



ABL ISLAMIC MONEY MARKET FUND
HALF YEAR FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Half Yearly **REPORT**



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 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	
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 Islamic Money Market Fund, is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Islamic Money Market Fund for the period 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 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 Ijarah 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.

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 Islamic Money Market Plan I generated an annualized return of 13.59% against the benchmark return of 21.23%, thus underperforming the benchmark by 764bps. Asset allocation had majority of its exposure in Cash which stood at 99.59%, at the end of Dec'23.

AUDITORS

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

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 (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**

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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TRUSTEE REPORT TO THE UNIT HOLDERS

ABL ISLAMIC MONEY MARKET 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 Islamic Money Market 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 from December 23, 2023 to 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 20, 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 Islamic Money Market Fund** (the Fund) as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the period from December 23, 2023 to 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.

Scope of Review

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

Conclusion

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

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

AAH Co

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ABL ISLAMIC MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2023

		December 31, 2023 (Unaudited) (Rupees in '000)
ASSETS		
Bank balances	5	411,279
Accrued profit	6	1,166
Preliminary expenses and floatation costs	7	522
Total assets		412,967
LIABILITIES		
Payable to ABL Asset Management Company Limited - Management Company	8	597
Payable to Central Depository Company of Pakistan Limited - Trustee	9	5
Payable to the Securities and Exchange Commission of Pakistan	10	5
Payable against redemption and conversion of units		3,916
Accrued expenses and other liabilities	11	30
Total liabilities		4,553
NET ASSETS		408,414
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		408,414
CONTINGENCIES AND COMMITMENTS	12	
NUMBER OF UNITS IN ISSUE		40,705,200
NET ASSET VALUE PER UNIT		10.0335

The annexed notes from 1 to 22 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 MONEY MARKET FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

	Note	For the period from December 23, 2023 to December 31, 2023 (Rupees in '000)
Income		
Profit on savings accounts with banks		1,166
Total income		<u>1,166</u>
Expenses		
Remuneration of ABL Asset Management Company Limited - Management Company	8.1	28
Punjab Sales Tax on remuneration of the Management Company	8.2	4
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	4
Sindh Sales Tax on remuneration of the Trustee	9.2	1
Fee to the Securities and Exchange Commission of Pakistan	10	5
Auditors' remuneration		15
Listing fee		4
Rating fee		1
Amortisation of preliminary expenses and floatation costs	7.1	3
Printing charges		3
Total operating expenses		<u>68</u>
Net income for the period before taxation		<u>1,098</u>
Taxation	14	-
Net income for the period after taxation		<u><u>1,098</u></u>
Earnings per unit	15	
Allocation of net income for the period		
Net income for the period after taxation		1,098
Income already paid on units redeemed		(33)
		<u>1,065</u>
Accounting income available for distribution		
- Relating to capital gains		-
- Excluding capital gains		1,065
		<u><u>1,065</u></u>

The annexed notes from 1 to 22 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 MONEY MARKET FUND
CONDENSED INTERIM COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

**For the period
from December
23, 2023 to
December 31, 2023
(Rupees in '000)**

Net income for the period after taxation	1,098
Other comprehensive income for the period	-
Total comprehensive income for the period	1,098

The annexed notes from 1 to 22 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 MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

For the period from December 23, 2023 to December 31, 2023		
Capital value	Undistributed income	Total

(Rupees in '000)

Issuance of 42,591,115 units			
- Capital value	425,911	-	425,911
- Element of income	298	-	298
Total proceeds on issuance of units	426,209	-	426,209
Redemption of 1,885,915 units			
- Capital value	18,859	-	18,859
- Element of loss	1	33	34
Total payments on redemption of units	18,860	33	18,893
Total comprehensive income for the period	-	1,098	1,098
Net assets at the end of the period	407,349	1,065	408,414
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		1,065	
		1,065	
Distribution for the period		-	
Undistributed income carried forward		1,065	
Undistributed income carried forward			
- Realised income		1,065	
- Unrealised income		-	
		1,065	
		(Rupees)	
Net asset value per unit at the end of the period		10.0335	

The annexed notes from 1 to 22 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 MONEY MARKET FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Note	For the period from December 23, 2023 to December 31, 2023 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		1,098
Adjustment for:		
Profit on savings accounts		(1,166)
Amortisation of preliminary expenses and floatation costs	7	<u>3</u>
		(65)
Increase in liabilities		
Payable to ABL Asset Management Company Limited - Management Company		597
Payable to Central Depository Company of Pakistan Limited - Trustee		5
Payable to the Securities and Exchange Commission of Pakistan (SECP)		5
Accrued expenses and other liabilities		<u>30</u>
		637
Preliminary expenses and floatation costs	7	(525)
Net cash generated from operating activities		<u>47</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units		426,209
Payments against redemption and conversion of units		(14,977)
Net cash generated from financing activities		411,232
Net increase in cash and cash equivalents		411,279
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	17	<u><u>411,279</u></u>

