



**ABL ISLAMIC ASSET ALLOCATION FUND**  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

# Half Yearly Report



**ABL Asset Management**

Discover the potential

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## FUND'S INFORMATION

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<b>Management Company:</b>	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
<b>Board of Directors</b>	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 Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director CEO/ Director
<b>Audit Committee:</b>	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi Mr. Muhammad Kamran Shehzad	Chairman Member Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alee Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shehzad	
<b>Trustee:</b>	Digital Custodian Company (Formerly) MCB Financial Services Limited 4th Floor, Perdesi House, 2/1 R-Y Old Queens Road, Lalazar, Karachi.	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Islami Pakistan Limited	
<b>Auditor:</b>	M/s. A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500	

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

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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 Condensed Interim Financial Statements (un-audited) of ABL Islamic Asset Allocation Fund for the half year ended December 31, 2020.

### ECONOMIC PERFORMANCE REVIEW

During the period, average inflation clocked in at 8.63%YoY compared to 11.10%YoY in SPLY. This reduction in inflation has been witnessed predominantly because of the base effect. The food index increased by 12.90%YoY due to higher food prices amid supply shocks, locust attack, and higher agriculture commodity prices in international markets. Similarly, the housing, water, electricity & gas index raised by 4.55%YoY while the transport index spiked up by 12.72%YoY on the back of tariff adjustments, quarterly rent adjustments, and recovered fuel and related transport prices. All these kept the benefit of the base effect in check. Going forward, we estimate the inflation to settle between 8.7-8.8%YoY.

Pakistan's economy shrunk by 0.40% during the FY20 due to Covid-19 lockdown and already battered economy. However, in the 2HCY20, the economy came back on track on the incentives announced by the government and monetary easing by the SBP. The large-scale manufacturing (LSM) data, during the period of Jul-Oct'20, is also depicting the same case as increased by 5.46%YoY against 5.52%YoY decline in the SPLY. The major sectors those contributed to the growth were food, beverages & tobacco (2.14%YoY), non-metallic mineral products (1.75%), pharmaceutical (0.70%YoY), and textile (0.67%YoY).

On balance of payment front, the country posted a cumulative surplus of USD 1.64bn during 5MFY21 against the deficit of USD 1.74bn which is unprecedented. The primary reason behind this was the 26.91%YoY higher remittances amounting to USD 11.77bn. This increase in remittances could be attributed partly to declining transactions through illegal channels due to government crackdown, and rest could be attributed to lack of air travel. Moving ahead, total exports remained down by 6.85%YoY to USD 11.70bn while the imports dropped by 3.96%YoY to USD 21.25bn. Trade size remained down by 5.01%YoY arriving at USD 32.95bn. Foreign exchange reserves of the country stand at USD 20.25bn, as of December 20, 2020, providing a total import cover of ~4.77 months.

On the fiscal side, tax collection has reached to ~PKR 2.20tr vs. a target of ~PKR 2.21tr resulting in a deficit of ~PKR 15bn.

### MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted an immense growth of 23%YoY (from PKR 788bn to PKR 970bn), mainly on account of substantial inflows in the money market fund. The pandemic created demand for safe havens. Money market and fixed income funds (including Islamic and conventional) witnessed a huge growth of 31%YoY and 18%YoY to close the period at PKR 379bn and PKR 220bn, respectively. On the other hand, equity funds - including both conventional and Islamic - swelled by 30%YoY to close the period at PKR 222bn.

## EQUITY MARKET REVIEW

During 1HFY21, KMI-30 index exhibited tremendous performance, posting a massive return of 29.41%YoY, and closed at 71,167. This remarkable performance of KMI-30 index could be attributed on a number of positive developments such as monetary easing (rate cut by 625 bps), construction package, higher liquidity, healthy tax collection, availability of vaccination, lower import bill following a slump in international commodity prices and lower demand coupled with re-shifting of export orders to Pakistan amid closure of major textile export economies.

Average traded volume swelled by 123%YoY while value surged by 112%YoY to 155mn and USD 47mn, respectively. Foreigners sold worth USD 278mn shares during the said period. On the local front, individuals, companies, and insurance companies remained on the forefront with a net buying of worth USD 159mn, USD 90mn, and USD 82mn, respectively. Sectors contributing to the index strength included cements, technology & communication, and commercial banks adding 4,505, 1,686, and 1,394 points, respectively. On the flip side, investment companies and paper & board industries negatively impacted the index subtracting 119 and 8 points, respectively.

Going forward, we believe market will perform due to availability of corona vaccination, monetary easing, slowing inflation pressure, and stable exchange rate. Market is trading at TTM P/E multiple of 7.4x and dividend yield of 6.2%.

## MONEY MARKET REVIEW

Government of Pakistan continued its efforts to support the economy by announcing various relief packages to support businesses such as Temporary Economic Refinance Facility (TERF) and construction packages. SBP also followed a pro-growth policy by keeping interest rates unchanged at 7%, an aggregate decrease of 625bps from the high of 13.25% during 1HFY20.

Government conducted a total of 6 (GIS-5Y) auctions during 1HFY21 while the aggregate target was revised downwards from PKR 75 billion to 35 billion. Government of Pakistan also conducted Fixed Rate GIS auction with a cut off rate of 8.37% whereas the cut off yield spreads for Floating Rate instruments remained in the range of Benchmark rate (6M T-bill Yield) + (-125bps to -10bps). Islamic Banking deposit rates showed signs of improvement towards the end Dec-20.

## FUND PERFORMANCE

During the 1HFY21, Allied Islamic Asset Allocation fund delivered an annualized return of 7.72% against a benchmark return of 3.99%, reflecting an outperformance of 373 basis points.

The Fund was invested 85.64% in Corporate Sukuk while Cash at bank and others receivables stood at 10.71% and 3.65% respectively. AUM of the fund was recorded at PKR 2,296.03mn at Dec'20.

