



ABL Income Fund

Nine Months Report

CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2020



ABL Asset Management

Discover the potential

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ABL INCOME FUND 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 Shahzad Mr. Alee Khalid Ghaznavi	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director CEO/Executive Director
Audit Committee:	Mr. Muhammad Kamran Shahzad 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 Shahzad	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Alee Khalid Ghaznavi	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shahzad	
Trustee:	Central Depository Company of Pakistan Limited. CDC-House, Shahrah-e-Faisal, Karachi	
Bankers to the Fund:	Allied Bank Limited Bank Al- Falah Limited United Bank Limited Habib Bank Limited	
Auditor:	M/S. A.F. Ferguson & Co. Chartered Accountants State life Building No. 1-C I.I Chundrigar Road, Karachi.	
Legal Advisor:	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
Registrar:	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500	

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Income Fund (ABL-IF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Income Fund for the nine months ended March 31, 2020.

ECONOMIC PERFORMANCE REVIEW – 9MFY20

The disinflation continued in the country as we witnessed national CPI dropping at 10.24%YoY in March 2020 compared to 12.40%YoY in February 2020. The inflation fell on the back of lower food and fuel prices, and the base effect. The plunged local fuel prices were a reflection of a collapse in global oil prices owing to disagreement between OPEC and Russia over production cut. The average NCPI stands at 11.53%YoY during 9MFY20 against 6.31%YoY in the SPLY. Under the current pandemic scenario, we expect the inflation to fall further at a faster pace than expected given that the lockdown has affected the economic activities in the county while the commodities' prices have collapsed globally. However, we fear that any abnormal uptick in food prices due to supply disruption may result in the trend to act in the opposite direction.

The Government has been managing the current account effectively so far as it has come down by 71%YoY to USD 2.84bn during 8MFY20. The deficit predominantly plummeted due to 15%YoY lower imports to USD 42.08bn while the exports increased by 3%YoY to USD 20.1bn during 8MFY20. Furthermore, worker remittances also rose by 5% to USD 15.1bn aiding the current account. That said, foreign exchange reserves of the country stand USD 17.4bn as at March 27, 2020; providing an import cover of ~3.02 months. On the fiscal side, during 9MFY20, provisional tax collection has reached to PKR 3.06tn against the revised target of PKR 3.52tn reflecting a shortfall of PKR 458bn with PKR 261bn shortfall in Mar'20 only. The continuing lockdown negatively impacted the tax collection in recent month and the situation is expected to persist.

Pakistan's GDP growth was reported at 3.3%YoY in FY19 dropped from 5.2% in FY18. The growth slowed down due to economic reforms and fiscal measures adopted by the government. During the period of Jul-Jan 2020, the large scale manufacturing (LSM) has significantly dented by 3.37%YoY compared to a 1.60% decline in the SPLY. The major contributors in the downfall were the Automobile (-36.07%), Iron and Steel Products (-9.25%), Coke & Petroleum Products (-10.59%) and Electronics (-8.50%). The textile sector (+0.28%) could not perform well despite competitiveness granted by the devaluation. The performance is expected to worsen in the coming months due to the corona virus outbreak halting economic activities not just in the country but in the whole world. We expect the lock down to result in GDP contraction in the 4QFY20 leading to a lower growth rate in FY20 against target of 2.4%.

Going forward, especially in the short run, the direction of the market will be set by the situation of coronavirus pandemic in the country and the resulting impact on the economy. To stimulate the economy and manage the current crises, Prime Minister of Pakistan has announced a relief package of PKR 1.2tn covering i) reduction of prices of petrol, diesel and kerosene by PKR 15 per liter, ii) allocation of PKR 150bn to provide PKR 3,000 monthly to daily wagers for the period of 4 months, iii) allocation of PKR 100bn to SME and agriculture sectors, iv) allocation of PKR 100bn to export industry to release the sales tax refunds on immediate basis, v) allocation of PKR 50bn for Utility Store Corporation (USC) so that provision of essential food items at affordable price and uninterrupted food supply chain could be ensured, vi) the full gas bill while electricity bill upto 300 units can be paid in installments over 3 months, vii) allocation of PKR 50bn for the procurement of medical equipment, viii) lower or no tax on food items such as on

imports of pulses, palm oil and others, ix) allocation of PKR 100bn for emergencies induced by coronavirus outbreak, x) allocation of PKR 25bn for National Disaster Management Authority (NDMA) to purchase and procuring of kits, xi) allocation of PKR 50bn for the medical staff, and xii) expansion of shelter homes to accommodate more people. In addition to this, a construction package has also been announced allowing i) fixed tax regime to be introduced for builders and developers, ii) builders and developers not to withhold tax on purchase of building material except cement, steel and services; iii) builders and developers to be eligible to tax credit up to 10x of tax already paid while declaring net worth iv) reduced tax rate by 90% for low cost housing/ projects developed by NAPHDA, v) exemption from Section 111 of Income Tax Ordinance 2001 (till June 30, 2022) for purchase of land and constructing any structure (house, commercial building, etc.), constructing any structure on already owned land and first purchase of newly constructed property, vi) rationalization of Capital Gain Tax (CGT), vii) valuation of real estate/plot, viii) rationalization / reduction in sales tax on construction material, ix) exemption of taxes on first house, x) sales tax to be levied at PKR 50 per square foot for builders and 100 per square yard for developers by all provinces and ICT, xi) exemption from sales tax on construction services, xii) complete exemption from sales tax for low cost housing by NAPHDA or provincial housing authorities, xiii) all provincial and municipal taxes, duties, fees, levies and charges on transfer and registration of urban properties to be clubbed under one head and charged at a rate of 2% of valuation, xiv) expediting the already initiated process of fresh master plans / updating of existing master plans and zoning, xv) fully automated one window portals by all provinces / development authorities to process approvals and facilitate other client services, xvi) status of industry to construction sector, and xvii) construction of 100,000 low cost housing to be initiated in the current year with mortgage at preferably 6%. Furthermore, the state bank of Pakistan (SBP), in an emergency meeting, further slashed the policy rate by 150 bps to 11% in addition to already announced cut of 75 bps in March MPC.

MUTUAL FUND INDUSTRY REVIEW – 9MFY20

Total Assets under management (AUMs) of open end mutual fund posted a substantial growth of 20% during 9MFY20 from PKR 573bn to PKR 689bn, mainly on account of massive flow in money market fund. Money market fund including conventional and Islamic, witnessed immense growth of 70% to close the period at PKR 282bn. Similarly fixed income funds both conventional and Islamic posted growth of 47.9% to close 9MFY20 at PKR 172bn. This growth in money market fixed income funds can be attributed to record high interest rates, volatile equity markets amid coronavirus and oil price war.

On the equity side, we witnessed significant reduction of ~18% in AUMs from PKR 103bn to PKR ~83bn during 9MFY20. An important thing to note is a major reduction of ~24% from PKR 111bn to PKR 84bn recorded in the month of Mar'20 after the outbreak of coronavirus. Similar trend can be seen in Islamic equity funds where AUMs reduced from PKR 54bn to PKR 40.7bn during 9MFY20 with a major fall of ~29% only in March 2020.

