



**ABL ISLAMIC ASSET ALLOCATION FUND**  
HALF YEAR FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

# Half Yearly **REPORT**



**ABL Asset Management**

Discover the potential



# CONTENTS

Fund's Information	01
Report of the Directors of the Management Company	02
Trustee Report to the Unit Holders	05
Independent Auditors' Report to the Unit Holders on Review of Condensed Interim Financial Information	07
Condensed Interim Statement of Assets and Liabilities	08
Condensed Interim Income Statement (Un-audited)	09
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-audited)	10
Condensed Interim Cash Flow Statement (Un-audited)	11
Notes to and Forming Part of the Condensed Interim Financial Information (Un-audited)	12
Report of the Directors of the Management Company (Urdu Version)	24



## 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 Naem 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 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:	Digital Custodian Company Limited 4th Floor, Perdesi House, Old Queen's Road, Karachi, 74200	
Bankers to the Fund:	Allied Bank Limited Bank Islami Pakistan Limited Dubai Islamic Bank Limited Bank Of Khyber	
Auditors:	Yousuf Adil Chartered Accountants Cavish Court, A-35 Shahrah-e-Faisal Road, Bangalore Town Block A Bangalore Town, 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 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, 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.

### 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.

### EQUITY MARKET REVIEW

During 1HFY24, KMI-30 index witnessed a remarkable surge, reaching unprecedented highs and concluding with a substantial positive return of 48.03%, culminating at 104,728 points. Despite an initially frail macroeconomic landscape marked by historic inflation levels, dwindling forex reserves, surging interest rates, and a dearth of foreign investments, a semblance of stability emerged with the inclusion of a USD 3 billion standby agreement with the International Monetary Fund (IMF). The stock market responded jubilantly to the inflows from the IMF and other financial institutions.

The policy rate reached a record pinnacle of 22%. The caretaker government after assuming office in August 2023, took bold steps to curtail fiscal deficits by increasing gas tariffs that impacted national consumer price index which was anticipated to calm down in 2QFY24. Government demonstrated a commitment to combat currency dealers and smugglers, resulting in the recovery of the Pakistani Rupee against the US Dollar from a historic low of 307 to a closing rate of 281.86. The State Bank of Pakistan anticipating a downturn in inflation, maintained status quo in the last four monetary policy committee meetings.

Additionally, successful inflows from the IMF and rollovers from friendly nations played a crucial role in enabling the SBP to uphold decent foreign exchange reserves by the conclusion of the calendar year. Looking ahead, the anticipated smooth transition of power to the elected government following the elections in February 2024 is poised to bolster confidence of foreign investors and will remain a key focus in determining the market's fate.

Additionally, successful inflows from the IMF and rollovers from friendly nations played a crucial role in enabling the SBP to uphold decent foreign exchange reserves by the conclusion of the calendar year. Looking ahead, the anticipated smooth transition of power to the elected government following the elections in February 2024 is poised to bolster confidence of foreign investors and will remain a key focus in determining the market's fate.

Market activity remained positive as volume average traded volume increased by 107% while the average traded value increased by 93% to 115 mn and ~USD 27 mn during 1HFY24 when compared with same period last year, respectively. Foreigners bought worth USD 71 mn shares during the said period. On the local front, banks and mutual funds remained on the forefront with a net selling of worth USD 92 mn, and USD 51 mn, respectively while insurance and companies bought shares of worth USD 60 mn and USD 52 mn, respectively.

Sectors contributing to the index strength were oil & gas exploration sector, cements and power sector adding 8021, 5648 and 4692 points respectively. On the flip side, pharma sector negatively impacted the index, subtracting 9 points.

## **MONEY MARKET REVIEW**

During CY23, State Bank of Pakistan (SBP) held nine (9) Monetary policy meetings and increased the policy rate by 600 basis points to 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 CY23, considerable market participation was observed in the variable rate Ijarah Sukuk as the total participation stood at PKR 2501 bn against a target of PKR 1470 bn. The Ministry, however ended up borrowing a total of only PKR 1127 bn in the variable rate Ijarah Sukuk. In fixed rate Ijara sukuks, participation stood high at PKR 1442 bn against the target of PKR 730 bn in 1Y, 3Y & 5Y tenors. Ministry ended up borrowing PKR 618 bn in 1Y, 3Y & 5Y tenors.

## **FUND PERFORMANCE**

During the 1HY24, ABL-IAAF generated an absolute return of 10.45% against a benchmark return of 4.70%, reflecting an outperformance of 575bps.

At the end of Dec'23, fund was mainly invested in Sukuk's at 73.58% while 19.36% of the fund's exposure was placed as Cash. AUMs of Allied Islamic Asset Allocation Fund were recorded at PKR 1,976.61 mn at the end of Dec'23.

## **AUDITORS**

M/s. Yousaf Adil & Co. (Chartered Accountants), have been appointed as auditors for the year ending June 30, 2024 for ABL Islamic Asset Allocation Fund (ABL-IAAF).

