



ABL Government Securities Fund

# Half Yearly Report

HALF YEAR FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023



ABL Asset Management

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## 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. Aizid Razzaq Gill Ms. Saira Shahid Hussain Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director
Audit Committee:	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Board's Risk Management Committee	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member
Board Strategic Planning & Monitoring Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Naveed Nasim	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shehzad	
Trustee:	Central Depository Company of Pakistan Limited CDC - House, Shara-e-Faisal, Karachi.	
Bankers to the Fund:	Allied Bank Limited Bank Al Falah Limited United 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, DHA 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 Government Securities Fund (ABL-GSF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Government Securities Fund for the half year ended December 31, 2023.

### ECONOMIC PERFORMANCE REVIEW

In June 2023, Pakistan successfully signed a Stand-by Agreement with IMF worth PKR 3 Bn; this improved the external outlook as the macroeconomic indicators were majorly positive for 1HFY24. In addition to the inflows from IMF, new loans and roll overs from China, Saudi Arabia and UAE improved the foreign exchange reserves which, subsequently, strengthened PKR against USD. On 29th December 2023, FX reserves with SBP stood at USD 8.2 Bn. The upcoming second review of the IMF Stand-by Agreement should further alleviate pressure from the domestic currency as the foreign exchange reserves will further improve. In November 2023, YoY Inflation clocked in at 28.28% vs. 25.04% SPLY. This was mainly due to the recent increase in gas tariffs while other major contributors were food, housing and transport prices. Moving forward, we expect CPI inflation to remain on the lower side due to the anticipated decline in local fuel prices and high base effect of last year. Continuation of tighter monetary and fiscal policies coupled with proper administration have led to a shrinking trade balance. The YoY Current Account Deficit for 5MFY24 was reduced to USD 1160Mn from USD 3264Mn (down by 64%). On the fiscal side, FBR managed to collect PKR 4505bn during the period.

### Money Market Review:

During 1HFY24, State Bank of Pakistan (SBP) held four (4) Monetary policy meetings and kept the policy rate unchanged at 22%, to counter inflationary pressures and ensure economic sustainability. During the period under review, market initially took interest in shorter tenure instruments however in the later months' participation in longer tenure instruments picked pace. The primary reason was that the markets started assuming that interest rates have peaked and yields will start falling soon.

The last monetary policy meeting of CY23 held on December 12th, 2023, with the State Bank of Pakistan (SBP) deciding to maintain the policy rate at 22%. Inflation seems the main culprit behind the SBP's decision to maintain status-quo. Though the SBP has yet not shared the monetary policy calendar for the year 2024, but there is a prevailing sentiment in the money market that interest rates cannot sustain here for long and SBP will cut rates in the months ahead. Moreover, the SBP's reserves stood at USD 8.2 billion, as of December 29, 2023.

During the period, T-bill cut off yields decreased by 1.69% across different tenors. 3M cutoff yield decreased by 55 bps from 22.00% to 21.45%, 6M cutoff yield decreased by 57 bps from 21.97% to 21.40% and 12M cutoff yield decreased by 57 bps from 22.00% to 21.43%. During the period, SBP held fourteen (14) T-Bills auctions, and government ended up borrowing a total of PKR 16.64 trillion across 3M, 6M and 12M tenors.

Pakistan Investment Bonds (PIBs) yields decreased from 19.35% to 17.19% for 3Y tenure while yields on 5Y and 10Y tenures increased from 13.35% and 12.95% to 15.88% and 15.00%, respectively. Considerable market participation was seen in 5Y and 10Y PIBs during the period as markets presume that policy rates will start falling in the months ahead. The total borrowing amounted to PKR 668 billion. During the period under review, SBP continued with frequent open market operation (OMOs), and conducted fifty-six (56) OMOs during 1HFY24.



## MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted a mammoth growth of 35% YoY (from PKR 1613bn to PKR 2183bn). Islamic income and Conventional Income funds witnessed a huge growth of 107% YoY and 61% YoY to close the period at PKR 385bn and PKR 268bn, respectively. On the flip side Aggressive fixed income declined by 7%YoY to close the period at PKR 16bn.

## FUND PERFORMANCE

During the first half year of FY24, ABL GSF generated a return of 23.42% against the benchmark return of 22.35%, thereby outperforming the benchmark by 107bps. At the end of 1HY24, fund had 1.35% exposure in TFCs/ Sukuk, 47.83% exposure in PIBs while 18.66% of the fund's exposure was placed as Cash. During the period, AUMs of ABL GSF increased to PKR 4,174.31 million as at Dec 31, 2023 from PKR 643.43 million as at 30 June, 2023.

## AUDITORS

M/s. A.F. Ferguson & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2024 for ABL Cash Fund (ABL-CF).

## FUND STABILITY RATING

On November 17, 2023: The Pakistan Credit Rating Agency Limited (PACRA) has assigned the Fund Stability Rating (FSR) for ABL Government Securities Fund (ABL-GSF) at 'AA- (f)' (Double AA minus (f)).

## MANAGEMENT QUALITY RATING

On October 26, 2023: The Pakistan Credit Rating Agency Limited (PACRA) has assigned the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM1' (AM-One). Outlook on the assigned rating is 'Stable'.

## Outlook & Strategy:

Despite the fact that policy rate has remained unchanged at 22% yields for both shorter tenor and longer tenor instruments have dropped significantly indicating that market participants are expecting a rate cut in the near future. Our base case scenario is that we are not expecting a rate cut before March'24. A rate cut would largely depend on the foreign exchange reserve position with the SBP, in our opinion.

