



Allied Capital Protected Fund

Annual Report

FOR THE YEAR ENDED JUNE 30, 2018



ABL Asset Management

Discover the potential

CONTENTS

Vision	02
Mission & Core Values	05
Fund's Information	06
Report of the Directors of the Management Company	07
Fund Manager Report	12
Performance Table	14
Trustee Report to the Unit Holders	15
Independent Auditors' Report to the Unit Holders	16
Statement of Assets and Liabilities	20
Income Statement	21
Statement of Movement in Unit Holders' Fund	22
Cash Flow Statement	23
Notes to and Forming Part of the Financial Statements	24
Disclosure of Proxy Voting	54
Report of the Directors of the Management Company (Urdu Version)	55
Jama Punji	

VISION

Creating Investment Solutions within
everyone's reach



A black and white photograph of a man in a dark suit standing on a rocky, elevated terrain. He is seen from behind, with his hands clasped behind his back, looking out over a city skyline. The sky is filled with large, dramatic clouds, and the city buildings are silhouetted against the horizon.

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 14 -MB, DHA Phase-6, Lahore.	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hasan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman 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 Shahzad	
Trustee:	MCB Financial Services Limited 4th Floor, Perdesi House, Old Queens Road, Karachi - 74400	
Bankers to the Fund:	Allied Bank Limited	
Auditor:	M/S. A.F. Ferguson & Co. Chartered Accountants State life Building No. 1-C I.I Chundrigar Road, Karachi.	
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 Allied Capital Protected Fund (ACPF), is pleased to present the Audited Financial Statements of Allied Capital Protected 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.

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%.

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.

FUND PERFORMANCE

During the period under review (Feb 19, 2018 to June 30, 2018), ABL-ACPF delivered a return of 2.83% against a benchmark return of 0.75%, reflecting an out-performance of 2.08%.

The Fund was invested 87.20% in TDR placements and 10.27% in Equities at the end of the period under review. AUM of Allied Capital Protected Fund was recorded at Rs. 403.3mn at end-June'18.

ADDITIONAL MATTERS

1. The detail of Directors of the Management Company is disclosed in this Annual Report.
2. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's fund;
3. Proper books of accounts of the Fund have been maintained.
4. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;
5. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements;
6. The system of internal control is sound in design and has been effectively implemented and monitored;
7. There have been no significant doubts upon the Funds' ability to continue as going concern;
8. Performance table of the Fund is given on page # 13 of the Annual Report;
9. There is no statutory payment on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;

10. The statement as to the value of investments of Provident Fund is not applicable in the case of the Fund as employees retirement benefits expenses are borne by the Management Company;
11. The pattern of unit holding as at June 30, 2018 is given in note No. 24 of the Financial Statements.

AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2019 for Allied Capital Protected Fund (ACPF).

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.

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



Alee Khalid Ghaznavi
Chief Executive Officer

Lahore, September 6, 2018

FUND MANAGER REPORT

OBJECTIVE

To protect the principal investment upon maturity by placing a significant portion of the Trust Property as TDR with Banks or DFIs, and remaining in equity market or any other SECP permitted investments to provide investors with better returns.

EQUITY MARKET REVIEW

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

During the period under review (Feb 19, 2018 to June 30, 2018), ABL-ACPF delivered a return of 2.83% against a benchmark return of 0.75%, reflecting an out-performance of 2.08%.

The Fund was invested 87.20% in TDR placements and 10.27% in Equities at the end of the period under review. AUM of Allied Capital Protected Fund was recorded at Rs. 403.3mn at end-June'18.

