



ABL ISLAMIC ASSET ALLOCATION FUND
ANNUAL FINANCIAL STATEMENTS
FOR THE PERIOD ENDED JUNE 30, 2019

Annual REPORT



ABL Asset Management

Discover the potential

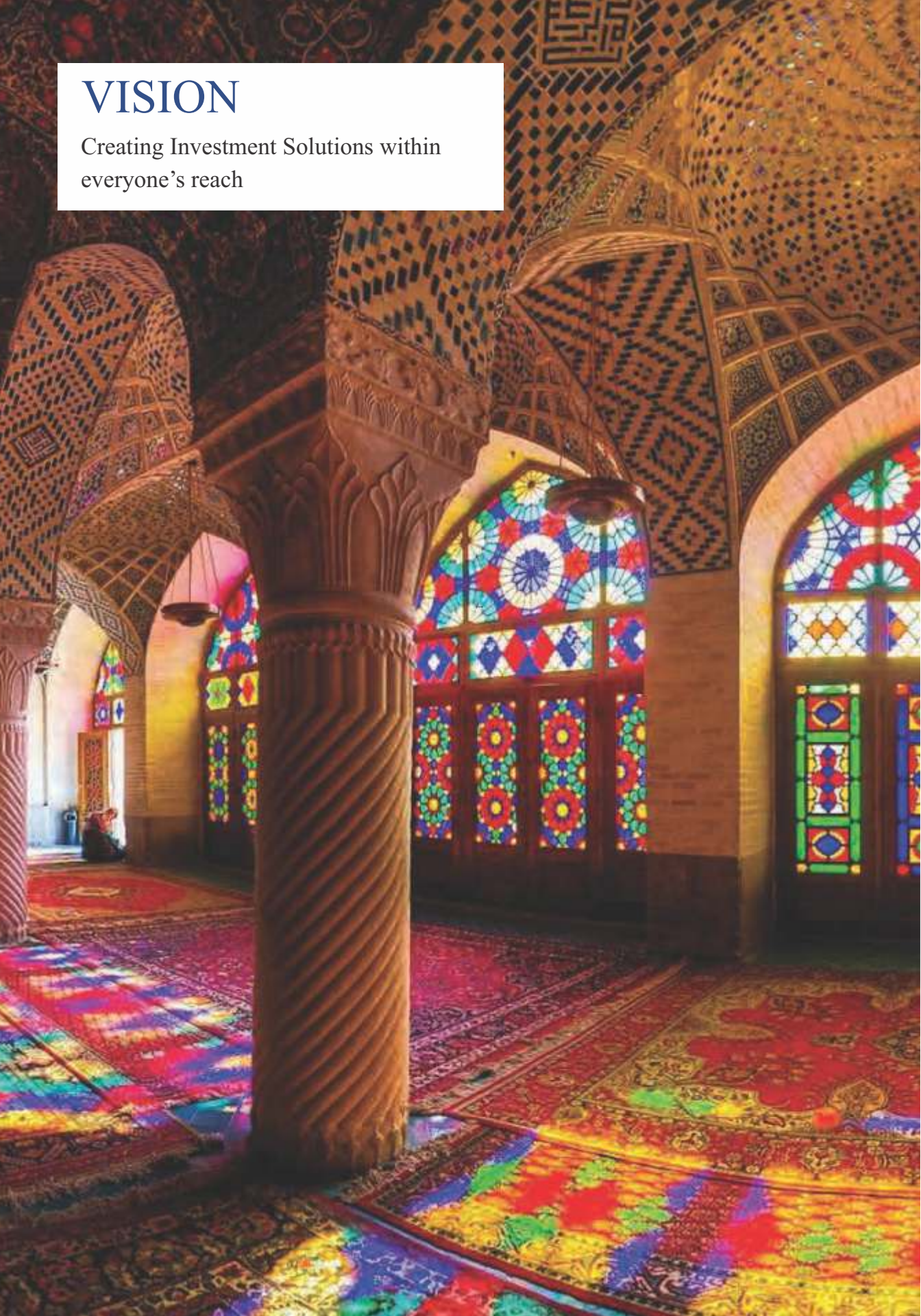


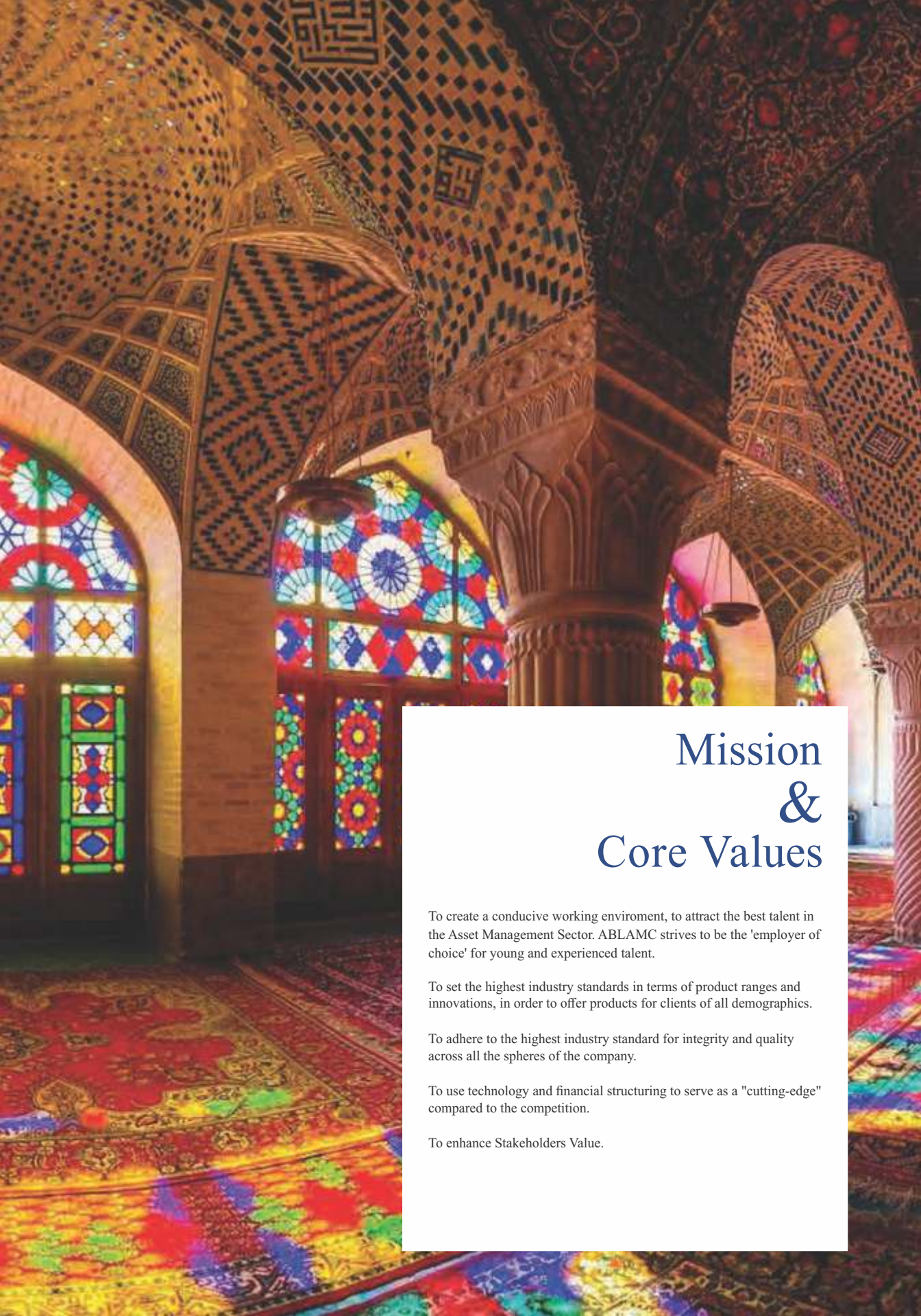
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VISION

Creating Investment Solutions within everyone's reach





Mission & Core Values

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

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

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

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

To enhance Stakeholders Value.



FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
Board of Directors	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hassan 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. Pervaiz Iqbal butt Mr. Alee Khalid Ghaznavi Mr. Muhammad Kamran Shehzad	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Alee Khalid Ghaznavi	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shehzad	
Trustee:	MCB Finacial Services Ltd. 4th Floor, Perdesi House, Old Queens' Road, Karachi - 74400.	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited	
Auditor:	A. F. Ferguson & Co Chartered Accountants State life Building No. 1-C, I. I. Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Suite # 7, 11th zamzama street, Phase-V, DHA, Karachi.	
Registrar:	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500	

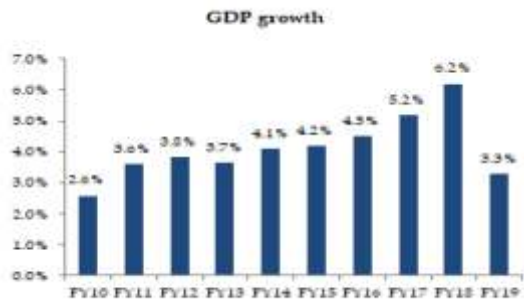


REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Islamic Asset Allocation Fund (ABL-IAAF), is pleased to present the Audited Financial Statements of ABL Allied Islamic Asset Allocation Fund for the year ended June 30, 2019.