## 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.

For Islamic funds we have been purchasing Ijarah Sukuks at attractive yields from both the primary and secondary markets. Following a cautious approach, our lending in corporate sukuks have mostly been short term and in good credit rated instrument.

Further, we are negotiating with banks deposit deals to get profit rates better than the GoP Ijara 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 Digital Custodian Company 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**



#MonetizeYourAssets

## 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 October 4<sup>th</sup>, 2017 executed between ABL Asset Management Company Limited, as the Management Company and Digital Custodian Company Limited, as the Trustee, The fund commenced its operation on May 31<sup>st</sup> 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 December 31<sup>st</sup>, 2023 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.
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

#### **Statement**

No short coming has been addressed during the period ended December 31<sup>st</sup>, 2023.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

#### **Disclosure of the steps**

We have critically examine the fund in accordance with circular, directives, NBFC

*DKH*

<b>ONLINE</b> +923-111-322-228 digitalcustodian.co / digitalcustodian	<b>LAHORE</b> LSE Plaza, 508 Kashmir Egerton Road +92 42 3630 4406	<b>KARACHI</b> Perdesi House Old Queens Road +92 21 3241 9770
--	---	--



#MonetizeYourAssets

Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.

- Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

#### **Trustee Opinion**

"The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents".

Dabeer Khan  
Manager Compliance

Digital Custodian Company Limited

Karachi: February 23, 2024

#### ONLINE

+923-111-322-228

digitalcustodian.co

/ digitalcustodian

#### LAHORE

LSE Plaza, 508

Kashmir Egerton Road

+92 42 3630 4406

#### KARACHI

Perdesi House

Old Queens Road

+92 21 3241 9770



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE UNIT HOLDERS OF ABL ISLAMIC ASSET ALLOCATION FUND  
Report on review of Condensed Interim Financial Statements**

**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **ABL Islamic Asset Allocation Fund** (here-in-after referred to as 'the Fund') as at December 31, 2023, and the related condensed interim income statement, condensed interim statement of movement in unit holders' fund, condensed interim cash flow statement and notes to the financial statements (here-in-after referred to as the 'condensed interim financial statements') for the half year ended December 31, 2023. **ABL Asset Management Company Limited** (the Management Company) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review. The figures of the condensed interim income statement for the three-month period ended December 31, 2023 and December 31, 2022 have not been subject to limited scope review by external auditors as we are required to review only the cumulative figures for the six-month period ended December 31, 2023.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantial 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 as of and for the half year ended December 31, 2023, are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

**Other Matter**

The condensed interim financial statements for the half year ended December 31, 2022 and the financial statements for the year ended June 30, 2023 of the Fund were reviewed and audited by another firm of chartered accountants who vide their reports dated February 28, 2023 and September 28, 2023 expressed an unmodified conclusion and unmodified opinion thereon respectively.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Sufyan.

**Chartered Accountants**

Place: Lahore

Date:

UDIN:


ya

**ABL ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2023**

		(Un-audited) December 31, 2023	(Audited) June 30, 2023
	Note	----- Rupees in '000 -----	
<b>Assets</b>			
Bank balances	4	382,954	273,260
Investments	5	1,455,493	2,112,576
Deposits and other receivables		15,861	15,861
Advance and profit receivable		123,743	120,857
<b>Total assets</b>		<b>1,978,051</b>	<b>2,522,554</b>
<b>Liabilities</b>			
Payable to ABL Asset Management Company Limited - Management Company	6	625	827
Payable to the Digital Custodian Company Limited - Trustee		146	180
Payable to the Securities and Exchange Commission of Pakistan		158	543
Accrued expenses and other liabilities	7	513	1,905
<b>Total liabilities</b>		<b>1,442</b>	<b>3,455</b>
<b>NET ASSETS</b>		<b>1,976,609</b>	<b>2,519,099</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>1,976,609</b>	<b>2,519,099</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
		<b>Number of units</b>	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>179,754,141</b>	<b>253,022,338</b>
		<b>-----Rupees-----</b>	
<b>NET ASSET VALUE PER UNIT</b>		<b>10.9962</b>	<b>9.9560</b>

The annexed notes from 1 to 15 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 ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