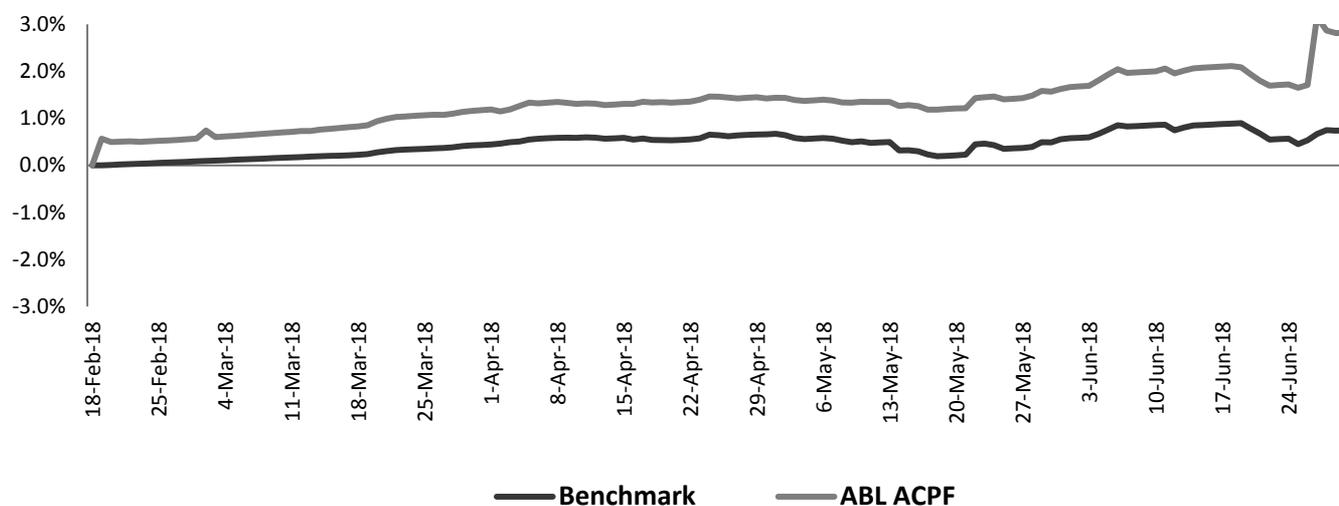
OUTLOOK AND STRATEGY

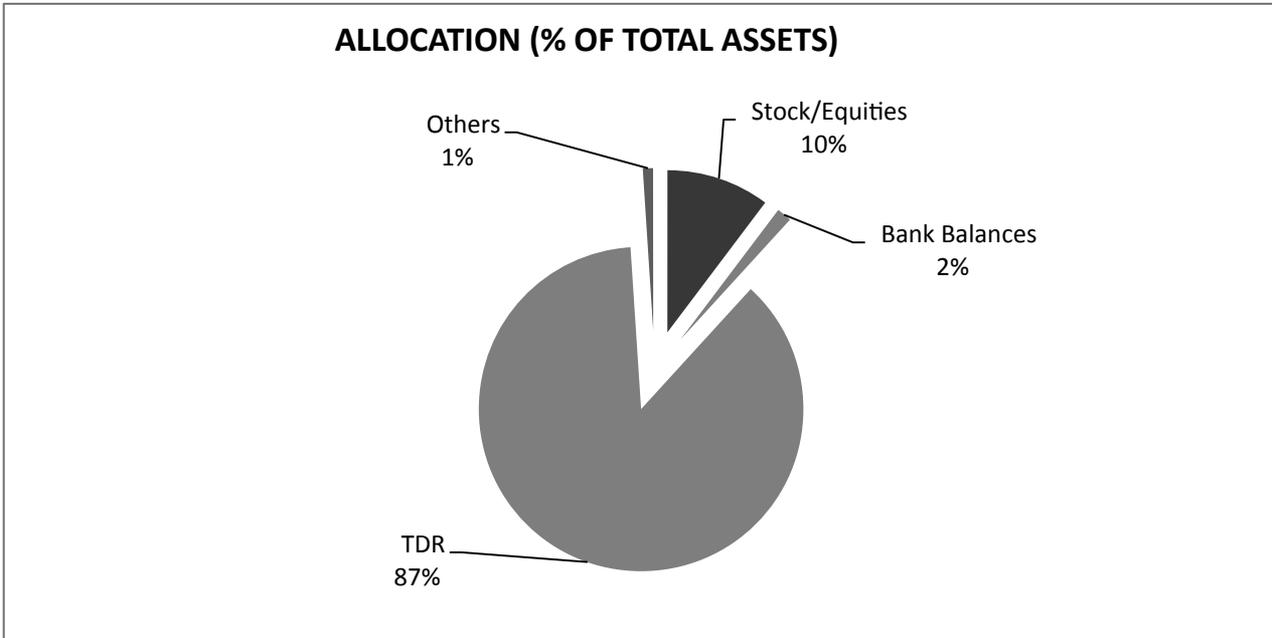
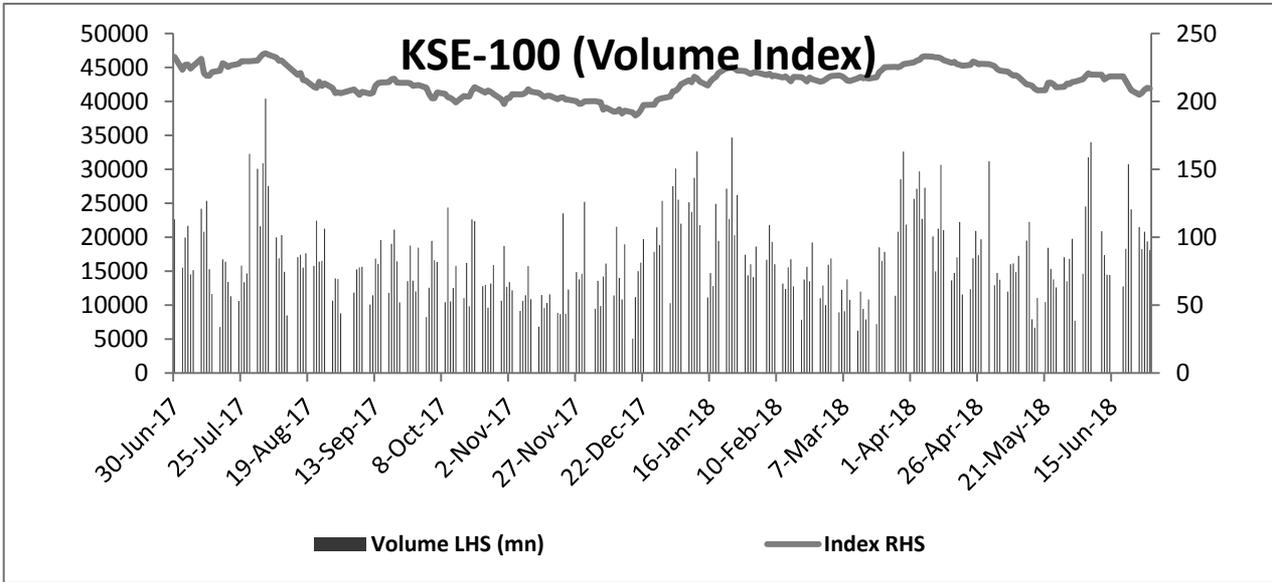
Both political uncertainty and economic headwinds are expected to carry on into FY19. While on economic side, external vulnerabilities would continue due to high oil prices. As a result, Pak Rupee will most likely continue losing its strength, inflation will gather further traction, and corrective monetary 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.





PERFORMANCE TABLE

	<u>June 2018</u>
	<u>----- (Rupees in '000) -----</u>
Net Assets	<u>403,299</u>
Net Income	<u>15,400</u>
	<u>----- (Rupees per unit) -----</u>
Net Assets value	<u>10.2828</u>
Interim distribution	<u>-</u>
Final distribution	<u>-</u>
Distribution date final	<u>-</u>
Closing repurchase price	<u>10.2828</u>
Highest repurchase price per unit	<u>10.3158</u>
Lowest repurchase price per unit	<u>10.0496</u>
	<u>----- Percentage -----</u>
Total return of the fund	
- capital growth	<u>2.83%</u>
- income distribution	<u>-</u>
Average Annual return of the fund	
One Year	<u>2.83%</u>
Since Inception	<u>2.83%</u>

Disclaimer

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.



MCB FINANCIAL SERVICES LIMITED

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

ALLIED CAPITAL PROTECTED FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

Allied Capital Protected Fund, an open-end Scheme established under a Trust Deed dated October 18, 2017 executed between ABL Asset Management Company Limited, as the Management Company and MCB Financial Services Limited, as the Trustee.

1. ABL Asset Management Company Limited, the Management Company of Allied Capital Protected Fund has, in all material respects, managed Allied Capital Protected Fund during the period from February 19, 2018 to June 30, 2018 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement

Khawaja Anwar Hussain
Chief Executive Officer
MCB Financial Services Limited

Karachi: September 7, 2018



INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Allied Capital Protected Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Allied Capital Protected Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2018, and the income statement, statement of movement in unit holders' fund and cash flow statement for the period from February 19, 2018 to June 30, 2018, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2018, and of its financial performance, its cash flows and transactions for the period from February 19, 2018 to June 30, 2018 in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

S. No.	Key Audit Matters	How the matter was addressed in our audit
1	Amendments to NBFC Regulations, 2008 (Refer note 3.10 to the annexed financial statements) During the current period, the Securities and Exchange Commission of Pakistan (the SECP) through its notification [SRO 756 (I) / 2017] dated August 3, 2017 has prescribed a new definition of element of income. As per the notification, the element of income is considered as a "capital contribution" and taken to the Statement of Movement in Unit Holders' Fund. Element of income is explained in note 3.10. The SECP notification also stipulates that the accounting income available for distribution as appearing in the	Our audit procedures included the following: <ul style="list-style-type: none">understood the requirements of the SECP notification and made inquiries from the management in respect of their methodology for implementing the requirements with respect to recording of element of income.performed walkthrough tests for ensuring compliance with the requirements and in this

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Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

S. No.	Key Audit Matters	How the matter was addressed in our audit
	<p>"Income Statement" excludes income already paid on units redeemed during the period. Accordingly, the net amount appearing on the "Income Statement" after deducting the income already paid on units redeemed is to be considered as the distributable amount.</p> <p>In order to avail tax exemption, the Fund has to distribute 90 percent of its accounting income (excluding realised and unrealised capital gains). However, at the time of distribution of income, the element of income contributed on issue of units recognised in the equity during the period is required to be refunded on the units in the same proportion in which income is distributed from the Income Statement i.e. after taking into account the amount of income already paid on units redeemed. Management has developed a system for carrying out the calculations for such distributions. These calculations are important from the point of view of ensuring compliance with the applicable requirements.</p> <p>The above matters are significant accounting and regulatory developments / events for the mutual fund industry affecting the financial statements for the current period and therefore we considered these developments as key audit matter.</p>	<p>respect obtained reports of distribution of income and refund of capital by the Fund.</p> <ul style="list-style-type: none"> ▪ verified transactions on a test basis with the underlying records of the reports provided by the management to assess their compliance with the regulations. ▪ recalculated the profit available for distribution taking into account amount already distributed at the time of redemption. ▪ verified the accuracy of the management report for allocation of distributable amount between "distribution out of income" and "refund of capital". This included testing the parameters of the report. ▪ verified disclosures to ensure that these are in compliance with the applicable accounting and reporting framework.
2	<p>Net Asset Value (Refer notes 4 and 5 to the annexed financial statements)</p> <p>The investments and bank balances constitute the most significant component of the net asset value (NAV). The investments of the Fund as at June 30, 2018 amounted to Rs 394.93 million and bank balances aggregated to Rs 6.03 million.</p> <p>The proper valuation of investments and bank balances for the determination of NAV of the Fund as at June 30, 2018 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ tested the design and operating effectiveness of the key controls for valuation of investments. ▪ obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2018 and reconciled it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed. ▪ re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies. ▪ obtained approval of the Board of Directors of the management company in relation to opening of bank accounts. ▪ obtained bank reconciliation statements and tested reconciling items on a sample basis.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

AAS



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

AHS

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

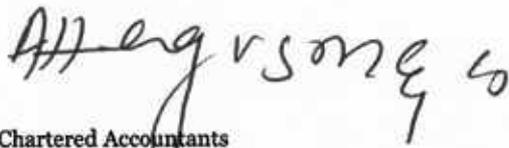
We also provide board of directors of the management company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the management company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



Chartered Accountants
Karachi

Date: September 27, 2018

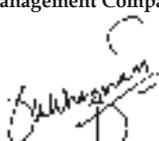
ALLIED CAPITAL PROTECTED FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2018