Money Market Overview 9M:

During the period under review, money market remained volatile as SBP's stance moved from monetary tightening to easing. SBP raised interest rates in July 2019 by 100 bps to combat rising inflation and attract foreign investments in PKR denominated debt instruments. However, these plans came undone when coronavirus upended the hopes for economic revival and SBP was forced to cut interest rate by 225bps in month of March 2020. Resultantly, we have witnessed ~USD 1.8bn outflow of Hot Money only in March 2020. Consequently, PKR/USD depreciated during the month. Pakistan investment bonds (PIBs) trading yields came down from

13.72% to 9.15%, with a significant tilt towards longer tenor instruments to lock-in higher interest rates for the future. During the year, the money market witnessed a seasonal lack of liquidity as SBP continued with frequent open market operations (OMOs). At the end of the period under review, the SBP remained a net lender of worth PKR 937bn under a single reverse repo arrangement at a cut-off rate of 11.01%. On the T-bills side, the 3-Month cut off yields decreased from 12.75% to 11.30%. During the period under review, participation in 6 & 12M remained high as the market participants' expectation for inflation started to come down, signaling start of monetary easing by SBP. The cut-offs for 12M T-bill came down by ~323bps to 10.87% whereas the bond cut off yields for 3, 5 & 10 years closed at 11.59%, 11.99% & 10.85% respectively.

FUND PERFORMANCE

During the period under review, ABL Income fund posted an annualized return of 14.17% against the benchmark return of 13.51%. The AUMs of the Income fund closed at PKR 1,491.58 million at the end of Mar'20 as compared to PKR 1,748.43 million at the end of Dec'19.

Weighted average maturity of the fund was increased to 692 days at the end of Mar'20 from 526 days at the end of Dec'19 because of an increase in exposure in government securities, primarily PIBs. At the end of 3QFY20, exposure in cash stood at 22.70%, exposure in T-Bills stood at 30.36%, exposure in TFCs stood at 30.61% and exposure in PIBs closed at 11.63% of the fund's total assets.

AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2020 for ABL Income Fund (ABL-IF).

FUND STABILITY RATING

JCR-VIS Credit Rating Company Ltd. (JCR-VIS) on January 20, 2020, reaffirmed the Fund Stability Rating of ABL Income Fund at 'A(f)' (Single A(f)).

MANAGEMENT QUALITY RATING

On December 31, 2019, 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). Outlook on the assigned rating is 'Stable'.

OUTLOOK

We expect the interest rates to continue to reverse (downwards) in the coming months amid decreasing international oil prices. Inflation forecast for next quarter may provide significant room for further reduction in policy rate.

In the light of above scenario, ABL IF will continue to take active exposure in longer tenor instruments such as 3 & 5 year Bond. We expect market yields to continue to decline while the yield curve is expected to stay inverted until a substantial reduction in Policy rate is made. The fund shall position itself as a high duration portfolio with exposures concentrated towards longer tenor along with active allocation in Floating Rate Instruments.

ACKNOWLEDGEMENT

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

For & on behalf of the Board



Director



**Alee Khalid Ghaznavi
Chief Executive Officer**

Lahore, April 29, 2020

**ABL INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2020**

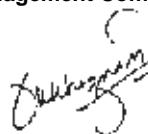
	(Un-audited) March 31, 2020	(Audited) June 30, 2019
Note	----- (Rupees in '000) -----	
Assets		
Bank balances	4 348,330	642,683
Investments	5 1,123,198	1,071,265
Interest / profit accrued	22,338	34,520
Deposits, prepayments and other receivable	40,377	34,092
Total assets	1,534,243	1,782,560
Liabilities		
Payable to ABL Asset Management Company Limited - Management Company	6 36,100	28,765
Payable to the Central Depository Company of Pakistan Limited - Trustee	130	245
Payable to the Securities and Exchange Commission of Pakistan	264	1,534
Payable against redemption of units	326	1,675
Payable against purchase of investment	-	46,338
Dividend payable	-	1
Accrued expenses and other liabilities	7 5,847	11,101
Total liabilities	42,667	89,659
NET ASSETS	<u>1,491,576</u>	<u>1,692,901</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	<u>1,491,576</u>	<u>1,692,901</u>
CONTINGENCIES AND COMMITMENTS	8	
	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE	<u>133,806,064</u>	<u>168,084,730</u>
	----- (Rupees)-----	
NET ASSET VALUE PER UNIT	<u>11.1473</u>	<u>10.0717</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Financial Officer



Chief Executive Officer



Director

ABL INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

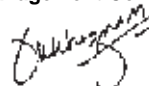
	Note	For the nine months ended		For the Quarter ended	
		March 31,		March 31,	
		2020	2019	2020	2019
------(Rupees in '000)-----					
Income					
Income from government securities		55,484	24,023	22,990	4,704
Income from commercial paper		396	-	-	-
Income from term finance certificates and sukuk		60,513	57,729	19,001	21,275
Income from marginal trading system		-	2,511	-	264
Profit on savings accounts		65,069	61,247	7,962	17,548
Other income		-	77	-	-
		181,462	145,587	49,953	43,791
Gain / (loss) on sale of investments - net		25,074	(7,052)	7,603	(2,602)
Unrealised appreciation/diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.7	3,783	(8,168)	13,138	1,447
		28,857	(15,220)	20,741	(1,155)
Total Income		210,319	130,367	70,694	42,636
Expenses					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	19,801	23,657	5,621	5,853
Punjab sales tax on the Management Company's remuneration	6.2	3,168	3,785	899	936
Accounting and operational charges	6.4	3,260	1,577	374	388
Selling and marketing expense	6.5	5,279	6,307	1,498	1,560
Remuneration of Central Depository Company of Pakistan Limited - Trustee		996	1,979	281	542
Sindh sales tax on remuneration of the Trustee		130	257	37	70
Annual fee to the Securities and Exchange Commission of Pakistan		264	1,183	75	293
Securities transaction costs		1,431	367	504	138
Bank charges		56	69	10	25
Auditors' remuneration		574	374	134	123
Printing charges		150	146	50	-
Legal & Professional Expenses		90	81	-	81
Annual listing fee		21	23	7	7
Annual rating fee		235	225	78	74
Total operating expenses		35,455	40,030	9,568	10,090
Net income for the period before taxation		174,864	90,337	61,126	32,546
Taxation	10	-	-	-	-
Net income for the period after taxation		174,864	90,337	61,126	32,546
Earnings per unit	11				
Allocation of net income for the period:					
Net income for the period after taxation		174,864	90,337	61,126	32,546
Income already paid on units redeemed		(51,588)	(35,845)	(29,138)	(8,130)
		123,276	54,492	31,988	24,416
Accounting income available for distribution:					
-Relating to capital gains		28,857	-	20,741	-
-Excluding capital gains		94,419	54,492	11,247	24,416
		123,276	54,492	31,988	24,416

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Chief Financial Officer



Chief Executive Officer



Director

ABL INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2020

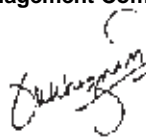
	2020	2019	2020	2019
	----- (Rupees in '000) -----			
Net income for the period after taxation	174,864	90,337	61,126	32,546
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>174,864</u>	<u>90,337</u>	<u>61,126</u>	<u>32,546</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Chief Financial Officer