## AUDITORS

M/s. A.F. Ferguson & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2021 for ABL Islamic Asset Allocation Fund (ABL-IAAF).

## MANAGEMENT QUALITY RATING

On December 31, 2020: VIS Credit Rating Company Limited (VIS) has maintained the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating has been revised from 'Stable' to 'Positive'.

## OUTLOOK

The market is expected to enjoy a ride, in the short run, amid healthy profits expected from the corporates, and in the long run, due to a discount to mean forward P/E multiple of the market. The foreign selling will be losing momentum in CY21. Moreover, to support the economic activities, the SBP will remain shy in increasing the interest rates; however, if needed, it will be gradual to counter the adverse effects. The country is witnessing a historic cement demand, providing an evidence of economic activities in the country after expansionary measures taken by the SBP and government. Nevertheless, current account may create some troubles; hence, the government being proactive implementing several structural reforms such as settlement of outstanding receivables of the power sector, tariff adjustments, tax base enhancement, etc. These all will likely to lead resuming the IMF program and managing the current account. Last but not the least, upcoming FATF review will also play a key role in setting direction for the market. It is pertinent to mention that it is almost unlikely of Pakistan going into black list, and if turned into white list, will boost the sentiments tremendously.

## 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 Digital Custodian Company (Formerly) 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, February 11, 2021**



**Alee Khalid Ghaznavi**  
**Chief Executive Officer**



**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 4<sup>th</sup> October 2017 executed between ABL Asset Management Company Limited, as the Management Company and Digital Custodian Company Limited Formerly MCB Financial Services Limited, as the Trustee. The fund commenced its operations on 31<sup>st</sup> 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 period ended 31<sup>st</sup> December 2020 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  
Digital Custodian Company Limited  
Formerly MCB Financial Services Limited

Karachi: February 15, 2021

Perdesi House | 2/1 R-Y | Old Queens Road | Karachi – 74200 | Pakistan  
+92-21-32419770 | [www.digitalcustodian.co](http://www.digitalcustodian.co) | [info@digitalcustodian.co](mailto:info@digitalcustodian.co)

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS****Introduction**

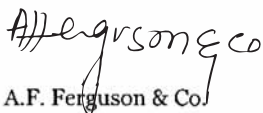
We have reviewed the accompanying condensed interim statement of assets and liabilities of **ABL Islamic Asset Allocation Fund** (the Fund) as at December 31, 2020 and the related condensed interim income statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the half year ended December 31, 2020, together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'). The Management Company (ABL Asset Management Company Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement for the quarter ended December 31, 2020 and December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

**Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.



A.F. Ferguson &amp; Co.

Chartered Accountants

Engagement Partner: **Noman Abbas Sheikh**Dated: **27-02-2021**

Karachi

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

▪ KARACHI ▪ LAHORE ▪ ISLAMABAD



**ABL ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2020**

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
	Note	----- (Rupees in '000) -----	
<b>Assets</b>			
Bank balances	4	246,385	231,064
Investments	5	1,969,758	1,904,313
Dividend and profit receivable		36,747	32,455
Security deposits		18,555	9,039
Preliminary expenses and floatation costs	6	1,238	1,452
Receivable against redemption of investments		11,111	-
Prepayments and other receivables		16,318	131
<b>Total assets</b>		<b>2,300,112</b>	<b>2,178,454</b>
<b>Liabilities</b>			
Payable to ABL Asset Management Company Limited - Management Company	7	2,798	3,737
Payable to MCB Financial Services Limited - Trustee	8	174	122
Payable to the Securities and Exchange Commission of Pakistan	9	231	71
Accrued expenses and other liabilities	10	883	2,958
<b>Total liabilities</b>		<b>4,086</b>	<b>6,888</b>
<b>NET ASSETS</b>		<b>2,296,026</b>	<b>2,171,566</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>2,296,026</b>	<b>2,171,566</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11		
		----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>223,510,447</b>	<b>220,022,391</b>
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>10.2726</b>	<b>9.8698</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Alee Khalid Ghaznavi  
Chief Executive Officer



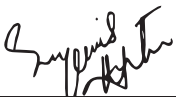
Pervaiz Iqbal Butt  
Director

**ABL ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

	For the half year ended		For the quarter ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Note ----- (Rupees in '000) -----				
<b>Income</b>				
Profit on savings accounts	9,886	5,134	4,464	3,655
Dividend income	-	1,875	-	1,185
Income from GoP Ijarah and corporate sukuk certificates	87,992	4,256	43,497	1,330
	97,878	11,265	47,961	6,170
Gain on sale of investments - net	2,334	4,680	1	5,157
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.3 (3,914)	5,720	(3,694)	10,965
	(1,580)	10,400	(3,693)	16,122
<b>Total income</b>	96,298	21,665	44,268	22,292
<b>Expenses</b>				
Remuneration of ABL Asset Management Company Limited - Management Company	7.1 2,314	2,143	1,175	1,067
Punjab Sales Tax on remuneration of the Management Company	7.2 370	343	188	171
Accounting and operational charges	7.3 -	107	-	53
Selling and marketing expenses	7.4 -	1,182	-	746
Remuneration of MCB Financial Services Limited - Trustee	8.1 878	100	445	48
Sindh Sales Tax on remuneration of the Trustee	8.2 114	13	58	6
Annual fees to the Securities and Exchange Commission of Pakistan	9 231	21	117	10
Securities transaction costs	221	319	1	238
Auditors' remuneration	108	114	29	74
Legal and professional charges	-	90	-	90
Annual listing fee	14	14	7	7
Amortisation of preliminary expenses and floatation costs	6 214	214	107	107
Shariah advisory fee	164	-	86	-
Printing charges	-	101	-	51
Settlement and bank charges	171	12	161	12
<b>Total operating expenses</b>	4,799	4,773	2,374	2,680
<b>Net income for the period before taxation</b>	91,499	16,892	41,894	19,612
Taxation	13 -	-	-	-
<b>Net income for the period after taxation</b>	91,499	16,892	41,894	19,612
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	91,499	16,892	41,894	19,612
<b>Earnings per unit</b>	14			
<b>Allocation of net income for the period</b>				
Net income for the period after taxation	91,499	16,892	41,894	19,612
Income already paid on units redeemed	(4,569)	(505)	(4,474)	(505)
	86,930	16,387	37,420	19,107
<b>Accounting income available for distribution</b>				
- Relating to capital gains	-	10,400	-	16,122
- Excluding capital gains	86,930	5,987	37,420	2,985
	86,930	16,387	37,420	19,107