We expect the elections to be held timely and the new government to negotiate a long-term arrangement with the IMF which would give more stability to the rupee and open up the Eurobond market and funding from other multilateral agencies like World Bank, ADB, ISDB etc.

The inversion in the yield curve has sharpened since August'23. Yield curve at the shorter end has pretty much flattened with the 3M, 6M and 12M T-bills almost at the same level, carrying a negative spread of 150bps from the policy rate. On the longer end of the yield curve, the spread between the 2.5yrs and 5yrs fixed rate PIBs is around 150bps and their spread from the policy rate is almost 520bps and 650bps. Outstanding OMO is close to around PKR 9 trillion which itself is a huge systemic risk.

Going forward, we intend to increase the duration of our money market portfolios without hurting their running yields. Therefore, we have switched our positions from fortnightly resetting floating rate PIBs to semiannual resetting floating rate PIBs.



Further, we are negotiating with banks deposit deals to get profit rates better than the T-bill yields so we could trade along the shorter end of the yield curve to book capital gains and take funds back into the banks in order to improve running yields of our portfolios.

We will continue to stay cautious in our approach and not get swayed by the market until there is more clarity, especially on the political front after which we would take position in longer term 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**

**Lahore, February 21, 2024**



**Naveed Nasim**

**Chief Executive Officer**



**Head Office:**

CDC House, 99-B, Block 'B'  
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## TRUSTEE REPORT TO THE UNIT HOLDERS

### ABL GOVERNMENT SECURITIES FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of ABL Government Securities Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 21, 2024





**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 Government Securities Fund** (the Fund) as at December 31, 2023 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, 2023, 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, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

**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.

**Other Matter**

The condensed interim financial statements of the Fund for the half year ended December 31, 2022 and the financial statements for the year ended June 30, 2023 were reviewed and audited respectively by another firm of Chartered Accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated February 23, 2023 and August 24, 2023 respectively.

A.F. Ferguson & Co.  
Chartered Accountants  
Engagement Partner: **Noman Abbas Sheikh**  
Dated:  
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  
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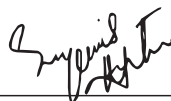


**ABL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2023**

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Bank balances	4 907,761	33,430
Investments	5 2,393,176	636,411
Accrued profit / mark-up	174,410	28,780
Receivable against sale of investments	745,844	-
Deposits and other receivables	18,481	18,857
<b>Total assets</b>	<b>4,239,672</b>	<b>717,478</b>
<b>LIABILITIES</b>		
Payable to ABL Asset Management Company Limited - Management Company	6 54,425	49,501
Payable to Central Depository Company of Pakistan Limited - Trustee	7 217	36
Payable to the Securities and Exchange Commission of Pakistan (SECP)	8 259	142
Payable against redemption of units	8,644	11,441
Dividend payable	-	77
Accrued expenses and other liabilities	9 1,815	12,848
<b>Total liabilities</b>	<b>65,360</b>	<b>74,045</b>
<b>NET ASSETS</b>	<b>4,174,312</b>	<b>643,433</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>4,174,312</b>	<b>643,433</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10	
	----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>	<b>367,903,838</b>	<b>63,403,275</b>
	----- (Rupees)-----	
<b>NET ASSET VALUE PER UNIT</b>	<b>11.3462</b>	<b>10.1483</b>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director




**ABL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	Note	Half year ended December 31,		Quarter ended December 31,	
		2023	2022	2023	2022
(Rupees in '000)					
<b>INCOME</b>					
Income from government securities		187,740	35,255	135,623	23,523
Income from term finance certificates and GoP Ijarah Sukuk		4,520	3,781	2,148	2,302
Profit on savings accounts		42,949	19,859	25,270	4,894
		235,209	58,895	163,041	30,719
Gain / (loss) on sale of investments - net		14,281	(10,460)	12,428	(13,858)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.5	(7,148)	(804)	(6,869)	(54)
		7,133	(11,264)	5,559	(13,912)
<b>TOTAL INCOME</b>		<b>242,342</b>	<b>47,631</b>	<b>168,600</b>	<b>16,807</b>
<b>EXPENSES</b>					
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	12,737	4,617	8,689	2,303
Punjab Sales Tax on remuneration of the Management Company	6.2	2,038	739	1,390	369
Accounting and operational charges	6.4	1,527	556	1,042	279
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	560	205	382	103
Sindh Sales Tax on remuneration of the Trustee	7.2	73	27	50	14
Fee to the Securities and Exchange Commission of Pakistan Limited	8.1	764	75	521	38
Securities transaction cost		1,118	428	963	339
Settlement and bank charges		20	3	16	2
Legal and professional charges		295	364	240	364
Auditors' remuneration		361	329	196	179
Printing charges		85	101	51	51
Listing fee		31	14	-	7
Rating fee		301	134	-	67
<b>Total operating expenses</b>		<b>19,910</b>	<b>7,592</b>	<b>13,540</b>	<b>4,115</b>
<b>Net income for the period before taxation</b>		<b>222,432</b>	<b>40,039</b>	<b>155,060</b>	<b>12,692</b>
Taxation	11	-	-	-	-
<b>Net income for the period after taxation</b>		<b>222,432</b>	<b>40,039</b>	<b>155,060</b>	<b>12,692</b>
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>222,432</b>	<b>40,039</b>	<b>155,060</b>	<b>12,692</b>
<b>Earnings per unit</b>	12				
<b>Allocation of net income for the period</b>					
Net income for the period after taxation		222,432	40,039	155,060	12,692
Income already paid on units redeemed		(21,574)	(5,595)	(10,799)	(3,060)
		200,858	34,444	144,261	9,632
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		7,133	-	5,559	-
- Excluding capital gains		193,725	34,444	138,702	9,632
		200,858	34,444	144,261	9,632