ECONOMIC PERFORMANCE REVIEW

The outgoing year was an election year where a new political setup came into power. While the initiatives of the new government seemed to serve a noble cause, the seemingly haphazard approach to policy making created a tense environment for all stakeholders of the economy. On the external front, FY19 Current Account of Balance of Payment showed a marked improvement where the deficit stood at USD 13,587 million as compared to USD 19,897 million during the same period last year. Despite a 31.7% PKR/USD devaluation over FY19 following 16% in FY18, exports remained stunted; declining by 1.8% during FY19 while imports also dropped by 8.8%. Apart from the improvement in trade deficit, 9.7% higher remittances from overseas Pakistanis (USD 21,842 million during FY19) added to the relief. However, a continued plunge in the country's foreign exchange reserves, where SBP import cover dropped to around 1.6 months (from 4 months and 2.1 months for FY17 and FY18, respectively), took them to USD 14.4 billion as compared to USD 16.4 billion last year. This includes foreign assistances received from Saudi Arabia, China, and UAE during the latter half of FY19. Apart from arranging alternate sources for funding the external account, an IMF package of USD 6.0 billion during the next 39 months, has now been negotiated, that would potentially unleash the potential of further assistance of USD 38.0 billion from multilateral and bilateral sources over the course of the IMF program.



Pakistan's GDP growth slowed down to 3.2% in FY19 from 5.2% in FY18. This was majorly led by 0.3% contraction in the Manufacturing sector, which itself was a result of sharp monetary and fiscal tightening measures undertaken by the PTI government. Major slowdown was seen in Construction & Allied and Consumer related sectors. Poor cotton crop also dragged the Agriculture segment growth to only 0.9% YoY compared to 3.8% YoY in FY18.



Inflation averaged 7.3% during FY19 compared to 3.9% in FY18 (3.6% average for prior 3 years), where it averaged 8.6% in 2HFY19. Major reasons for the uptick in CPI readings were (i) PKR/USD depreciation of 31.7%, (ii) sharp increases in power and gas tariffs, and (iii) stronger Food inflation at the end of the year. Core inflation, however, was less volatile and averaged 7.9% YoY during the year. In response to (i) strong uptick in inflation, (ii) still-high current account deficit, and (iii) pre-program conditions of IMF, the State Bank of Pakistan (SBP) increased the policy rate by 575bps during the year.

Fiscal deficit remained high at 7.3% of GDP during FY19 because of limited growth in tax revenue while most of the savings were eroded by higher debt servicing. Tax collection in FY19 remained at PKR 3,762 billion against PKR 3,842 billion collected last year, reflecting a decrease of 2.1% YoY. Despite the announcement of amnesty scheme, FBR seems lagged behind its revised tax collection target of PKR 4,150 billion, reflecting a shortfall of PKR 388 billion. The fiscal deficit matter is also being addressed in the recently announced FY20 budget with focus placed on enhancing revenues to PKR 5,500 billion by broadening the tax base.

MUTUAL FUND INDUSTRY REVIEW

Total Assets under Management (AUMs) of Pakistan’s open-end mutual fund industry continued the declining trend as they posted a decrease of 14%YoY in FY19 from PKR 668 billion to PKR 571 billion, followed by 1.7%YoY decline in FY18. This reduction was predominantly led by the Islamic and conventional Equity categories which slide by 26% and 40%, respectively. Sluggish equity market performance and higher interest rates environment shifted the investor interest in the money market funds, as AUMs under the Islamic money market funds increased by 76% in FY19.

On a cumulative basis, the Equity category (comprising of Equity and Islamic Equity funds) registered a decrease of 32%YoY to close at PKR 165 billion in FY19 compared to PKR 242 billion in FY18. Deteriorating macro-economic situation amid external account pressure, higher interest rates, spiking inflation and hefty PKR/USD devaluation led the weak stock market performance. As a result, conventional equity fund witnessed a fall of 26%YoY to clock-in at PKR 103 billion. Similarly, the Islamic equity funds closed at PKR 62.8 billion after a drop of 40%YoY.

On a cumulative basis, the fixed income category (comprising of income, aggressive income and money market funds) registered a marginal increase of 0.22%YoY to close at PKR 191 billion in FY19 compared to PKR 190.8 billion in FY18. Rising interest rates tend the investors to focus on shorter duration money market funds which witnessed an increase of 9%YoY to PKR 135 billion in FY19 compared to PKR 123 billion in FY18. On the other hand, Islamic income funds AUMs (comprising of Islamic income, Islamic money market and Islamic aggressive income) increased by 38%YoY to PKR 91 billion in FY19 compared to PKR 66 billion in FY18, largely due to increasing investor interest in Islamic investments.

ISLAMIC EQUITY MARKET REVIEW

Pakistan stock market (PSX) showed negative performance in FY19 for another year against continued positive returns for the previous 8 years. KMI-30 index (benchmark for Shariah compliant funds) declined by 23% to close the year at 54,118 points. This lackluster performance was largely attributable to political and economic uncertainty during the election year. Monetary tightening (575bps hike during FY19), massive PKR/USD devaluation (31.7%) and economic indiscipline compelled foreign investors to remain net sellers in the local bourse with net outflows of USD 355.9 million in FY19. On the other hand, individuals came out as the major ally of the market with net buying of USD 165.6 million. The major laggards among KMI-30 stocks were PPL/LUCKY/POL, contributing 1,836.91/1,229.3/1,179.7, respectively, to the index fall. In contrast, DAWH & Engro Corp. supported the index by positively contributing 350 and 37 points to the index change. Decline in oil prices due to US-China trade war triggered the underperformance for E&P sector while the banking sector underperformed due to one off pension charges, provision against the foreign portfolio of advances and super tax charge on profits of 2017. Moreover, 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 trading front, average daily volumes of KMI-30 index increased by 19% to reach 53.48 million shares in FY19 against 44.8 million shares last year. Moving ahead, we expect the market to stabilize as Pakistan has entered the IMF program and will get around USD 38 billion from different multi-lateral agencies in the next 3 years to support its economy. Pakistan Stock Exchange (PSX) closed the period at P/E of 6.3x, and a dividend yield (DY) of 7.3%.

FUND PERFORMANCE

During the period under review, AIAAF delivered a return of -1.09% against a benchmark return of -5.01%, reflecting an outperformance of 3.92%.

The Fund was invested 45.77% in Corporate Sukuk, 34.16% in Equities and 16.55% in Cash at the end of the period under review. AUM of Allied Islamic Asset Allocation Fund was recorded at Rs. 234.59 mn at end-Jun'19.

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 # 11 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, 2019 is given in note No. 25 of the Financial Statements.

AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been appointed as auditors for the period ending June 30, 2019 for ABL Islamic Asset Allocation Fund (ABL-IAAF).

MANAGEMENT QUALITY RATING

On December 31, 2018, JCR-VIS Credit Rating Company Limited (JCR-VIS) has reaffirmed 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

We expect equities to remain range bound given persistent monetary tightening being observed since start of current calendar year. Continuous monitoring in IMF program to have check on borrowings from SBP for budgetary support, projected increase in utility prices (Gas & Electricity) and ambitious tax revenue target of amounting PKR 5.5 trillion etc. would keep pressure on economic growth. However, healthy projected inflows from external sources post IMF program will help reduce both the deficits i.e. fiscal as well as current account. Prevalent interest rates will improve the NIMs of banking sectors. Besides, substantial depreciation of PKR against greenback during past six months will benefit the E&P and Power sectors as their profitability is linked will dollar index. Contrary to this, cyclical stocks and sectors having imported raw material like Cement, Autos, Steel & Pharma will remain under pressure.

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 (MCB Financial Services Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

For & on behalf of the Board



Director

Lahore, August 08, 2019



**Alee Khalid Ghaznavi
Chief Executive Officer**





FUNDS MANAGER REPORTS

OBJECTIVE

The investment objective of the Fund is to earn a potentially high return through asset allocation between Shariah Compliant Equity Instruments, Shariah Compliant Fixed Income Instruments, Shariah Compliant Money Market Instruments and any other Shariah Compliant instrument as permitted by the SECP and Shariah Advisor.