	Note	June 30, 2018 Rupees in '000
Assets		
Bank balances	4	6,029
Investments	5	394,929
Other receivables	6	319
Interest / profit accrued	7	3,670
Preliminary expenses and floatation costs	8	195
Total assets		405,142
Liabilities		
Payable to ABL Asset Management Company Limited - Management Company	9	1,140
Payable to MCB Financial Services Limited - Trustee	10	52
Payable to the Securities and Exchange Commission of Pakistan	11	173
Payable against redemption of units		10
Accrued expenses and other liabilities	12	468
Total liabilities		1,843
NET ASSETS		403,299
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		403,299
CONTINGENCIES AND COMMITMENTS	13	Number of units
NUMBER OF UNITS IN ISSUE		39,220,745
NET ASSET VALUE PER UNIT		Rupees 10.2828

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)


SAQIB MATIN
 CHIEF FINANCIAL OFFICER


ALEE KHALID GHAZNAVI
 CHIEF EXECUTIVE OFFICER

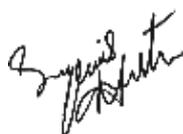

MUHAMMAD KAMRAN SHEHZAD
 DIRECTOR

ALLIED CAPITAL PROTECTED FUND
INCOME STATEMENT
FOR THE PERIOD FROM FEBRUARY 19, 2018 TO JUNE 30, 2018

	Note	For the period from February 19, 2018 to June 30, 2018 Rupees in '000
Income		
Interest income		16,011
Dividend income		441
Loss on sale of investments - net		(483)
Income from back end load		5,146
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2	(1,885)
		2,778
Total income		19,230
Expenses		
Remuneration of ABL Asset Management Limited - Management Company	9.1	1,726
Punjab Sales Tax on remuneration of the Management Company	9.2	276
Accounting and operational charges	9.3	230
Selling and marketing expenses	9.4	182
Remuneration of MCB Financial Services- Trustee	10.1	207
Sindh Sales Tax on remuneration of the Trustee	10.2	27
Annual fees to the Securities and Exchange Commission of Pakistan	11.1	173
Securities transaction cost		68
Auditors' remuneration	14	304
Amortisation of preliminary expenses and floatation costs	8	56
Annual listing fee		409
Printing charges		150
Bank charges		22
Total operating expenses		3,830
Net income for the period before taxation		15,400
Taxation	16	-
Net income for the period after taxation		15,400
Other comprehensive income for the period		-
Total comprehensive income for the period		15,400
Earnings per unit	17	
Allocation of net income for the period		
Net income for the period after taxation		15,400
Income already paid on units redeemed		(4,308)
		11,092
Accounting income available for distribution		
- Relating to capital gains		-
- Excluding capital gains		11,092
		11,092

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR



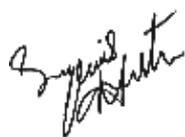
ALLIED CAPITAL PROTECTED FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE PERIOD FROM FEBRUARY 19, 2018 TO JUNE 30, 2018

For the period from February 19, 2018 to June 30, 2018

	Capital Value	Undistributed income	Unrealised appreciation/ (diminution) on 'available for sale' investments	Total
	Rupees in ' 000			
Issue of 64,514,253 units				
- Capital value (at net asset value per unit at the beginning of the period)	643,581	-	-	643,581
- Element of income	1,561	-	-	1,561
Total proceeds on issuance of units	645,142	-	-	645,142
Redemption of 25,293,508 units				
- Capital value (at net asset value per unit at the beginning of the period)	252,935	-	-	252,935
- Element of income	-	4,308	-	4,308
Total payments on redemption of units	252,935	4,308	-	257,243
Total comprehensive income for the period	-	15,400	-	15,400
Distribution during the period	-	-	-	-
Net income for the period less distribution	-	15,400	-	15,400
Net assets at end of the period	392,207	11,092	-	403,299
Accounting income available for distribution				
- Relating to capital gains		-		
- Excluding capital gains		11,092		
		11,092		
Distribution during the period		-		
Undistributed income carried forward		11,092		
Undistributed income carried forward				
- Realised income		12,977		
- Unrealised loss		(1,885)		
		11,092		
Net assets value per unit at end of the period				(Rupees) 10.2828

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



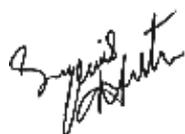
MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ALLIED CAPITAL PROTECTED FUND
CASH FLOW STATEMENT
FOR THE PERIOD FROM FEBRUARY 19, 2018 TO JUNE 30, 2018

	Note	For the period from February 19, 2018 to June 30, 2018 Rupees in '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		15,400
Adjustments for:		
Interest income		(16,011)
Dividend income		(441)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		1,885
		(14,567)
(Increase) in assets		
Other receivables		(319)
Preliminary expenses and floatation costs	8	(195)
		(514)
Increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company		1,140
Payable to MCB Financial Services Limited - Trustee		52
Payable to the Securities and Exchange Commission of Pakistan		173
Accrued expenses and other liabilities		468
		1,833
		2,152
Dividend received		441
Interest received		12,341
Net amount paid on purchase and sale of investments		(396,814)
Net cash used in operating activities		(381,880)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units		645,142
Net payments against redemption of units		(257,233)
Net cash generated from financing activities		387,909
Net increase in cash and cash equivalents		6,029
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	19	6,029

The annexed notes from 1 to 32 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

ALLIED CAPITAL PROTECTED FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM FEBRUARY 19, 2018 TO JUNE 30, 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Allied Capital Protected Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on October 18, 2017 between ABL Asset Management Company Limited as the Management Company and MCB Financial Services Limited as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. AMCW/03/ABLMC/AMS/02/2017 dated February 17, 2017 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 The Fund has been categorised as a capital protected scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription under Initial public offering from December 13, 2017 to January 15, 2018 at a par value of Rs 10 per unit and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to protect the principal investment of the investors which the Fund aims to deliver mainly by investing in equity securities and Term Deposit Receipts that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.

1.4 The title to the assets of the Fund is held in the name of MCB Financial Services Limited as the Trustee of the Fund.

1.5 As per the offering document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, these financial statements have been prepared from February 19, 2018 to June 30, 2018.

1.6 This is the first accounting period of the Fund and hence there are no comparative figures.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain 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 do not 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 accounting and reporting standards that are not yet effective

The following standards have been adopted in Pakistan and would be effective from the dates mentioned below against the respective standards:

Standard	Effective date (accounting periods beginning on or after)
- IFRS 9 - Financial Instruments	July 01, 2018
- IFRS 15 - Revenue from Contracts with Customers	July 01, 2018
- IFRS 16 - Leases	January 01, 2019

These standards may impact the financial statements of the Fund on adoption. The Management is currently in the process of assessing the full impact of these standards on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to 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 estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.3 and 5) and provision for taxation (notes 3.14 and 17).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair values.

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The principal accounting policies applied in the preparation of these financial statements are set out below.

3.2 Cash and cash equivalent

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

3.3 Financial assets

3.3.1 Classification

The management determines the appropriate classification of the financial assets of the Fund in accordance with the requirements of International Accounting Standard (IAS) 39: 'Financial Instruments: Recognition and Measurement' at the time of the purchase of the financial assets and re-evaluates this classification on a regular basis. The classification depends on the purpose for which the financial assets are acquired. The financial assets of the Fund are categorised as follows:

a) Financial assets at fair value through profit or loss

These are acquired principally for the purpose of generating profits from short-term fluctuations in prices.

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

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

3.3.2 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.3.3 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.3.4 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

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

Basis of valuation of debt securities

The investments of the Fund in debt securities are 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 MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities.

Basis of valuation of equity securities

The investments of the Fund in equity securities are valued on the basis of closing quoted market prices available at the stock exchange. A security listed on the stock exchange is valued at the closing price determined by such exchange in accordance with its regulations.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

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

b) Loans and receivables

These are carried at amortised cost using the effective interest method.

Gains or losses are recognised in the Income Statement through the amortisation process or when the financial assets carried at amortised cost are derecognised or impaired.

3.3.5 Impairment

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

a) Available-for-sale financial assets

Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors.

Impairment loss on equity securities

A significant or prolonged decline in the fair value of the security below its cost is considered as an objective evidence of impairment. In case of impairment of available for sale securities, the cumulative loss previously recognised in other comprehensive income is removed therefrom and included in the Income Statement. Impairment losses recognised in the income statement on equity securities are only reversed when the equity securities are derecognised.

b) Loans and receivables

For financial assets classified as 'loans and receivables', 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 amount of the provision is determined based on the provisioning criteria specified by the SECP.

