakistan	
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, 2014.

ECONOMIC PERFORMANCE REVIEW

Economic performance in 1QFY15 remained dismal due to prolonged political stalemate between the government and protesting political parties in the country. The talking point for the quarter was failure of the country to complete fourth review of the IMF program due to which disbursement of USD550 million tranche was delayed. In addition the country had to delay its USD1 billion international Sukuk issue. Consequently, PKR depreciated by 3.9% during the quarter and CAD swelled to USD1.37 billion in 2MFY15, 1.37x higher than USD0.58 billion during the same period of last year, due to mounting trade deficit. Delay in foreign funds coupled with widening CAD took its toll on the FX reserve position, which dropped by 6% to USD13.21 billion during 1QFY15.

Inflation, as measured by CPI, remained soft as average inflation stood at 7.52% during the quarter due to high base effect and lower than expected food inflation (6.6%YoY in 1QFY15). Despite lower than expected inflation, SBP kept DR unchanged in Sept-14 MPS, emphasizing the need to remain vigilant and monitor movement in economic indicators as vulnerabilities in external sector and other macros indicators still remain unaddressed. The performance on fiscal front remained slightly below par during 1QFY15 as FBR collected PKR563 billion (up 12.6% YoY) and missed its quarterly target by PKR20. Government borrowing on the other hand, continued unabated as it raised PKR20 billion and PKR104 billion from SBP and commercial banks respectively.

Looking ahead, the outlook for FY15 remains hazy in the backdrop of continued political uncertainty and inertia in the economic reform process. The expected receipt of combined IMF tranches of USD1.1 billion in December 2014 and declining international oil prices (Brent crude down 24% FY15TD) as a result of weak global oil are potential economic positives that can give much needed boost to market sentiment. However, current political turmoil will make reform implementations an uphill task for the government and could be the key factor affecting capital markets in the short term.

MARKET OVERVIEW

Equity market witnessed a roller coaster ride during the period under review. The benchmark KSE100 Index touched an all-time high of 30,475 level amidst robust corporate earnings & strong foreign flows but then the political wranglings between opposition parties and government pulled the index down to 27,774 level. However, as situation eased off, market bounced back strongly to close the quarter at 29,726 points. Moreover, strong foreign flows, annual results accompanying payouts and general improvement in economic outlook boosted investors' sentiment. Strong foreign flows to the tune of USD157mn were recorded for 1QFY15 compared to an outflow of USD94 mn during the same quarter last year. However, market liquidity declined with average daily value traded dropping to USD69 mn (down 22% YoY) in 1QFY15 vs. USD89 mn for 1QFY14.

Banks, autos, and IPPs performed strongly due to strong sectoral dynamics (better asset quality, volumetric growth and healthy payouts) while fertilizers and E&P's performance lagged due to uncertainty on GIDC and weaker oil prices. Investors' overwhelming response for SPO's (UBL & PPL) and IPO's (Saif Power & Engro Powergen Qadirpur) indicates ample appetite in the market for upcoming secondary offerings (OGDC, HBL & ABL) which is expected to attract more foreign investment.

Moving ahead, improvement in macroeconomic landscape (weaker oil prices & strong FX reserves), attractive valuations and continuous foreign flows are expected to keep investor interest alive. However, any negative development on political front and further delay in IMF's funds disbursement can adversely impact the market. At quarter end,, the market

was trading at 2015E P/E of 8x and offered dividend yield of 6%, which is still fairly attractive when compared to regional standards.

MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of open end mutual funds increased by 2% in 1QFY15 (from PKR415 billion to PKR423 billion), mainly on account of substantial flows in conventional fixed income funds. Fixed Income category which improved by 7.89% during the quarter to PKR71 billion compared to PKR65 billion in June-14, primarily due to launch of new funds in this category. On cumulative basis, the fixed income category (comprising of Income, Aggressive Income and Money Market funds) registered cumulative increase of 3.02% in 1QFY15 from PKR194 billion in June 2014 to PKR200 billion in September 2014. Islamic income funds however, lost their size by 13.21% during the quarter to PKR32 billion, as low returns from Islamic financial products compelled investors to shift to more rewarding categories. Despite political uncertainty and rather volatile movement of the equity market during the quarter, both conventional and Islamic equity categories posted a healthy growth of 2.68% and 5.88% respectively with AUMs clocking at PKR92 billion and PKR29 billion.