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director

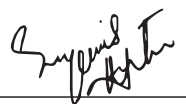


**ABL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended December 31, 2023			Half year ended December 31, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
<b>Net assets at the beginning of the period (audited)</b>	622,500	20,933	643,433	1,345,012	16,503	1,361,515
Issue of 405,187,361 (2022: 32,456,575) units						
Capital value (at net asset value per unit at the beginning of the period)	4,111,947	-	4,111,947	327,434	-	327,434
Element of income	289,402	-	289,402	14,816	-	14,816
Total proceeds on issuance of units	4,401,349	-	4,401,349	342,250	-	342,250
Redemption of 100,686,798 (2022: 95,262,721) units						
Capital value (at net asset value per unit at the beginning of the period)	1,021,796	-	1,021,796	961,045	-	961,045
Element of loss	49,532	21,574	71,106	7,622	5,595	13,217
Total payments on redemption of units	1,071,328	21,574	1,092,902	968,667	5,595	974,262
Total comprehensive income for the period	-	222,432	222,432	-	40,039	40,039
<b>Net assets at the end of the period (un-audited)</b>	<b>3,952,521</b>	<b>221,791</b>	<b>4,174,312</b>	<b>718,595</b>	<b>50,947</b>	<b>769,542</b>
<b>Undistributed income brought forward</b>						
- Realised income		24,187			16,035	
- Unrealised (loss) / income		(3,254)			468	
		20,933			16,503	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		7,133			-	
- Excluding capital gains		193,725			34,444	
		200,858			34,444	
Undistributed income carried forward		221,791			50,947	
<b>Undistributed income carried forward</b>						
- Realised income		228,939			51,751	
- Unrealised loss		(7,148)			(804)	
		221,791			50,947	
				<b>Rupees</b>		<b>Rupees</b>
Net asset value per unit at the beginning of the period				<u>10.1483</u>		<u>10.0884</u>
Net asset value per unit at the end of the period				<u>11.3462</u>		<u>10.6654</u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer





Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director


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**ABL GOVERNMENT SECURITIES FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<u>Half year ended December 31,</u>	
	2023	2022
Note	------(Rupees in '000)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	222,432	40,039
<b>Adjustments:</b>		
Income from government securities	(187,740)	(35,255)
Income from term finance certificates and GoP Ijarah Sukuk	(4,520)	(3,781)
Profit on savings accounts	(42,949)	(19,859)
Unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss - net	7,148	804
	(228,061)	(58,091)
<b>Decrease / (increase) in assets</b>		
Deposits and other receivables	376	(1,828)
<b>Increase / (decrease) in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	4,924	(489)
Payable to Central Depository Company of Pakistan Limited - Trustee	181	(36)
Payable to the Securities and Exchange Commission of Pakistan (SECP)	117	(110)
Dividend payable	(77)	-
Accrued expenses and other liabilities	(11,033)	(7,933)
	(5,888)	(8,568)
Income received from government securities	48,037	27,780
Income received from term finance certificates and GoP Ijarah Sukuk	5,554	(211)
Profit received on savings accounts	35,988	23,054
Amount (paid) / received on (purchase) / sale of investment - net	(2,509,757)	229,506
<b>Net cash (used in) / generated from operating activities</b>	<u>(2,431,319)</u>	<u>251,681</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts on issuance of units	4,401,349	342,250
Net payments on redemption of units	(1,095,699)	(974,288)
<b>Net cash generated from / (used in) in financing activities</b>	3,305,650	(632,038)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	874,331	(380,357)
Cash and cash equivalents at the beginning of the period	33,430	761,647
<b>Cash and cash equivalents at the end of the period</b>	<u>4 907,761</u>	<u>381,290</u>

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director



## ABL GOVERNMENT SECURITIES FUND

### NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

#### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 ABL Government Securities Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 01, 2011 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has not been revised. Furthermore, the offering document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplements dated January 12, 2012, May 31, 2012, July 30, 2013, February 10, 2014, October 1, 2014, October 6, 2016 and June 24, 2021 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Securities and Exchange Commission of Pakistan (SECP) authorized constitution of the Trust Deed vide letter no. NBFC-II / ABLAMC / 439 / 2011 dated October 31, 2011 in accordance with the requirement 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 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 November 29, 2011 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the scheme is to deliver optimal risk adjusted returns by investing mainly in mix of short to long term Government securities and other debt instruments. The investment objectives and policies are explained in the Fund's offering document.
- 1.4 The Pakistan Credit Rating Agency Limited has maintain the asset manager rating of the Management Company of AM1 (June 30, 2023: AM1) on October 26, 2023. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 The title to the assets of the Fund are held in the name of Central Depository Company (CDC) of Pakistan Limited as the Trustee of the Fund.
- 1.6 During the year ended June 30, 2021, the Trust Act, 1882 had been repealed due to promulgation of Provincial Trust Act namely "The Punjab Trusts Act 2020" (The Punjab Trust Act). Consequently, the Fund was required to be registered under the Punjab Trust Act. Accordingly, on June 22, 2023, the Fund has been registered as a Trust under the Punjab Trusts (Amendment) Act, 2022 and has been issued a Trust Registration Certificate.

#### 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, 2023.

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 and for the half year ended December 31, 2023.

### 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, 2023.

3.2 The preparation of these condensed interim financial statements in conformity with the 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, 2023. 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, 2023.

#### 3.3 Standards, interpretations and amendments to published 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, 2023. 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, 2024. 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.