3.3.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.4 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

3.5 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.

3.6 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 obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.7 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 period end.

3.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption application during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

3.9 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the period also includes portion of income already paid on units redeemed during the period.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. The element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' (relating to allocation of net income for the year) and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

3.11 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Interest income on bank balances and term deposits is recognised on an accrual basis.
- Dividend income is recognised when the right to receive the dividend is established.

3.12 Expenses

All expenses including management fee and trustee fee are recognised in the Income Statement on an accrual basis.

3.13 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 2 years in accordance with the requirements set out in the Trust Deed of the Fund.

3.14 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders in cash.

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.

3.15 Earnings per unit

Earnings per unit is calculated by dividing the net income of the period before taxation of the Fund by the weighted average number of units outstanding during the period.

3.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistan Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement

	Note	June 30, 2018 Rupees in '000
4 BANK BALANCES		
Balances with banks in savings account	4.1	6,029
4.1 This balance is maintained with Allied Bank Limited (a related party) that carries profit at 6.2% per annum.		
5 INVESTMENTS		
At fair value through profit or loss - held for trading		
Quoted equity securities	5.1	41,629
Loans and receivables		
Term deposit receipts	5.3	353,300
		394,929

5.1 Investments in equity securities - listed

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

Name of the Investee Company	As at July 01, 2017	Acquired during the period	Bonus / Right shares during the period	Sold during the period	As at June 30, 2018	Carrying value as at June 30, 2018		Market value as at June 30, 2018		Market value as a percentage of total invest	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid-up
						Rupees in '000	Percentage	Rupees in '000	Percentage			
GENERAL INSURANCE												
Adamjee Insurance Company Limited	-	6,000	-	-	6,000	330	292	0.07%	0.07%			0.00%
TEXTILE COMPOSITE												
Nishat (Chunian) Limited	-	25,000	-	12,500	12,500	597	594	0.15%	0.15%			0.01%
Nishat Mills Limited	-	14,000	-	3,000	11,000	1,793	1,550	0.39%	0.38%			0.00%
						2,390	2,144	0.54%	0.53%			
CEMENT												
Lucky Cement Limited	-	2,500	-	300	2,200	1,575	1,117	0.28%	0.28%			0.00%
Maple Leaf Cement Factory	-	20,000	-	10,000	10,000	790	507	0.13%	0.13%			0.01%
						2,365	1,624	0.41%	0.41%			
OIL AND GAS EXPLORATION COMPANIES												
Mari Petroleum Company Limited	-	3,340	-	-	3,340	5,103	5,031	127%	125%			0.00%
Pakistan Oilfields Limited	-	4,000	-	1,400	2,600	1,775	1,747	0.44%	0.43%			0.00%
Pakistan Petroleum Limited	-	17,000	-	2,000	15,000	3,175	3,224	0.82%	0.80%			0.00%
						10,053	10,002	2.53%	2.48%			
ENGINEERING												
International Steels Limited	-	2,500	-	1,200	1,300	151	132	0.03%	0.03%			0.00%
HOLDING COMPANY												
Engro Corporation Limited	-	12,000	-	700	11,300	3,491	3,547	0.90%	0.88%			0.00%
CHEMICALS												
I.C.I. Pakistan Limited	-	2,250	-	-	2,250	1,939	1,803	0.46%	0.45%			0.00%
COMMERCIAL BANKS												
Allied Bank Limited	-	32,500	-	1,500	31,000	3,028	3,198	0.81%	0.79%			0.00%
Bank Alfalah Limited	-	100,000	-	22,000	78,000	3,955	4,079	1.03%	1.01%			0.00%
Bank Al Habib Limited	-	27,000	-	7,500	19,500	1,337	1,537	0.39%	0.38%			0.00%
Bank of Punjab	-	50,000	-	25,000	25,000	288	302	0.08%	0.07%			0.00%
Habib Bank Limited	-	24,500	-	1,500	23,000	4,562	3,828	0.97%	0.95%			0.00%
Habib Metropolitan Bank Limited	-	91,000	-	25,000	66,000	2,645	2,861	0.72%	0.71%			0.01%
MCB Bank Limited	-	24,500	-	3,000	21,500	4,473	4,252	1.08%	1.05%			0.00%
United Bank Limited	-	13,500	-	1,500	12,000	2,507	2,028	0.51%	0.50%			0.00%
						22,795	22,085	5.59%	5.46%			
Total						43,514	41,629	10.53%	10.31%			

For the period
from February
19, 2018 to
June 30, 2018

Note Rupees in '000

5.2 Unrealised diminution on re-measurement of investments classified as Financial assets at fair value through profit or loss

Market value of investments	5.1	41,629
Carrying value of investments	5.1	43,514
		(1,885)

5.3 This represents deposit maintained in Allied Bank Limited (a related party). These carry profit at the rate of 6.65% per annum and are due to mature on February 20, 2020. At June 30, 2018, term deposit receipts represented 87.60% of the total net assets of the Fund.

6 OTHER RECEIVABLES

This represents tax withheld on profit on bank deposits amounting to Rs 0.319 million. As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during the period ended June 30, 2018, withholding tax on profit on bank deposit paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on bank deposits has been shown as deposits and other receivables as at June 30, 2018 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	June 30, 2018 Rupees in '000
7 INTEREST / PROFIT ACCRUED		
Interest / profit accrued on:		
Bank balances		133
Term deposit receipts		3,537
		<u>3,670</u>
8 PRELIMINARY EXPENSES AND FLOATATION COSTS		
Preliminary expenses and floatation costs incurred	8.1	251
Less: amortisation during the period		(56)
At the end of the period		<u>195</u>
8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of 2 years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.		
9 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY		
		June 30, 2018 Rupees in '000
Management fee payable	9.1	382
Punjab Sales Tax payable on remuneration of the Management Company	9.2	61
Accounting and operational charges payable	9.3	259
Selling and marketing expenses payable	9.4	182
Formation cost payable		251
Other payable		5
		<u>1,140</u>

- 9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets in case of capital protected schemes. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.75% per annum of the average net assets of the Fund during the period ended 30 June 2018. The remuneration is payable to the Management Company monthly in arrears.
- 9.2 During the period, an amount of Rs. 0.276 million was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012, and an amount of Rs. 0.215 million has been paid to the Management Company which acts as a collecting agent.
- 9.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company has charged expenses at the rate of 0.1% of the average net assets of the Fund being lower than actual expenses chargeable to the Fund for the period.
- 9.4 The SECP vide circular 40 of 2016 dated December 30, 2016 (later amended vide circular 05 of 2017 dated February 13, 2017 and circular 5 of 2018 dated June 4, 2018) has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except for fund of funds and money market funds) initially for three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, the Management Company has charged selling and marketing expenses amounting to Rs. 0.182 million at the rate of 0.4% of the net assets of the Fund being lower than actual expenses chargeable to the Fund for the period.

	Note	June 30, 2018 Rupees in '000
10 PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE - RELATED PARTY		
Trustee fee payable	10.1	46
Sindh Sales Tax payable on trustee fee	10.2	6
		<u>52</u>

- 10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

On net assets:

- up to Rs 1 billion 0.09% per annum of the daily average net assets
- Over Rs 1 billion Rs 0.9 million plus 0.065% exceeding one billion

- 10.2 During the period, an amount of Rs 0.027 million was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.021 million was paid to the Trustee which acts as a collecting agent.

	Note	June 30, 2018 Rupees in '000
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
Annual fee payable	11.1	<u>173</u>

- 11.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as a capital protected scheme is required to pay to the Securities and Exchange Commission of Pakistan an amount equal to 0.075% of the average annual net assets of the Fund as annual fee.