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
Saqib Matin  
Chief Financial Officer

  
Aleo Khalid Ghaznavi  
Chief Executive Officer


  
Pervaiz Iqbal Butt  
Director

**ABL ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Half year ended December 31, 2020			Half year ended December 31, 2019		
	Capital value	Accumulated (losses) / undistributed income	Total	Capital value	Accumulated (losses) / undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the period (audited)	2,174,152	(2,586)	2,171,566	237,881	(3,295)	234,586
Issue of 20,039,600 (2019: 2,615,098) units						
Capital value (at net asset value per unit at the beginning of the period)	197,787	-	197,787	25,860	-	25,860
Element of income	3,119	-	3,119	1,382	-	1,382
Total proceeds on issuance of units	200,906	-	200,906	27,242	-	27,242
Redemption of 16,551,544 (2019: 6,280,924) units						
Capital value (at net asset value per unit at the beginning of the period)	163,360	-	163,360	62,110	-	62,110
Element of loss	16	4,569	4,585	397	505	902
Total payments on redemption of units	163,376	4,569	167,945	62,507	505	63,012
Total comprehensive income for the period	-	91,499	91,499	-	16,892	16,892
Net assets at the end of the period (un-audited)	<u>2,211,682</u>	<u>84,344</u>	<u>2,296,026</u>	<u>202,616</u>	<u>13,092</u>	<u>215,708</u>
Undistributed loss brought forward						
- Realised (loss) / income		(4,100)			11,735	
- Unrealised income / (loss)		1,514			(15,030)	
		<u>(2,586)</u>			<u>(3,295)</u>	
Accounting income available for distribution						
-Relating to capital gains		-			10,400	
-Excluding capital loss		86,930			5,987	
		<u>86,930</u>			<u>16,387</u>	
Undistributed income carried forward		<u>84,344</u>			<u>13,092</u>	
Undistributed income carried forward						
-Realised income		88,258			7,372	
-Unrealised (loss) / income		(3,914)			5,720	
		<u>84,344</u>			<u>13,092</u>	
			<b>Rupees</b>			<b>Rupees</b>
Net assets value per unit at beginning of the period			<u>9.8698</u>			<u>9.8887</u>
Net assets value per unit at end of the period			<u>10.2726</u>			<u>10.7548</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
\_\_\_\_\_  
Saqib Matin  
Chief Financial Officer

  
\_\_\_\_\_  
Alea Khalid Ghaznavi  
Chief Executive Officer

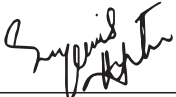
  
\_\_\_\_\_  
Pervaiz Iqbal Butt  
Director

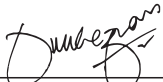
**ABL ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Half year ended December 31,	
	2020	2019
Note	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	91,499	16,892
<b>Adjustments</b>		
Profit on savings accounts	(9,886)	(5,134)
Dividend income	-	(1,875)
Income from GoP Ijarah and corporate sukuk certificates	(87,992)	(4,256)
Amortisation of preliminary expenses and floatation costs	6      214	214
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.3      3,914	(5,720)
	(93,750)	(16,771)
<b>(Increase) / decrease in assets</b>		
Prepayments and other receivables	(16,187)	23
Security deposits	(9,516)	-
	(25,703)	23
<b>(Decrease) / increase in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	(939)	352
Payable to MCB Financial Services Limited - Trustee	52	(1)
Payable to the Securities and Exchange Commission of Pakistan	160	(324)
Accrued expenses and other liabilities	(2,075)	571
	(2,802)	598
	(30,756)	742
Profit received on savings accounts	9,592	3,561
Dividend received	-	3,118
Income received from GoP Ijarah and corporate sukuk certificates	83,994	1,085
Net amount (paid) / received on purchase and sale of investments	(80,470)	102,731
<b>Net cash (used in) / generated from operating activities</b>	(17,640)	111,237
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issuance of units	200,906	27,242
Net payments against redemption of units	(167,945)	(66,043)
<b>Net cash generated from / (used in) financing activities</b>	32,961	(38,801)
<b>Net increase in cash and cash equivalents</b>	15,321	72,436
Cash and cash equivalents at the beginning of the period	231,064	40,108
<b>Cash and cash equivalents at the end of the period</b>	4      246,385	112,544

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)

  
\_\_\_\_\_  
Saqib Matin  
Chief Financial Officer

  
\_\_\_\_\_  
Alea Khalid Ghaznavi  
Chief Executive Officer

  
\_\_\_\_\_  
Pervaiz Iqbal Butt  
Director

# ABL ISLAMIC ASSET ALLOCATION FUND

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

### 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 offering document of the Fund has been revised through the First Supplement dated May 5, 2020 with the approval of the Securities and Exchange Commission of Pakistan. The 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 Regulations, 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 SECP. The registered office of the Management Company is situated at Plot No. 14, Main Boulevard, DHA Phase 6, Lahore. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 The Fund has been categorised as a shariah compliant asset allocation 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. Thereafter, 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 The VIS Credit Rating Company Limited has assigned the asset manager rating of AM2++ (2019: AM2++ on December 31, 2019) to the Management Company on December 31, 2020. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 During the current period, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on 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 financial statements of the Fund for the year ended June 30, 2020.