Chief Executive Officer



Director

ABL INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE NINE MONTHS ENDED MARCH 31, 2020

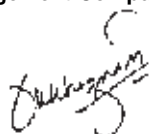
	Nine months ended March 31,					
	2020			2019		
	(Rupees in '000)					
Capital Value	Un-distributed income	Total	Capital Value	Un-distributed income	Total	
Net assets at beginning of the period (audited)	1,670,335	22,566	1,692,901	2,693,534	116,493	2,810,027
Issue of 96,527,196 (2019: 136,413,142) units						
Capital value (at net asset value per unit at the beginning of the period)	972,194	-	972,194	1,373,603	-	1,373,603
Element of income	31,851	-	31,851	43,980	-	43,980
Total proceeds on issuance of units	1,004,045	-	1,004,045	1,417,583	-	1,417,583
Redemption of 130,805,862 (2019: 211,177,863) units						
Capital value (at net asset value per unit at the beginning of the period)	1,317,439	-	1,317,439	2,126,279	-	2,126,279
Element of loss	11,207	51,588	62,795	5,993	35,845	41,838
Total payments on redemption of units	1,328,646	51,588	1,380,234	2,132,272	35,845	2,168,117
Total comprehensive income for the period	-	174,864	174,864	-	90,337	90,337
Distribution during the period						
2020: Nil (2019: Re. 0.3588 per unit on July 03, 2018)	-	-	-	(18,171)	(77,820)	(95,991)
Re. 0.0850 per unit on August 01, 2018)	-	-	-	(4,009)	(18,170)	(22,179)
Net income / (loss) for the period less distribution	-	174,864	174,864	(22,180)	(5,653)	(27,833)
Net assets at beginning of the period (audited)	1,345,734	145,842	1,491,576	1,956,665	74,995	2,031,660
Undistributed income brought forward						
- Realised income		35,522			114,741	
- Unrealised (loss) / income		(12,956)			1,752	
		22,566			116,493	
Accounting income available for distribution						
-Relating to capital gains		28,857			-	
-Excluding capital gains		94,419			54,492	
		123,276			54,492	
Distribution during the period		-			(95,990)	
Undistributed income carried forward		145,842			74,995	
Undistributed income carried forward						
-Realised income		142,059			83,163	
-Unrealised income / (loss)		3,783			(8,168)	
		145,842			74,995	
				Rupees		Rupees
Net assets value per unit at beginning of the period				10.0717		10.5036
Net assets value per unit at end of the period				11.1473		10.5395

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited
(Management Company)



Chief Financial Officer



Chief Executive Officer



Director

**ABL INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020**

	2020	2019
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	174,864	90,337
Adjustments:		
Income from government securities	(55,484)	(24,023)
Income from term finance certificates and sukuk	(60,513)	(57,729)
Income from marginal trading system	-	(2,511)
Profit on savings accounts	(65,069)	(61,247)
Unrealised appreciation / diminution on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(3,783)	8,168
	(184,849)	(137,342)
Decrease / (increase) in assets		
Deposits, prepayments and other receivable	(6,285)	3,290
Increase / (decrease) in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	7,335	5,962
Payable to the Central Depository Company of Pakistan Limited - Trustee	(115)	(71)
Payable to the Securities and Exchange Commission of Pakistan	(1,270)	(1,560)
Dividend payable	(1)	-
Accrued expenses and other liabilities	(5,254)	224
	695	4,555
Income received from government securities	67,676	15,719
Income received from term finance certificates / sukuk certificates	53,546	47,233
Income received from marginal trading system	-	2,511
Profit received on savings accounts	72,026	59,320
Net amount (paid) / received on purchase and sale of investments	(94,488)	179,051
Net cash flow generated from operating activities	<u>83,185</u>	<u>264,674</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash distribution paid	-	(118,170)
Amount received on issuance of units	1,004,045	1,417,583
Amount paid on redemption of units	(1,381,583)	(2,168,354)
Net cash generated used in financing activities	<u>(377,538)</u>	<u>(868,941)</u>
Net decrease in cash and cash equivalents during the period	<u>(294,353)</u>	<u>(604,267)</u>
Cash and cash equivalents at the beginning of the period	642,683	1,924,427
Cash and cash equivalents at the end of the period	<u>4</u> <u>348,330</u>	<u>1,320,160</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

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



Chief Financial Officer



Chief Executive Officer



Director

ABL INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on June 16, 2008 between ABL Asset Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed has been revised through the Deed of Change of Trustee and the First and Second Supplemental Trust Deeds dated December 31, 2010 and July 29, 2011 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the Offering Document of the Fund has been revised through the First, Second, Third and Fourth Supplements dated November 1, 2010, September 20, 2011, December 20, 2011, and July 30, 2013 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. NBFC - II/VS/ ABL/ 447/ 2008 dated June 06, 2008 in accordance with the requirement of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

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

1.2 The Fund has been categorised as an open ended income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from September 20, 2008 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan which the Fund aims to deliver mainly by investing in government securities, cash in bank accounts, money market placements, deposits, certificates of deposits, term deposit receipts, commercial papers, reverse repo, term finance certificates / sukuks, marginal trading system, spread transactions other absolute return instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.

1.4 JCR-VIS Credit Rating Company Limited has assigned Management Quality Rating of AM2++ (stable outlook) to the Management Company as at December 31, 2019 and fund stability rating of A(f) to the fund as at January 20, 2020.

1.5 The title to the assets of the Fund's held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 with the requirements of IAS 34, 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.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2019.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2019.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2019. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2019.

3.3 Amendments to accounting and reporting standards that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting periods beginning on or after July 1, 2019. However, these are not expected to have any significant impacts on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

		(Un-audited) March 31, 2020	(Audited) June 30, 2019
		------(Rupees in '000)-----	
4	BANK BALANCES	Note	
	Balances with banks in savings accounts	4.1	348,330 642,683

4.1 This includes balance of Rs 36.164 million (June 30, 2019: Rs 18.055 million) maintained with Allied Bank Limited (a related party) that carries profit at 14.50% per annum (June 30, 2019: 13.40%). Other profit and loss saving accounts of the Fund carry profit rates ranging from 8.00% to 13.65% per annum (June 30, 2019: 8.00% to 13.75% per annum).