	Note	June 30, 2018 Rupees in '000
12 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable		250
Printing charges payable		150
Securities transaction cost payable		62
Settlement charges payable		6
		468
13 CONTINGENCIES AND COMMITMENTS		
There were no contingencies and commitments outstanding as at June 30, 2018.		For the period from February 19, 2018 to June 30, 2018
		Rupees in '000
14 AUDITORS' REMUNERATION		
Annual audit fee		125
Income certification		125
Other certifications		54
		304
15 TOTAL EXPENSE RATIO		
The Total Expense Ratio (TER) of the Fund as at June 30, 2018 is 0.60% which includes 0.08% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a capital protected scheme.		
16 TAXATION		
The income of the Fund is exempt from income tax under 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 period as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the period derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the period ended June 30, 2018 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the period.		
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.		
17 EARNINGS PER UNIT		
Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.		
18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS		
18.1 Connected persons include ABL Asset Management Company Limited being the Management Company, MCB Financial Services Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.		

- 18.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 18.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 18.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 18.5 **The details of transactions carried out by the Fund with connected persons during the period and balances with them as at year end are as follows:**

		For the period from February 19, 2018 to June 30, 2018 Rupees in '000
ABL Asset Management Company Limited (Management Company)		
Remuneration charged		1,726
Punjab Sales Tax on remuneration of the Management Company		276
Payment made to the Management Company		1,274
Accounting and operational charges		230
Selling and marketing charges		182
Issue of 2,500,000 units		25,000
Outstanding 2,500,000 units		25,707
MCB Financial Services Limited (Trustee)		
Remuneration of the Trustee		207
Sindh Sales Tax on remuneration of the Trustee		27
Payment made to the Trustee		182
Allied Bank Limited		
Mark-up income on bank deposits		4,004
Mark-up income on Term Deposit Receipts		12,007
Bank charges		22
Markup accrued - bank deposit and Term Deposit Receipts		3,670
Barrett Hodgson Pakistan (Private) Limited		
Issue of 10,000,000 units		100,000
Outstanding 10,000,000 units		102,828
18.6	Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.	
		June 30, 2018
		Rupees in '000
19	CASH AND CASH EQUIVALENTS	
	Cash and bank balance	4
		6,029

20 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Bank balances
Investments
Interest / profit accrued

----- June 30, 2018 -----			
Loans and receivables	At fair value through profit or loss	Available -for-sale	Total
----- Rupees in '000 -----			
6,029	-	-	6,029
353,300	41,629	-	394,929
3,670	-	-	3,670
362,999	41,629	-	404,628

Financial liabilities

Payable to ABL Asset Management Company Limited - Management Company
Payable to MCB Financial Services Limited - Trustee
Payable against redemption of units
Accrued expenses and other liabilities

----- June 30, 2018 -----			
	At fair value through profit or loss	At amortised cost	Total
----- Rupees in '000 -----			
	-	1,140	1,140
	-	52	52
	-	10	10
	-	468	468
	-	1,670	1,670

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

21.1 Market risk

Market 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 prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / interest rate risk, currency risk, and price risk.

(i) Yield / interest rate risk

Yield / 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. As of June 30, 2018, the Fund is exposed to such risk on its balance held with bank and term deposit receipt. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase/decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the period and net assets of the Fund would have been higher/lower by Rs. 0.001 million

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2018, the Fund holds term deposit receipts which are classified as financial assets at fair value through profit or loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates with all other variables held constant, the net income / loss for the period and net assets of the Fund would have been lower / higher by Rs 0.035 million.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date.

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2018 can be determined as follows:

	As at June 30, 2018				Total	
	Effective yield / profit rate %	Exposed to Yield / Interest risk				Not exposed to Yield / Interest rate risk
		Upto three months	More than three months and upto one year	More than one year		
-----Rupees in '000-----						
Financial assets						
Bank balances	6.20%	6,029	-	-	6,029	
Investments	6.65%	-	-	353,300	394,929	
Interest / profit accrued	6.20 - 6.65%	-	-	-	3,670	
		6,029	-	353,300	45,299	
Financial liabilities						
Payable to ABL Asset Management Limited - Management Company		-	-	-	1,140	
Payable to MCB Financial Services Limited - Trustee		-	-	-	52	
Payable against redemption of units		-	-	-	10	
Accrued expenses and other liabilities		-	-	-	468	
		-	-	-	1,670	
On-balance sheet gap		6,029	-	353,300	43,629	
Total interest rate sensitivity gap		6,029	-	353,300		
Cumulative interest rate sensitivity gap		6,029	6,029	359,329		

(ii) 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 exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) 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 interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 10% of net assets and issued capital of the investee company and sector exposure limit to 10% of the net assets.

In case of 5% increase / decrease in 100 KSE index on June 30, 2018, with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 2.081 million and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment 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 Fund's net assets of future movements in the level of the KSE 100 Index and 3 months deposit.

21.2 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 terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing 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. 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 and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also 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 summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

-----As at June 30, 2018-----							
	Within 1 month	More than three months and upto three year	More than three months and upto one year	More than one year and upto five year	More than five year	Financial instruments with no fixed maturity	Total
-----Rupees in '000-----							
Financial Assets							
Bank balances	6,029	-	-	-	-	-	6,029
Investments	41,629	-	-	353,300	-	-	394,929
Interest / profit accrued	133	-	-	3,537	-	-	3,670
	47,791	-	-	356,837	-	-	404,628
Financial liabilities							
Payable to ABL Asset Management Limited Management Company	1,140	-	-	-	-	-	1,140
Payable to MCB Financial Services Limited Limited - Trustee	52	-	-	-	-	-	52
Payable against redemptions of units	10	-	-	-	-	-	10
Accrued expenses and other liabilities	468	-	-	-	-	-	468
	1,670	-	-	-	-	-	1,670
Net financial assets	46,121	-	-	356,837	-	-	402,958

21.3 Credit risk

21.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	June 30, 2018	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	----- Rupees in '000 -----	
Bank balances and term deposits	359,329	359,329
Quoted equity securities	41,629	-
Interest / profit accrued	3,670	3,670
Other receivables	319	-
	404,947	362,999

The maximum exposure to credit risk before any credit enhancement as at June 30, 2018 is the carrying amount of the financial assets.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

21.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements with banks and mark-up accrued thereon, and term deposits is as follows:

Rating	% of financial assets exposed to credit risk
	Rupees in '000
Bank Balances and Term Deposit AAA	88.80%
	88.80%

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 Funds portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risk.

22 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2018, the Fund held the following financial instruments measured at fair values:

	----- June 30, 2018 -----		
	At fair value through profit or loss	At amortised cost	Total
	----- Rupees in '000 -----		
Financial assets			
At fair value through profit or loss	41,629	-	-
	41,629	-	-

23 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and 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 in the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size at all times.

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

In accordance with the risk management policies as stated in note 22, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

24 UNIT HOLDING PATTERN OF THE FUND

	----- June 30, 2018 -----		
Category	Number of unit holders	Investment amount (Rupees in '000)	Total
	----- Rupees in '000 -----		
Individuals	330	199,874	49.56%
Associated Companies	1	25,707	6.37%
Retirement Funds	9	62,616	15.53%
Others Corporate	3	115,102	28.54%
	343	403,299	100.00%

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	Percentage of commission paid
AKD Securities Limited	16.22%
Arif Habib Limited	14.94%
Next Capital Limited	14.36%
Intermarkets Securities Limited	13.01%
Foundation Securities (Private) Limited	10.51%
Alfalah Securities (Private) Limited	9.66%
JS Global Capital Limited	9.01%
BMA Capital Management Limited	7.96%
Insight Securities (Private) Limited	4.33%

26 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Alee Khalid Ghaznavi	Chief Executive Officer	MBA	17
Kashif Rafi	Chief Investment Officer	MBA-Finance	16
Saqib Matin	CFO & Company Secretary	ACA & APFA	19
Fahad Aziz	Fund Manager - Fixed Income	MBA-Finance	12
M. Abdul Hayee	Fund Manager - Equity	MBA-Executive & CFA	10
Aniel Victor	Head of Risk Management	BS-Actuarial Sciences and Risk Management	11
Ali Ahmed Tiwana	Head of Equity	CIMA	8

27 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Ali Ahmed Tiwana	Fund Manager	CIMA	Islamic Financial Planning Fund, Conventional Pension Fund and Financial Planning Fund