EQUITY MARKET REVIEW

Financial Year 2019 turned out as an unfavorable year for Pakistan equities where KSE-100 index posted a negative return of 19% to close the year at 33,901 points. The index came to the red zone for two consecutive years (FY18 & FY19) after 8 consecutive years (FY10-17) of positive returns. This was broadly due to political & economic noise as the new government took office. The KSE -100 index made a high during FY19 and touched 43,556 points on July 30th as the PTI's victory was announced in the general elections held on July 25, 2018. However, delays in policymaking, interest rate hike of 575bps, and significant devaluations (31.7% during FY19) put the index in a downward spiral with some bounce-backs on developments like foreign assistance from Saudi Arabia (USD 3.0 billion), UAE (USD 3.0 billion), China (USD 2.1 billion) & Qatar (USD 1.0 billion) but those too remained short-lived. During the year, PSX managed to keep its place in the MSCI Emerging Market index despite the majority of the constituent stocks falling short of criteria. Foreigners remained net seller of equity worth USD 355.9 million which was largely absorbed by individual with net buying of worth USD 165.6 million. Companies and Insurance corporates also supported the market with net buying of USD 110.5 million and USD 149.7 million, respectively. On the other hand, mutual funds remained net sellers, offloading USD 145.5 million worth of shares. Performance of the market remained lackluster where major index laggards were E&Ps, Banks, and Cements each shedding 1147, 1069 and 1051 points, respectively. Decline in oil prices (21% YoY decline in FY19) due to US-China trade war triggered the underperformance for E&P sector while the banking sector underperformed due to one off pension charges, provision against the foreign portfolio of advances and super tax charge on profits of 2017. Moreover, persistent rise in input cost (higher coal prices due sharp PKR depreciation) along with pricing indiscipline were major reasons behind the underperformance of the cement sector. Average traded value and volume fell to USD 47.3 million (down 37%YoY) and 155.2 million shares (down 11%YoY), respectively. Moving ahead, we expect the market to stabilize as Pakistan has entered the IMF program and will get around USD 38 billion from different multi-lateral agencies in the next 3-years to support its economy. Pakistan Stock Exchange (PSX) closed the period at P/E of 6.3x, and a dividend yield (DY) of 7.3%.

ISLAMIC MONEY MARKET REVIEW

On the Islamic side, money market remained very liquid due to massive deposit growth of 10.7%YoY (deposits as on March 30, 2019). Moreover, market share of Islamic Banking Institutions' deposits in overall banking deposits stood at 15.6% by the end of March 2019. Similarly, total assets of Islamic Banking in overall banking size also increased to 15% by March 2019 as compared to 13.5% in March 2018. During the period under review, the money market maintained an upward trajectory amid frequent hikes in key interest rates. As a result, the market maintained a shorter duration and avoided heavy participation in longer duration instruments. Upward revision in utility prices and reduction/withdrawal of government subsidies along with considerable devaluation of PKR against USD added to inflation. As a result, SBP raised the policy rate by 575bps with six intervals in contrast to the 75bps in the SPLY. The policy rate increased from 6.5% to 12.25% in May 2019 where 150bps increase was witnessed in 4QFY19 alone.

Inflation clocked in at ~7.32%YoY for FY19 as compared to ~3.9%YoY in FY18. The higher inflation was the result of higher transport, housing, electricity, gas and food prices. While the headline inflation remained in check during the year, pressure on the external side continued to disrupt the position of Pak Rupee in the international market raising concerns regarding spike in inflation.

Pakistan investment bonds (PIBs) trading yields went up ranging from 469bps to 719bps, with a significant tilt towards shorter tenor instruments. During the year, money market witnessed a seasonal lack of liquidity as SBP continued with frequent open market operations (OMOs). At the end of the year, the SBP remained a net lender of worth PKR 702 billion under single reverse repo arrangement at a cut-off rate 12.38%.

On the T-bills side, the 3-Month cut off yields increased from 6.26% to 12.75%. During the year, participation in 6 & 12 Month T-bills remained subdued due to the continuous rise in interest rates. The cut off rates for 6 Months however increased from 6.85% to 12.80% whereas the bond cut off yields for 3, 5 & 10 years closed at 13.70%, 13.80% & 13.60% respectively.

FUND PERFORMANCE

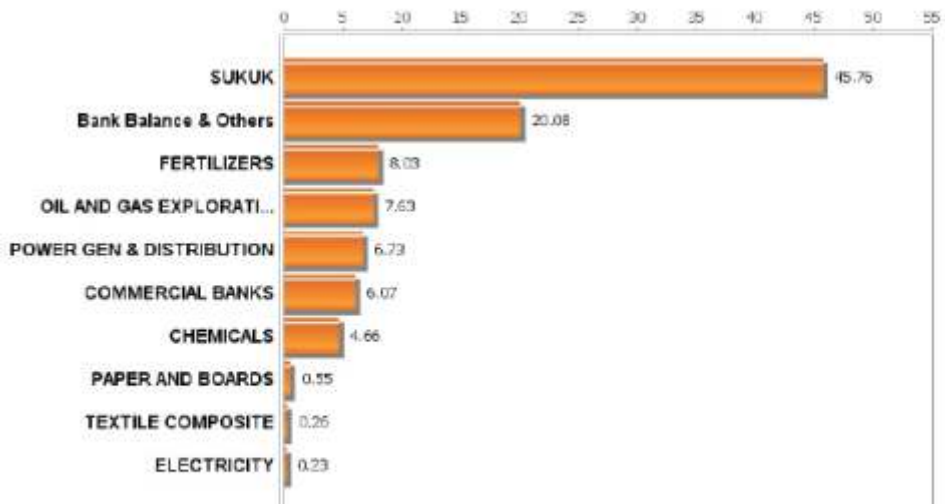
During the year under review, IAAF delivered a return of negative -1.09% against a benchmark return of -5.01%, reflecting an outperformance of 3.92%.

The Fund was invested 45.77% in Corporate Sukuk, 34.16% in Equities and 16.55% in Cash at the end of the period under review. AUM of Allied Islamic Asset Allocation Fund was recorded at Rs. 234.59 mn at end Jun'19.

OUTLOOK AND STRATEGY

We expect equities to remain range bound given persistent monetary tightening being observed since start of current calendar year. Continuous monitoring in IMF program to have check on borrowings from SBP for budgetary support, projected increase in utility prices (Gas & Electricity) and ambitious tax revenue target of amounting PKR 5.5 trillion etc. would keep pressure on economic growth. However, healthy projected inflows from external sources post IMF program will help reduce both the deficits i.e. fiscal as well as current account. Prevalent interest rates will improve the NIMs of banking sectors. Besides, substantial depreciation of PKR against greenback during past six months will benefit the E&P and Power sectors as their profitability is linked with dollar index. Contrary to this, cyclical stocks and sectors having imported raw material like Cement, Autos, Steel & Pharma will remain under pressure.

ABL-IAAF vs BENCHMARK (12m ROLLING RETURNS)





PERFORMANCE TABLE

**For the period of
May 31, 2018 to June
30, 2019**

Rupees per '000

Net Assets	234,586
Net Income	(2,892)

Rupees per unit

Net Assets value	9.8887
Interim distribution*	0.006
Final distribution	0.004
Distribution date final	01-Aug-18
Closing offer price	10.1854
Closing repurchase price	9.8887
Highest offer price	10.5306
Lowest offer price	9.9287
Highest repurchase price per unit	10.2239
Lowest repurchase price per unit	9.6395

Percentage

Total return of the fund	
- capital growth	-1.19%
- income distribution	0.10%
Average return of the fund	
One Year	-1.09%
Since Inception	-12.48%

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

ABL ISLAMIC ASSET ALLOCATION FUND

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

ABL Islamic Asset Allocation Fund, an open-end Scheme established under a Trust Deed dated 4th October 2017 executed between ABL Asset Management Company Limited, as the Management Company and MCB Financial Services Limited, as the Trustee. The fund commenced its operations on 31st May 2018.

1. ABL Asset Management Company Limited, the Management Company of ABL Islamic Asset Allocation Fund has, in all material respects, managed ABL Islamic Asset Allocation Fund during the year ended 30th June 2019 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 12, 2019

4th Floor, Perdesi House, 2/1, R-Y-16, Old Queens Road, Karachi - 74200
Direct Nos. 021-32430485, 32415454, 32415204, 32428731 PABX No. 021-32419770, Fax No. 021-32416371
Website: <http://www.mcbfsl.com.pk>

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



August 30, 2019

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2019 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in ABL Islamic Asset Allocation Fund (ABL-IAAF) managed by ABL Asset Management Company are halal and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited.

Mufti Irshad Ahmad Aijaz
Member Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive

Al-Hilal Shariah Advisors (Pvt) Limited



- 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.
- 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, 2019

S.No.	Key Audit Matter	How the matter was addressed in our audit
		alternate audit procedures were performed; and <ul style="list-style-type: none"> re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.

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.

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.



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of ABL Islamic Asset Allocation Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABL Islamic Asset Allocation Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2019, and the income statement, statement of movement in unit holders' fund and cash flow statement for the period from May 31, 2018 to June 30, 2019, 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, 2019, and of its financial performance, its cash flows and transactions for the period from May 31, 2018 to June 30, 2019 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 is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer note 5 to the financial statements)	
	<p>The investments constitute the most significant component of the NAV. The investments of the Fund as at June 30, 2019 amounted to Rs 193.714 million.</p> <p>The existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2019 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 as at June 30, 2019 and reconciled it with the books and records of the Fund. Where such confirmations were not available,

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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**ABL ISLAMIC ASSET ALLOCATION FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2019**

	Note	June 30, 2019 Rupees in '000
Assets		
Bank balances	4	40,108
Investments	5	193,714
Security deposits	6	2,600
Dividend and profit receivable	7	6,560
Preliminary expenses and floatation costs	8	1,879
Prepayment and other receivable	9	90
Total assets		244,951
Liabilities		
Payable to ABL Asset Management Company Limited - Management Company	10	6,365
Payable to the MCB Financial Services Limited - Trustee	11	25
Payable to the Securities and Exchange Commission of Pakistan	12	345
Payable against redemption of units		3,031
Accrued expenses and other liabilities	13	599
Total liabilities		10,365
NET ASSETS		234,586
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		234,586
CONTINGENCIES AND COMMITMENTS	14	
		Number of units
NUMBER OF UNITS IN ISSUE		23,722,699
		-----Rupees-----
NET ASSET VALUE PER UNIT		9,8887

The annexed notes from 1 to 33 form an integral part of these financial statements.