Note	For the Half year ended December 31,		For the Quarter ended December 31,	
	2023	2022	2023	2022
	----- Rupees in '000 -----			
<b>Income</b>				
Profit on savings accounts	52,228	42,692	30,681	19,677
Income from GoP ijara and corporate sukuk certificates	174,359	159,284	72,223	81,545
	226,587	201,976	102,904	101,222
Capital gain / (loss) on sale of investments - net	365	(7,998)	(261)	(8,466)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss - net'	(2,337)	(22,434)	(1,136)	(8,477)
5.3	(1,972)	(30,432)	(1,397)	(16,943)
<b>Total income</b>	224,615	171,544	101,507	84,279
<b>Expenses</b>				
Remuneration of ABL Asset Management Company Limited - Management Company	2,226	2,805	968	1,383
6.1				
Punjab Sales Tax on remuneration of the Management Company	356	449	155	221
6.2				
Remuneration of Digital Custodian Company Limited - Trustee	849	1,038	377	513
Sindh Sales Tax on remuneration of the Trustee	110	135	49	67
Annual fees to the Securities and Exchange Commission of Pakistan	1,057	281	459	139
Securities transaction costs	332	400	185	265
Auditors' remuneration	290	298	236	244
Legal and professional charges	326	395	240	62
Listing fee	31	14	-	7
Amortisation of preliminary expenses and floatation costs	-	214	-	107
Shariah advisory fee	211	181	121	91
Printing charges	101	101	51	51
Settlement and bank charges	261	-	187	-
<b>Total operating expenses</b>	6,150	6,311	3,028	3,150
<b>Net income for the period before taxation</b>	218,465	165,233	98,479	81,129
Taxation	-	-	-	-
10				
<b>Net income for the period after taxation</b>	218,465	165,233	98,479	81,129
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	218,465	165,233	98,479	81,129
<b>Earnings per unit</b>				
11				
<b>Allocation of net income for the period</b>				
Net income for the period after taxation	218,465	165,233		
Income already paid on units redeemed	(31,579)	(16,091)		
	186,886	149,142		
<b>Accounting income available for distribution</b>				
- Relating to capital gains	-	-		
- Excluding capital gains	186,886	149,142		
	186,886	149,142		

The annexed notes from 1 to 15 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 ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	2023			2022		
	Capital Value	Un-distributed income	Total	Capital Value	Un-distributed income	Total
	------(Rupees in '000)-----					
Net assets at the beginning of the period (audited)	2,521,250	(2,151)	2,519,099	2,779,915	(2,219)	2,777,696
Issue of 59,948 (2022: 3,603,087) units						
Capital value (at net asset value per unit at the beginning of the period)	596	-	596	35,638	-	35,638
Element of income	11	-	11	729	-	729
Total proceeds on issuance of units	607	-	607	36,367	-	36,367
Redemption of 73,328,145 (2022: 36,739,877) units						
Capital value (at net asset value per unit at the beginning of the period)	723,740	-	723,740	363,394	-	363,394
Element of income / (loss)	6,243	31,579	37,822	(32,884)	16,091	(16,793)
Total payments on redemption of units	729,983	31,579	761,562	330,510	16,091	346,601
Total comprehensive income for the period	-	218,465	218,465	-	165,233	165,233
Distribution during the period	-	-	-	-	-	-
Net income for the period less distribution	-	218,465	218,465	-	165,233	165,233
Net assets at the end of the period (un-audited)	<u>1,791,874</u>	<u>184,735</u>	<u>1,976,609</u>	<u>2,485,772</u>	<u>146,923</u>	<u>2,632,695</u>
Undistributed income brought forward						
- Realised (loss) / income		29,270			(14,513)	
- Unrealised income / (loss)		<u>(31,421)</u>			<u>12,294</u>	
		(2,151)			(2,219)	
Accounting income available for distribution						
-Relating to capital gains		-			-	
-Excluding capital loss		<u>186,886</u>			<u>149,142</u>	
		186,886			149,142	
Distribution during the period		-			-	
Undistributed income carried forward		<u>184,735</u>			<u>146,923</u>	
Undistributed income carried forward						
-Realised gain / (loss)		187,072			169,357	
-Unrealised loss		<u>(2,337)</u>			<u>(22,434)</u>	
		<u>184,735</u>			<u>146,923</u>	
			<b>Rupees</b>			<b>Rupees</b>
Net assets value per unit at beginning of the period			<u>9.9560</u>			<u>9.8910</u>
Net assets value per unit at end of the period			<u>10.9962</u>			<u>10.4932</u>

The annexed notes from 1 to 15 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 ISLAMIC ASSET ALLOCATION FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	2023	2022
Note	----- Rupees in '000 -----	-----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	218,466	165,233
<b>Adjustments for:</b>		
Profit on savings accounts	(52,228)	(42,692)
Income from GoP ijara and corporate sukuk certificates	(174,359)	(159,284)
Capital gain / (loss) on sale of investments - net	-	214
Amortisation of preliminary expenses and floatation costs	-	214
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss - net'	2,336	22,434
	(224,251)	(179,328)
<b>(Increase) / decrease in assets</b>		
Advance	(2,293)	(13)
Deposits and other receivables	-	4,392
	(2,293)	4,379
<b>Increase / (decrease) in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	(202)	329
Payable to the Digital Custodian Company Limited- Trustee	(34)	-
Payable to the Securities and Exchange Commission of Pakistan	(385)	(327)
Accrued expenses and other liabilities	(1,392)	(908)
	(2,013)	(906)
	(10,091)	(10,622)
Profit received on savings accounts	48,193	43,568
Income from GoP ijara and corporate sukuk certificates	177,801	153,468
Net amount received / (paid) on sale and purchase of investments	654,747	35,578
<b>Net cash flows generated from operating activities</b>	870,650	221,992
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issuance of units	606	36,367
Net payments against redemption of units	(761,562)	(380,311)
<b>Net cash flows (used in) / generated from financing activities</b>	(760,956)	(343,944)
<b>Net increase in cash and cash equivalents</b>	109,694	(121,952)
Cash and cash equivalents at the beginning of the period	273,260	544,175
<b>Cash and cash equivalents at the end of the period</b>	4	4
	382,954	422,223