FUND PERFORMANCE

ABL Stock Fund's AUM decreased by 2.28% to Rs.1,088.77 million in Sep 30, 2014 compared to Rs.1,114.21 million on June 30, 2014. The fund posted an absolute return of -0.4% against the benchmark return of -1.0%, an outperformance of 0.60% during the quarter. When measured from its inception date, ABL-SF has four star rating (based on average five years ranking), posting a return of 345.9% as compared to its benchmark return of 165.9%, depicting a significant out-performance of 180%.

AUDITORS

M/s. KPMG Taseer Hadi & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2015 for ABL Stock Fund (ABL-SF).

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on September 9, 2014 assigned MFR 3-Star (based on Three Year weighted average ranking) to ABL-SF, which denotes 'average performance'.

MANAGEMENT QUALITY RATING

On June 21 2013, JCR-VIS Credit Rating Company Limited upgraded the Management Quality Rating of ABL Asset Management Limited (ABL AMC) from to 'AM Two Minus' (AM2-) to 'AM Two' (AM2). Outlook on the assigned rating is 'Stable'.

OUTLOOK

Market's resilience has surprised many participants due to on-going political deadlock between government and protesters in Islamabad as well as recent turmoil in global financial markets. The government was dilly dallying on the reform process even in the best of times. With the on-going political noise, its willingness to address the key issues of governance, revenue generation and development spending are now even more doubtful. Hence financial markets will seek direction from economic data rather than policies and actions from Islamabad.

Upcoming secondary offerings such as OGDC, ABL, HBL and others will be further drag on market liquidity and may cap upside in near term. During the period under review second and third tier stocks have been main market drivers and some of them are now trading at exorbitant multiples. In comparison, most blue chip companies are still trading at their recent lows. We believe that the valuation gap, which is widening every day, should normalize in due course of time. At the same time we are also revisiting our strategy on robust small and mid-tier stocks that can add to portfolio returns as well as meet our valuation targets.

ABL STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2014

	Note	Un-Audited September 30, 2014	Audited June 30, 2014
-----Rupees in '000-----			
ASSETS			
Balances with banks	4	87,381	410,303
Investments	5	1,011,545	964,118
Dividend and profit receivable		16,523	1,249
Advances, security deposits and prepayments		22,887	9,080
Total assets		1,138,336	1,384,750
LIABILITIES			
Payable to ABL Asset Management Company Limited -Management Company	6	7,584	7,647
Payable to Central Depository Company of Pakistan Limited - Trustee		171	136
Payable to Securities and Exchange Commission of Pakistan		260	731
Dividend payable		-	32,573
Accrued expenses and other liabilities	7	16,357	16,447
Payable against purchase of investments		25,195	213,011
Total liabilities		49,567	270,545
NET ASSETS		1,088,769	1,114,205
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,088,769	1,114,205
CONTINGENCIES AND COMMITMENTS			
	8	----- Number of units -----	
NUMBER OF UNITS IN ISSUE		95,677,015	97,526,569
		----- Rupees -----	
NET ASSETS VALUE PER UNIT		11.3796	11.4246
FACE VALUE PER UNIT		10.0000	10.0000

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


FARID AHMED KHAN
 CEO

For ABL Asset Management Company Limited
 (Management Company)


SHAKEB MURAD
 DIRECTOR

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NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

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 June 21, 2013 and Fund Performance Rating MFR 2-Star (JCR VIS) (Based on one year weighted average ranking), MFR 3-Star (JCR VIS) (Based on three years weighted average ranking) and MFR 4-Star (JCR VIS) (Based on five years weighted average ranking) as at June 30, 2014.

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

ABL STOCK FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2014

		For the quarter ended September 30, 2014	For the quarter ended September 30, 2013
	Note	-----Rupees in '000-----	
INCOME			
Dividend income		17,411	13,256
Capital (loss) / gain on sale of investments - net		(7,888)	27,851
Income from government securities		886	-
Profit on bank deposits		1,614	1,575
		12,023	42,681
Unrealised diminution on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading - net	5.3	(6,206)	(20,087)
Total Income		5,817	22,595
EXPENSES			
Remuneration of ABL Asset Management Company Limited-Management Company		5,466	6,121
Sindh sales tax on remuneration of the Management Company		951	979
Federal Excise Duty on remuneration of the Management Company		875	979
Remuneration of Central Depository Company of Pakistan Limited- Trustee		525	408
Annual fee - Securities and Exchange Commission of Pakistan		260	194
Brokerage and securities transaction costs		958	1,439
Auditors' remuneration		111	101
Amortisation of preliminary expenses and floatation costs		-	180
Printing charges		38	38
Annual rating fee		30	35
Legal and professional charges		-	88
Listing fee		13	13
Settlement and bank charges		169	76
Other expenses		-	157
Total operating expenses		9,396	10,808
Net (loss) / income from operating activities		(3,579)	11,787
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed-net		(3,368)	27,643
Provision for Workers' Welfare Fund	7.1	-	(789)
Net income for the period before taxation		(6,947)	38,641
Taxation	9	-	-
Net income for the period after taxation		(6,947)	38,641
Other comprehensive income for the period		-	-
Total comprehensive income for the period		(6,947)	38,641
Earnings per unit	10		