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	------(Rupees in '000)-----	
<b>4 BANK BALANCES</b>			
Balances with banks in:			
Savings accounts	4.1	907,729	33,397
Current accounts	4.2	32	33
		<u>907,761</u>	<u>33,430</u>

4.1 This includes balance of Rs 109.503 million (June 30, 2023: Rs 13.329 million) maintained with Allied Bank Limited (a related party) and carries profit at 20.50% (June 30, 2023: 11.75% to 19.5%) per annum. Other savings accounts carry profit rates ranging from 19.50% to 21.90% (June 30, 2023: 11.25% to 20.30%) per annum.

4.2 This represents balance maintained with Allied Bank, a related party.



	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
		------(Rupees in '000)-----	
<b>5 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
- Term Finance Certificates	5.1	14,651	31,663
- Government of Pakistan (GoP) Ijarah Sukuks	5.2	51,249	45,042
- Market Treasury Bills	5.3	-	111,554
- Pakistan Investment Bonds	5.4	2,327,276	448,152
		<u>2,393,176</u>	<u>636,411</u>

#### 5.1 Term Finance Certificates - unlisted - at fair value through profit or loss

Name of the security	Profit payments / principal redemptions	Profit rate	Issue date	As at July 1, 2023	Purchased during the period	Matured during the period	As at December 31, 2023	Face value as at December 31, 2023	As at December 31, 2023			Market value as a percentage of	
									Carrying value	Market value	Unrealised diminution	Net assets	Total investments
								Rupees in '000			%		
Jahangir Siddiqui & Company Limited - TFC X (AA+, non-traded, PACRA) (Face value of Rs 625 per certificate)	Semi-annually	6 months KIBOR plus base rate of 1.40%	July 18, 2018	22,900	-	22,900	-	-	-	-	-	-	-
Jahangir Siddiqui & Company Limited - TFC XI (AA+, non-traded, PACRA) (Face value of Rs 833 per certificate)	Semi-annually	6 months KIBOR plus base rate of 1.40%	September 06, 2018	3,000	-	3,000	-	-	-	-	-	-	-
Bank Al Habib Limited (AA+, non-traded, PACRA) (Face value of Rs 4,996 per certificate)	Semi-annually	6 months KIBOR plus base rate of 0.75%	September 30, 2021	3,000	-	-	3,000	14,988	14,808	14,651	(157)	0.35%	0.61%
<b>Total as at December 31, 2023 (Unaudited)</b>								<u>14,808</u>	<u>14,651</u>	<u>(157)</u>			
<b>Total as at June 30, 2023 (Audited)</b>								<u>33,308</u>	<u>31,663</u>	<u>(1,645)</u>			

5.1.1 These carry purchase yield of 22.95% (June 30, 2023: 22.90% to 23.53%) per annum and will be matured latest by September 30, 2031.

#### 5.2 Government of Pakistan (GoP) Ijarah Sukuks - at fair value through profit or loss

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2023	Purchased during the period	Disposed of / matured during the period	As at December 31, 2023	As at December 31, 2023			Market value as a percentage of	
									Carrying value	Market value	Unrealised diminution / appreciation	Net assets	Total investments
								Rupees in '000			%		
GoP Ijara Sukuk Certificate - GIS FRR - XI	Semi-annually / At maturity	December 15, 2021	December 15, 2026	11.40%	500	-	200	300	27,025	26,124	(901)	0.63%	1.09%
GoP Ijara Sukuk Certificate - GIS VRR - XXXX	Semi-annually / At maturity	December 04, 2023	December 03, 2024	Weighted average 6 months T-Bills	-	250	-	250	25,000	25,125	125	0.60%	1.05%
<b>Total as at December 31, 2023 (Unaudited)</b>								<u>52,025</u>	<u>51,249</u>	<u>(776)</u>			
<b>Total as at June 30, 2023 (Audited)</b>								<u>46,500</u>	<u>45,042</u>	<u>(1,458)</u>			

5.2.1 The nominal value of these GoP Ijarah Sukuks is Rs.100,000 each.

5.2.2 These carry purchase yield ranging from 11.40% to 20.33% (June 30, 2023: 11.40%) per annum and will be matured latest by December 15, 2026.



### 5.3 Market Treasury Bills - at fair value through profit or loss

Tenure	As at July 1, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	As at December 31, 2023			Market value as a percentage of	
					Carrying value	Market value	Unrealised diminution	Net assets	Total investments
-----Face Value (Rupees in '000)-----					-----Rupees in '000-----			----- % -----	
Market Treasury Bill									
- 3 months	116,240	8,576,240	8,692,480	-	-	-	-	-	-
- 6 months	-	1,890,000	1,890,000	-	-	-	-	-	-
-12 months	-	8,668,000	8,668,000	-	-	-	-	-	-
<b>Total as at December 31, 2023 (Unaudited)</b>	<b>116,240</b>	<b>19,134,240</b>	<b>19,250,480</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total as at June 30, 2023 (Audited)</b>					<b>111,715</b>	<b>111,554</b>	<b>(161)</b>		