The annexed notes from 1 to 15 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 ISLAMIC ASSET ALLOCATION FUND

### NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 20223

#### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 ABL Islamic Asset Allocation Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on October 04, 2017 between ABL Asset Management Company Limited as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. SCD/AMCW/ABLIAAF/26/2017 dated July 25, 2017 in accordance with the requirements of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

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

- 1.2 The Fund has been categorised as an shariah compliant asset allocation scheme by the Board of Directors of the Management Company and is listed on the Pakistan Stock Exchange Limited. The Fund is an open-end mutual Fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the Fund is to earn a potentially high return through asset allocation between shariah compliant equity instruments, shariah compliant fixed income instruments, shariah compliant money market instruments and any other shariah compliant instrument as permitted by the SECP and shariah advisor.
- 1.4 The title to the assets of the Fund is held in the name of MCB Financial Services Limited as the Trustee of the Fund.
- 1.5 The Pakistan Credit Rating Agency Limited has maintained 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.

#### 2 BASIS FOR PREPARATION

##### 2.1 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.

2.2 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, 2023.

**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, 2023.

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, 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, interpretation and amendments to published accounting 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.

4	BANK BALANCES	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			----- Rupees in '000 -----	
	Balances with banks in savings accounts	4.1	<u>382,954</u>	<u>273,260</u>

4.1 This includes balance of Rs 2.170 million (June 30, 2023: 11.202 million) maintained with Allied Bank Limited (a related party) that carries profit at 20.85% (June 30, 2023: 15.00%) per annum. Other savings accounts of the Fund carry profit rates ranging from 19.00% to 21.00% (June 30, 2023: 18.50% to 19.50%) per annum.

5	INVESTMENTS	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			----- Rupees in '000 -----	
	<b>At fair value through profit or loss</b>			
	GOP Ijarah sukuk certificates	5.1	187,139	618,719
	Corporate sukuk certificates	5.2	<u>1,268,354</u>	<u>1,493,857</u>
			<u>1,455,493</u>	<u>2,112,576</u>

5.1 GOP Ijarah sukuk certificates

Name of the security	Profit payments	Maturity date	Profit rate	As at July 1, 2023	Purchases during the period	Sales / maturity during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation / (diminution)	Percentage in relation to				
											Net assets of the Fund	Total market value of investment			
Number of certificates															
(Rupees in '000)															
GoP Ijarah Sukuk Certificates - XVIII - VRR	Semi-annually	April 30, 2025	Weighted average 6 months T-Bills	50	-	-	50	4,821	4,975	154	0.25%	0.34%			
GoP Ijarah Sukuk Certificates - IV - FRR	Semi-annually	July 29, 2025	8.37%	2,000	-	1,750	250	21,425	20,948	(478)	1.06%	1.44%			
GoP Ijarah Sukuk Certificates - XXI - VRR	Semi-annually	July 29, 2025	Weighted average 6 months T-Bills	250	-	-	250	24,850	25,250	400	1.28%	1.73%			
GoP Ijarah Sukuk Certificates - XII - FRR	Semi-annually	April 27, 2027	12.49%	1,480	-	1,400	80	7,389	7,106	(283)	0.36%	0.49%			
GoP Ijarah Sukuk Certificates - XXX - VRR	Semi-annually	April 17, 2024	Weighted average 6 months T-Bills	750	1,435	1,850	335	34,013	33,698	(315)	1.70%	2.32%			
GoP Ijarah Sukuk Certificates - XI - FRR	Semi-annually	December 15, 2026	11.40%	625	-	-	625	56,302	54,425	(1,877)	2.75%	3.74%			
GoP Ijarah Sukuk Certificates - XXVI - VRR	Semi-annually	October 26, 2027	Weighted average 6 months T-Bills	1,500	-	1,500	-	-	-	-	-	-			
GoP Ijarah Sukuk Certificates - VRR 31	Semi-annually	May 22, 2024	Weighted average 6 months T-Bills	-	155	-	155	15,722	15,613	(109)	0.79%	1.07%			
GoP Ijarah Sukuk Certificates - VRR 40	Semi-annually	December 4, 2024	Weighted average 6 months T-Bills	-	250	-	250	25,000	25,125	125	1.27%	1.73%			
Total as at December 31, 2023											189,522	187,140	(2,383)	9.46%	12.86%
Total as at June 30, 2023											635,696	618,719	(16,977)	24.57%	29.29%