2.1 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2020.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS 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, 2020.

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, 2020. 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, 2020.

#### 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, 2020. 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, 2021. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

4	BANK BALANCES	Note	(Un-audited)	(Audited)
			December 31, 2020	June 30, 2020
			----- (Rupees in '000) -----	
	Balances with banks in savings accounts	4.1	246,385	231,064

4.1 These include a balance of Rs 68.872 million (June 30, 2020: Rs. 19.698 million) maintained with Allied Bank Limited (a related party) that carries profit rate of 3.5% (June 30, 2020: 6.00%) per annum. Other profit and loss savings accounts of the Fund carry profit rates ranging from 3.5% to 6.80% (June 30, 2020: 6.00% to 6.50%) per annum.

5	INVESTMENTS	Note	(Un-audited)	(Audited)
			December 31, 2020	June 30, 2020
			----- (Rupees in '000) -----	
	<b>At fair value through profit or loss</b>			
	GoP ijarah sukuk certificates	5.1	76,568	150,350
	Corporate sukuk certificates	5.2	1,893,190	1,753,963
			1,969,758	1,904,313

#### 5.1 GoP Ijarah Sukuks

Name of the security	Maturity date	Coupon rate	As at July 1, 2020	Purchased during the period	Disposed off / maturity during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market value as at December 31, 2020	Unrealised (diminution) / appreciation as at December 31, 2020	Market value as a percentage of				
										Net assets of the Fund	Total market value of investments			
							----- (Rupees in '000) -----		----- % -----					
GoP ijarah sukuk certificates	April 30, 2025	6.63%	1,550	750	1,500	800	76,663	76,568	(95)	3.33%	3.89%			
<b>Total as at December 31, 2020</b>			1,550	750	1,500	800	76,663	76,568	(95)	3.33%	3.89%			
<b>Total as at June 30, 2020</b>										148,740	150,350	1,610	6.92%	7.90%

## 5.2 Corporate sukuk certificates

Name of the security	Maturity date	Coupon rate	Latest available rating	As at July 1, 2020	Purchased during the period	Disposed off / maturity during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market value as at December 31, 2020	Unrealised appreciation / (diminution) as at December 31, 2020	Market value as a percentage of				
											Net assets of the Fund	Total market value of investments	Total issue size		
							Number of certificates			Rupees in '000			%		
<b>COMMERCIAL BANKS</b>															
Dubai Islamic Bank Pakistan Limited Additional Tier - I (Face value of Rs. 5,000 per certificate)	Perpetual	3 Months KIBOR + 1.75%	A+	45,000	-	-	45,000	225,000	225,000	-	9.80%	11.42%	7.21%		
Meezan Bank Limited Additional Tier - I (Face value of Rs. 1,000,000 per certificate)	Perpetual	3 Months KIBOR + 1.75%	AA-	315	30	-	345	345,000	345,000	-	15.03%	17.51%	4.93%		
BankIslami Pakistan Limited Additional Tier - I (Face value of Rs. 5,000 per certificate)	Perpetual	3 Months KIBOR + 2.75%	A-	19,500	1,300	-	20,800	104,000	104,000	-	4.53%	5.28%	5.20%		
Al Baraka Bank (Pakistan) Limited Tier - II (Non-traded) (Face value of Rs. 1,000,000 per certificate)	August 22, 2024	6 Months KIBOR + 0.75%	A	110	-	-	110	110,550	109,631	(919)	4.77%	5.57%	7.31%		
<b>FERTILIZER</b>															
Fatima Fertilizer Company Limited - Sukuk (Non-traded) (Face value of Rs. 1,000 per certificate)	November 28, 2021	6 Months KIBOR + 1.1%	AA-	-	19,000	-	19,000	19,214	19,130	(84)	0.83%	0.97%	0.18%		
<b>OIL &amp; GAS MARKETING COMPANIES</b>															
Byco Petroleum Limited - Sukuk (Non-traded) (Face value of Rs. 58,333 per certificate)	January 18, 2023	3 Months KIBOR + 1.05%	AAA	4,637	-	-	4,637	271,172	269,500	(1,672)	11.74%	13.68%	8.64%		
<b>POWER GENERATION &amp; DISTRIBUTION</b>															
K-Electric Limited - Sukuk IV (Non-traded) (Face value of Rs. 1,500 per certificate)	June 17, 2022	3 Months KIBOR + 1%	AA+	43,973	-	39,200	4,773	7,279	7,232	(47)	0.31%	0.37%	0.03%		
K-Electric Limited - Sukuk V (Non-traded) (Face value of Rs. 5,000 per certificate)	August 3, 2027	3 Months KIBOR + 1.7%	AA+	-	40,000	-	40,000	205,000	203,038	(1,962)	8.84%	10.31%	0.81%		
Hub Power Company Limited (related party) - Sukuk II (Traded) (Face value of Rs. 100,000 per certificate)	August 22, 2023	3 Months KIBOR + 1.9%	AA+	300	50	-	350	35,643	35,787	144	1.56%	1.82%	0.51%		
<b>PHARMACEUTICALS</b>															
AGP Limited - Sukuk (Non-traded) (Face value of Rs. 30,000 per certificate)	June 9, 2022	3 Months KIBOR + 1.3%	A+	179	-	-	179	5,380	5,424	44	0.24%	0.28%	0.22%		
Aspin Pharma (Private) Limited - Sukuk (Non-traded) (Face value of Rs. 60,000 per certificate)	November 30, 2023	3 Months KIBOR + 1.5%	A	1,126	-	-	1,126	68,348	68,100	(248)	2.97%	3.46%	4.54%		
<b>CABLE AND ELECTRICAL GOODS</b>															
Pak Elektron Limited - Sukuk V (Non-traded) (Face value of Rs. 1,000,000 per certificate)	March 10, 2021	3 Months KIBOR + 1.5%	A+	100	-	-	100	100,500	100,201	(299)	4.36%	5.08%	8.35%		
<b>CHEMICALS</b>															
Engro Polymer and Chemicals Limited - Sukuk (Traded) (Face value of Rs. 100,000 per certificate)	July 11, 2026	3 Months KIBOR + 0.9%	AA	450	70	-	520	52,697	53,118	421	2.31%	2.70%	0.61%		
<b>MISCELLANEOUS</b>															
International Brands Limited - Sukuk (Non-traded) (Face value of Rs. 64,353 per certificate)	November 15, 2021	1 Year KIBOR + 0.5%	AA	2,730	-	-	2,730	169,448	170,251	803	7.42%	8.64%	6.02%		
Pakistan Services Limited - Sukuk (Face value of Rs. 888,889 per certificate)	March 14, 2024	6 Months KIBOR + 1%	A	200	-	-	200	177,778	177,778	-	7.74%	9.02%	2.54%		
<b>Total as at December 31, 2020</b>				118,620	60,450	39,200	139,870	1,897,009	1,893,190	(3,819)	82.45%	96.11%			
<b>Total as at June 30, 2020</b>								1,754,059	1,753,963	(96)	80.78%	92.10%			