5.3.1 These carry profit at nil (June 30, 2023: 21.95%).

### 5.4 Pakistan Investment Bonds - at fair value through profit or loss

Tenure	Issue date	As at July 1, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	As at December 31, 2023			Market value as a percentage of	
						Carrying value	Market value	Unrealised diminution / appreciation	Net assets	Total investments
-----Face Value (Rupees in '000)-----						-----Rupees in '000-----			----- % -----	
Pakistan Investment Bond										
2 year	April 6, 2023	-	970,000	970,000	-	-	-	-	-	-
2 year	September 21, 2023	-	800,000	800,000	-	-	-	-	-	-
2 year	December 30, 2021	450,000	2,980,000	3,430,000	-	-	-	-	-	-
Pakistan Investment Bond										
3 year	July 4, 2023	-	650,000	650,000	-	-	-	-	-	-
3 year	February 9, 2023	-	500,000	500,000	-	-	-	-	-	-
3 year	September 21, 2023	-	400,000	400,000	-	-	-	-	-	-
Pakistan Investment Bond										
5 year	May 6, 2021	-	50,000	-	50,000	49,135	49,060	(75)	2.05%	1.18%
5 year	September 21, 2023	-	3,234,000	900,000	2,334,000	2,274,056	2,267,947	(6,109)	94.77%	54.33%
5 year	October 19, 2023	-	3,786,500	3,776,000	10,500	10,199	10,178	(21)	0.43%	0.24%
5 year	September 19, 2019	100	-	-	100	100	92	(8)	-	-
5 year	October 13, 2022	-	225,000	225,000	-	-	-	-	-	-
<b>Total as at December 31, 2023 (Unaudited)</b>						<b>2,333,491</b>	<b>2,327,276</b>	<b>(6,215)</b>		
<b>Total as at June 30, 2023 (Audited)</b>						<b>448,141</b>	<b>448,152</b>	<b>11</b>		

5.4.1 These carry purchase yield ranging from 21.84% to 26.01% (June 30, 2023: 24.812%) per annum and will be matured latest by October 19, 2028.

5.5 Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
		-----Rupees in '000-----	
Market value of investments	5.1,5.2,5.3 & 5.4	2,393,176	636,411
Less: carrying value of investments	5.1,5.2,5.3 & 5.4	(2,400,324)	(639,665)
		<u>(7,148)</u>	<u>(3,254)</u>

### 6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY

Management remuneration payable	6.1	4,315	677
Punjab Sales Tax payable on management remuneration	6.2	690	109
Federal excise duty payable on management remuneration	6.3	48,138	48,138
Accounting and operational charges payable	6.4	1,042	244
Other Payable		240	333
		<u>54,425</u>	<u>49,501</u>





- 6.1 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 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 has charged its remuneration at the rate of 1.25% (June 30, 2023: 1.25%) per annum of the average net assets of the Fund during the period ended December 31, 2023. The remuneration is payable to the Management Company monthly in arrears.
- 6.2 Punjab sales tax on remuneration of the management company has been charged at the rate of 16% (June 30, 2023: 16%) under the 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 48.138 million is being retained in these 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 December 31, 2023 would have been higher by Re 0.131 (June 30, 2023: Re 0.759) 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).

The Management Company based on its own discretion has charged such expenses at the rate of 0.15% (June 30, 2023: 0.15%) of the average annual net assets of the Fund during the current period.

7	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	Note	December 31, 2023	June 30, 2023
			(Un-audited)	(Audited)
			-----Rupees in '000-----	
	Trustee fee payable	7.1	192	32
	Sindh Sales Tax payable on trustee fee	7.2	25	4
			<u>217</u>	<u>36</u>

- 7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged trustee fee at the rate of 0.055% (June 30, 2023: 0.055%) per annum of the average daily net assets of the Fund during the period.

- 7.2 During the period, an amount of Rs 0.073 million (June 30, 2023: Rs 0.051 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% (2022: 13%)

8	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)	Note	December 31, 2023	June 30, 2023
			(Un-audited)	(Audited)
			-----Rupees in '000-----	
	Fee payable	8.1	<u>259</u>	<u>142</u>



- 8.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, has revised the rate of fee to 0.075% per annum of the daily net assets of the Fund, applicable to an "Income Scheme". Previously, the rate of fee applicable on all categories of CISs was 0.02% per annum of the daily net assets of the Fund. Accordingly, the Fund has charged the SECP fee at the rate of 0.075% per annum of the daily net assets during the period.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	-----Rupees in '000-----	
<b>9 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration payable	382	400
Brokerage fee payable	312	4
Printing charges payable	170	171
Withholding tax payable	-	11,142
Capital gain tax payable	290	470
Other payable	661	661
	1,815	12,848

#### 10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the December 31, 2023 and June 30, 2023.

#### 11 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 Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore 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 11(A) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

#### 12 EARNINGS / (LOSS) PER UNIT

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

#### 13 TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund based on the current period results is 1.93% (December 31, 2022: 1.03%) which includes 0.29% (December 31, 2022: 0.11%) representing Government Levy and the SECP Fee. This ratio is within the prescribed limit of 2.50% (December 31, 2022: 2.50%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an 'Income Scheme'.

#### 14 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 14.1 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.



- 14.2 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.
- 14.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 14.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 14.5 Accounting and operational charges are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 14.6 The details of transactions with related parties / connected persons during the period are as follows:

	<b>Half year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>Un-audited</b>	
	<b>------(Rupees in '000)-----</b>	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration of the Management Company	12,737	4,617
Punjab Sales Tax on remuneration of Management Company	2,038	739
Accounting and operational charges	1,527	556
Issue of Nil (2022: 156) units	-	2
Redemption of Nil (2022: 156) units	-	2
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration for the period	560	205
Sindh Sales Tax on remuneration of Trustee	73	27
Settlement charges	4	3
<b>Allied Bank Limited</b>		
Profit on savings account	2,571	1,788
Bank charges	16	-
<b>English Biscuit Manufacturers (Private) Limited</b>		
Issue of 89,528,342 (2022: 7,655) units	995,376	-
Redemption of 8,638 (2022: 37,590) units	92	-
<b>Mr Irfan Ahmed *</b>		
Issue of Nil (2022: 4,579,978) units	-	46,600
<b>Highnoon Laboratories Limited Workers Profit Participation Fund *</b>		
Issue of Nil (2022: 7,509,774) units	-	80,052
Redemption of 14,994,876 (2022: 383,329) units	-	4,000
<b>1 Link (Private) Limited</b>		
Issue of 51,806,989 (2022: Nil) units	564,698	-