4.2 Balance in current accounts is maintained with Allied Bank Limited, a related party.

		(Un-audited) March 31, 2020	(Audited) June 30, 2019
		------(Rupees in '000)-----	
5	INVESTMENTS	Note	
	At fair value through profit or loss		
	- Term finance certificates - unlisted	5.1	384,561 507,846
	- Sukuk certificates - listed	5.2	59,790 94,817
	- Sukuk certificates - unlisted	5.3	25,256 -
	- Commercial paper		9,495 109,256
	- Government securities - Market Treasury Bills	5.4	465,858 -
	- Government securities - Pakistan Investment Bonds	5.5	178,237 359,346
			1,123,198 1,071,265

5.1 Term finance certificates - unlisted

Name of the investee company	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (diminution)/ appreciation as at March 31, 2020	Market value as a percentage of total market value of investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
	-----Number of Certificates-----			-----Rupees in '000-----			-----Percentage-----			
Commercial Banks										
Bank of Punjab TFC (Face value of 99,880 per certificate)	1,790	-	350	1,440	142,425	143,037	612	12.73%	9.59%	5.75%
JS Bank TFC (Face value of 4,994 per certificate)	39,850	-	9,000	30,850	154,732	148,056	(6,676)	13.18%	9.93%	5.14%
Investment Companies										
Jahangir Siddiqui Company Limited (Face value of 5,000 per certificate)	30,000	-	-	30,000	93,356	93,468	112	8.32%	6.27%	10.00%
Total	<u>71,640</u>	<u>250</u>	<u>9,350</u>	<u>62,540</u>	<u>390,513</u>	<u>384,561</u>	<u>(5,952)</u>	<u>34.24%</u>	<u>25.78%</u>	
Total - June 30, 2019					<u>516,080</u>	<u>507,846</u>	<u>(8,234)</u>	<u>47.41%</u>	<u>30.00%</u>	

5.2 Sukuk certificates - listed

Name of Investee Company	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (diminution)/ appreciation as at March 31, 2020	Market value as a percentage of total market value of investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
	-----Number of certificates-----			-----Rupees in '000-----			-----Percentage-----			
Fertilizer										
Dawood Hercules Corporation Limited (Face value of Rs. 80,000 per certificate)	1057	275	590	742	59,082	59,790	708	5.32%	4.01%	1.14%
Total	<u>1,057</u>	<u>275</u>	<u>590</u>	<u>742</u>	<u>59,082</u>	<u>59,790</u>	<u>708</u>	<u>5.32%</u>	<u>4.01%</u>	
Total - June 30, 2019					<u>95,253</u>	<u>94,817</u>	<u>(436)</u>	<u>8.85%</u>	<u>5.60%</u>	

5.3 Sukuk certificates - unlisted

Sukuk Certificates - unlisted

Name of Investee Company	As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (diminution)/ appreciation as at March 31, 2020	Market value as a percentage of total market value of investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
	-----Number of certificates-----			-----Rupees in '000-----			-----Percentage-----			
Power Generation										
The Hub Power Company Limited (Face value of Rs. 100,000 per certificate)	-	250	-	250	25,213	25,256	44	5.32%	1.69%	0.48%
Total	<u>-</u>	<u>250</u>	<u>-</u>	<u>250</u>	<u>25,213</u>	<u>25,256</u>	<u>44</u>	<u>5.32%</u>	<u>1.69%</u>	
Total - June 30, 2019					-	-	-	-	-	-

5.4 Government securities - Market Treasury Bills

Tenor	Face Value (Rupees in '000)			Rupees in '000			Percentage		
	As at July 1, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020	Carrying value as at March 31, 2020	Market value as at March 31, 2020	Unrealised (diminution)/ appreciation as at March 31, 2020	Market value as a percentage of total investments	Market value as a percentage of net assets
3 Months	-	7,382,500	7,382,500	-	-	-	-	0.00%	0.00%
6 Months	-	2,700,000	2,450,000	250,000	236,965	238,419	1,454	21.23%	15.98%
12 Months	-	3,718,000	3,468,000	250,000	224,788	227,439	2,650	20.25%	15.25%
Total	<u>-</u>	<u>13,800,500</u>	<u>13,300,500</u>	<u>500,000</u>	<u>461,753</u>	<u>465,858</u>	<u>4,105</u>	<u>41.48%</u>	<u>31.23%</u>
Total - June 30, 2019					-	-	-	-	-

5.5 Government securities - Pakistan Investment Bonds

Issue date	Tenor	Face value (Rupees in '000)			Rupees in '000			Unrealised (diminution)/ appreciation as at March 31, 2020	Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 1, 2019	Purchased during the period	Disposed / matured during the period	As at March 31, 2020	March	Carrying value as at March 31, 2020			
July 12, 2018	3 year	333,500	3,350,000	3,683,500	-	-	-	-	0.00%	0.00%
September 19, 2019	3 year	-	3,968,000	3,868,000	100,000	98,704	98,597	(107)	8.78%	6.61%
December 29, 2016	5 year	25,000	-	-	25,000	21,901	24,074	2,173	2.14%	1.61%
July 12, 2018	5 year	50,000	600,000	650,000	-	-	-	-	0.00%	0.00%
September 19, 2019	5 year	-	5,395,000	5,340,000	55,000	52,754	55,567	2,812	4.95%	3.73%
July 12, 2018	10 year	-	185,000	185,000	-	-	-	-	0.00%	0.00%
September 19, 2019	10 year	-	50,000	50,000	-	-	-	-	0.00%	0.00%
Total		408,500	13,548,000	13,776,500	180,000	173,359	178,237	4,878	15.87%	11.95%
Total - June 30, 2019						363,632	359,346	(4,286)	33.54%	21.23%

5.7 Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	Note	(Un-audited)	(Audited)
		March 31, 2020	June 30, 2019
		-----Rupees in '000-----	
Market value of securities	5.1, 5.2, 5.3, 5.4, 5.5	1,123,198	1,071,265
Less: carrying value of securities	5.1, 5.2, 5.3, 5.4, 5.5	(1,119,415)	(1,084,221)
		<u>3,783</u>	<u>(12,956)</u>

6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - RELATED PARTY

Management fee payable	6.1	1,841	2,195
Punjab sales tax on remuneration of the Management Company	6.2	3,080	3,137
Federal Excise duty on remuneration of Management Company	6.3	19,142	19,142
Accounting and operational charges payable	6.4	3,262	860
Selling and marketing expenses payable	6.5	8,710	3,431
Sales load payable		65	-
		<u>36,100</u>	<u>28,765</u>

6.1 The Management Company has charged remuneration at the rate of 1.5% (June 30, 2019 : 1.5%) per annum based on the daily net assets of the Fund. The amount of remuneration is being paid monthly in arrears.

6.2 During the period, an amount of Rs. 3.168 million (2018: Rs 3.785 million) was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012.

6.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 19.142 million is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at March 31, 2020 would have been

higher by Re 0.143 (June 30, 2019: Re 0.114) per unit.

- 6.4** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

The Management Company based on its own discretion has currently fixed a maximum capping of 0.1 percent of the average annual net assets of the scheme for allocation of such expenses to the Fund.

- 6.5** The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the current period, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board of Directors of the Management Company as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Accordingly, the Management Company based on its own discretion has currently determined a capping of 0.4% of the average annual net assets of the fund for charging of selling and marketing expenses to the Fund which has also been approved by the Board of Directors of the Management Company.

7	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Un-audited)	(Audited)
			March 31, 2020	June 30, 2019
			------(Rupees in '000)-----	
	Auditors' remuneration payable		398	324
	Brokerage payable		830	-
	Printing charges payable		223	93
	Provision for Sindh Workers' Welfare Fund	7.1	4,183	4,183
	Withholding taxes payable		213	6,501
			<u>5,847</u>	<u>11,101</u>

- 7.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

The Fund has made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 4.183 million as the decision in this respect is pending to date. The Fund has not made any provision for SWWF after July 01, 2017 as the registered office of the Management Company of the Fund had been relocated from the Province of Sindh to the Province of Punjab.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value of the Fund as at March 31, 2020 would have been higher by Re 0.031 (June 30, 2019: 0.025) per unit.

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the March 31, 2020 and June 30, 2019.