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


FARID AHMED KHAN
CEO

For ABL Asset Management Company Limited
(Management Company)


SHAKEB MURAD
DIRECTOR

ABL STOCK FUND
CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	For the quarter ended September 30, 2014	For the quarter ended September 30, 2013
	-----Rupees in '000-----	
Undistributed income brought forward		
- Realised income	76,197	217,352
- Unrealised income	62,760	75,651
	138,957	293,003
Net (loss) / income for the period after taxation	(6,947)	38,641
Distribution during the period		
- Rs. Nil per unit (2013: Rs 7.4938 per unit on August 05, 2013)		
Cash distribution	-	(53,273)
Issue of bonus units Nil (2013: 16,878,820 units)	-	(205,361)
Element of (loss) / income and capital (losses) / gains included in prices of units issued less those in units redeemed-net	(3,368)	27,643
	128,642	100,653
Undistributed income comprising of:		
- Realised income	134,848	120,740
- Unrealised loss	(6,206)	(20,087)
	128,642	100,653

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


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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	For the quarter ended September 30, 2014	For the quarter ended September 30, 2013
	-----Rupees in '000-----	
Net assets at the beginning of the period	1,114,205	783,388
Issue of 11,496,707 units (2013: 14,766,939 units)	129,134	201,036
Redemption of 13,346,261 units (2013: 17,926,265 units)	(150,991)	(241,561)
	(21,857)	(40,526)
Issue of Nil bonus units (2013: 16,878,820 units)	-	205,361
Element of loss / (income) and capital loss / (gains) included in prices of units issued less those in units redeemed		
- amount representing loss / (income) and capital losses / (gains) transferred to Income Statement	3,368	(27,643)
Other net income for the period	7,147	30,877
Net capital (loss) / gain on sale of investments	(7,888)	27,851
Unrealised diminution on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading	(6,206)	(20,087)
	(6,947)	38,641
Final Distribution Nil (2013: Rs.5.3270 per unit declared on Aug 05, 2013)		
Cash distribution	-	(53,273)
Issue of bonus units	-	(205,361)
Net assets at the end of the period	1,088,769	700,587

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


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DIRECTOR

ABL STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014

	For the quarter ended September 30, 2014	For the quarter ended September 30, 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period after taxation	(6,947)	38,641
Adjustments:		
Unrealised diminution on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - held for trading - net	6,206	20,087
Dividend income	(17,411)	(13,256)
Element of loss / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed-net	3,368	(27,643)
Amortisation of preliminary expenses and floatation costs	-	181
Federal Excise Duty on remuneration of the Management Company	875	979
Provision for Workers' Welfare Fund	-	789
	(13,909)	19,777
(Increase) / decrease in assets		
Investments - net	(53,633)	81,521
Profit receivable	382	374
Advances, security deposits and prepayments	(13,807)	(17)
Receivable against sale of investments	-	(24,344)
Receivable against sale of units	-	(3,201)
	(67,058)	54,332
(Decrease) / increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	(938)	416
Payable to Central Depository Company of Pakistan Limited - Trustee	35	(15)
Payable to Securities and Exchange Commission of Pakistan	(471)	(220)
Payable against purchase of investments	(187,816)	-
Accrued expenses and other liabilities	(90)	(732)
	(189,280)	(551)
Dividend received	1,755	1,900
Net cash (used in) / generated from operating activities	(268,492)	75,458
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units	129,134	201,036
Payments on redemption of units	(150,991)	(242,001)
Cash Dividend Paid	(32,573)	(53,273)
Net cash used in financing activities	(54,430)	(94,238)
Net decrease in cash and cash equivalents	(322,922)	(18,780)
Cash and cash equivalents at the beginning of the period	410,303	87,063
Cash and cash equivalents at the end of the period	87,381	68,283

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


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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, 2014.