## 5.2 Corporate sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2023	Purchases during the year	Sales / redemptions during the year	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation / (diminution)	Percentage in relation to		
											Net assets of the Fund	Total market value of investment	
(Rupees in '000)													
<b>COMMERCIAL BANKS</b>													
Dubai Islamic Bank Pakistan Limited Additional Tier - I (AA-, VIS) Note 5.2.1 (Face value of Rs. 5,000 per certificate)	Monthly / At Perpetual	Perpetual	3 months KIBOR plus base rate of 1.75%	21,000	-	15,000	6,000	30,000	30,000	-	-	1.52%	2.06%
Dubai Islamic Bank Pakistan Limited (AA-, VIS, traded) (Face value of Rs. 1,000,000 per certificate)	Semi-annually / At maturity	December 2, 2032	6 months KIBOR plus base rate of 0.70%	60	25	-	85	85,232	85,510	278	-	4.33%	5.87%
Meezan Bank Limited Additional Tier - I (AA+, VIS) Note 5.2.1 (Face value of Rs. 1,000,000 per certificate)	Monthly / At Perpetual	Perpetual	1 month KIBOR plus base rate of 1.75%	365	-	95	270	270,000	270,000	-	-	13.66%	18.55%
Bank Islami Pakistan Limited Additional Tier - I (A, PACRA) Note 5.2.1 (Face value of Rs. 5,000 per certificate)	Semi-annually / At Perpetual	Perpetual	6 months KIBOR plus base rate of 2.75%	3,000	-	3,000	-	-	-	-	-	-	-
Bank Islami Pakistan Limited Additional Tier - I (A, PACRA) Note 5.2.1 (Face value of Rs. 5,000 per certificate)	Monthly	December 28, 2030	1 month KIBOR plus base rate of 2.50%	10,000	-	-	10,000	50,000	50,000	-	-	2.53%	3.44%
Al Baraka Bank (Pakistan) Limited (A, VIS, traded) (Face value of Rs. 1,000,000 per certificate)	Semi-annually / At maturity	August 22, 2024	6 months KIBOR plus base rate of 0.75%	15	45	-	60	60,083	60,000	(83)	-	3.04%	4.12%
Al Baraka Bank (Pakistan) Limited (A, VIS, traded) (Face value of Rs. 1,000,000 per certificate)	Semi-annually / At maturity	December 22, 2031	6 months KIBOR plus base rate of 1.50%	85	-	75	10	9,900	10,050	150	-	0.51%	0.69%
<b>POWER GENERATION &amp; DISTRIBUTION</b>													
K-Electric Limited (AA+, VIS, non-traded) (Face value of Rs. 1,000,000 per certificate)	Quarterly	November 23, 2029	3 months KIBOR plus base rate of 1.70%	24,000	-	-	24,000	122,691	121,440	(1,251)	-	6.14%	8.34%
K-Electric Limited Sukuk V (AA+, VIS, traded) (Face value of Rs. 3,750 per certificate)	Quarterly	August 3, 2027	3 months KIBOR plus base rate of 1.70%	27,100	17,647	38,017	6,730	25,781	25,483	(298)	-	1.29%	1.75%

Name of the security	Profit payments / principal redemptions	Maturity date	Profit rate	As at July 1, 2023	Purchases during the year	Sales / redemptions during the year	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation / (diminution)	Percentage in relation	
											Net assets of the Fund	Total market value of investment
Number of certificates												
(Rupees in '000)												
K-Electric Limited PPSTS-15 (A-1+, VIS) (Face value of Rs.5000 per certificate)	At maturity	September 21, 2023	6 months KIBOR plus base rate of 0.50%	9,000	-	9,000	-	-	-	-	-	-
K-Electric Limited PPSTS-18 (A-1+, VIS) Note 5.2.1 (Face value of Rs.5,000 per certificate)	At maturity	February 9, 2024	6 months KIBOR plus base rate of 0.30%	-	13,800	-	13,800	69,000	69,000	-	3.49%	4.74%
The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of Rs.5,000 per certificate)	At maturity	November 16, 2023	6 months KIBOR plus base rate of 0.30%	42	-	42	-	-	-	-	-	-
The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of Rs.25,000 per certificate)	Quarterly / Semi-annually	August 22, 2023	3 months KIBOR plus base rate of 1.90%	1,350	-	-	1,350	-	-	-	-	-
The Hub Power Company Limited (AA+, PACRA, non-traded) (Face value of 2500 per certificate)	Semi-annually	March 19, 2024	12 months KIBOR plus base rate of 1.90%	3,135	-	3,135	-	-	-	-	-	-
Pakistan Energy Sukuk II (Face value of Rs.5,000 per certificate)	Semi-annually	May 20, 2030	6 months KIBOR plus base rate of 1.90%	-	60,000	-	60,000	300,250	300,090	(160)	15.18%	20.62%
<b>PHARMACEUTICALS</b>												
Aspin Pharma (Private) Limited (A, VIS, traded) (Face value of Rs.15,000 per certificate)	Quarterly	November 30, 2023	3 months KIBOR plus base rate of 1.50%	1,751	-	1,751	-	-	-	-	-	-
<b>ENGINEERING</b>												
Cresecent Steel and Allied Products Limited (A-, VIS, Iraded) (Face value of Rs.66,667 per certificate)	Semi-annually	October 11, 2025	6 months KIBOR plus base rate of 2.00%	1,100	-	-	1,100	71,923	73,333	1,410	3.71%	5.04%
<b>MISCELLANEOUS</b>												
Pakistan Services Limited Note 5.2.1 (Face value of Rs.867,240 per certificate)	Semi-annually	March 14, 2024	6 months KIBOR plus base rate of 2.00%	200	-	-	200	173,448	173,448	-	8.78%	11.92%
<b>Total as at December 31, 2023</b>								1,268,308	1,268,354	46	64.18%	87.14%
<b>Total as at June 30, 2023</b>								1,508,301	1,493,857	(14,444)	59.32%	70.71%