9 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at March 31, 2020 is 2.02% which includes 0.21% representing government levies on the Fund such as sales taxes, annual fee payable to the SECP, etc . This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a income scheme.

10 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2019 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

11 EARNINGS PER UNIT

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

12 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

12.1 Connected persons include ABL Asset Management Company Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

12.2 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.

12.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

12.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

12.5 Detail of transactions with related parties / connected persons during the period:

	<u>Un-audited</u>	
	<u>Nine months ended March 31,</u>	
	<u>2020</u>	<u>2019</u>
	------(Rupees- in 000)-----	
ABL Asset Management Company Limited - Management Company		
Issue of 45,626,366 (2019: 90,756,433) units	469,408	947,604
Redemption of 53,357,118 (2019: 91,121,610) units	560,000	937,268
Remuneration for the period	19,801	23,657
Punjab sales tax on remuneration	3,168	3,785
Accounting and operational charges	3,260	1,577
Selling and marketing expenses	5,279	6,307
Sales load paid	1,134	2,107

	Un-audited	
	Nine months ended March 31,	
	2020	2019
	------(Rupees- in '000)-----	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	996	1,979
Sindh sales tax on remuneration	130	257
Settlement charges	-	50
Allied Bank Limited		
Profit on savings account	20,864	6,143
Bank charges	43	27
ABL Financial Planning Fund - Conservative Allocation Plan		
Issue of Nil (2019: 728,502) units	-	7,380
Redemption of 631,498 (2019: 4,161,550) units	6,620	42,813
ABL Financial Planning Fund - Active Allocation Plan		
Issue of 3,969,651 (2019: 6,153,289) units	41,000	64,000
Redemption of 5,810,657 (2019: 189,060) units	61,303	1,979
ABL Financial Planning Fund - Strategic Allocation Plan		
Issue of 5,519,934 (2019: 14,874,758) units	57,000	154,162
Redemption of 32,328,273 (2019: 21,308,620) units	340,025	219,260
DIRECTORS OF THE MANAGEMENT COMPANY		
Muhammad Waseem Mukhtar		
Issue of Nil (2019: 415,707) units	-	4,282
Sheikh Mukhtar Ahmed		
Issue of 1,820,234 (2019: 681,477) units	20,000	7,000

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

	(Un-audited)	(Audited)
	March 31,	June 30,
	2020	2019
	Rupees in '000	
ABL Asset Management Company Limited - Management Company		
Outstanding 55,335,345 (June 30, 2019: 63,066,097) units	616,840	635,183
Remuneration payable	1,841	2,195
Punjab sales tax on remuneration	3,080	3,137
Federal Excise duty on remuneration	19,142	19,142
Accounting and operational charges payable	3,262	860
Selling and marketing expenses payable	8,710	3,431
Sales load payable	65	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	92	194
Sindh sales tax on remuneration of the Trustee	12	26
Security deposits	100	100
Allied Bank Limited		
Balances held	36,164	18,055
Profit receivable	1,155	601
ABL Financial Planning Fund - Conservative Allocation Plan		
Outstanding 12,626,720 (June 30, 2019: 13,258,218) units	140,754	133,533
ABL Financial Planning Fund - Active Allocation Plan		
Outstanding 2,966,419 (June 30, 2019: 4,807,426) units	33,068	48,419
ABL Financial Planning Fund - Strategic Allocation Plan		
Outstanding 3,260,131 (June 30, 2019: 30,068,469) units	36,342	302,841

<u>(Un-audited)</u>	<u>(Audited)</u>
March 31, 2020	June 30, 2019
Rupees in '000	

DIRECTORS OF THE MANAGEMENT COMPANY

Sheikh Mukhtar Ahmed

Outstanding 2,545,200 (June 30, 2019: 724,967) units

28,372

7,302

Muhammad Waseem Mukhtar

Outstanding 1,803,583 (June 30, 2019: 1,803,583) units

20,105

18,165

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

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. Consequently, differences can arise between carrying values and the fair value estimates.

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.

13.1 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 March 31, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

	<u>(Un-audited)</u>			
	<u>As at March 31, 2020</u>			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
At fair value through profit or loss				
- Commercial paper	-	9,495	-	9,495
- Government securities - Pakistan Investment Bonds	-	178,237	-	178,237
- Term finance certificates - unlisted	-	384,561	-	384,561
- Sukuk certificates - listed	-	59,790	-	59,790
- Sukuk certificates - unlisted	-	25,256	-	25,256
	-	<u>1,123,198</u>	-	<u>1,123,198</u>
	<u>(Audited)</u>			
	<u>As at June 30, 2019</u>			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
At fair value through profit or loss				
- Commercial paper	-	109,256	-	109,256
- Government securities - Pakistan Investment Bonds	-	359,346	-	359,346
- Term finance certificates - unlisted	-	507,846	-	507,846
- Sukuk certificates - listed	-	94,817	-	94,817
	-	<u>1,071,265</u>	-	<u>1,071,265</u>

14 GENERAL

14.1 Figures have been rounded off to the nearest thousand rupees.

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure. There have been no significant reclassifications during the period.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 29, 2020 by the Board of Directors of the Management Company.

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



Chief Financial Officer



Chief Executive Officer



Director

آؤٹ لک

ہم توقع کرتے ہیں کہ تیل کی بین الاقوامی قیمتوں میں کمی کے درمیان آنے والے مہینوں میں سود کی شرحیں (نیچے کی طرف) ریورس رہیں گی۔ اگلی سہ ماہی کے لئے افراط زر کی پیش گوئی پالیسی کی شرح میں مزید کمی کی خاطر اہم گنجائش فراہم کر سکتی ہے۔

مذکورہ بالا منظر کی روشنی میں ، اے بی ایل آئی ایف لمبے عرصہ والے آلات جیسے 3 اور 5 سال کے بانڈ میں فعال نمائش جاری رکھے گا۔ ہم توقع کرتے ہیں کہ مارکیٹ کی پیداوار میں کمی جاری رہے گی جبکہ پالیسی کی شرح میں خاطرخواہ کمی آنے تک پیداوار کی منحنی شکل میں الٹے رہنے کی امید ہے۔ فنڈ خود کو ایک اعلیٰ دورانیے والے پورٹ فولیو کی حیثیت سے رکھے گا جو طویل عرصے تک کی طرف متوجہ ہونے کے ساتھ ساتھ فلوٹنگ ریٹ آلات میں فعال مختص ہوگا۔

اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ، ٹرسٹی (سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے انتظامیہ کی ان کی مسلسل رہنمائی اور مدد کے لئے ان کا شکریہ بھی ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کے ذریعہ کی جانے والی کوششوں کی بھی تعریف کرتے ہیں۔