**For ABL Asset Management Company Limited
(Management Company)**



Saqib Mateen
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director



ABL ISLAMIC ASSET ALLOCATION FUND
INCOME STATEMENT
FOR THE PERIOD FROM MAY 31, 2018 TO JUNE 30, 2019

	Note	Period from May 31, 2018 to June 30, 2019 Rupees in '000
Income		
Profit earned	15	30,221
Dividend income		4,375
Loss on sale of investments - net		(6,627)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.3	(15,030)
		<u>(21,657)</u>
Total income		12,939
Expenses		
Remuneration of ABL Asset Management Company Limited - Management Company	10.1	9,193
Punjab Sales Tax on remuneration of the Management Company	10.2	1,471
Accounting and operational charges	10.3	460
Selling and marketing expenses	10.4	1,839
Remuneration of MCB Financial Services Limited - Trustee		415
Sindh Sales Tax on remuneration of the Trustee		54
Annual fees to the Securities and Exchange Commission of Pakistan		345
Securities transaction costs		403
Auditors' remuneration	16	330
Legal & professional charges		244
Listing fee		264
Amortisation of preliminary expenses and floatation costs	8	462
Shariah advisory fee		42
Printing charges		259
Settlement and bank charges		50
Total operating expenses		15,831
Net loss for the period before taxation		<u>(2,892)</u>
Taxation	18	-
Net loss for the period after taxation		<u>(2,892)</u>
Other comprehensive income		-
Total comprehensive loss for the period		<u><u>(2,892)</u></u>
Earnings / (loss) per unit	19	
Allocation of net income for the period		
Net income for the period after taxation		-
Income already paid on units redeemed		-
		<u>-</u>
Accounting income available for distribution:		
- Relating to capital gains		-
- Excluding capital gains		-
		<u>-</u>

The annexed notes from 1 to 33 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Mateen
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer

Pervaiz Iqbal Butt
Director

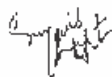
**ABL ISLAMIC ASSET ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE PERIOD FROM MAY 31, 2018 TO JUNE 30, 2019**

	Period from May 31, 2018 to June 30, 2019		
	Rupees in '000		
	Capital value	Undistributed loss	Total
Issue of 105,403,033 units			
- Capital value	1,054,488	-	1,054,488
- Element of income	535	-	535
Total proceeds on issuance of units	1,055,023	-	1,055,023
Redemption of 81,680,334 units			
- Capital value	818,757	-	818,757
- Element of income	(1,829)	-	(1,829)
Total payments on redemption of units	816,928	-	816,928
Total comprehensive loss for the period	-	(2,892)	(2,892)
Distribution for the period ended June 30, 2018 @ Re 0.006 per unit on July 03, 2018	(161)	(264)	(425)
Distribution for the period ended June 30, 2018 @ Re 0.004 per unit on August 01, 2018	(53)	(139)	(192)
Total distribution during the period*	(214)	(403)	(617)
Net assets at end of the period	<u>237,881</u>	<u>(3,295)</u>	<u>234,586</u>
Accounting income available for distribution:			
- Relating to capital gain		-	
- Excluding capital gain		-	
Net loss for the period after taxation		(2,892)	
Distribution for the period		(403)	
Undistributed loss carried forward		<u>(3,295)</u>	
Undistributed loss carried forward			
- Realised income		11,735	
- Unrealised loss		(15,030)	
		<u>(3,295)</u>	
			(Rupees)
Net assets value per unit at end of the period			<u>9.8887</u>

* These relate to distribution from profit for the period from May 31, 2018 to June 30, 2018.

The annexed notes from 1 to 33 form an integral part of these financial statements.

For ABL Asset Management Company Limited
(Management Company)



Saqib Mateen
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

**ABL ISLAMIC ASSET ALLOCATION FUND
CASH FLOW STATEMENT
FOR THE PERIOD FROM MAY 31, 2018 TO JUNE 30, 2019**

	Note	Period from May 31, 2018 to June 30, 2019 Rupees in '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year before taxation		(2,892)
Adjustments for:		
Profit earned		(30,221)
Dividend income		(4,375)
Amortisation of preliminary expenses and floatation costs		462
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.3	15,030
		(19,104)
Increase in assets		
Prepayment and other receivable		(90)
Security deposits		(2,600)
		(2,690)
Increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company		4,024
Payable to the MCB Financial Services Limited - Trustee		25
Payable to the Securities and Exchange Commission of Pakistan		345
Accrued expenses and other liabilities		599
		4,993
		(19,693)
Profit received on savings accounts		25,563
Dividend received		2,473
Net amount paid on purchase and sale of investments		(208,744)
Net cash used in operating activities		(200,401)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash dividend paid		(403)
Receipts from issuance of units - net of refund of element		1,054,809
Net payments against redemption of units		(813,897)
Net cash generated from financing activities		240,509
Net increase in cash and cash equivalents		40,108
Cash and cash equivalents at the end of the period	4	40,108

The annexed notes from 1 to 33 form an integral part of these financial statements.

**For ABL Asset Management Company Limited
(Management Company)**



Saqib Mateen
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
Director

ABL ISLAMIC ASSET ALLOCATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM MAY 31, 2018 TO JUNE 30, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Islamic Asset Allocation Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on October 04, 2017 between ABL Asset Management Company Limited as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. SCD/AMCW/ABLIAAF/26/2017 dated July 25, 2017 in accordance with the requirements 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 an shariah compliant asset allocation scheme by the Board of Directors of the Management Company and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to earn a potentially high return through asset allocation between shariah compliant equity instruments, shariah compliant fixed income instruments, shariah compliant money market instruments and any other shariah compliant instrument as permitted by the SECP and shariah advisor.

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.

1.6 This is the first accounting period of the Fund and hence there are no comparative figures as explained in note 2.1.

2 BASIS OF PREPARATION

2.1 Securities and Exchange Commission of Pakistan vide its letter no. SCD/AMCW/ABL-IAAF/14/2018 dated July 07, 2018 had granted a one-time exemption to ABL Asset Management Company Limited from preparing and publishing the financial statements of ABL Islamic Asset Allocation Fund for the period from May 31, 2018 to June 30, 2018 subject to the condition that the first quarterly financial statements of ABL Islamic Asset Allocation Fund be prepared for the period from May 31, 2018 to September 30, 2018. Accordingly, the management had not prepared financial statements for the period ended June 30, 2018. As such for this reason, the comparative figures have not been included in these financial statements.

2.2 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.

2.3 Standards, interpretations and amendments to published approved accounting and reporting standards that are effective in the current year:

The Fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities as disclosed in note 3.2.

2.3.1 There are certain other amended standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2018 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.

2.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

The following amendments to published accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

Standards, interpretations	Effective date (accounting periods beginning on or after)
- IFRS 9 - 'Financial instruments' (amendment)	January 1, 2019
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

The Management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

2.4.1 There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2019 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements.

2.5 Critical accounting estimates and judgments

The preparation of these 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 year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2 and 5) and provision for taxation (notes 3.14 and 18).

2.6 Accounting convention

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

2.7 Functional and presentation currency

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts.

3.2 Financial assets

3.2.1 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.

3.2.2 Classification and subsequent measurement

Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- amortised cost
- at fair value through other comprehensive income “(FVOCI)”
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVTPL. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the “Statement of Assets and Liabilities” at fair value, with gains and losses recognised in the “Income Statement”.

The dividend income for equity securities classified under FVOCI are to be recognised in the Income Statement. However, any surplus / (deficit) arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is to be recognised in other comprehensive income and is not recycled to the Income Statement on derecognition.

3.2.3 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.

3.2.4 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.

3.2.5 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.

3.2.6 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.

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

Financial liabilities are classified and subsequently measured at amortised cost.

3.3.2 Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.5 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.

3.6 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year / period end.

3.7 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 the 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.

3.8 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 year also includes portion of income already paid on units redeemed during the year.

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

3.9 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. Further, 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 will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.10 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.
- Income from investments in sukuks is recognised on an accrual basis using effective interest method.
- Profit on bank balances is recognised on an accrual basis.
- Dividend income is recognised when the right to receive the dividend is established.

3.11 Expenses

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

3.12 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 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

3.13 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 profit and loss account.

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 year, 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 year before taxation of the Fund by the weighted average number of units outstanding during the period.