**5.2.1** Sukuk certificates of Dubai Islamic Bank Pakistan Limited, Meezan Bank Limited, BankIslami Pakistan Limited, Pakistan Services Limited and K-Electric are carried at their cost as they are not valued by MUFAP / at PKSIRV.

		(Un-audited) December 2023	(Audited) June 30, 2023
		----- Rupees in '000 -----	
<b>5.3</b>	<b>Unrealised diminution / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss</b>		
	Market value of investments	1,455,493	2,112,576
	Less: Carrying value of investments	1,457,830	2,143,997
		<u>(2,337)</u>	<u>(31,421)</u>

<b>6</b>	<b>PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY - RELATED PARTY</b>	<b>Note</b>	
	Management fee payable	6.1	332
	Punjab Sales Tax payable on remuneration of the Management Company	6.2	68
	Other payable		240
			<u>625</u>
			<u>827</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 0.2% (June 30, 2023: 0.2%) of the average annual net assets of the Fund during the year ended June 30, 2023. The remuneration is payable to the Management Company monthly in arrears.

**6.2** During the period, an amount of Rs. 0.356 million (2022: Rs.0.449 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% (December 31, 2022: 16%).

		(Un-audited) December 2023	(Audited) June 30, 2023
		----- Rupees in '000 -----	
<b>7</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration payable	290	356
	Printing charges payable	96	101
	Brokerage payable	87	27
	Shariah advisor fee payable	40	30
	Withholding tax payable	-	1,364
	Capital gain tax payable	-	27
		<u>513</u>	<u>1,905</u>

## **8 CONTINGENCIES AND COMMITMENTS**

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

## **9 TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period is 0.55% (2022: 0.45%) which includes 0.14% (2022: 0.07%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 4.5% (2022: 4.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "Shariah compliant Islamic Asset Allocation" scheme.

## **10 TAXATION**

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year

derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the 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.

## 11 EARNINGS / (LOSS) PER UNIT

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

## 12 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

12.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

12.5 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.

12.6 Detail of transactions with related parties / connected persons during the period are as follow;

	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
	----- (Rupees in '000) -----	
<b>ABL Asset Management Company Limited - Management Company*</b>		
Remuneration charged	2,226	2,805
Punjab Sales Tax on remuneration of the Management Company	356	449
<b>Digital Custodian Limited - Trustee</b>		
Remuneration of the Trustee	849	1,038
Sindh Sales Tax on remuneration of the Trustee	110	135
<b>Allied Bank Limited</b>		
Profit on saving account	1,227	3,245
Bank charges	-	-
<b>Pak Qatar Investment Account</b>		
Redemption of 36,587,425 (2022: 10,104,260) units	380,000	105,000
<b>Pak Qatar Individual Family Participant Investment Fund</b>		
Redemption of 36,587,425 (2022: 8,652,099) units	380,000	90,000

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

	(Un-audited) December 31, 2023	(Audited) June 30, 2023
	----- (Rupees in '000) -----	
<b>ABL Asset Management Company Limited - Management Company*</b>		
Outstanding 1 (June 30, 2023: Nil) units	0	-
Remuneration payable	332	426
Punjab sales tax on remuneration	53	68
Other payable	240	333
<b>Digital Custodian Limited - Trustee</b>		
Remuneration payable	129	159
Sindh sales tax on remuneration	17	21
<b>Allied Bank Limited</b>		
Bank balances held	2,170	11,202
Profit receivable	607	135
<b>Pak Qatar Investment Account</b>		
Outstanding 34,250,825 (June 30, 2023: 70,838,250) units	376,628	705,266
<b>Pak Qatar Individual Family Participant Investment Fund</b>		
Outstanding 140,444,600 (June 30, 2023: 177,032,024) units	1,544,355	1,762,531

\* Nil amount due to rounding off.