بورڈ کی طرف سے اور بورڈ کے لئے

علی خالد غزنوی
چیف ایگزیکٹو آفیسر

ڈائریکٹر
لاہور ، 29 اپریل ، 2020

تاہم ، ان منصوبوں کا خاتمہ اس وقت ہوا جب کورونا وائرس نے معاشی بحالی کی امیدوں کو ختم کیا اور مارچ 2020 کے مہینے میں اسٹیٹ بینک کو سود کی شرح کو 225bps تک کم کرنے پر مجبور کیا گیا۔ نتیجہ یہ ہوا کہ ، ہم صرف مارچ 2020 میں ہی 1.8 بلین کی ہاٹ منی کے اخراج کو دیکھ چکے ہیں۔ مہینے کے دوران PKR / USD فرسودہ ہوا۔ پاکستان انویسٹمنٹ بانڈ (پی آئی بی) کی تجارتی پیداوار 13.72 فیصد سے کم ہو کر 9.15 فیصد پر آگئی ، جس میں مستقبل میں اعلیٰ سود کی شرحوں کو لاک ان کرنے کے طویل عرصے سے طے شدہ آلات کی طرف ایک اہم جھکاؤ تھا۔ ایک سال کے دوران ، منی مارکیٹ میں موسمی استقامت کی کمی دیکھنے میں آئی کیونکہ اسٹیٹ بینک بار بار اوپن مارکیٹ آپریشن (OMOs) کے ساتھ جاری رہا۔ زیر جائزہ مدت کے اختتام پر ، اسٹیٹ بینک 11.01% کے کٹ آف ریٹ پر سنگل ریورس ریپو انتظامات کے تحت پی کے آر 937bn کے مالیت کا قرض دینے والا رہا۔ ٹی بلوں کی طرف ، 3 ماہ کی گٹوتی کی پیداوار 12.75 فیصد سے کم ہو کر 11.30 فیصد ہوگئی۔ زیر جائزہ مدت کے دوران ، 6 اور 12 ایم میں شراکت زیادہ رہی کیونکہ مارکیٹ کے شرکاء کی افراط زر کی توقع کم ہونا شروع ہوگئی ، جو ایس بی پی کے ذریعہ مالیاتی نرمی کے آغاز کا اشارہ ہے۔ 12 ایم ٹی بل کے لئے کٹ آفس 323bps کی کمی سے 10.87 فیصد پر آگیا جبکہ بانڈ میں گٹوتی کی پیداوار 3 ، 5 اور 10 سال کے لئے بالترتیب 11.59% ، 11.99% اور 10.85 فیصد پر بند ہوئی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران ، اے بی ایل انکم فنڈ نے 13.51 فیصد بینچ مارک ریٹرن کے مقابلہ میں سالانہ 14.17 فیصد ریٹرن شائع کیا۔ انکم فنڈ کی AUMs مارچ 20 کے آخر میں PKR 1,491.58 ملین پر بند ہوگئیں جبکہ دسمبر 19 کے آخر میں PKR 1,748.43 ملین کے مقابلے میں۔

سرکاری سیکورٹیز ، بنیادی طور پر پی آئی بی میں اضافے کی وجہ سے ، فنڈ کی وزن اوسط پختگی کو مارچ 2020 کے آخر میں 526 دن سے بڑھا کر 692 دن کر دیا گیا تھا۔ 3QFY20 کے اختتام پر ، نقد رقم میں 22.70% ، ٹی بلوں میں 30.36% ، ٹی ایف سی میں 30.61% اور پی آئی بی میں فنڈ کے مجموعی اثاثوں کے 11.63% پر بند ہوئی۔

آڈیٹر

میسرز۔ اے ایف فرگسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) ، کو اے بی ایل انکم فنڈ (اے بی ایل - آئی ایف) کے لئے 30 جون 2020 کو ختم ہونے والے سال کے لئے بطور آڈیٹر مقرر کیا گیا ہے۔

فنڈ استحکام کی درجہ بندی

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 20 جنوری ، 2020 کو ، اے بی ایل انکم فنڈ کی فنڈ استحکام کی درجہ بندی کی تصدیق 'A f' (سنگل A f) پر کی۔

مینجمنٹ کمپنی کی کوالیٹی کی درجہ بندی

31 دسمبر ، 2019 کو ، JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی 'AM2 ++' (AM-two-Double Plus) کی مینجمنٹ کوالٹی ریٹنگ کی تصدیق کردی ہے۔ (اے ایم ٹو پلس) تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔

کرنے کے لئے پی کے آر bn100 کا مختص ، v) پی کے آر bn50 کے لئے مختص یوٹیلیٹی اسٹور کارپوریشن (یو ایس سی) تاکہ مناسب قیمت پر اشیائے خوردونوش کی فراہمی اور بلا تعطل فوڈ سپلائی چین کو یقینی بنایا جاسکے ، vi) مکمل گیس بل جبکہ 300 یونٹ تک بجلی کا بل 3 ماہ سے زائد قسطوں میں ادا کیا جاسکے گا ، vii) مختص طبی سامان کی خریداری کے لئے پی کے آر bn 50 ، viii) دالوں ، پام آئل اور دیگر کی درآمد پر کھانے کی اشیاء پر کم یا کوئی ٹیکس نہیں ، ix) کورونا وائرس پھیلنے سے متاثرہ ہنگامی صورتحال کے لئے پی کے آر bn100 کی مختص ، x) مختص نیشنل ڈیزاسٹر مینجمنٹ اتھارٹی (NDMA) کے لئے گیس کی خریداری اور خریداری کے لئے PKR 25bn کا ، طبی عملے کے لئے PKR 50bn کی مختص ، اور xii) زیادہ لوگوں کو رکھنے کے ل to پناہ گاہوں میں توسیع۔ اس کے علاوہ ، ایک تعمیری پیکج کا بھی اعلان کیا گیا ہے جس میں i) بلڈروں اور ڈویلپرز ، ii) بلڈروں اور ڈویلپروں کے لئے سیمنٹ ، اسٹیل اور خدمات کے علاوہ عمارت کے سامان کی خریداری پر ٹیکس روکنے کی اجازت نہیں دی جائے گی۔ iii) بلڈرز اور ڈویلپرز پہلے ہی ادا کیے جانے والے x10 ٹیکس تک ٹیکس کے کریڈٹ کے اہل ہونے کے اہل ہوں گے جبکہ iv) نیپڈا کے تیار کردہ کم لاگت ہاؤسنگ / پروجیکٹس کے لئے ٹیکس کی شرح میں 90 فیصد کمی واقع ہو گی ، v) انکم ٹیکس آرڈیننس کے سیکشن 111 سے استثنیٰ 2001 (30 جون ، 2022 تک) زمین کی خریداری اور کسی بھی ڈھانچے (مکان ، تجارتی عمارت ، وغیرہ) کی تعمیر ، پہلے سے ملکیت شدہ اراضی پر کسی بھی ڈھانچے کی تعمیر اور نئی تعمیر شدہ پراپرٹی کی پہلی خریداری ، vi) کیپیٹل گین ٹیکس (سی جی ٹی) کی عقلیت سازی ، vii) ریئل اسٹیٹ / پلاٹ کی تشخیص ، viii) تعمیراتی سامان پر عقلیت سازی / سیلز ٹیکس میں کمی ، ix) پہلے مکان پر ٹیکسوں کی چھوٹ ، x) بلڈروں کے لئے پی کے آر 50 فی مربع فٹ پر سیلز ٹیکس عائد کیا جائے گا اور 100 فی تمام صوبوں اور آئی سی ٹی کے ذریعہ ڈویلپرز کے لئے مربع یارڈ ، xi) تعمیراتی خدمات پر سیلز ٹیکس سے چھوٹ ، xii) NAPHDA یا صوبائی ہاؤسنگ اتھارٹیز کے ذریعہ کم قیمت والے مکانات پر سیلز ٹیکس سے مکمل چھوٹ ، xiii) تمام صوبائی اور میونسپل ٹیکس ، ڈیوٹی ، فیس ، شہری املاک کی منتقلی اور رجسٹریشن کے معاملات کو ایک ہی سر کے نیچے جمع کرنے اور قیمتوں کے 2% کی شرح سے وصول کرنے کے لئے محصولات اور چارجز ، xiv) ماسٹر پلانز کی تازہ کاری / زون ماسٹر پلانز کی تازہ کاری اور زوننگ ، xv) تمام صوبوں / ڈویلپمنٹ اتھارٹوں کے ذریعہ ونڈو پورٹلز کو مکمل طور پر خودکار بنایا جائے تاکہ منظوری پر عملدرآمد کیا جاسکے اور دیگر مؤکل خدمات ، xvi) تعمیراتی شعبے کو صنعت کی حیثیت ، اور xvii) موجودہ سال میں 100,000 کم لاگت رہائشی مکانات کی تعمیر کو ابتدائی طور پر 6 میں رہن کے ساتھ شروع کیا جائے۔ % مزید برآں ، اسٹیٹ بینک آف پاکستان (ایس بی پی) نے ایک ہنگامی اجلاس میں ، پالیسی ایم پی سی میں پہلے ہی اعلان کردہ 75 بی پی ایس میں کٹوتی کے علاوہ ، پالیسی بیٹنگ کو 150 بی پی ایس تک بڑھا کر 11 فیصد کر دیا۔