**DIRECTORS AND KEY MANAGEMENT PERSONNEL**

**Mr Naveed Nasim**

Issue of 476 (2022: Nil) units	5	-
Redemption of 952 (2022: Nil) units	5	-

\*Current year figure has not been presented as the person is not classified as a related party / connected person of the Fund as at December 31, 2023.

\*\*Nil due to rounding off differences.



14.7 Details of balances outstanding at the period end with related parties / connected persons are as follows:

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	------(Rupees in '000)-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Remuneration payable	4,315	677
Punjab Sales Tax on remuneration of the Management Company	690	109
Federal Excise duty on remuneration of the Management Company	48,138	48,138
Accounting and operational charges payable	1,042	244
Other Payable	240	333
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	192	32
Sindh Sales Tax on remuneration of the Trustee	25	4
Security deposit	100	100
Balance in IPS account	-	18
<b>Allied Bank Limited</b>		
Balances held	109,535	13,362
Interest receivable on savings account	28	-
<b>Mr Irfan Ahmed *</b>		
Outstanding 14,364,958 (June 30, 2023: 14,364,958) units	-	145,780
<b>Highnoon Laboratories Limited Workers Profit Participation Fund *</b>		
Outstanding Nil (June 30, 2023: 14,994,876) units	-	152,173
<b>English Biscuit Manufacturers (Private) Ltd</b>		
Outstanding 89,528,342 (June 30, 2023: 8,638) units	1,015,806	88
<b>1 Link (Private) Limited</b>		
Outstanding 51,806,989 (June 30, 2023: Nil) units	587,812	-
<b>DIRECTORS AND KEY MANAGEMENT PERSONNEL</b>		
<b>Mr Aizid Razzaq Gill</b>		
Outstanding 1,161 (June 30, 2023: 1,161) units	13	12
<b>Mr Naveed Nasim**</b>		
Outstanding Nil (June 30, 2023: 476) units	-	-

\*Current year figure has not been presented as the person is not classified as a related party / connected person of the Fund as at December 31, 2023.

\*\*Nil due to rounding off differences.

15 FAIR VALUE MEASUREMENT

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

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

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

15.1 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or

Level 2: Fair value measurements using 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: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2023 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

As at December 31, 2023				
Level 1	Level 2	Level 3	Total	
(Un-audited)				
----- (Rupees in '000) -----				
<b>At fair value through profit or loss</b>				
- Pakistan Investment Bonds	-	2,327,276	-	2,327,276
- Term Finance Certificates	-	14,651	-	14,651
- Government of Pakistan (GoP) Ijarah Sukuks	-	51,249	-	51,249
	-	<u>2,393,176</u>	-	<u>2,393,176</u>
As at June 30, 2023				
Level 1	Level 2	Level 3	Total	
(Audited)				
----- (Rupees in '000) -----				
<b>At fair value through profit or loss</b>				
- Market Treasury Bills	-	111,554	-	111,554
- Pakistan Investment Bonds	-	448,152	-	448,152
- Term Finance Certificates	-	31,663	-	31,663
- Government of Pakistan (GoP) Ijarah Sukuks	-	45,042	-	45,042
	-	<u>636,411</u>	-	<u>636,411</u>

During the period ended December 31, 2023, there were no transfers between level 1 and level 2 fair value measurement, and no transfer into and out of level 3 fair value measurements.

## 16 GENERAL

16.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.


### 16.2 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these condensed interim financial statements, whatever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassification have been made in these condensed interim financial statements during the current period.

## 17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 21, 2024 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director



## آؤٹ لک اور حکمت عملی

اس حقیقت کے باوجود کہ پالیسی کی شرح کم مدت اور طویل مدتی آلات دونوں کے لیے 22% پیداوار پر کوئی تبدیلی نہیں ہوئی ہے، نمایاں طور پر گرا ہے جس سے ظاہر ہوتا ہے کہ مارکیٹ کے شرکاء مستقبل قریب میں شرح میں کمی کی توقع کر رہے ہیں۔ ہمارا بنیادی معاملہ یہ ہے کہ ہم مارچ 24 سے پہلے شرح میں کمی کی توقع نہیں کر رہے ہیں۔ ہماری رائے میں، شرح میں کمی کا زیادہ تر انحصار اسٹیٹ بینک کے پاس زر مبادلہ کے ذخائر کی پوزیشن پر ہوگا۔

ہم توقع کرتے ہیں کہ انتخابات بروقت ہوں گے اور نئی حکومت آئی ایم ایف کے ساتھ ایک طویل المدتی انتظامات پر بات چیت کرے گی جس سے روپے کو مزید استحکام ملے گا اور یورو بانڈ مارکیٹ کھلے گی اور دیگر کثیر الجہتی ایجنسیوں جیسے ورلڈ بینک، اے ڈی بی، آئی ایس ڈی بی وغیرہ سے فنڈنگ حاصل ہوگی۔