	Note	June 30, 2019 Rupees in '000
4 BANK BALANCES		
Balances with banks in savings accounts	4.1	<u>40,108</u>
4.1		
This includes balance of Rs 5.278 million maintained with Allied Bank Limited (a related party) that carries profit at 8.00% per annum. Other savings accounts of the Fund carry profit rates ranging from 8.00% to 11.85% per annum.		

5 INVESTMENTS

At fair value through profit or loss

Sukuk certificates	5.1	110,917
Quoted equity securities	5.2	82,797
		<u>193,714</u>

5.1 Sukuk certificates

Name of the Investee Company	As at May 31, 2018	Purchased during the period	Disposed / matured during the period	As at June 30, 2019	Carrying value as at June 30, 2019	Market value as at June 30, 2019	Market value as a percentage of total investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
	----- Number of certificates -----				----- Rupees in '000 ---		----- Percentage -----		

Listed

Power Generation & Distribution

K-Electric Limited (Face value of 5000 per certificate)	-	7,000	7,000	-	-	-	-	-	-
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Fertilizer

Fatima Fertilizer Company Limited (Face value of 3000 per certificate)	-	8,579	1,603	6,976	17,513	17,575	9.07%	7.49%	0.20%
Daw ood Hercules Corporation Limited (Face value of 100,000 per certificate)	-	360	100	260	23,452	23,323	12.04%	9.94%	0.50%

Unlisted

Fertilizer

Daw ood Hercules Corporation Limited -II (Face value of 100,000 per certificate)	-	250	-	250	25,009	24,950	12.88%	10.64%	0.42%
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Chemical

Engro Polymer & Chemicals Limited (Face value of 100,000 per certificate)	-	15	-	15	15,113	15,070	7.78%	6.42%	0.21%
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Commercial Banks

Meezan Bank Limited (Face value of 1,000,000 per certificate)	-	40	10	30	30,000	29,999	15.49%	12.79%	0.43%
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Total

111,087	110,917	57.26%	47.28%
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5.1.1 The cost of sukuk certificates as at June 30, 2019 is Rs. 111.085 million.

5.1.2 The terms and conditions of these sukuk certificates outstanding as at June 30, 2019 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments	Maturity date	Rate of return
------------------------------	--------	--------	-----------------	---------------	----------------

Listed

Fertilizer

Fatima Fertilizer Company Limited	AA-	5 years	Semi-annually	November 28, 2021	6 months KIBOR + 1.10%
Daw ood Hercules Corporation Limited (I)	AA	5 years	Quarterly	November 16, 2022	3 months KIBOR + 1.00%

Unlisted

Fertilizer

Daw ood Hercules Corporation Limited -II	AA	5 years	Quarterly	March 1, 2023	3 months KIBOR + 1.00%
--	----	---------	-----------	---------------	------------------------

Chemical

Engro Polymer & Chemicals Limited	AA-	7.5 years	Quarterly	July 11, 2026	3 months KIBOR + 0.90%
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Commercial Banks

Meezan Bank Limited	AA+	10 years	Semi-annually	September 22, 2026	6 months KIBOR + 0.50%
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5.2 Investments in equity securities - quoted

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 May 31, 2018	Purchased during the period	Bonus / right shares during the period	Sold during the period	As at June 30, 2019	Carrying value as at June 30, 2019	Market value as at June 30, 2019	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
	----- Number of shares held -----					----- Rupees in '000 -----		----- Percentage -----		
CEMENT										
Lucky Cement Limited	-	2,000	-	2,000	-	-	-	-	-	-
Maple Leaf Cement Factory	-	95,000	-	95,000	-	-	-	-	-	-
CHEMICALS										
I.C.I. Pakistan Limited **	-	450	-	-	450	354	240	0.12%	0.10%	-
Lotte Chemical Pakistan Limited	-	150,000	-	50,000	100,000	1,912	1,525	0.79%	0.65%	0.01%
Engro Polymer & Chemicals Limited (Note 5.2.1)	-	430,000	-	76,500	353,500	13,322	9,530	4.92%	4.06%	0.04%
						15,588	11,295	5.83%	4.81%	
COMMERCIAL BANKS										
Meezan Bank Limited	-	159,500	29,315	20,000	168,815	12,463	14,714	7.60%	6.27%	0.01%
						12,463	14,714	7.60%	6.27%	
ENGINEERING										
Mughal Iron & Steel Industries Limited	-	70,000	-	70,000	-	-	-	-	-	-
International Steel Limited	-	48,000	-	48,000	-	-	-	-	-	-
CABLE & ELECTRICAL GOODS										
Pak Elektron Limited	-	50,000	-	50,000	-	-	-	-	-	-
FERTILIZER										
Fauji Fertilizer Company Limited	-	79,000	-	25,000	54,000	5,561	4,709	2.43%	2.01%	-
Engro Corporation Limited (Note 5.2.1)	-	63,000	2,750	35,500	30,250	8,705	8,034	4.15%	3.42%	0.01%
Engro Fertilizer Limited	-	105,000	-	-	105,000	7,728	6,717	3.47%	2.86%	0.01%
						21,995	19,460	10.05%	8.30%	
OIL & GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	-	10,600	1,060	2,500	9,160	12,605	9,245	4.77%	3.94%	0.01%
Oil and Gas Development Company Limited (Note 5.2.1)	-	148,000	-	98,000	50,000	7,382	6,575	3.39%	2.80%	-
Pakistan Oilfields Limited **	-	24,900	-	24,900	-	-	-	-	-	-
Pakistan Petroleum Limited (Note 5.2.1)	-	84,700	9,705	75,900	18,505	3,447	2,673	1.38%	1.14%	-
						23,434	18,493	9.55%	7.88%	
OIL & GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	-	5,000	1,000	6,000	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	-	70,000	-	70,000	-	-	-	-	-	-
PAPER & BOARD										
Century Paper & Board Mills	-	90,000	-	47,000	43,000	3,057	1,339	0.69%	0.57%	0.03%
						3,057	1,339	0.69%	0.57%	
POWER GENERATION & DISTRIBUTION										
Hub Power Company Limited (Note 5.2.1)	-	160,000	19,357	-	179,357	15,913	14,124	7.29%	6.02%	0.02%
K-Electric Limited *	-	500,000	-	-	500,000	3,251	2,195	1.13%	0.94%	0.00%
Nishat Power Limited	-	20,000	-	-	20,000	585	551	0.28%	0.23%	0.01%
						19,750	16,870	8.71%	7.19%	
TEXTILE COMPOSITE										
Kohinoor Textile Mills Ltd	-	25,000	-	-	25,000	1,371	626	0.32%	0.27%	0.01%
						1,371	626	0.32%	0.27%	
Total						97,657	82,797	42.74%	35.30%	

* Ordinary shares have a face value of Rs 3.5

** Nil figures due to rounding off difference

5.2.1 The above investments include shares of the following companies which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 of 2007 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Particulars	June 30, 2019	
	Number of shares	Market value Rupees in '000
Pakistan Petroleum Limited	15,000	2,166
Engro Corporation Limited	10,000	2,656
Hub Power Company Limited	100,000	7,875
Engro Polymer & Chemicals Limited	125,000	3,370
Oil & Gas Development Company Limited	10,000	1,315
	<u>260,000</u>	<u>17,382</u>

5.3 Unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss	Note	June 30, 2019 Rupees in '000
Market value of investments	5.1 & 5.2	193,714
Less: Carrying value of investments	5.1 & 5.2	<u>208,744</u>
		<u>(15,030)</u>

6 SECURITY DEPOSITS

Security deposit with :

- Central Depository Company of Pakistan Limited
- National Clearing Company of Pakistan Limited

	100
	<u>2,500</u>
	<u>2,600</u>

7 DIVIDEND AND PROFIT RECEIVABLE

- Profit receivable
- Dividend receivable

	4,658
	<u>1,902</u>
	<u>6,560</u>

8 PRELIMINARY EXPENSES AND FLOATATION COSTS

- Preliminary expenses and floatation costs incurred
- Less: amortisation during the period
- At the end of the period

	2,341
	<u>(462)</u>
8.1	<u>1,879</u>

8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period of five 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 PREPAYMENT AND OTHER RECEIVABLE	Note	June 30, 2019 Rupees in '000
Prepaid listing fee		36
Other receivable	9.1	<u>54</u>
		<u>90</u>

9.1 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, withholding tax on dividend and profit on debt 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 May 12, 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 withholders. The tax withheld on dividends and profit on debt amounts to Rs 0.009 million and Rs 0.045 million respectively.

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 debt securities and dividend income has been shown as other receivable as at June 30, 2019 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

10 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	June 30, 2019 Rupees in '000
Management fee payable	10.1	453
Punjab Sales Tax payable on remuneration of the Management Company	10.2	72
Accounting and operational charges payable	10.3	178
Selling and marketing expenses payable	10.4	712
Sales and transfer load payable		9
Deposits payable		2,600
Preliminary expenses and floatation cost payable		2,341
		<u>6,365</u>

10.1 As per NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding 2% of the average annual net assets in case of equity schemes. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 2% per annum of the average net assets of the Fund during the period ended June 30, 2019. The remuneration is payable to the Management Company monthly in arrears.