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

**13 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:

**13.1 Fair value hierarchy**

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, 2023 and June 30, 2023, the Fund held the following financial instruments measured at fair value

----- (Un-audited) -----			
As at December 31, 2023			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

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

GOP Ijarah sukuk certificates	-	187,139	-	187,139
Corporate sukuk certificates	-	1,268,354	-	1,268,354
	-	1,455,493	-	1,455,493

----- (Audited) -----			
As at June 30, 2023			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000)-----			

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

GOP Ijarah sukuk certificates	-	618,719	-	618,719
Corporate sukuk certificates	-	1,493,857	-	1,493,857
	<u>-</u>	<u>2,112,576</u>	<u>-</u>	<u>2,112,576</u>

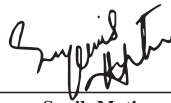
**14 GENERAL**

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

**15 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.

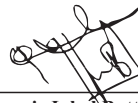
For ABL Asset Management Company Limited  
(Management Company)



Saqib Matin  
Chief Financial Officer



Naveed Nasim  
Chief Executive Officer



Pervaiz Iqbal Butt  
Director

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۔

اسلامی فنڈز کے لیے ہم پرائمری اور سیکنڈری دونوں مارکیٹوں سے پرکشش پیداوار پر اجارہ سکوک خرید رہے ہیں۔ محتاط انداز اپناتے ہوئے، کارپوریٹ سکوک میں ہمارے قرضے زیادہ تر مختصر مدت کے اور اچھے کریڈٹ ریٹڈ انسٹرومنٹ میں ہوتے ہیں۔

مزید، ہم اجارہ سکوک کی پیداوار سے بہتر منافع کی شرح حاصل کرنے کے لیے بینکوں کے ڈپازٹ سودوں کے ساتھ بات چیت 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 جائیں تاکہ ہماری 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 ایکسچینج کمیشن آف پاکستان، ٹرسٹی (ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ سابقہ ایم سی بی فنانشل سروسز لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا بھی ان کی مسلسل رہنمائی اور تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

بورڈ کی طرف سے اور بورڈ کے لئے

  
ڈائریکٹر

لاہور 21 فروری، 2024

  
نویس  
چیف ایگزیکٹو آفیسر

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۔

CY23 کی مدت کے دوران، اجارہ سکوک کی متغیر شرح میں کافی مارکیٹ کی شرکت دیکھی گئی کیونکہ PKR 1470 bn کے ہدف کے مقابلے میں کل شرکت PKR 2501 bn تھی۔ تاہم وزارت نے متغیر شرح اجارہ سکوک میں مجموعی طور پر صرف PKR 1127 بلین کا قرضہ حاصل کیا۔ فلکسڈ ریٹ اجارہ سکوک میں، شرکت Y1، Y3 اور Y5 مدتوں میں PKR 730 bn کے ہدف کے مقابلے میں PKR 1442 bn پر زیادہ رہی۔ وزارت نے Y1، Y3 اور Y5 مدتوں میں PKR 618 bn قرض لیا۔

## فنڈ کی کارکردگی

1HY24 کے دوران، ABL-IAAF نے 4.70% کے بیچ مارک ریٹرن کے مقابلے میں 10.45% کی مطلق واپسی پیدا کی، جو 575bps کی آؤٹ پرفارمنس کو ظاہر کرتا ہے۔

23 دسمبر کے آخر میں، فنڈ بنیادی طور پر سکوک میں 73.58% پر لگایا گیا تھا جبکہ فنڈ کی نمائش کا 19.36% کیش کے طور پر رکھا گیا تھا۔ الائیڈ اسلامک ایسٹ ایلوکیشن فنڈ کے AUMs دسمبر 23 کے آخر میں PKR 1,976.61 بلین ریکارڈ کیے گئے۔

## آڈیٹر

میسرز یوسف عادل (چارٹرڈ اکاؤنٹنٹس) اے بی ایل اسلامی اثاثہ مختص فنڈ (اے بی ایل - آئی اے اے ایف) کے لئے 30 جون 2024 کو ختم ہونے والے سال کے لئے بطور آڈیٹر مقرر ہوئے ہیں۔

## مینجمنٹ کمپنی کی کوالیفیکیشن کی درجہ بندی

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

## 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۔



ساتھ 3 USD بلین کے اسٹیٹڈ بائی معاہدے کی شمولیت سے استحکام کی ایک جھلک ابھری۔ سٹاک مارکیٹ نے آئی ایم ایف اور دیگر مالیاتی اداروں سے رقوم کی آمد پر خوشی کا اظہار کیا۔