23 اگست سے پیداوار کے منحنی خطوط میں الٹا اضافہ ہوا ہے۔ چھوٹے سرے پر پیداوار کا منحنی خطوط تقریباً ایک ہی سطح پر M3، M6 اور M12 T-Bills کے ساتھ کافی حد تک چپٹا ہو گیا ہے، جو پالیسی کی شرح سے 150 bps کا منفی پھیلاؤ رکھتا ہے۔ پیداوار وکر کے طویل اختتام پر، yrs2.5 اور yrs5 کے مقررہ شرح PIBs کے درمیان پھیلاؤ تقریباً 130 bps ہے اور پالیسی ریٹ سے ان کا پھیلاؤ تقریباً 520 bps اور 650 bps ہے۔ بقایا OMO PKR ٹریلین کے قریب ہے جو بذات خود ایک بہت بڑا نظامی خطرہ ہے۔

آگے بڑھتے ہوئے، ہم اپنے منی مارکیٹ پورٹ فولیوز کی چلتی پیداوار کو نقصان پہنچانے بغیر ان کی مدت میں اضافہ کرنے کا ارادہ رکھتے ہیں۔ لہذا، ہم نے اپنی پوزیشنوں کو پندرہ روزہ ری سیٹ کرنے والے فلوٹنگ ریٹ پی آئی بی سے سیسی اینول ری سیٹنگ فلوٹنگ ریٹ پی آئی بی میں تبدیل کر دیا ہے۔

مزید، ہم T-Bill کی پیداوار سے بہتر منافع کی شرح حاصل کرنے کے لیے بینکوں کے ڈپازٹ سودوں کے ساتھ گفت و شنید کر رہے ہیں تاکہ ہم کیپیٹل گین بک کرنے کے لیے پیداوار کے وکر کے چھوٹے سرے پر تجارت کر سکیں اور بینکوں میں رقوم واپس لے جا سکیں تاکہ چل رہی پیداوار کو بہتر بنایا جاسکے۔

ہم اپنے نقطہ نظر میں محتاط رہیں گے اور اس وقت تک مارکیٹ سے متاثر نہیں ہوں گے جب تک کہ مزید واضح نہ ہو، خاص طور پر سیاسی محاذ پر جس کے بعد ہم طویل مدتی آلات میں پوزیشن حاصل کریں گے۔

## اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایپریٹس کمیٹی آف پاکستان، ٹرسٹی (سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایپریٹس کمیٹی 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 21 فروری، 2024



نوید نسیم

چیف ایگزیکٹو آفیسر

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پاکستان انوسٹمنٹ بانڈز (PIBs) کی پیداوار Y3 مدت کے لیے 19.35% سے کم ہو کر 17.19% ہو گئی جبکہ Y5 اور Y10 مدتوں پر پیداوار بالترتیب 13.35% اور 12.95% سے بڑھ کر 15.88% اور 15.00% ہو گئی۔ اس عرصے کے دوران Y5 اور Y10 PIBs میں قابل ذکر مارکیٹ کی شرکت دیکھی گئی کیونکہ مارکیٹوں کا خیال ہے کہ پالیسی کی شرحیں آنے والے مہینوں میں گرنے شروع ہو جائیں گی۔ مجموعی قرضے 668 ارب روپے تھے۔ زیر جائزہ مدت کے دوران، SBP نے بار بار اوپن مارکیٹ آپریشن (OMOs) کے ساتھ جاری رکھا، اور 1HFY24 کے دوران چھپن (56) OMO کا انعقاد کیا۔

### میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے کل اثاثہ جات زیر انتظام (AUMs) میں سالانہ 35% (PKR 1613bn سے PKR 2183bn تک) کی زبردست اضافہ ہوا۔ اسلامی آمدنی اور روایتی آمدنی کے فنڈز نے بالترتیب PKR 385bn اور PKR 268bn کی مدت کو بند کرنے کے لیے 107% سالانہ اور 61% سالانہ کی بڑی نمود دیکھی۔ دوسری طرف جارحانہ مقررہ آمدنی میں 7% سالانہ کمی واقع ہوئی اور اس مدت کو PKR 16bn پر بند کیا۔

### فنڈ کی کارکردگی

FY24 کی پہلی ششماہی کے دوران، ABL GSF نے 22.35% کے بیچ مارک ریٹرن کے مقابلے میں 23.42% کی واپسی پیدا کی، اس طرح بیچ مارک کو 107bps سے پیچھے چھوڑ دیا۔ 1HFY24 کے اختتام پر، TFCs/Sukuk میں فنڈ کا 1.35% ایکسپوزر، PIBs میں 47.83% ایکسپوزر تھا جبکہ فنڈ کی ایکسپوزر کا 18.66% نقد رقم کے طور پر رکھا گیا تھا۔ اس مدت کے دوران، ABL GSF کے AUMs 30 جون، 2023 کو PKR 643.43 ملین سے بڑھ کر 31 دسمبر 2023 کو PKR 4,174.31 ملین ہو گئے۔

### آڈیٹر

میسرز اے ایف فرگوسن۔ اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس) کو ABL گورنمنٹ سیکورٹیز فنڈ (ABL-GSF) کے لیے 30 جون 2024 کو ختم ہونے والے سال کے لیے بطور آڈیٹر مقرر کیا گیا ہے۔

### فنڈ استحکام کی درجہ بندی

17 نومبر 2023 کو پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ABL گورنمنٹ سیکورٹیز فنڈ (ABL-GSF) کے لیے 'AA-' ((f)) 'ڈبل AA مائنس (f)) پر فنڈ استحکام کی درجہ بندی (FSR) تفویض کی ہے۔

### مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

26 اکتوبر 2023 کو پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ABL ایسیٹ مینجمنٹ کمپنی (ABLAMC) کی مینجمنٹ کوالٹی ریٹنگ (MQR) کو 'AM1' (AM-One) تفویض کی ہے۔ تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔



## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل گورنمنٹ سیکوریٹیز فنڈ (اے بی ایل - جی ایس ایف) کی انتظامی کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2023 کو ختم ہونے والی ششماہی کے لئے اے بی ایل گورنمنٹ سیکوریٹیز فنڈ کے کنڈینسڈ عبوری فنانشل اسٹیٹمنٹ (غیر آڈٹ شدہ) پیش کرنے پر خوشی محسوس کرتے ہیں۔

### اقتصادی کارکردگی کا جائزہ

جون 2023 میں، پاکستان نے IMF کے ساتھ 3 Bn PKR کے اسٹینڈ بائی معاہدے پر کامیابی سے دستخط کیے؛ اس سے بیرونی نقطہ نظر میں بہتری آئی کیونکہ میکرو اکنامک اشارے 1HFY24 کے لیے بڑی حد تک مثبت تھے۔ آئی ایم ایف کی طرف سے آمد کے علاوہ، چین، سعودی عرب اور یو اے ای سے نئے قرضوں اور رول اوور نے زر مبادلہ کے ذخائر کو بہتر کیا جس نے بعد ازاں امریکی ڈالر کے مقابلے میں PKR کو مضبوط کیا۔ 29 دسمبر 2023 کو، SBP کے پاس FX کے ذخائر USD 8.2 Bn تھے۔ آئی ایم ایف کے اسٹینڈ بائی ایگریمنٹ کے آئندہ دوسرے جائزے سے ملکی کرنسی کے دباؤ کو مزید کم کرنا چاہیے کیونکہ زر مبادلہ کے ذخائر میں مزید بہتری آئے گی۔ نومبر 2023 میں، YoY افراط زر 28.28% بمقابلہ 25.04% SPLY تک پہنچ گیا۔ اس کی بنیادی وجہ گیس کے نرخوں میں حالیہ اضافہ تھا جبکہ دیگر اہم شراکت دار خوراک، رہائش اور ٹرانسپورٹ کی قیمتیں تھے۔ آگے بڑھتے ہوئے، ہم توقع کرتے ہیں کہ مقامی ایندھن کی قیمتوں میں متوقع کمی اور پچھلے سال کے اعلیٰ بنیادی اثر کی وجہ سے سی پی آئی افراط زر چٹکی طرف رہے گا۔ مناسب انتظامیہ کے ساتھ سخت مالیاتی اور مالیاتی پالیسیوں کا تسلسل تجارتی توازن کو کم کرنے کا باعث بنا ہے۔ 5MFY24 کے لیے YoY کرنٹ اکاؤنٹ خسارہ USD 3264Mn (64% کم ہو کر) USD 1160Mn ہو گیا۔ مالیاتی طرف، ایف بی آر اس عرصے کے دوران PKR 4505bn جمع کرنے میں کامیاب رہا۔

### منی مارکیٹ کا جائزہ

1HFY24 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے چار (4) مانیٹری پالیسی میٹنگز کیں اور افراط زر کے دباؤ کا مقابلہ کرنے اور معاشی استحکام کو یقینی بنانے کے لیے پالیسی ریٹ کو 22% پر برقرار رکھا۔ زیر جائزہ مدت کے دوران، مارکیٹ نے ابتدائی طور پر مختصر مدت کے آلات میں دلچسپی لی تاہم بعد کے مہینوں میں طویل مدتی آلات میں شرکت نے رفتار پکڑی۔ اس کی بنیادی وجہ یہ تھی کہ بازاروں نے یہ سمجھنا شروع کر دیا کہ شرح سود عروج پر ہے اور پیداوار جلد ہی گرنا شروع ہو جائے گی۔

CY23 کی آخری مانیٹری پالیسی میٹنگ 12 دسمبر 2023 کو ہوئی جس میں اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی ریٹ کو 22% پر برقرار رکھنے کا فیصلہ کیا۔ اسٹیٹس کو برقرار رکھنے کے اسٹیٹ بینک کے فیصلے کے پیچھے مہنگائی بنیادی مجرم معلوم ہوتی ہے۔ اگرچہ اسٹیٹ بینک نے ابھی تک سال 2024 کے لیے مانیٹری پالیسی کیلنڈر کا اشتراک نہیں کیا ہے، لیکن کرنسی مارکیٹ میں یہ تاثر پایا جاتا ہے کہ یہاں شرح سود زیادہ دیر تک برقرار نہیں رہ سکتی اور اسٹیٹ بینک آنے والے مہینوں میں شرحوں میں کمی کرے گا۔ مزید برآں، 29 دسمبر 2023 تک اسٹیٹ بینک کے ذخائر 8.2 بلین امریکی ڈالر تھے۔

اس مدت کے دوران، مختلف مدتوں میں ٹی بل کٹ آف پیداوار میں 1.69 فیصد کمی واقع ہوئی۔ M3 کٹ آف پیداوار 55 bps کی کمی سے 22.00% سے 21.45% ہو گئی، M6 کٹ آف پیداوار 57 bps کی کمی سے 21.97% سے 21.40% ہو گئی اور M12 کٹ آف پیداوار میں 57 bps کی کمی سے 22.00% سے 21.43% ہو گئی۔ اس مدت کے دوران، SBP نے چودہ (14) T-Bills کی نیلامی کی، اور حکومت نے M3، 6M اور M12 مدتوں میں کل PKR 16.64 ٹریلین کا قرضہ حاصل کیا۔







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