10.2 During the period, an amount of Rs. 1.471 million was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012. During the period Punjab sales tax has been charged at the rate of 16%.

10.3 In accordance with the regulations 60 of the NBFC Regulations the management company can charge fee and expenses related to registrar services, accounting, operations and valuation services related to CIS maximum upto 0.1% of average annual net assets of the scheme or actual whichever is less. With effect from June 20, 2019 the SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%. The Fund can now charge all actual fee and expenses related to registrar services, accounting, operations and valuation services related to CIS.

However, subsequent to change the management has continued to charge the aforementioned expenses at the rate of 0.1% of the average net assets.

10.4 The SECP 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) 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. 1.839 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.

11 PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE - RELATED PARTY	Note	June 30, 2019 Rupees in '000
Trustee fee payable	11.1	22
Sindh Sales Tax payable on trustee fee	11.2	3
		<u>25</u>

11.1 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 1,000 million	0.1% per annum of net assets.
- from Rs 1,000 million to Rs.5,000 million	Rs 1 million plus 0.05% per annum of net assets exceeding Rs 1,000 million.
- exceeding Rs.5,000 million	Rs 3 million plus 0.045% per annum of net assets exceeding Rs 5,000 million.

11.2 During the period, an amount of Rs. 0.054 million was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

	Note	June 30, 2019 Rupees in '000
12 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
Annual fee payable	12.1	<u>345</u>

12.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as a shariah compliant asset allocation scheme is required to pay to the Securities and Exchange Commission of Pakistan an amount equal to 0.095% of the average annual net assets of the Fund as annual fee.

	Note	June 30, 2019 Rupees in '000
13 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable		63
Printing charges payable		222
Brokerage fee payable		69
Shariah advisor fee payable		42
Charity payable	13.1	<u>203</u>
		<u>599</u>

13.1 According to the instructions of the Shariah Advisor, income earned by the Fund from prohibited sources should be donated to charitable purposes.

During the period ended June 30, 2019, non-shariah compliant income amounting to Rs 0.203 million was charged as an expense in the books of the Fund. This will be distributed as charity after the approval of the Shariah Advisor. The dividend income is recorded net of amount given as charity.

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2019.

	June 30, 2019 Rupees in '000
15 PROFIT EARNED	
Profit earned on savings account	20,796
Profit earned on sukuk certificates	<u>9,425</u>
	<u>30,221</u>

16 AUDITORS' REMUNERATION

Annual audit fee	108
Half yearly review of condensed interim financial statements	63
Fee for other certifications	139
Out of pocket expenses	<u>20</u>
	<u>330</u>

17 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2019 is 3.40% which includes 0.42% representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an asset allocation scheme.

18 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 as cash dividend. Furthermore, regulation 63 of the NBFC Regulations, requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the Fund has incurred net loss for the period, accordingly, no provision for taxation has been made in these financial statements.

19 EARNINGS / (LOSS) PER UNIT

Earnings / (loss) 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.

20 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 20.1** Connected persons include ABL Asset Management Company being the Management Company, the MCB Financial Services Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISOs 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.
- 20.2** 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.
- 20.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008.
- 20.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 20.5** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at period end are as follows:

	June 30, 2019
	Rupees in '000
ABL Asset Management Company Limited - Management Company	
Remuneration charged	9,193
Punjab Sales Tax on remuneration of the Management Company	1,471
Accounting and operational charges	460
Selling and marketing expenses	1,839
Issue of 2,001,578 units	20,016
Outstanding 2,001,578 units	19,793
MCB Financial Services Limited - Trustee	
Remuneration of the Trustee	415
Sindh Sales Tax on remuneration of the Trustee	54
Allied Bank Limited	
Profit on saving account	3,827
Bank charges	19
Profit receivable	3
Barrett Hodgson Pakistan (Private) Limited	
Issue of 5,003,944 units	50,040
Outstanding 5,003,944 units	49,483
Sheikh Rehmat Elahi	
Issue of 7,977,547 units	79,977
Redemption of 7,977,547 units	78,691

Key Management Personnel

Chief Executive Officer

Issue of 5,004 units	50
Outstanding 5,004 units	49

Executives

Issue of 5,004 units	50
Outstanding 5,004 units	49

20.6

Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

21 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

	2019		
	At amortised cost	At fair value through profit or loss	Total
Bank balances	40,108	-	40,108
Investments	-	193,714	193,714
Security deposits	2,600	-	2,600
Dividend and profit receivable	6,560	-	6,560
	<u>49,268</u>	<u>193,714</u>	<u>242,982</u>

Financial liabilities

	2019	
	At amortised cost	Total
Payable to ABL Asset Management Company Limited - Management Company	6,365	6,365
Payable to MCB Financial Services Limited - Trustee	25	25
Payable against redemption of units	3,031	3,031
Accrued expenses and other liabilities	599	599
	<u>10,020</u>	<u>10,020</u>

22 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.

22.1 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, 2019, the Fund is exposed to such risk on accrued markup on bank deposits and sukuk certificates and its accrued markup. 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 year and net assets of the Fund would have been higher/lower by Rs. 0.047 million.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2019, the Fund holds sukuk certificates 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 announced by the Financial Markets Association of Pakistan with all other variables held constant, the net income / loss for the year and net assets of the Fund would have been lower / higher by Rs 1.109 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, 2019 can be determined as follows:

-----2019-----					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
-----Rupees in '000-----					
Financial assets					
Bank balances	8.00% - 11.85%	40,108	-	-	40,108
Investments		-	-	110,917	110,917
Security deposits		-	-	2,600	2,600
Dividend and profit receivable		-	-	6,560	6,560
		40,108	-	110,917	191,525
Financial liabilities					
Payable to ABL Asset Management Company Limited - Management Company		-	-	6,365	6,365
Payable to MCB Financial Services Limited - Trustee		-	-	25	25
Payable against redemption of units		-	-	3,031	3,031
Accrued expenses and other liabilities		-	-	599	599
		-	-	10,020	10,020
On-balance sheet gap		40,108	-	110,917	191,025
Total interest rate sensitivity gap		40,108	-	110,917	191,025
Cumulative interest rate sensitivity gap		40,108	40,108	151,025	191,025

(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 15% of net assets and issued capital of the investee company and sector exposure limit to 40% of the net assets.

In case of 5% increase / decrease in KMI Meezan Index (KMI 30) on June 30, 2019, with all other variables held constant, the total comprehensive loss of the Fund for the year would decrease / increase by Rs. 4.139 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 the 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 KMI-30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI-30 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2019 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI-30 Index.

22.2 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.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the current year.

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 year.

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, liabilities that are payable on demand have been included in the maturity grouping of one month:

-----2019-----						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
-----Rupees in '000-----						
Financial assets						
Bank balances	40,108	-	-	-	-	40,108
Investments	-	-	65,848	45,069	82,797	193,714
Security deposits	2,600	-	-	-	-	2,600
Dividend and profit receivable	6,560	-	-	-	-	6,560
	49,268	-	65,848	45,069	82,797	242,982
Financial liabilities						
Payable to ABL Asset Management Limited - Management Company	6,365	-	-	-	-	6,365
Payable to MCB Financial Services Limited - Trustee	25	-	-	-	-	25
Payable against redemption of units	3,031	-	-	-	-	3,031
Accrued expenses and other liabilities	599	-	-	-	-	599
	10,020	-	-	-	-	10,020
Net financial assets	39,248	-	65,848	45,069	82,797	232,962

22.3 Credit risk

22.3.1 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:

	2019	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	----- Rupees in '000 -----	
Bank balances	40,108	40,108
Investments	193,714	110,917
Security deposits	2,600	2,600
Dividend and profit receivable	6,560	6,560
	242,982	160,185

The maximum exposure to credit risk before any credit enhancement as at June 30, 2019 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.

22.3.2 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 in banks its mark-up accrued and sukuk certificates thereon. The credit rating profile of balances with banks is as follows:

Rating	2019
	% of financial assets exposed to credit risk
AAA	2.17%
AA+	16.61%
A+	9.42%
AA	19.87%
AA-	13.60%
A	0.48%
	62.15%

23 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, 2019, the Fund held the following financial instruments measured at fair values:

	June 30, 2019		
	Level 1	Level 2	Level 3
	Rupees in '000		
Financial assets			
Investments in quoted equity securities	82,797	-	-
Sukuk certificates	-	110,917	-
	<u>82,797</u>	<u>110,917</u>	<u>-</u>

24 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 on 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 historically 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.