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, 2014.

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, 2014.

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, 2014.

		(Unaudited) September 30, 2014	(Audited) June 30, 2014
	Note	-----Rupees in '000-----	
4 BALANCES WITH BANKS			
Savings accounts	4.1	87,381	410,303

4.1 These accounts carry mark-up at rates ranging from 7.0% to 9.30% (June 2014: 7.0% to 9.30%) per annum. Deposits in these accounts include Rs. 85.967 million (June 2014: Rs. 408.923 million) maintained with Allied Bank Limited, a related party and carry mark up at rate of 9.30% (June 2014: 9.30%).

5 INVESTMENTS

Financial assets at fair value through profit or loss

- Listed equity securities	5.1	971,557	964,118
- Market treasury bills	5.2	39,988	-
		1,011,545	964,118

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, 2014			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 paidup capital of investee company
	As at July 01, 2014	Purchases during the period	Bonus / right issue during the period	Sales during the period	As at September 30, 2014	Carrying value	Market value	Appreciation / (diminution)			
-----Rupees in '000-----											
Oil and Gas											
Attock Petroleum Limited	26,900	46,200	-	3,400	69,700	40,601	37,821	(2,780)	3.47%	3.74%	4.56%
Oil and Gas Development Company Limited	175,000	21,600	-	169,000	27,600	7,219	6,819	(400)	0.63%	0.67%	0.02%
Pakistan Oilfields Limited	179,900	-	-	19,400	160,500	92,175	85,296	(6,879)	7.83%	8.43%	3.61%
Pakistan Petroleum Limited	336,600	150,000	-	66,000	420,600	94,491	95,077	586	8.73%	9.40%	0.48%
Pakistan State Oil Company Limited	200,236	42,000	-	166,000	76,236	29,715	27,479	(2,236)	2.52%	2.72%	1.01%
	<u>918,636</u>	<u>259,800</u>	<u>-</u>	<u>423,800</u>	<u>754,636</u>	<u>264,201</u>	<u>252,492</u>	<u>(11,709)</u>			
Chemicals											
Engro Corporation Limited	346,700	-	-	44,500	302,200	53,946	49,905	(4,041)	4.58%	4.93%	0.97%
Fatima Fertilizer Company Limited	1,546,000	-	-	1,546,000	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	820,000	-	-	820,000	34,238	32,980	(1,258)	3.03%	3.26%	0.35%
Arif Habib Corporation Limited	1,964,000	-	-	511,500	1,452,500	40,438	36,792	(3,646)	3.38%	3.64%	0.81%
	<u>3,856,700</u>	<u>820,000</u>	<u>-</u>	<u>2,102,000</u>	<u>2,574,700</u>	<u>128,622</u>	<u>119,677</u>	<u>(8,945)</u>			
Industrial Metals And Mining											
International Industries	797,500	64,000	-	100,000	761,500	37,656	49,954	12,298	4.59%	4.94%	4.17%
	<u>797,500</u>	<u>64,000</u>	<u>-</u>	<u>100,000</u>	<u>761,500</u>	<u>37,656</u>	<u>49,954</u>	<u>12,298</u>			
Construction and materials (Cement)											