### 5.2.1 Sukuk certificates of Pakistan Services Limited, Meezan Bank Limited, Dubai Islamic Bank Pakistan Limited and Bank Islami Pakistan Limited are carried at cost as they are not valued by MUFAP / at PKISRV.

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- (Rupees in '000) -----	
<b>5.3 Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net</b>	<b>Note</b>		
Market value of investments	5.1 & 5.2	<b>1,969,758</b>	1,904,313
Less: Carrying value of investments	5.1 & 5.2	<b>1,973,672</b>	1,902,799
		<b><u>(3,914)</u></b>	<b><u>1,514</u></b>
<b>6 PRELIMINARY EXPENSES AND FLOATATION COSTS</b>			
Preliminary expenses and floatation costs at the beginning of the period		<b>1,452</b>	1,879
Less: amortisation during the period		<b>(214)</b>	(427)
At the end of the period	6.1	<b><u>1,238</u></b>	<b><u>1,452</u></b>

6.1 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 Regulations, 2008.

		(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- (Rupees in '000) -----	
<b>7 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY</b>	<b>Note</b>		
Management fee payable	7.1	<b>394</b>	255
Punjab Sales Tax payable on remuneration of the Management Company	7.2	<b>63</b>	41
Accounting and operational charges payable	7.3	-	67
Selling and marketing expenses payable	7.4	-	936
Sales and transfer load payable		-	97
Preliminary expenses and floatation cost payable		<b>2,341</b>	2,341
		<b><u>2,798</u></b>	<b><u>3,737</u></b>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the offering document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company was charging remuneration under the following rates:

Rate applicable from July 1, 2019 to May 4, 2020	Rate applicable from May 5, 2020 to June 30, 2020	Rate applicable from July 1, 2020 to December 31, 2020
2% of the average annual net assets	0.2% of the average annual net assets	0.2% of the average annual net assets

The remuneration is payable to the Management Company in arrears.

7.2 During the period, an amount of Rs. 0.370 million (2019: Rs.0.343 million) was charged on account of sales tax on management fee levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (2019: 16%).

7.3 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.

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%.

As per guideline issued by the SECP vide its SRO 639 dated June 30, 2020, the Management Company based on its discretion has not charged any accounting and operational charges during this period (June 30, 2020: at the rate of 0.1% and 0% of the average annual net assets from July 1, 2019 to April 30, 2020 and May 1, 2020 to June 30, 2020 respectively).

7.4 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 year ended June 30, 2020, 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 has currently charged selling and marketing expenses at following rates:

Rate applicable from July 1, 2019 to August 21, 2019	Rate applicable from August 22, 2019 to April 30, 2020	Rate applicable from May 1, 2020 to June 30, 2020	Rate applicable from July 1, 2020 to December 31, 2020
0.4% of average annual net assets of the Fund	1.4% of average annual net assets of the Fund	Nil	Nil

This has also been approved by the Board of Directors of the Management Company.

	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- (Rupees in '000) -----	
<b>8 PAYABLE TO MCB FINANCIAL SERVICES LIMITED</b>			
<b>- TRUSTEE - RELATED PARTY</b>			
Trustee fee payable	8.1	154	108
Sindh Sales Tax payable on trustee fee	8.2	20	14
		<u>174</u>	<u>122</u>

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

Existing Tariff	
Net assets (Rs.)	Fee
- up to Rs. 1 billion	0.09% per annum of daily net assets
- exceeding Rs 1 billion	Rs 0.9 million plus 0.065% per annum of daily net assets exceeding Rs.1,000 million

Accordingly the Fund has charged trustee fee at the above rates during the period.

8.2 During the period, an amount of Rs. 0.114 million (2019: 0.013 million) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2019: 13%).

	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
		----- (Rupees in '000) -----	
<b>9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Fee payable	9.1	<u>231</u>	<u>71</u>

9.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay an annual fee to SECP.

As per the guideline issued by SECP vide its SRO No. 685(I)/2019 dated June 28, 2019, the Fund has recognised SECP fee at the rate of 0.02% (June 30, 2020: 0.02%).