The annexed notes from 1 to 22 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 MONEY MARKET 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 Money Market Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on April 14, 2023 between ABL Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed vide letter no. SCD/AMCW/ABL-IMMF/2023/162 dated October 16, 2023 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 open ended Money Market Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is in the process of listed on the Pakistan Stock Exchange Limited.
- 1.3 The objective of the Fund is to provide competitive return to its investors by investing in low risk, highly liquid and short duration portfolio consist of shariah compliant bank deposits and money market instruments.
- 1.4 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 and are transferable and redeemable by surrendering them to the Fund.
- 1.5 Pakistan Credit Rating Agency (PACRA) assigned the management quality rating of AM1 (stable outlook) to the Management Company as at October 26, 2023.
- 1.6 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.7 As per the offering document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, these condensed interim financial statements have been prepared from December 23, 2023 to December 31, 2023.
- 1.8 The Fund has been registered as a trust under the Punjab Trusts (Amendment) Act, 2022.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 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 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 from the 'International Accounting Standard (IAS) 34, Interim Financial Reporting, 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.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declared that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2023.

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

There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2024 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are therefore not disclosed in these condensed interim financial statements.

3.3 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on these condensed interim financial statements of the Fund relate to valuation of financial assets (note 4.3) and taxation (notes 4.14 and 14).

3.4 Accounting convention

These condensed interim financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values.

3.5 Functional and presentation currency

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The principal accounting policies applied in the preparation of these condensed interim financial statements are set out below.

4.2 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.3 Financial assets

4.3.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the condensed interim income statement.

4.3.2 Classification and subsequent measurement

a) Debt instruments

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

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

based on the business model of the entity.

However, IFRS 9 requires securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

b) Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

c) Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through these condensed interim income statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company.

4.3.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.3.4 Subsequent measurement

a) At amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVPL, are subsequently measured at amortised cost.

b) Fair value through other comprehensive income (FVOCI):

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in the income statement. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the condensed interim income statement.

c) Fair value through profit or loss (FVPL):

Assets that do not meet the criteria for classification at amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the condensed interim income statement in the period in which it arises.

4.3.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the condensed interim income statement.

4.4 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the condensed interim income statement.

4.5 Offsetting of financial assets and financial liabilities

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

4.6 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.7 Net asset value per unit

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

4.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges, if applicable. The sales load is payable to the Management Company.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

4.9 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year / period also includes portion of income already paid on units redeemed during the period.

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

4.10 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the period under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the period.

4.11 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Profit on bank deposits, certificate of musharaka and term deposit receipts is recognised on accrual basis.

- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise.
- Income on sukuk certificates, placements and commercial papers is recognised on a time proportionate basis using the effective yield method except for the securities which are classified as non-performing asset under Circular 33 of 2012 issued by the SECP for which the profits are recorded on cash basis.

4.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in these condensed interim income statement on an accrual basis.

4.13 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the trust deed of the Fund.

4.14 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the condensed interim financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

4.15 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the period after taxation of the Fund by the weighted average number of units outstanding during the period. 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 as described in note 15.

4.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in these condensed interim income statement.

		December 31, 2023 (Unaudited) (Rupees in '000)
5	BANK BALANCES	Note
	Balances with banks in:	
	Savings accounts	5.1 <u>411,279</u>

5.1 This includes balance of Rs 411.259 million maintained with Allied Bank Limited (a related party) that carries profit at 20.85% per annum. Other profit and loss savings account of the Fund carries profit at 21.50% per annum.

		December 31, 2023 (Unaudited) (Rupees in '000)
6	ACCRUED PROFIT	Note
	Accrued profit on bank balances	6.1 <u>1,166</u>

6.1 This profit receivable relates to Allied Bank Limited (a related party).

7 PRELIMINARY EXPENSES AND FLOATATION COSTS

	Incurred during the period	525
	Less: amortisation during the period	7.1 <u>(3)</u>
	At the end of the period	<u>522</u>

7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

		December 31, 2023 (Unaudited) (Rupees in '000)
8	PAYABLE TO ABL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note
	Management fee payable	8.1 28
	Punjab Sales Tax payable on remuneration of the Management Company	8.2 4
	Other payable	40
	Preliminary expenses and floatation cost payable	<u>525</u>
		<u>597</u>

8.1 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 0.4% 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.