D.G. Khan Cement Limited	327,500	340,000	-	199,500	468,000	38,779	37,300	(1,479)	3.43%	3.69%	0.85%
Fauji Cement Company Limited	507,000	740,000	-	507,000	740,000	14,283	14,423	140	1.32%	1.43%	0.11%
	<u>2,007,000</u>	<u>1,087,500</u>	<u>-</u>	<u>1,230,000</u>	<u>1,864,500</u>	<u>52,602</u>	<u>50,696</u>	<u>(1,906)</u>	<u>4.66%</u>	<u>5.01%</u>	<u>0.96%</u>
	<u>2,841,500</u>	<u>2,167,500</u>	<u>-</u>	<u>1,936,500</u>	<u>3,072,500</u>	<u>105,664</u>	<u>102,419</u>	<u>(3,245)</u>			
Automobile And Parts											
Pakistan Suzuki Motor Company	150,000	-	-	10,000	140,000	38,345	39,799	1,454	3.66%	3.93%	4.84%
Indus Motor Company	-	11,500	-	-	11,500	7,327	8,466	1,139	0.78%	0.84%	1.08%
	<u>150,000</u>	<u>11,500</u>	<u>-</u>	<u>10,000</u>	<u>151,500</u>	<u>45,672</u>	<u>48,265</u>	<u>2,593</u>			
Pharma And Bio Tech											
Searle Industries	-	131,800	-	66,000	65,800	16,516	16,118	(398)	1.48%	1.59%	2.63%
	<u>-</u>	<u>131,800</u>	<u>-</u>	<u>66,000</u>	<u>65,800</u>	<u>16,516</u>	<u>16,118</u>	<u>(398)</u>			
Personal Goods											
Nishat (Chunian) Limited	-	256,000	-	-	256,000	10,991	10,414	(577)	0.96%	1.03%	0.52%
	<u>-</u>	<u>256,000</u>	<u>-</u>	<u>-</u>	<u>256,000</u>	<u>10,991</u>	<u>10,414</u>	<u>(577)</u>			
Electricity											
The Hub Power Company Limited	1,188,300	344,500	-	246,500	1,286,300	76,879	82,297	5,418	7.56%	8.14%	0.71%
	<u>1,188,300</u>	<u>344,500</u>	<u>-</u>	<u>246,500</u>	<u>1,286,300</u>	<u>76,879</u>	<u>82,297</u>	<u>5,418</u>			
Commercial Banks											
Bank Al Habib Limited	382,450	255,000	-	23,000	614,450	28,038	27,816	(222)	2.55%	2.75%	0.25%
Askari Bank Limited	-	203,500	-	-	203,500	4,427	4,385	(42)	0.40%	0.43%	0.03%
MCB Bank Limited	218,180	18,000	-	76,500	159,680	48,120	45,121	(2,999)	4.14%	4.46%	0.41%
Habib Metropolitan Bank Limited	369,000	-	-	369,000	-	-	-	-	-	-	-
Meezan Bank Limited	573,500	235,000	-	-	808,500	34,790	33,149	(1,641)	3.04%	3.28%	0.33%
Bank Alfalah Limited	1,644,000	200,000	-	162,000	1,682,000	46,316	47,736	1,420	4.38%	4.72%	0.35%
Faysal Bank Limited	-	670,000	-	-	670,000	11,168	12,047	879	1.11%	1.19%	0.12%
United Bank Limited	-	296,400	-	-	296,400	53,150	55,824	2,674	5.13%	5.52%	0.46%
Habib Bank Limited	-	100,000	-	-	100,000	21,400	20,918	(482)	1.92%	2.07%	0.14%
National Bank of Pakistan	1,131,500	-	-	422,000	709,500	44,152	42,925	(1,227)	3.94%	4.24%	0.20%
	<u>4,318,630</u>	<u>1,977,900</u>	<u>-</u>	<u>1,052,500</u>	<u>5,244,030</u>	<u>291,561</u>	<u>289,921</u>	<u>(1,640)</u>			
Total - September 30, 2014	<u>14,071,266</u>	<u>6,033,000</u>	<u>-</u>	<u>5,937,300</u>	<u>14,166,966</u>	<u>977,762</u>	<u>971,557</u>	<u>(6,205)</u>			