میوچل فنڈ انڈسٹری کا جائزہ -9MFY20

اوپن اینڈ میوچل فنڈ کے زیر انتظام کل اثاثوں میں 9MFY20 کے دوران PKR 573bn سے PKR 689bn تک 20 فیصد کی نمایاں اضافہ ہوا ، خاص طور پر منی مارکیٹ فنڈ میں بڑے پیمانے پر بہاؤ کی وجہ سے۔ روایتی اور اسلامی سمیت منی مارکیٹ فنڈ میں پی کے آر bn282 پر مدت کو بند کرنے کے لئے 70 فیصد کی بے پناہ اضافہ دیکھنے میں آیا۔ اسی طرح روایتی اور اسلامی دونوں فکسڈ انکم فنڈز میں 47.9 فیصد کا اضافہ ہوا جو 9 ایم ایف وائی 20 کو PKR bn172 پر بند ہوا۔ منی مارکیٹ میں طے شدہ انکم فنڈز میں اس اضافے کا سبب اعلیٰ سود کی شرح ، کورونویرس اور تیل کی قیمت جنگ کے دوران اتار چڑھاؤ والے ایکویٹی مارکیٹوں کو ریکارڈ کرنا ہے۔

ایکوٹی کی طرف ، ہم نے 9MFY20 کے دوران PKR 103bn سے PKR 83bn تک AUMs میں ~ 18% کی نمایاں کمی دیکھی۔ نوٹ کرنے کی ایک اہم بات یہ ہے کہ کورونا وائرس کے پھیلنے کے بعد مارچ کے مہینے میں PKR 111bn سے PKR 84bn تک ~ 24% کی ایک بڑی کمی ہے۔ اسی طرح کا رجحان اسلامی ایکویٹی فنڈز میں دیکھا جاسکتا ہے جہاں 9MFY20 کے دوران PKR 54bn AUMs سے PKR 40.7bn رہ گئیں جن میں صرف مارچ 2020 میں ~ 29% کی کمی واقع ہوئی۔

منی مارکیٹ کا جائزہ 9M

زیر جائزہ اس مدت کے دوران ، منی مارکیٹ غیر مستحکم رہی کیونکہ اسٹیٹ بینک کا موقف مانیٹری سختی سے نرمی کی طرف بڑھا۔ ایس بی پی نے جولائی 2019 میں بڑھتی ہوئی افراط زر کا مقابلہ کرنے اور پی کے آر کے ممتاز قرضوں کے آلات میں غیر ملکی سرمایہ کاری کو راغب کرنے کے لئے سود کی شرحوں کو 100 بی پی ایس بڑھایا۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل انکم فنڈ (اے بی ایل - آئی ایف) کی انتظامیہ کمپنی ، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2020 کو ختم ہونے والے نو ماہ کے لئے اے بی ایل انکم فنڈ کے کنڈسیڈ عبوری فنانشل اسٹیٹمنٹ (غیر آڈٹ شدہ) پیش کرنے پر خوشی محسوس کرتے ہیں۔

اقتصادی کارکردگی کا جائزہ -9MFY20

ملک میں ازالہ افراط زر کا عمل جاری رہا جب ہم نے مارچ 2020 میں قومی سی پی آئی 10.24% YOY گرتے دیکھا جبکہ فروری 2020 میں یہ 12.40% YOY تھا۔ افراط زر میں کمی کی وجہ سے کم اشیائے خوردونوش اور ایندھن کی قیمتوں میں اضافہ ہوا تھا ، اور بنیادی اثر۔ اوپیک اور روس کے درمیان پیداواری کٹوتی پر اختلاف رائے کی وجہ سے ڈوبے ہوئے مقامی ایندھن کی قیمتیں عالمی سطح پر تیل کی قیمتوں میں کمی کا عکس ہیں۔ ایس پی ایل وائی میں اوسطاً این سی پی آئی 11.53% یوں ہے جو 9MFY20 کے مقابلہ میں 6.31% YOY ہے۔ موجودہ وبائی صورتحال کے تحت ، ہم توقع کرتے ہیں کہ افراط زر توقع سے کہیں زیادہ تیز رفتار سے گرے گا بشرطیکہ اس لاک ڈاؤن نے ملک کی معاشی سرگرمیوں کو متاثر کیا ہے جبکہ عالمی سطح پر اجناس کی قیمتیں گر رہی ہیں۔ تاہم ، ہمیں خدشہ ہے کہ سپلائی میں خلل پڑنے کی وجہ سے کھانے کی قیمتوں میں غیر معمولی اضافے کے نتیجے میں مخالف سمت پر عمل کرنے کا رجحان پیدا ہوسکتا ہے۔

حکومت موجودہ اکاؤنٹ کا مؤثر طریقے سے انتظام کر رہی ہے جب تک کہ وہ 8MFY20 کے دوران 71 فیصد YOY کی کمی سے bn2.84 ڈالر رہ گئی ہے۔ خسارہ بنیادی طور پر 15 YOY کم درآمد کی وجہ سے گھٹ گیا جس کی برآمدات 8MFY20 کے دوران 3% YOY سے bn20.1 ڈالر تک بڑھ گئی۔ مزید برآں ، کارکنوں کی ترسیلات بھی 5 فیصد اضافے سے bn15.1 امریکی ڈالر رہیں۔ اس کے مطابق ، 27 مارچ 2020 کو ملک کے زرمبادلہ کے ذخائر 17.4 بلین ڈالر ہیں۔ 3.02 ماہ کا درآمدی احاطہ فراہم کرنا۔ مالی معاملے میں ، 9MFY20 کے دوران ، PKR 3.52tn کے نظر ثانی شدہ ہدف کے مقابلے میں عارضی ٹیکس وصولی PKR 3.06tn تک پہنچ گئی ہے ، جو صرف مارچ 2020 میں PKR 261bn کی کمی کے ساتھ PKR 458bn کی کمی کو ظاہر کرتا ہے۔ حالیہ مہینے میں جاری لاک ڈاؤن سے ٹیکس وصولی پر منفی اثر پڑا اور توقع ہے کہ اس صورتحال کے برقرار رہنے کی امید ہے۔