پالیسی کی شرح 22 فیصد کے ریکارڈ عروج پر پہنچ گئی۔ نگران حکومت نے اگست 2023 میں عہدہ سنبھالنے کے بعد، گیس ٹیرف میں اضافہ کر کے مالیاتی خسارے کو کم کرنے کے لیے جرات مندانہ اقدامات کیے جس نے قومی صارف قیمت انڈیکس کو متاثر کیا جس کے 2QFY24 میں کم ہونے کی امید تھی۔ حکومت نے کرنسی ڈیلرز اور اسمگلروں سے نمٹنے کے عزم کا مظاہرہ کیا، جس کے نتیجے میں امریکی ڈالر کے مقابلے پاکستانی روپیہ 307 کی تاریخی کم ترین سطح سے 281.86 کی بندش کی شرح تک پہنچ گیا۔ اسٹیٹ بینک آف پاکستان نے افراط زر میں کمی کی توقع کرتے ہوئے، مانیٹری پالیسی کمیٹی کے گزشتہ چار اجلاسوں میں جمود برقرار رکھا۔

مزید برآں، آئی ایم ایف سے کامیاب رقوم اور دوست ممالک کے رول اور نے کیلنڈر سال کے اختتام تک اسٹیٹ بینک کو زرمبادلہ کے معقول ذخائر کو برقرار رکھنے کے قابل بنانے میں اہم کردار ادا کیا۔ آگے دیکھتے ہوئے، فروری 2024 میں ہونے والے انتخابات کے بعد منتخب حکومت کو اقتدار کی متوقع منتقلی، غیر ملکی سرمایہ کاروں کے اعتماد کو تقویت دینے کے لیے تیار ہے اور مارکیٹ کی قسمت کا تعین کرنے میں کلیدی توجہ رہے گی۔

مارکیٹ کی سرگرمی مثبت رہی کیوں کہ حجم کی اوسط تجارت کے حجم میں 107% اضافہ ہوا جبکہ HFY241 کے دوران بالترتیب 93% اضافے سے 115 بلین اور 27~ USD بلین ہو گئی جب کہ پچھلے سال کی اسی مدت کے مقابلے میں۔ غیر ملکیوں نے مذکورہ مدت کے دوران 71 بلین امریکی ڈالر کے شیئرز خریدے۔ مقامی محاذ پر، بینک اور میوچل فنڈز بالترتیب 92 USD بلین، اور 51 USD بلین کی خالص فروخت کے ساتھ سب سے آگے رہے، جبکہ انشورنس اور کمپنیوں نے بالترتیب 60 USD بلین اور 52 USD بلین کے حصص خریدے۔

انڈیکس کی مضبوطی میں حصہ ڈالنے والے شعبوں میں تیل اور گیس کی تلاش کا شعبہ، سیمنٹ اور پاور سیکٹر نے بالترتیب 8021، 5648 اور 4692 پوائنٹس کا اضافہ کیا۔ دوسری طرف، فارماسیٹرز نے انڈیکس پر منفی اثر ڈالا، 9 پوائنٹس کو گھٹایا۔

## اسلامی منی مارکیٹ کا جائزہ

CY23 کے دوران، اسٹیٹ بینک آف پاکستان (SBP) نے (9) مانیٹری پالیسی میٹنگز کیں اور افراط زر کے دباؤ کا مقابلہ کرنے اور معاشی استحکام کو یقینی بنانے کے لیے پالیسی ریٹ کو 600 بیسیس پوائنٹس سے بڑھا کر 22% کر دیا۔ زیر نظر 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 پہنچ گئی 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

## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامی اثاثہ مختص فنڈ (اے بی ایل - آئی اے اے ایف) کی انتظامیہ 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 اسلامی اثاثہ مختص کے کنڈسیڈ 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 ٹہلی 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۔

### 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 کیے۔ دوسری طرف جارحانہ مقررہ آمدنی میں 7% سالانہ کمی واقع ہوئی اور اس مدت کو PKR 16bn پر بند کیا۔

### اسلامک اسٹاک مارکیٹ

1HFY24 کے دوران، KMI-30 انڈیکس نے ایک غیر معمولی اضافہ دیکھا، جو بے مثال بلندیوں تک پہنچ گیا اور 48.03% کی خاطر خواہ مثبت واپسی کے ساتھ اختتام پذیر ہوا، جس کا اختتام 104,728 پوائنٹس پر ہوا۔ تاریخی مہنگائی کی سطح، گرتے ہوئے غیر ملکی زر مبادلہ کے ذخائر، بڑھتی ہوئی شرح سود، اور غیر ملکی سرمایہ کاری کی کمی کی وجہ سے ابتدائی طور پر کمزور معاشی منظر نامے کے باوجود، بین الاقوامی مالیاتی فنڈ (IMF) کے



ABL Asset Management

Discover the potential

For Information on ABL AMC's Funds, please visit



[www.ablamc.com](http://www.ablamc.com) or



0800-22526

or visit any Allied Bank Branch