5.1.1 The above investment includes shares having a market value (in aggregate) amounting to Rs 87.757 million (June 2014: Rs 91.346 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:

- D.G Khan Cement Company Limited : 50,000 (2014: 50,000) shares.
- Engro Corporation Limited : 50,000 (2014: 50,000) shares.
- Pakistan Oilfields Limited: 63,000 (2014: 63,000) shares.
- Pakistan Petroleum Limited: 90,000 (2014: 90,000) shares.
- Pakistan State Oil Company Limited: 30,000 (2014: 30,000) shares.
- The Hub Power Company Limited: 170,000 (2014: 170,000) shares.

5.2 Government securities - Market Treasury Bills

Issue date	Tenor	Face value				As at September 30, 2014			Market value as a percentage of total net assets	Market value as a percentage of total market value of investments
		As at July 01, 2014	Purchased during the year	Sold / matured during the year	As at September 30, 2014	Carrying value	Market value	Appreciation / (diminution)		
-----Rupees in '000-----										
July 10, 2014	3 months	-	40,000	-	40,000	39,989	39,988	(1)	3.67%	3.95%
		-	40,000	-	40,000	39,989	39,988	(1)		

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

(Unaudited) (Audited)
September 30, June 30,
2014 2014

Note -----Rupees in '000-----

Market value of securities	971,557	964,118
Less: carrying value of securities	39,988	901,358
	931,569	62,760

6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY

Remuneration of the Management Company		1,784	1,967
Sales load		42	163
Preliminary expenses and floatation costs		-	717
Sindh sales tax payable on remuneration of the Management Company	6.1	1,017	933
Federal excise duty on remuneration of the Management Company	6.2	4,741	3,867
		7,584	7,647

6.1 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 15 (2013: 16%) % on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

6.2 As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 15% (2013: 16%) on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax as explained in note 6.1, further levy of FED may result in double taxation, which does not appear to be the spirit of the law.

The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies together with their respective Collective Investment Schemes through their trustees, through a Constitutional Petition filed in the Honourable Sindh High Court (SHC) during September 2013 challenging the levy of FED. In this respect, the SHC has issued a stay order against the recovery of FED and the hearing of the petition is still pending.

Pending decision of the SHC, the Fund is not making payments for FED. However, the Fund, as a matter of abundant caution, has made full provision in respect of FED effective June 13, 2013 aggregating to Rs 4.741 million (Including Rs 0.875 million for the current year). Had the provision not been made the net asset value per unit of the Fund as at September 30, 2014 would have been higher by Re 0.0496 per unit.

7	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Unaudited)	(Audited)
			September 30, 2014	June 30, 2014
			-----Rupees in '000-----	
	Auditors' remuneration		407	296
	Rating fee		30	120
	Brokerage and other charges		615	793
	Provision for Workers' Welfare Fund	7.1	14,924	14,924
	Other payables		381	314
			16,357	16,447

7.1 PROVISION FOR WORKER'S 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, 2011, 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 on the basis of their income. However, on December 14, 2010, the Ministry filed its response against the constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in the Court.

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, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Honourable Sindh High Court (SHC) passed an order declaring that the amendments introduced 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 the WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the Court. In a recent judgement, Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked

the essential mandate to be introduced and passed through the Money Bill under the Constitution. Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 14.924 million (including Nil for the current year) in these financial statements. Had the same not been made the net asset value per unit of the Fund as at September 30, 2014 would have been higher by Re 0.1560 per unit.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2014.

9 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Further, 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 unrealized capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end to the unit holders. Accordingly, no provision in respect of taxation has been made in these condensed interim 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:

	(Unaudited) September 30, 2014	(Unaudited) September 30, 2013
-----Rupees in '000-----		
ABL Asset Management Company Limited - Management Company		
Remuneration for the period	5,466	6,121
Preliminary expenses and floatation costs	-	180
Sindh sales tax on Management fee	951	979
Federal Excise duty on Management fee	875	979
Allied Bank Limited - Holding company of Management Company		
Profit on bank deposits	1,584	1,553
Bank charges	10	11
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	525	408
Settlement charges and connection fee	36	42

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

	(Unaudited) September 30, 2014	(Audited) June 30, 2014
	-----Rupees in '000-----	
ABL Asset Management Company Limited - Management Company		
Remuneration payable	1,784	1,967
Preliminary expenses and floatation costs payable	-	717
Sales load payable	42	163
Units held 2,996,440 units (2014: 2,996,440 units)	34,098	34,233
Sindh sales tax on remuneration of the Management Company	1,017	933
Federal Excise Duty on remuneration of the Management Company	4,741	3,867
Allied Bank Limited - Holding company of Management Company		
Profit recieveable on saving accounts	620	1,002
Bank balance	85,967	408,923
Units held 10,000,000 units (2014: 10,000,000 units)	113,796	114,246
Ibrahim Agencies (Private) Limited - Connected Person		
Units held 15,424,758 units (2014: 15,424,758 units)	175,528	176,222
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	171	136
Security deposit	100	100
DIRECTOR OF THE MANAGEMENT COMPANY		
Mr. Sheikh Mukhtar Ahmad		
Units held 1,317,280 units (2014: 1,317,280 units)	14,990	15,049

12 GENERAL

12.1 Figures have been rounded off to the nearest thousand rupee.

12.2 Certain prior figures have been reclassified/ re-arranged for the purpose of comparison. However, there were no material reclassification to report.

13 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 28, 2014 by the Board of Directors of the Management Company.


FARID AHMED KHAN
CEO

For ABL Asset Management Company Limited
(Management Company)


SHAKEB MURAD
DIRECTOR

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 28, 2014