25 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2019		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	99	146,200	62.32
Associated companies	1	19,793	8.44
Insurance companies	1	898	0.38
Retirement Funds	4	18,211	7.76
Others	2	49,485	21.10
	<u>107</u>	<u>234,586</u>	<u>100.00</u>

26 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	Percentage of commission paid
Next Capital Ltd	27.66%
Foundation Securities (Pvt.) Ltd	13.56%
Arif Habib Ltd	9.08%
Taurus Securities Ltd	8.02%
Intermarkets Securities Ltd	7.84%
Optimus Markets (Pvt) Limited	6.93%
Alfalsh Securities (Pvt.) Ltd	6.74%
BMA Capital Management Ltd	6.44%
AKD Securities Ltd	4.96%
Topline Securities Ltd	4.79%

27 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	18
Saqib Mateen	CFO & Company Secretary	ACA & APFA	20
Tanweer Haral	Head of Risk Management	MBA - Banking	24
Fahad Aziz	Head of Fixed Income	MBA - Finance	13
Ali Ahmed Tiwana	Head of Equity	CIMA	9
M. Tahir Saeed	Head of Research	MBEcon & CFA	7
M. Abdul Hayee	Fund Manager - Equity	MBA-Executive & CFA	11
Abdul Rehman Tahir	Fund Manager - Fixed Income	MBA	8

28 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
M. Abdul Rehman Tahir	Fund Manager	MBA	ABL Islamic Income Fund

29 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 56th, 57th, 58th and 59th Board of Directors meetings were held on September 06, 2018, October 25, 2018, February 06, 2019 and April 30, 2019, respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

S. No.	Name	Number of meetings			Meetings not attended
		Held	Attended	Leave granted	
1	Sheikh Mukhtar Ahmed	4	3	1	59th
2	Mohammad Naeem Mukhtar	4	4	-	-
3	Muhammad Waseem Mukhtar	4	3	1	59th
4	Tahir Hasan Qureshi	4	3	1	59th
5	Muhammad Kamran Shehzad	4	4	-	-
6	Pervaiz Iqbal Butt	4	4	-	-
7	Alee Khalid Ghaznavi	4	4	-	-
Other persons					
8	Saqib Mateen*	4	4	-	-

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

30 RATING OF THE FUND AND THE MANAGEMENT COMPANY

The JCR-VIS Credit Rating Company Limited has determined the asset manager rating of the Management Company of AM2++ (2017: AM2+) on December 31, 2018. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 8-August-2019.

32 GENERAL

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Mateen
Chief Financial Officer



Alee Khalid Ghaznavi
Chief Executive Officer



Pervaiz Iqbal Butt
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 7 shareholders' meeting. Moreover, details of summarized proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	1	1	-	-	-
(%ages)	100	100	-	-	-

مجموع کیا اسی طرح فکسڈ انکم کیٹگری (جو انکم، انگریجو انکم اور منی مارکیٹ فنڈز پر مشتمل ہے) نے 3QFY19 میں 2.5% کی کمی ظاہر کی اور دسمبر 2018 میں 200 ارب روپے کے مقابلے میں مارچ 2019 میں 195 ارب روپے تک رو گئے۔

فنڈ کی کارکردگی :-

الائیڈ کیٹیوئل پروڈیکٹس فنڈ (ABL-ACPF)

زیر الجائزہ مدت کے دوران % 2.32 کا منافع ریٹرن کیا ہے جبکہ مقرر کردہ معیار % 1.99 کا تھا جو کہ % 0.33 کی بہتر پرفورمنس کو ظاہر کرتا ہے۔ فنڈ میں % 93.74 کی سرمایہ کاری TDR کے ذریعے کی گئی اور % 2.6 کیٹگریز میں اس مدت کے اختتام کے دوران تھی لائیڈ کیٹیوئل پروڈیکٹس فنڈ کے ماتحت اثاثہ جات مارچ 2019 کے آخر میں 389.05 ملین روپے ریکارڈ کئے گئے۔

محاسب کار :-

میرزا بیانات یوسف سلیم اینڈ کمپنی (چارٹرڈ اکاؤنٹینٹس) کو اے بی ایل اسلامک مالیاتی پلاننگ فنڈ (ABL-IFPF) کا برائے مالی سال 30 جون 2019 تک محاسب کار مقرر کیا گیا۔

انتظامی معیار کی درجہ بندی :

31 دسمبر 2018 کو JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹیڈ نے اے بی ایل ایسٹ منجمنٹ کمپنی لمیٹیڈ کی انتظامی معیار کی درجہ بندی کو AM two (AM two Plus) سے AM2+ قرار دیا۔ متعین کردہ حد بندی کے لحاظ سے مستحکم ہے۔

جائزہ :-

آئیوالے ایم واقعات 2QCY19 میں حصص مارکیٹ کے رخ کا یقین کریں گے۔ (i) پاکستان کے IMF سے مذاکرات مشاورت (۲) مالی سال 2020 کا بجٹ FATF میں ترقی ہمارے خیال میں IMF کو کرنسی میں ردوبدل اور پالیسی ریٹ میں اضافہ سے مطمئن ہو جانا چاہئے تاہم بجلی اور گیس کے نرخوں میں نظر ثانی کی جاسکتی ہے ترقیاتی اخراجات چیک میں رہیں گے۔ اس طرح سائیکلک شعبوں جیسے سینٹ اسٹیل کا دباؤ برقرار رہے گا دوسری طرف باورسلیکٹر IMF سے فائدہ حاصل کرنیوالے میں ہوگا کیونکہ ٹیرف میں اضافہ اور سوک کی پیشکش کی وجہ سے بڑی پلگ ریلیٹ کھسی جاسکی گے ٹیکس بھی 2013/14 والا سال دوبارہ دیکھیں گے جب انہوں نے زیادہ پیداوار ڈینی والی PIB کو 3-5 سال تک کے پابند کر دیا تھا بیرونی سلیکٹر زیادہ نمبر دکھائے گا اور ہم اوسطاً موجودہ اکاؤنٹ کے خسارے کو 700 ملین USD تک دیکھیں گے (سال 18 میں اوسطاً مالی خسارہ % 5.0 ارب USD تھا) تاہم افراط زر میں انج اب جاری رہی اسلیے گزشتہ کچھ ہفتوں سے تیل کی عالمی قیمتیں مسلسل بڑھ رہی ہیں۔

توسیق :

ہم اپنے گرانقدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اپنا اعتماد کیا منتظمین بھی سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا مٹری (MCB) فنڈ منیجرس لمیٹیڈ کا اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کا ان کی مسلسل رہنمائی اور معاونت پر مشکور ہیں۔ منتظمین انتظامی اراکین کی جانب سے کی گئی کاوشوں کو بھی سراہتے ہیں۔

برائے اور منجانب منتظمین :

علی خالد غزنوی

سربراہ



منتظم

8 اگست 2019، لاہور

ABL Asset Management
Discover the potential

آگے چلتے ہوئے ہم امید کرتے ہیں کہ IMF کے بیل آؤٹ پیکج پر دستخط کے بعد بیرونی اکاؤنٹ پر آسانی ہوگی موجودہ اکاؤنٹ کا خسارہ بیرونی ملک کارکنوں کی ترسیلات میں میں رمضان المبارک کے بعد عید الفطر کے موقع پر زیادتی کی وجہ سے اور روپے کی قیمت میں کمی کی وجہ سے درآمدات میں کمی کی وجہ سے کنٹرول میں رہنے کی توقع ہے۔ مہنگائی اسٹیٹ بینک کے دیئے گئے حدف کے مطابق 75%-6.5% تک رہنے کی توقع ہے۔ گورنمنٹ کی طرف سے ایک اور ٹیکس ایجنسی اسکیم کے اعلان کی توقع ہے تاکہ محصولات کی وصولی کا درازہ وسیع ہو جائے اور مالی خسارے کو کم کیا جائے سال 2020 کا بجٹ بھی ملک کے مستقبل میں ایک اہم کردار ادا کرے گا ان تمام عناصر کو ایک طرف رکھتے ہوئے سازگار سیاسی ماحول چیزوں کو پلان کے مطابق چلانے میں ایک بنیادی محرک ہوگا۔

مارکیٹ کا جائزہ:

3Q FY19 نے KSE-100 انڈیکس میں 10% کے اضافہ کے ساتھ جنوری کے مہینے میں ایک اچھا آغاز کیا جسکی وجہ منی بجٹ میں کچھ مثبت اقدامات کے اعلانات (بینکنگ، کھاد، اور آٹوموبائل سیکٹر) کے لیے کئے گئے تھے مزید یہ کہ دوست ممالک سے مالی معاونت اور کچھ حوصلہ مند اقدامات بڑی معیشت کے محاذ پر۔ بہر حال یہ صورت حال تھوڑے عرصے کے لیے رہی کیونکہ سرمایہ کاروں نے فیصلہ کنی بخش کارپوریٹ آرنگ، پلڈامہ پر خود کش حملے کے بعد پاکستان اور انڈیا کے باڈر پر کشیدگی اور IMF کے پروگرام میں تاخیر کی وجہ سے فروخت شروع کر دی ان ضمنی اقدامات نے سعودی عرب کے ساتھ کئے گئے 20 ارب USD کے معاہدوں کے اثر کو بھی زائل کر دیا اور انڈیکس 3QFY19 میں 3.5% اضافہ کے ساتھ اس سہ ماہی میں 38,649 پوائنٹس پر بند ہوا۔