مالی سال 19 میں پاکستان کی جی ڈی پی کی شرح نمو 3.3 فیصد رہی جو مالی سال 18 میں 5.2 فیصد تھی۔ معاشی اصلاحات اور حکومت کی طرف سے اختیار کیے گئے مالی اقدامات کی وجہ سے ترقی کم ہوئی۔ جولائی-جنوری 2020 کے عرصہ میں ، بڑے پیمانے پر مینوفیکچرنگ (ایل ایس ایم) نے ایس پی ایل وائی میں 1.60 فیصد کمی کے مقابلہ میں YOY 3.37% یو یو کی نمایاں کمی کی ہے۔ اس گراؤت میں سب سے اہم کارندے آٹوموبائل (-36.0%..07%) ، آرن اینڈ اسٹیل پروڈکٹ (-9.25%) ، کوک اینڈ پیٹرولیئم مصنوعات (-10.59%) اور الیکٹرانکس (-8.50%) تھے۔ ٹیکسٹائل سیکٹر (+0.28%) اومولین کی وجہ سے مسابقتی کے باوجود بہتر کارکردگی کا مظاہرہ نہیں کرسکا۔ توقع کی جارہی ہے کہ آنے والے مہینوں میں کارکردگی نہ صرف ملک میں بلکہ پوری دنیا میں روکنے والی اقتصادی سرگرمیوں کی وجہ سے وائرس پھیل گئی ہے۔ ہم توقع کرتے ہیں کہ لاک ڈاؤن 4QFY20 میں جی ڈی پی کے سنکچن کا نتیجہ بنے گا جس کی وجہ سے مالی سال میں 2.4 فیصد کے ہدف کے مقابلہ میں ترقی کی شرح کم ہوگی۔








آگے بڑھنے ، خاص طور پر قلیل مدت میں ، مارکیٹ میں سمت ملک میں کورونا وائرس وبائی صورتحال کی صورت حال اور معیشت پر اس کے نتیجے میں اثرات کے ذریعہ طے کی جائے گی۔ معیشت کی حوصلہ افزائی اور موجودہ بحرانوں کو سنبھالنے کے لئے ، وزیر اعظم پاکستان نے پی کے آر 1.2 ٹن کے احاطہ میں ایک ریلیف پیکیج کا اعلان کیا ہے (i) پیٹرول آر ڈیزل اور مٹی کے تیل کی قیمتوں میں 15 لیٹر تک کمی ، (ii) پی کے آر کو فراہم کرنے کے لئے پی کے آر bn150 کے مختص 3 ماہانہ روزانہ مزدوروں کو 4 ماہ کی مدت کے لئے ، (iii) ایس ایم ای اور زراعت کے شعبوں میں پی کے آر bn100 کی مختص ، (iv) سیلز ٹیکس کی واپسیوں کو فوری طور پر جاری کرنے کے لئے انڈسٹری کو برآمد










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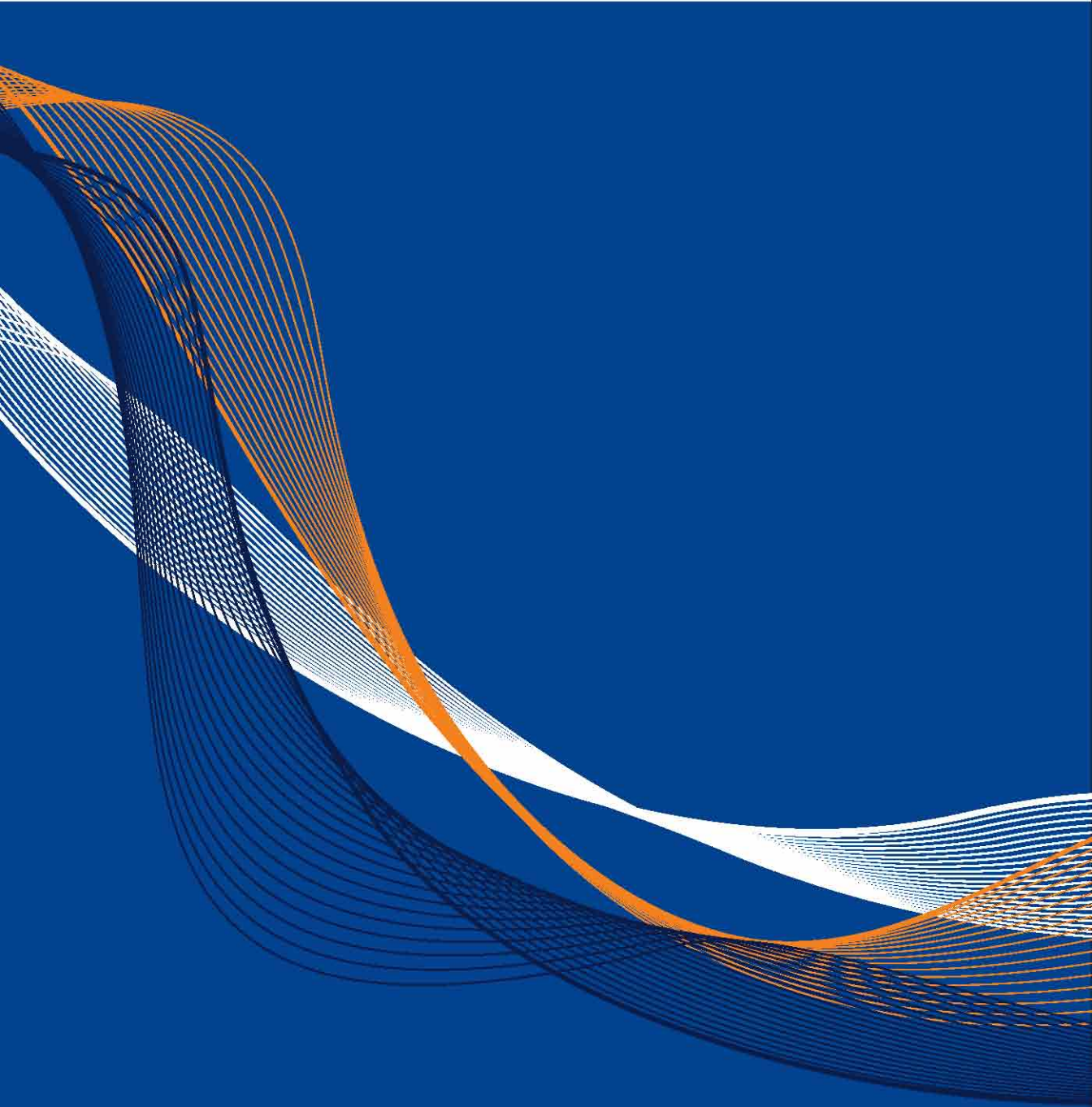
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