28 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 54th and 55th Board of Directors meetings were held on February 19, 2018 and April 26, 2018, respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S. No.	Name of Director	Number of meetings			Meetings not attended
		Held	Attended	Leave granted	
1	Sheikh Mukhtar Ahmed	2	2	-	-
2	Mohammad Naeem Mukhtar	2	0	2	54th and 55th
3	Muhammad Waseem Mukhtar	2	2	-	-
4	Tahir Hasan Qureshi	2	2	-	-
5	Kamran Nishat*	1	1	-	-
6	Muhammad Kamran Shehzad	2	2	-	-
7	Pervaiz Iqbal Butt**	1	1	-	-
8	Alee Khalid Ghaznavi	2	2	-	-
	Other persons				
9	Saqib Matin***	2	2	-	-

* Retired in the 10th AGM held on April 2, 2018

** Elected as new director in the 10th AGM

*** Mr. Saqib Matin attended the meetings as Company Secretary.

29 RATING OF THE FUND AND THE MANAGEMENT COMPANY

The JCR - VIS Credit Rating Company Limited has upgraded the asset manager rating of the Management Company to AM2++ on date December 29, 2017. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

30 NON-ADJUSTING EVENTS AFTER REPORTING PERIOD

The Board of Directors of the Management Company has declared distribution (including refund of element) on July 03, 2018 of Re 0.2715 per unit and on the face value of Rs. 10 each (i.e. 2.72%) amounting to Rs. 10.648 million. The financial statements of the Fund for the period ended June 30, 2018 do not include the effect of this distribution which will be accounted for in the financial statements of the Fund for the year ending June 30, 2019.

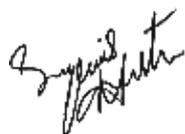
31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 06 September 2018.

32 GENERAL

Figures have been rounded off to the nearest thousand Rupee unless otherwise stated.

For ABL Asset Management Company Limited
(Management Company)



SAQIB MATIN
CHIEF FINANCIAL OFFICER



ALEE KHALID GHAZNAVI
CHIEF EXECUTIVE OFFICER



MUHAMMAD KAMRAN SHEHZAD
DIRECTOR

DISCLOSURE OF PROXY VOTING

The Board of Directors of ABL Asset Management Company Limited (the Management Company of the fund) have overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on Management Company's website (www.ablamc.com). During the financial year, the Management Company on behalf of the Fund did not participate in 0 shareholders' meeting. Moreover, details of summarized proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	-	-	-	-	-
(%ages)	-	-	-	-	-

بیرونی مشکلات جاری رہنے کی توقع ہے۔ جس کے نتیجے میں پاکستانی روپے کے اپنی توانائی کھونے کا سلسلہ جاری رہنے کا امکان ہے، افراط زر مزید زور پکڑے گی، اور اصلاحی مالیاتی سختی جاری رہنے کا امکان ہے۔ لگ بھگ 25 ارب امریکی ڈالر مجموعی قرضوں کی ضرورت کے ساتھ پاکستان کے جلد ہی IMF سے تبادلہ خیال شروع کرنے کی توقع ہے۔ اس کا نتیجہ ترقیاتی مصارف میں کٹوتی، ٹیئرفس کی رعایتیں واپس لینے اور سبسائیڈیز میں کمی کی صورت میں نکل سکتا ہے۔

مذکورہ بالا امور پر نظر ڈالتے ہوئے، اسٹاک مارکیٹ اتار چڑھاؤ کا شکار رہنے کی توقع ہے۔ شرح سود دوہرے ہندسے کی سطح پر پہنچنے کی توقع کے ساتھ تخمینہ کاریاں (valuation) اپنی کشش کھونا شروع ہو گئی ہیں۔

موجودہ معاشی ماحول میں سرمایہ کاری کی دفاعی حکمت عملی ہی موزوں ہے۔ ایسے پلیئرز پر توجہ دیں جو امریکی ڈالر سے منسلک منافع جات کے حامل ہیں اور ایاجن کی قدر اصل سے انتہائی کم ہے، یعنی E&Ps، پاور، اسٹیل، بینکس اور منتخب سیمینٹس۔ اگر 2018 کے انتخابات میں معلق پارلیمنٹ قائم ہوئی تو ریٹ میں نمایاں کمی کا امکان ہے۔

اظہار تشکر

ہم اپنے قابل قدر انویسٹرز کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا۔ بورڈ مسلسل رہنمائی اور معاونت کے لیے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کا بھی شکر گزار ہے۔ ڈائریکٹرز مینجمنٹ ٹیم کو بھی ان کی محنت و کوشش پر خراج تحسین پیش کرتے ہیں۔

برائے واز طرف بورڈ

علی خالد غزنوی

ڈائریکٹر

چیف ایگزیکٹو آفیسر

لاہور، 6 ستمبر 2018

- 1- مینجمنٹ کمپنی کے ڈائریکٹرز کی تفصیل اس سالانہ رپورٹ میں ظاہر کی گئی ہے۔
- 2- مینجمنٹ کمپنی کی طرف سے تیار کردہ مالیاتی گوشوارے فنڈ کے معاملات کی کیفیت، اس کی کاروباری سرگرمیوں کے نتائج، کیش فلوز اور یونٹ ہولڈر کے فنڈ میں تبدیلی کی منصفانہ عکاسی کرتے ہیں۔
- 3- فنڈ کے اکاؤنٹس کے کھاتے درست انداز میں رکھے ہوئے ہیں۔
- 4- مالیاتی گوشواروں کی تیاری میں اکاؤنٹنگ کی مناسب پالیسیوں کی مسلسل پیروی کی گئی ہے اور شریاتی تخمینے مناسب اور معقول نظریات پر مبنی ہیں۔
- 5- ان مالیاتی گوشواروں کی تیاری میں مالیاتی رپورٹنگ کے بین الاقوامی معیاروں، جہاں تک وہ پاکستان میں قابل اطلاق ہیں، نان بینکنگ فنانس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشن) روز 2003 کے تقاضوں، نان بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ اینٹی ریگولیشنز 2008 (NBFC ریگولیشنز)، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے جاری کردہ ڈائریکٹوز اور فنڈ کی تشکیلی دستاویزات کے تقاضوں کی پیروی کی گئی ہے۔
- 6- انٹرنل کنٹرول کا نظام مستحکم اور موثر طریقے سے نافذ ہے اور اس کی مسلسل نگرانی کی جاتی ہے۔
- 7- فنڈ کی رواں دواں رہنے کی صلاحیت کے بارے میں کوئی شکوک و شبہات نہیں ہیں۔
- 8- اہم مالیاتی ڈیٹا کا خلاصہ اس سالانہ رپورٹ کے صفحہ نمبر..... پر دیا گیا ہے۔
- 9- ٹیکسز، ڈیوٹیز، محصولات اور چارجز کی مد میں کوئی واجب الادا سرکاری ادائیگیاں نہیں ہیں، ماسوائے ان کے جو مالیاتی گوشواروں میں پہلے ہی ظاہر کر دی گئی ہیں۔
- 10- پروویڈنٹ فنڈ کی سرمایہ کاری کی مالیت سے متعلق گوشوارہ فنڈ پر قابل اطلاق نہیں ہے جیسا کہ ایسے اخراجات مینجمنٹ کمپنی کی طرف سے برداشت کیے جاتے ہیں۔
- 11- 30 جون 2018 کے مطابق یونٹ ہولڈنگ کا پیرٹنر مالیاتی گوشوارے کے نوٹ نمبر..... میں دیا گیا ہے۔

آڈیٹرز

میسرز ایف فرگوسن اینڈ کو (چارٹرڈ اکاؤنٹنٹس) کی الائیڈ کیپٹل پروٹیکٹڈ فنڈ (ACPF) کے لیے 30 جون 2019 کو ختم ہونے والے سال کے لیے دوبارہ تقرری کی گئی ہے۔

مینجمنٹ کو الٹی ریٹنگ

29 دسمبر 2017 کو JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے ABL ایسیٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی مینجمنٹ کو الٹی ریٹنگ 'AM2+' (AM-ٹوپلس) سے بڑھا کر 'AM2++' (AM-ٹوڈبل پلس) تک بڑھادی ہے۔ تفویض کردہ ریٹنگ پر توقع (Outlook) 'مستحکم' ہے۔

مستقبل کی توقعات

سیاسی اور اقتصادی بے یقینی مخالف ہوا کے ساتھ مالی سال 2019 میں بھی جاری رکھنے کی توقع ہے۔ جب کہ معاشی رخ پرتیل کی بلند قیمتوں کی وجہ سے