	(Un-audited) December 31, 2020	(Audited) June 30, 2020	
		----- (Rupees in '000) -----	
<b>10 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable	77	206	
Printing charges payable	137	196	
Brokerage fee payable	273	491	
Settlement charges payable	-	-	
Shariah advisor fee payable	57	42	
Charity payable	-	137	
Withholding tax payable	-	1,883	
Capital gain tax payable	339	3	
	<u>883</u>	<u>2,958</u>	

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2020 and June 30, 2020.

## 12 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period is 0.41% (2019: 4.44%) which includes 0.07% (December 31, 2019: 0.4%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 4.5% (2019: 4.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "Shariah compliant Islamic Asset Allocation" scheme.

## 13 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 unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2021 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.

## 14 EARNINGS PER UNIT

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

## 15 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

15.2 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.

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

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

15.5 Accounting and operational charges and selling and marketing charges are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

	Un-audited	
	Half year ended December 31, 2020	2019
	----- (Rupees in '000) -----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration charged	2,314	2,143
Punjab Sales Tax on remuneration of the Management Company	370	343
Accounting and operational charges	-	107
Selling and marketing expenses	-	1,182
Issue of 1,744 (2019: Nil) units	18	-
Redemption of 1,744 (2019: Nil) units	18	-
<b>MCB Financial Services Limited - Trustee</b>		
Remuneration of the Trustee	878	100
Sindh Sales Tax on remuneration of the Trustee	114	13

**Un-audited**  
**Half year ended December 31,**  
**2020                      2019**  
**------(Rupees in '000)-----**

**Allied Bank Limited**

Profit on saving account	1,114	-
Bank charges	1	5

**Pak Qatar Investment Account**

Issue of 19,951,518 (2019: Nil) units	200,000	-
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**Pak Qatar Individual Family Participant Investment Fund**

Redemption of 9,896,679 (2019: Nil) units	100,000	-
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**DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE COMPANY**

**Alee Khalid Ghaznavi**

Redemption of 5,304 (2019: Nil) units	54	-
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**Saqib Mateen**

Issue of 26 (2019: Nil) units *	-	-
Redemption of Nil (2019: 5,004) units	-	53

**15.7 Detail of balances with related parties / connected persons as at period / year end:**

**(Un-audited)                      (Audited)**  
**December 31,                      June 30,**  
**2020                                      2020**  
**------(Rupees in '000)-----**

**ABL Asset Management Company Limited - Management Company**

Outstanding Nil (June 30, 2020: Nil) units	-	-
Remuneration payable	394	255
Punjab sales tax on remuneration	63	41
Accounting and operational charges payable	-	67
Selling and marketing expenses payable	-	936
Sales and transfer load payable	-	97
Preliminary expenses and floatation cost payable	2,341	2,341

**MCB Financial Services Limited - Trustee**

Remuneration payable	154	108
Sindh sales tax on remuneration	20	14

**Allied Bank Limited**

Bank balances held	68,872	19,698
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**Pak Qatar Investment Account**

Outstanding 91,544,076 (June 30, 2020: 71,592,558) units	940,396	706,604
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**Pak Qatar Individual Family Participant Investment Fund**

Outstanding 112,646,211 (June 30, 2020: 122,542,890) units	1,157,169	1,209,474
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**DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE COMPANY**

**Alee Khalid Ghaznavi**

Outstanding Nil (June 30, 2020: 5,304) units	-	52
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**Saqib Mateen**

Outstanding 26 (June 30, 2020: Nil) units *	-	-
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\* Nil units due to rounding off.



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

## 16 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. 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.

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

----- (Un-audited) -----			
As at December 31, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000)-----			

### Financial assets 'at fair value through profit or loss'

GOP ijarah sukuk certificates	-	76,568	-	76,568
Corporate sukuk certificates	-	1,893,190	-	1,893,190
	-	1,969,758	-	1,969,758

----- (Audited) -----			
As at June 30, 2020			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000)-----			

### Financial assets 'at fair value through profit or loss'

GOP ijarah sukuk certificates	-	150,350	-	150,350
Corporate sukuk certificates	-	1,753,963	-	1,753,963
	-	1,904,313	-	1,904,313

## 17 GENERAL

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

### 17.2 COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

**18 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on February 11, 2021 by the Board of Directors of the Management Company.

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

  
\_\_\_\_\_  
**Saqib Matin**  
Chief Financial Officer

  
\_\_\_\_\_  
**Alek Khalid Ghaznavi**  
Chief Executive Officer

  
\_\_\_\_\_  
**Pervaiz Iqbal Butt**  
Director

میسرز اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) اے بی ایل اسلامی اثاثہ مختص فنڈ (اے بی ایل - آئی اے اے ایف) کے لئے 30 جون 2021 کو ختم ہونے والے سال کے لئے بطور آڈیٹر مقرر ہوئے ہیں۔

## مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

31 دسمبر، 2020 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 پلس) تفویض کردہ درجہ بندی پر اوٹ لک 'مستحکم' ہے۔