سرمایہ کاری کے محاذ پر بیرونی ملک سرمایہ کار اور مقامی میوچل فنڈ مختلف سمتوں میں تھے جہاں بیرونی سرمایہ کاروں کی طرف سے خریداری USD 31 ملین تک پہنچ گئی وہاں میوچل فنڈ نے اتنی مقدار (ملین USD 31) کی مالیت کے شیئرز (اس سہ ماہی میں فروخت کر دیئے۔ اسی طرح بروکرز اور بینکنگ DFII خریدار تھے جبکہ افراد اور کمپنیاں مارکیٹ میں سرمایہ کاری کرنے سے گریزاں تھیں کاروباری طرف اس سہ ماہی مارکیٹ کم از کم رہی جہاں اوسط والیوم YoY 39% سے گرتے ہوئے 131 ملین شیئرز تک آیا جبکہ اوسط کاروباری مالیت YoY 49% تک گرتے ہوئے 41 ملین USD تک آگئی

مزید برآں کے سیکٹر کا تجزیہ یہ ظاہر کرتا ہے کہ کمرشل بینکنگ، ٹیل اور گیس نکالنے والی کمپنیوں کے ساتھ کھاد سیکٹر نے انڈیکس کو آگے بڑھایا اور 814,919 اور 617 کے پوائنٹس کا بالترتیب اضافہ کیا، پہلے والے، (بینکنگ) نے بڑھتی ہوئی شرح سود کو فائدہ اٹھایا جبکہ E & P سیکٹر کو سمندر میں ڈرننگ کی وجہ سے بہتر توقعات سے فائدہ ہوا اس برعکس پاؤڈر جزییشن اور ڈسٹریوشن سیکٹر مارکیٹ کو 336 پوائنٹس نیچے لے گیا جس کی وجہ HUBC کی طرف سے کم قیمت پر انڈیکس شیئرز کا اجراء ہوتا ہے۔

مشترکہ فنڈ کی صنعت کا جائزہ:

اوپن اینڈ فنڈ کی صنعت کے زیر انتظام (اثاثہ جات AUM) 3QFY19 کے دوران مستحکم رہے صرف ایک معمولی %0.16 کی گراؤٹ کا مظاہرہ کیا (630 ارب روپے سے 629 ارب روپے) جس کی بنیادی اصل وجہ غیر یقینی معاشی صورتحال اور کلیاتی معاشیات کے محرکات کی بہتری تھی جو کہ گزشتہ سال اسی مدت کے برعکس ہے جب اثاثہ جات AUM میں %10 کا اضافہ ہوا اور یہ مارچ 2018 کے اختتام تک 704 ارب روپے تک پہنچ گئے۔ ایکویٹی فنڈز جس میں کنوشنل اور اسلامک ایکویٹی شامل ہے نے اچھی خاصی کمی کا مظاہرہ کیا اور اثاثہ جات میں بالترتیب %11.6 اور %14.7 کی کمی کے ساتھ 123 ارب اور 83.9 ارب روپے پر بند ہوئے یہ کمی بنیادی طور پر مارکیٹ کی خراب کارکردگی کی طرف منسوب کی جاسکتی ہے (جب جنوری کے اثر کے باوجود 3QFY19 میں KSE-100 انڈیکس %4.5 بڑھا) جو غیر یقینی معاشی کی صورتحال کی وجہ سے جس نے سرمایہ کاروں کے جذبات کو بھی

آگامی منجانب منتظمین کمپنی

اے بی ایل اسلامک ایسٹ الویشن فنڈ (ABL-IAFF) کی انتظامی کمپنی ABL ایسٹ منجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز نے ایل اسلامک ایسٹ الویشن فنڈ کے جامع مالیاتی (غیر محاسبی) حسابات برائے ششماہی 31 مارچ 2019 پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

جاہزہ برائے اقتصادی کارکردگی

ملک کے بڑے معاشی عوامل نے 9MFY19 کے دوران ایک مسابقتی ماحول پیدا کیے رکھا ملک کی معیشت موجودہ اکاؤنٹ کے بہت زیادہ خسارے، بڑھتے ہوئے مالی عدم توازن اور تیزی سے ختم ہوتے ہوئے زرہ مبادلہ کے ذخائر کی وجہ سے دباؤ میں رہی ان تمام عوامل نے PKR/USD کو % 16 کم کر دیا، % 6.78 YoY مہنگائی کر دی اور 425 پوائنٹس پالیسی ریٹ میں اضافہ ہو گیا۔ اگرچہ ہم پر امید ہے کہ معاشی چیلنجز سے نمپٹنے کے لیے خاطر خواہ رد و بدل کیا جا چکا ہے۔ جیسا کہ ملک نے بنیادی اصلاحات کے پروگرام کا آغاز کر دیا ہے بڑے عالمی معاہدات کے ساتھ جیسا کہ IMF جو درمیان میں ہے معیشت آگے بڑھنے کی طرف گامزن ہو چکی ہے۔ 8MFY19 میں ملک کا موجودہ اکاؤنٹ کا خسارہ (CAD) YoY % 23 کے اضافہ کے ساتھ USD 8.84 ارب ڈالر تک پہنچ گیا % 8 YoY کے کم تجارتی خسارے کی وجہ سے سامان تجارت اور خدمات میں ترقی دیکھی گئی اگرچہ 8MFY19 میں برآمدات USD 19.45 ارب تک رہیں اور خدمات اور سامان تجارت کی درآمدات میں کمی (% 4.58 YoY) اور بیرون ملک کارکنوں کی ترسیلات میں تیزی نے موجودہ اکاؤنٹ کے خسارے کو (CAD) کو کنٹرول کرنے میں معاونت کی اس کی وجہ سے بیرونی اکاؤنٹ پر اور زر مبادلہ کی ذخائر دباؤ کم ہوا۔ 29 مارچ 2019 تک ملک کے زر مبادلہ کے ذخائر US 17.4 ارب ڈالر ہو گئے۔ مارچ 2019 کے آخر میں چانسے سے قرضہ ملنے والی رقم کی وجہ سے بیڈ خانہ US 2.1 ارب ڈالر تک اور بڑھ گئے۔

ملک میں مارچ 2019 میں پانچ سال کی سب سے زیادہ مہنگائی رہی جو کہ % 9.41 تھی پچھلے سال اسی مدت میں % 3.25 تھی۔ مہنگائی میں یہ اضافہ قابل استعمال غذائی آئٹم اور ناقابل غذائی آئٹم کی طرف منسوب کیا جا سکتا ہے۔ جس (کنزیومر پرائز انڈیکس) میں % 2.97 کا حصہ ڈالا ہے اس کے بعد ٹرانسپورٹ (% 0.80 کا حصہ) حادہ سنگ، پانی، بجلی، گیس اور پیٹرول (% 3.31 کا حصہ) 9MFY19 میں اوسط CPI % 6.78 YoY تک آ گیا جبکہ پچھلے سال اسی مدت کے دوران % 3.78 YoY تک تھا۔ اسٹیٹ بینک نے 9MFY19 کے دوران مہنگائی کو نیچے لانے کیلئے پالیسی ریٹ میں % 4.25 تک اضافہ کر دیا۔ دوسری طرف بڑھتی ہوئی شرح سود نے ملک کی GDP کی نمو کو جامد کر دیا عالمی ادارے جیسے کہ ورلڈ بینک IMF اور موڈی نے GDP کی نمو کو FY19 کیلئے % 4 سے بھی نیچے شمار کیا یہ سست روی ہانگل درست ہے اس لیے کہ اسٹیٹ بینک کے فراہم کردہ اعداد و شمار کے مطابق 7MF19 کی مدت کے دوران بڑی صنعتیں % 2.30 YoY تک گھٹ گئیں۔















مالیاتی مجوزہ پر FY19 کے دوران ملک میں ایک بڑے مالی خسارے آنے کی امید ہے اگرچہ حکومت پاکستان مالی خسارہ کم کرنے کے لیے سخت اقدامات کر رہی ہے جو محصولات کے حذف کی وصولی میں ناکامی نے مشکل بنا دیا ہے مارچ 2019 میں محصولات کی وصولی % 5.14 YoY کی کمی کے ساتھ 351 ارب روپے ہوئی مارچ 2019 میں 357 ارب روپے ٹیکس کی وصولی پہنچ گئی % 5.14 YoY کم جبکہ محصولات کی وصولی کا حذف 432 ارب روپے تھا مجموعی طور پر 9MFY19 میں ٹیکس کی وصولی 2681 ارب روپے تک ہو گئی جبکہ وصولی کا حذف 2998 ارب روپے تھا جو کہ 317 ارب روپے کے شارٹ فال کی عکاسی کرتا ہے یا درہے کے FY19 مالی سال کیلئے ٹیکس کی وصولی کا حذف 4398 ارب روپے تھا۔ بہرونی اکاؤنٹ ڈیبٹ سروس کی بہت زیادہ قیمت، بھاری مالی خسارے، انتہائی مہنگائی اور کم GDP نمو کی وجہ سے پاکستانی روپیہ امریکن ڈالر کے مقابلے میں گر گیا روپے کی قدر میں 9MFY19 میں % 16 کی کمی واقع ہوئی ہے جبکہ % 22 YoY کے مقابلے میں جو کہ گزشتہ سال اسی مدت میں 140.78 روپے پر تھا۔



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