KSE-100 انڈیکس نے MSCI FM اور EM، دونوں میں ناقص کارکردگی دکھائی جنہوں مقامی شیئر مارکیٹ کے منفی 10% منافع جات کے مقابلے میں بالترتیب 3.56% اور 1.06%۔ منافع جات درج کرائے آگے بڑھتے ہوئے، ہم مارکیٹ کے اتار چڑھاؤ کا شکار رہنے کی توقع رکھتے ہیں، حتیٰ کہ سیاسی اور معاشی صورت حال مستحکم ہو جائے۔ پاکستان اسٹاک ایکسچینج (PSX) نے بمطابق تخمینہ 7.6x کی قیمت اور آمدن کی شرح (P/E) کے ساتھ مدت کا اختتام کیا، جو EM انڈیکس سے 21% ڈس کاؤنٹ اور ڈیویڈنڈ کی مد میں 6.3% آمدنی ہے۔

میوچل فنڈ انڈسٹری کا جائزہ

پاکستان کی اوپن اینڈ میوچل فنڈ انڈسٹری کے زیر انتظام مجموعی اثاثوں (AUMs) نے مالی سال 2018 میں 2.8% کی معمولی کمی درج کرائی اور 1680 ارب روپے سے 661 ارب روپے ہو گئے۔ یہ کمی بنیادی طور پر اسلامک ایکویٹی اور انکم فنڈز کی کمیوں میں ہوئی جن میں بالترتیب 20% اور 16% کمی ہوئی۔ دوسری کمپنی نے منی مارکیٹ فنڈز میں سرمایہ کار کی دل چسپی کا مشاہدہ کیا جیسا کہ سود کی بڑھتی ہوئی شرح کے موجودہ ماحول کے نتیجے میں مالی سال 2018 میں منی مارکیٹ فنڈز کے زیر انتظام مجموعی اثاثوں (AUMs) میں 77% اضافہ ہوا۔

مجموعی بنیاد پر ایکویٹی کیٹیگری (ایکویٹی اور اسلامک ایکویٹی پر مشتمل) نے جون 2017 میں 288 ارب روپے کے مقابلے میں سال بہ سال بنیاد پر 16.1% کمی درج کرائی اور جون 2018 میں 242 ارب روپے پر بند ہوئی۔ بگڑتے مجموعی اقتصادی اشاریوں اور سیاسی بے یقینی کی وجہ سے مالی سال 2018 میں اسٹاک مارکیٹ کی کمزور کارکردگی ایکویٹی فنڈز میں سال بہ سال بنیاد پر 12.4% کمی کا سبب بنی جو 137 ارب روپے پر بند ہوئے۔ اسی طرح اسلامی ایکویٹی فنڈز 20.4% کی تیز گراؤٹ کے ساتھ 104 ارب روپے تک پہنچ گئے۔

مجموعی بنیاد پر فیکسڈ انکم کیٹیگری (انکم، ایگریسیو انکم اور منی مارکیٹ فنڈز پر مشتمل) نے جون 2017 میں 151 ارب روپے کے مقابلے میں سال بہ سال بنیاد پر 25.9% اضافہ درج کرایا اور جون 2018 میں 191 ارب روپے پر بند ہوئی، شرح سود میں اضافے کی توقع کے ساتھ مختصر مدتی مارکیٹ فنڈز نے جون 2017 میں 69 ارب روپے کے مقابلے میں سال بہ سال بنیاد پر 77% اضافہ دکھایا اور جون 2018 میں 123 ارب روپے پر بند ہوئے۔ دوسری طرف اسلامک انکم فنڈز (اسلامک انکم، اسلامک منی مارکیٹ اور اسلامک ایگریسیو انکم پر مشتمل) کے زیر انتظام اثاثے جون 2017 میں 58 ارب روپے کے مقابلے میں سال بہ سال بنیاد پر مالی سال 2018 میں 2% اضافے کے ساتھ 59 ارب روپے ہو گئے، جس کی بڑی وجہ اسلامک نوٹس میں سرمایہ کاروں کی بڑھتی ہوئی دل چسپی ہے۔ چونکہ شرح سود میں اضافے کا رجحان رہا ہے، سود کی شرحوں میں مزید اضافہ سرمایہ کاروں کو فیکسڈ انکم فنڈز کی جانب راغب کرے گا۔

فنڈ کی کارکردگی

اس فنڈ نے زیر جائزہ مدت (19 فروری تا 30 جون 2018) کے دوران ABL-ACP نے 0.75% کے پیچ مارک منافع کے مقابلے میں 2.83% منافع پیش کیا جو پیچ مارک کو 2.08% سے پیچھے چھوڑنے کی نشاندہی کرتا ہے۔ زیر جائزہ مدت کے اختتام پر فنڈ کو TDR پلسٹمنٹس میں 87.20% اور ایکویٹیز میں 10.27% انویسٹ کیا گیا۔ الائیڈ کیپیٹل پروٹیکٹڈ فنڈ کے زیر انتظام اثاثہ جات جون 2018 کے اختتام پر 403.3 ملین روپے ریکارڈ کیے گئے۔

اضافی معاملات

میں اضافے کی سورت میں سامنے آیا جس کے ساتھ CPI جون 2018 میں سال بہ سال بنیاد پرہ 5.2% پر پہنچ گیا (مرکزی افریڈز NFNE گزشتہ سال، سال بہ سال بنیاد پرہ 5.5% کے مقابلے میں سال بہ سال بنیاد پرہ 7.1%)۔ بعد ازاں اسٹیٹ بینک آف پاکستان نے مالی سال 2018 کے دوسرے نصف میں پالیسی ریٹ میں 75 بنیادی پوائنٹس کا اضافہ کر دیا، جس کا آغاز جنوری 2018 میں 25 بنیادی پوائنٹس کے اضافے کے ساتھ ریٹ میں 6.00% تک اضافے سے ہوا تھا۔ تاہم مارچ 2018 کے مالیاتی پالیسی کے بیان میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں دوبارہ اضافہ نہیں کیا جہاں اس نے یہ توجیہ کی کہ ریٹ میں مزید کسی اضافے سے پہلے روپے کی قدر میں حالیہ کمی اور برآمدات میں دوبارہ اضافے کے اثرات کا تخمینہ لگانے کی ضرورت ہے۔ تاہم اپریل 2018 میں بنیادی افریڈز میں 7.0% تک اضافے کے ساتھ اسٹیٹ بینک آف پاکستان نے مئی 2018 کے مالیاتی پالیسی کے بیان میں 50 بنیادی پوائنٹس کے اضافے کے ساتھ پالیسی ریٹ کو 6.50% تک بڑھا دیا۔

مالی سال 2018 کے 9 ماہ کے لیے مالیاتی خسارے کی سطح 1,481 ارب روپے پر رہی (GDP کا 4.3%~) جو سال بہ سال بنیاد پرہ 20% اضافہ کی عکاسی کرتی ہے اور مدت کے لیے مصارف کو آمدن جمع کرنے کی شرح نمور سبقت دلانے کا بڑا سبب رہی۔ ترقیاتی اخراجات میں صحت مندرہا (مالی سال 2018 کے 9 ماہ میں سال بہ سال بنیاد پرہ 37% کے ساتھ جاری مصارف میں سال بہ سال بنیاد پرہ 13% نمور کو پیچھے چھوڑ دیا) جس سے معیشت میں جاری تیز رفتار نمور مدد ملی۔