## اوٹ لک

توقع کی جاتی ہے کہ کارپوریٹوں سے متوقع صحت مند منافع کے درمیان اور قلیل مدت میں مارکیٹ میں تیزی سے لطف اندوز ہوں گے، اور مارکیٹ میں P/E متعدد فارورڈ کا مطلب ہونے میں رعایت کی وجہ سے۔ سی CY21 میں غیر ملکی فروخت میں تیزی سے کمی ہوگی۔ مزید یہ کہ معاشی سرگرمیوں کی حمایت کرنے کے لئے، اسٹیٹ بینک سود کی شرحوں میں اضافہ کرنے میں شرمندہ تعبیر رہے گا۔ تاہم، اگر ضرورت ہو تو، منفی اثرات کا مقابلہ کرنا بتدریج ہوگا۔ اسٹیٹ بینک اور حکومت کی جانب سے کئے گئے توسیعی اقدامات کے بعد ملک میں سیمنٹ کے ایک تاریخی مطالبہ کا مشاہدہ کیا جا رہا ہے جو ملک میں معاشی سرگرمیوں کا ثبوت فراہم کر رہا ہے۔ بہر حال، کرنٹ اکاؤنٹ کچھ پریشانی پیدا کر سکتا ہے۔ لہذا، حکومت متعدد ساختی اصلاحات پر عملدرآمد کر رہی ہے جیسے بجلی کے شعبے کے بقایا وصولیوں کی بحالی، ٹیرف ایڈجسٹمنٹ، ٹیکس کی بنیادوں میں اضافہ وغیرہ۔ آخری لیکن کم از کم، آئندہ ایف اے ٹی ایف جائزہ بھی مارکیٹ کی سمت متعین کرنے میں کلیدی کردار ادا کرے گا۔ یہ ذکر کرنا مناسب ہے کہ پاکستان کی کالی فہرست میں شامل ہونے کا تقریباً امکان نہیں ہے، اور اگر سفید فہرست میں تبدیل ہوجاتا ہے تو ان کے جذبات کو زبردست فروغ ملے گا۔

## 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 (ایم سی بی فنانشل سروسز 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



ڈائریکٹر

لاہور، 11 فروری، 2021



علی خالد غزنوی  
چیف ایگزیکٹو آفیسر

دوسری طرف ، روایتی اور اسلامی دونوں سمیت ایکویٹی فنڈز % 30 YOY کی طرف سے بڑھے اور اس مدت کو bn222 PKR پر بند کر دیا۔

## اسٹاک مارکٹ

1HFY21 کے دوران ، KMI-30 انڈیکس نے زبردست کارکردگی کا مظاہرہ کیا ، جس میں %29.41 YOY کی زبردست واپسی ہوئی ، اور یہ 71,167 پر بند ہوا۔ کے ایم آئی -30 انڈیکس کی اس قابل ذکر کارکردگی کو بہت ساری مثبت پیشرفتوں سے منسوب کیا جاسکتا ہے جیسے مانیٹری میں نرمی (625 بی پی ایس کی شرح میں کٹوتی) ، تعمیراتی پیکج ، اعلیٰ طرازی ، صحت مند ٹیکس کی وصولی ، ویکسینیشن کی دستیابی ، کم درآمدی بل میں کمی کے بعد بین الاقوامی اجناس کی قیمتوں اور کم طلب کے ساتھ ساتھ ٹیکسٹائل کی درآمد کرنے والی بڑی معیشتوں کی بندش کے درمیان برآمدی آرڈرز کو پاکستان میں دوبارہ شفٹ کیا گیا۔

اوسط تجارت کا حجم %123 YOY بڑھ گیا جبکہ قیمت %112 YoY اضافے سے بالترتیب mn155 اور mn47 ڈالر ہو گئی۔ اس مدت کے دوران غیر ملکیوں نے 278 ملین ڈالر کے حصص فروخت کیے۔ مقامی محاذ پر ، افراد ، کمپنیاں ، اور انشورنس کمپنیاں بالترتیب 159 ملین ڈالر ، 90 ملین ڈالر اور 82 ملین ڈالر کی خالص خریداری کے ساتھ سرفہرست رہیں۔ انڈیکس طاقت میں تعاون کرنے والے شعبوں میں سیمنٹ ، ٹیکنالوجی اور مواصلات ، اور تجارتی بینکوں میں بالترتیب 4,505 ، 1,686 اور 1,394 پوائنٹس شامل تھے۔ پلٹائیں میں ، سرمایہ کاری کمپنیوں اور کاغذات اور بورڈ کی صنعتوں نے بالترتیب 119 اور 8 پوائنٹس کو گھٹا کر انڈیکس پر منفی اثر ڈالا۔

آگے بڑھتے ہوئے ، ہمیں یقین ہے کہ مارکیٹ کورونا ویکسینیشن ، مالیاتی نرمی ، افراط زر کے دباؤ کو کم کرنے ، اور شرح تبادلہ کی مستحکم شرح کی بدولت کارکردگی کا مظاہرہ کرے گی۔ مارکیٹ ٹی ٹی ایم پی / ای 7.4x کے متعدد اور %6.2 کے منافع بخش حصص میں تجارت کر رہی ہے۔

## منی مارکیٹ کا جائزہ

عارضی معاشی ری فنانس سہولت (TERF) اور تعمیراتی پیکج جیسے کاروبار کی حمایت کے لئے حکومت نے مختلف ریلیف پیکجوں کا اعلان کر کے معیشت کی حمایت کے لئے اپنی کوششیں جاری رکھی ہیں۔ اسٹیٹ بینک نے بھی شرح نمو کو %7 پر غیر متناسب رکھے ہوئے ترقی کی حامی پالیسی کی پیروی کی ، جو 1HFY20 کے دوران %13.25 کے اضافے سے 625bps کی مجموعی کمی ہے۔

حکومت نے 1HFY21 کے دوران مجموعی طور پر 6 (GIS-5Y) نیلامی کی جبکہ مجموعی ہدف کو 75 PKR ارب سے کم کر کے 35 ارب کر دیا گیا۔ حکومت پاکستان نے %8.37 کے کٹ آف ریٹ کے ساتھ فکسڈ ریٹ GIS نیلامی بھی کی جبکہ فلوتنگ ریٹ والے آلات کے لئے کٹ آف پیداوار پائے جانے والے معیار کو بینچ مارک ریٹ (M6 ٹی بل پیداوار) + (-125bps to -10bps) کی حد میں رکھا گیا۔ اسلامی بینکاری جمعہ کی شرحوں میں 20 دسمبر کو اختتام کی طرف بہتری کی علامت ظاہر ہوئی۔

## فنڈ کی کارکردگی

1HFY21 کے دوران ، الانیڈ اسلامی اثاثہ مختص فنڈ نے %3.99 کے بینچ مارک ریٹرن کے مقابلے میں سالانہ %7.72 فیصد منافع دیا ، جو 373 بنیاد پوائنٹس کی کارکردگی کو ظاہر کرتا ہے۔

فنڈ کارپوریٹ سکوک میں 85.64 فیصد لگایا گیا جبکہ بینک میں کیش اور دیگر وصول کنندگان کو بالترتیب 10.71 فیصد اور 3.65 فیصد لگایا گیا۔ فنڈ کی AUM دسمبر 2020 کو 2,296.03mn PKR ریکارڈ کی گئی۔

## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

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

### اقتصادی کارکردگی کا جائزہ

اس عرصے کے دوران ، اوسط افراط زر YOY %8.63 پر چلا گیا جبکہ اس کے مقابلے میں SPLY میں %11.10 YOY تھا۔ افراط زر میں یہ کمی بنیادی اثر کی وجہ سے بنیادی طور پر دیکھی گئی ہے۔ سپلائی کے جھٹکوں ، ٹڈیوں کے حملے اور بین الاقوامی منڈیوں میں زرعی اجناس کی اعلیٰ قیمتوں کے درمیان کھانے کی قیمتوں میں اضافے کی وجہ سے فوڈ انڈیکس میں 12.90 فیصد اضافہ ہوا ہے۔ اسی طرح ، ہاؤسنگ ، پانی ، بجلی اور گیس انڈیکس میں %4.55 YOY کا اضافہ ہوا جبکہ ٹرانسپورٹ انڈیکس میں نرخوں میں ایڈجسٹمنٹ ، سہ ماہی کرایے میں ایڈجسٹمنٹ ، اور ایندھن اور اس سے متعلقہ ٹرانسپورٹ کی قیمتوں میں اضافے کے بعد YOY %12.72 کا اضافہ ہوا۔ ان سب نے بیس اثر کا فائدہ روک لیا۔ آگے بڑھتے ہوئے ، ہم اندازہ لگاتے ہیں کہ افراط زر 8.7-8.8 YOY کے درمیان طے ہوگا۔

کوویڈ-19 لاک ڈاؤن اور پہلے ہی خراب معیشت کی وجہ سے مالی سال 20 کے دوران پاکستان کی معیشت 0.40 فیصد گھٹ گئی۔ تاہم ، 2HCY20 میں ، حکومت کی طرف سے اعلان کردہ مراعات اور اسٹیٹ بینک کی طرف سے مالیاتی آسانی میں نرمی پر معیشت دوبارہ پٹری پر آگئی۔ جولائی-اکتوبر 2020 کے دوران بڑے پیمانے پر مینوفیکچرنگ (LSM) کے اعداد و شمار میں بھی اسی صورت کی عکاسی کی گئی ہے جس میں SPLY میں %5.52 YOY کمی کے مقابلے میں %5.46 YOY کا اضافہ ہوا ہے۔ کھانے ، مشروبات اور تمباکو (%2.14 YOY) ، غیر دھاتی معدنیات کی مصنوعات (%1.75) ، دواسازی (%0.70 YOY) ، اور ٹیکسٹائل (%0.67 YOY) تھے جن اہم شعبوں نے اس اضافے میں اہم کردار ادا کیا۔

ادائیگی کے محاذ پر متوازن ہونے پر ، ملک نے 5MFY21 کے دوران 1.74 بلین امریکی ڈالر کے خسارے کے مقابلے میں 1.64 بلین امریکی ڈالر کی مجموعی سرپلس رقم کی جو غیر معمولی ہے۔ اس کی بنیادی وجہ YOY %26.91 زیادہ ترسیلات زر تھیں جو bn11.77 امریکی ڈالر ہیں۔ ترسیلات زر میں اس اضافے کا جزوی طور پر سرکاری کریک ڈاؤن کی وجہ سے غیر قانونی چینلز کے ذریعہ لین دین میں کمی سے منسوب کیا جاسکتا ہے ، اور باقی کو ہوائی سفر کی کمی کی وجہ سے قرار دیا جاسکتا ہے۔ آگے بڑھتے ہوئے ، کل برآمدات YOY %6.85 کی کمی سے 11.70 بلین ڈالر رہیں جب کہ درآمدات YOY %3.96 کی کمی سے bn21.25 ڈالر رہ گئیں۔ تجارتی سائز %5.01 کم رہا 32.95bn YOY امریکی ڈالر پر پہنچ گیا۔ 20 دسمبر 2020 تک ، ملک کے زرمبادلہ کے ذخائر 20.25 بلین ڈالر ہیں ، جو مجموعی طور پر ~ 4.77 ماہ کی درآمدی رقم فراہم کرتے ہیں۔

مالی معاملات میں ، ٹیکس وصولی ~ 2.20tr PKR تک پہنچ گئی ہے۔ جبکہ اس کا ہدف 2.21 PKR تھا جس کے نتیجے میں 15bn PKR کا خسارہ ہے۔

### میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے مینجمنٹ کے تحت (AUMs) مجموعی اثاثوں میں YOY %23 کی بے پناہ ترقی ہوئی (PKR 788bn سے PKR 970bn تک) ، بنیادی طور پر منی مارکیٹ فنڈ میں کافی اضافے کی وجہ سے۔ وبائی مرض نے محفوظ مانگ پیدا کر دی۔ منی مارکیٹ اور فیکسڈ انکم فنڈ (بشمول اسلامی اور روایتی) میں YOY %31 اور YOY %18 کی زبردست نمو دیکھنے میں آئی جس نے بالترتیب PKR 379bn اور PKR 220bn پر مدت کو بند کیا۔





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