مارکیٹ کا جائزہ

پاکستانی ایکویٹیز کے لیے ایک ناپسندیدہ سال ثابت ہوا جہاں KSE-100 انڈیکس نے 10% کا منفی منافع درج کرایا اور 41,911 پوائنٹس پر سال کا اختتام کیا۔ انڈیکس مسلسل آٹھ سال کے مثبت نتائج کے بعد ریڈ زون میں داخل ہوا۔ سپریم کورٹ کی طرف سے وزیراعظم نواز شریف کی عوامی عہدے سے نااہلی کے بعد سیاسی بے یقینی، زرمبادلہ کے ذخائر میں تیزی سے کمی، اور مجموعی معیشت کے استحکام میں اتار چڑھاؤ اس کی بڑی وجوہات تھیں۔ مزید برآں مورگن اسٹینلی کیپٹل انٹرنیشنل (MSCI) کی طرف سے جون 2017 میں درجہ بندی میں فرنیٹیز مارکیٹ (FM) سے ایمرجنگ مارکیٹ (EM) تک ترقی کے باوجود مالی سال 2018 میں 289 ملین امریکی ڈالر کے خالص اخراج کے ساتھ غیر ملکی سرمایہ کار مقامی شیئر بازار میں خالص فروخت کنندہ رہے۔ تاہم انشورنس سیکٹر کی طرف 204 ملین امریکی ڈالر کی خالص خریداری نے اسے خاصی حد تک جذب کرایا۔ کمپنیوں اور دیگر اداروں نے بھی بالترتیب 100 ملین امریکی ڈالر اور 78 ملین امریکی ڈالر کی خالص خریداری کے ساتھ مارکیٹ کو سہارا دیا۔ دوسری طرف میوچل فنڈز خالص فروخت کنندگان رہے جنہوں نے 35 ملین ڈالر مالیت کے اضافی شیئر فروخت کیے۔ مارکیٹ کی کارکردگی غیر متاثر کن رہی جہاں انڈیکس میں پیچھے رہ جانے والے بڑے اسٹاکس سیمینٹس اور بینکس جنہوں نے بالترتیب 42% اور 11% منافع درج کرایا۔ خام مال کی لاگت میں لگاتار اضافے (روپے کی قدر میں تیزی سے کمی کے ساتھ کونکے کی بلند قیمتیں) کے ساتھ قیمتوں میں بد نظمی سیمنٹ سیکٹر کی خراب کارکردگی کے پس پردہ بڑی وجوہات تھیں۔ دوسری بینکاری کے شعبے کا انحطاط بنیادی طور پر ریگولیٹری چیلنجز (SBP کی طرف سے اضافی مالیاتی تقاضے، پنشن کی کم از کم شرح میں 8000 روپے ماہانہ تک اضافہ) اور غیر ملکی آپریشنز پر نگرانی میں اضافہ کا نتیجہ تھا۔ اس کے برعکس آئل اینڈ گیس ایکسپلوریشن اینڈ پروڈکشن (E&P) سیکٹر نے 20% کے مثبت نتائج کے ساتھ مدت کے دوران انڈیکس کو سہارا دیا، جس کی بڑی وجہ تیل کی بین الاقوامی قیمتوں میں دوبارہ اضافہ (مالی سال کے دوران عرب لائٹ کی قیمتیں 28%~ بڑھیں اور 79 امریکی ڈالر فی ٹن پر سال کا اختتام کیا)۔ مارکیٹ کی سرگرمی میں کمی اوپر سے نیچے کی جانب بگڑتے منظر نامے کا سب سے قابل توجہ نتیجہ تھی۔ اوسط تجارتی قدر اور حجم میں بالترتیب 74.3 ملین امریکی ڈالر (سال بہ سال بنیاد پرہ 49% کمی) اور 174.5 ملین شیئرز (سال بہ سال بنیاد پرہ 50% کمی) گراوٹ آئی۔

بینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل ایسیٹ مینجمنٹ کمپنی لمیٹڈ، الائیڈ کیپیٹل پروٹیکٹڈ فنڈ (ACPF) کی بینجمنٹ کمپنی، کابورڈ آف ڈائریکٹرز بصد مسرت 30 جون 2018ء کو ختم ہونے والے سال کے لیے الائیڈ کیپیٹل پروٹیکٹڈ فنڈ کے آڈٹ شدہ مالیاتی گوشوارے پیش کرتا ہے۔

اقتصادی کارکردگی کا جائزہ

مالی سال 2018 میں پاکستان کی مجموعی معیشت کے لیے سب سے بڑا موضوع دوہرے خساروں کا پھیلاؤ تھا جس کے نتیجے میں زرمبادلہ کے ذخائر تیزی سے کم ہو رہے ہیں۔ حکومت نے مالی سال 2018 کے دوسرے نصف میں مالیاتی سختی کے اقدامات کیے تاہم بیرونی اکاؤنٹ میں خساروں میں پھیلاؤ جاری رہا، جب کہ مالی سال 2018 کے اختتام کی طرف بڑھنے پر افراط زر کے دباؤ میں اضافہ ہوا، یہ سب ایک اعتدال سے زیادہ سرگرم معیشت کے اشاریے ہیں۔

اگرچہ اپنا 6.0% کا آرزو مندانہ ہدف پانے میں ناکام رہا، تاہم GDP نے مالی سال 2018 میں 5.8% نمو درج کرائی اور تینوں اجزا (خدمات، صنعت اور زراعت) میں سال بہ سال بنیاد پر 6.4%/5.8%/3.8% (اضافہ) میں بلندی کی طرف رخ کے ساتھ 13 سال کی بلند ترین سطح کو اس کرنے میں کامیاب رہا۔ نمو کے اہم محرکات میں سی پیک کے دائرے میں انفراسٹرکچر پروجیکٹس کے ابتدائی ثمرات کا جاری اطلاق شامل ہے، بجلی کی سپلائی میں خالص اضافہ (مالی سال 2018 کے 11 ماہ کے لیے یونٹ کی خالص پیداوار میں سال بہ سال بنیاد پر 8.4% اضافہ)، اور قرضوں کے حصول میں تسلسل سے اضافہ (مالی سال 2018 کے 11 ماہ میں نجی شعبے کی طرف سے لیے گئے قرضوں کے اسٹاک میں سال بہ سال بنیاد پر 18% اضافہ ہوا، لیے گئے قرضوں میں مدت کے دوران 780 ارب روپے اضافہ)۔ تاہم GDP کی شرح فی صد کے اعتبار سے مالیاتی خسارہ GDP کے 6.8% کی سطح چھونے کا امکان ہے (مئی 2018 میں دیے گئے GDP کے تخمینے 5.5% سے بالاتر رخ پر نظر ثانی شدہ)۔

مالی سال 2018 کے دوران کرنٹ اکاؤنٹ خسارہ (CAD) سال بہ سال بنیاد پر 45% اضافہ کے ساتھ 18 ارب امریکی ڈالر تک بڑھ گیا۔ برآمدات کی مستحکم بحالی (مالی سال 2018 میں سال بہ سال بنیاد پر 13.2% اضافہ) اور بیرون ملک مقیم محنت کشوں کی ترسیلات میں سال بہ سال بنیاد پر 3% اضافے کے موافق اثرات کو درآمدات میں اضافے (مالی سال 2018 میں 15.5% اضافہ) نے زائل کر دیا۔ اسٹیٹ بینک آف پاکستان نے مالی سال 2018 میں بڑھتی درآمدات کو کنٹرول کرنے کے لیے امریکی ڈالر کے مقابلے میں روپے کی قدر دسمبر 2017 سے شروع ہونے والے تین مراحل میں 15.9% گرائی لیکن اس کا کوئی خاص فائدہ نہیں ہوا۔

بیرونی اکاؤنٹ کے راستے سرمائے کے رساؤ کے علاوہ مدت کے دوران قرض واپسی نے زرمبادلہ کے ذخائر میں تیزی سے گراؤٹ میں اضافہ کیا۔ جس کے نتیجے میں مالی سال 2018 نے پاکستان کو ایک بار پھر انٹرنیشنل کیپیٹل مارکیٹ کا رخ کرتے دیکھا اور drain پر 10 سالہ یورو بانڈ سے 1.5 ارب امریکی ڈالر اور 5.625% پر 5 سالہ سکلوک سے 1.0 ارب امریکی ڈالر اکٹھے کیے گئے۔

طاقت و نمو کے باوجود بنیادی افراط زر سال بہ سال بنیاد پر اوسطاً 3.9% کے ساتھ (مالی سال 2017 میں سال بہ سال بنیاد پر 4.2% کے مقابلے میں) مالی سال 2018 کے لیے سال بہ سال بنیاد پر 6.0% کے حکومتی ہدف سے بہت نیچے رہی۔ تاہم تیل کی بین الاقوامی قیمتوں میں دوبارہ اضافے (مالی سال کے دوران عرب لائٹ کی قیمتیں 24.5% بڑھیں) اور مالی سال 2018 کے دوسرے نصف میں امریکی ڈالر مہنگا ہونے کا نتیجہ افراط زر کے دباؤ



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