8.2 During the period, an amount of Rs. 0.004 million was charged on account of sales tax on management fee levied through Punjab Sales Tax on Services Act, 2012 at the rate of 16%.

		December 31, 2023 (Unaudited) (Rupees in '000)
9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note
	Trustee fee payable	9.1 4
	Sindh Sales Tax payable on trustee fee	9.2 <u>1</u>
		<u>5</u>

9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.055% per annum of net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.

9.2 During the period, an amount of Rs 0.001 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% .

		December 31, 2023 (Unaudited) (Rupees in '000)
10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note
	Fee payable	10.1 <u>5</u>

- 10.1 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). 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.

December 31, 2023 (Unaudited) (Rupees in '000)
11 ACCRUED EXPENSES AND OTHER LIABILITIES
Auditors' remuneration payable
Printing charges payable
Withholding tax payable
Rating fee payable
Listing fee payable
30

12 CONTINGENCIES AND COMMITMENTS

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

13 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at December 31, 2023 is 2.09% which includes 0.34% representing government levies on the Fund such as sales taxes, fee to the SECP, etc. This ratio is within the prescribed limit of 2.50% (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "Islamic Money Market" Scheme.

14 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 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 period 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 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

15 EARNINGS PER UNIT

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

16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons include ABL Asset Management Company 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.

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.

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

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

The details of transactions carried out by the Fund with connected persons / related parties during the period are as follows:

Transactions during the period	For the period from December 23, 2023 to December 31, 2023 (Unaudited) (Rupees in '000)
ABL Asset Management Company Limited - Management Company	
Remuneration for the period	28
Punjab Sales Tax on remuneration of the Management Company	4
Preliminary expenses and floatation costs	3
Issue of 10,944,124 units	109,441
Central Depository Company of Pakistan Limited - Trustee	
Remuneration payable to the Trustee	4
Sindh Sales Tax on remuneration of the Trustee	1
Allied Bank Limited	
Profit on saving account	1,166
Mr Muhammad Akbar	
Issue of 4,144,490 units	41,497
IGI Life Insurance Limited - TBF	
Issue of 4,176,022 units	41,760
Mr Muhammad Ali	
Issue of 5,473,183 units	54,801
GHPL Employees Contributory Provident Fund	
Issue of 4,947,550 units	49,563
Amounts / balances outstanding as at period end	December 31, 2023 (Unaudited) (Rupees in '000)
ABL Asset Management Company Limited - Management Company	
Remuneration charged	28
Punjab Sales Tax on remuneration of the Management Company	4
Other payable	40
Preliminary expenses and floatation cost payable	525
Outstanding 10,944,124 units	109,808
Central Depository Company of Pakistan Limited - Trustee	
Remuneration of the Trustee	4
Sindh Sales Tax on remuneration of the Trustee	1
Allied Bank Limited	
Bank Balance	411,259
Accrued profit	1,166
Mr Muhammad Akbar	
Outstanding 4,144,490 units	41,584
IGI Life Insurance Limited - TBF	
Outstanding 4,176,022 units	41,900
Mr Muhammad Ali	
Outstanding 5,473,183 units	54,915
GHPL Employees Contributory Provident Fund	
Outstanding 4,947,550 units	49,641

	Note	December 31, 2023 (Unaudited) (Rupees in '000)
17 CASH AND CASH EQUIVALENTS		
Bank balances	5	411,279
		<u>411,279</u>

18 FINANCIAL INSTRUMENTS BY CATEGORY

2023		
At amortised cost	At fair value through profit or loss	Total
Rupees in '000		
Financial assets		
Bank balances	411,279	-
Accrued profit	1,166	-
Preliminary expenses and floatation costs	522	-
	<u>412,967</u>	<u>-</u>
		<u>412,967</u>

2023	
At amortised cost	Total
Rupees in '000	
Financial liabilities	
Payable to ABL Asset Management Company Limited - Management Company	597
Payable to Central Depository Company of Pakistan Limited - Trustee	5
Payable against redemption and conversion of units	3,916
Accrued expenses and other liabilities	23
	<u>4,541</u>
	<u>4,541</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policy of the Fund aims to maximise the return attributable to the unit holders and seeks to minimise potential adverse effects on the Fund's financial performance.

Risks of the Fund are being managed by the Fund manager in accordance with the approved policies of the Investment Committee which provides broad guidelines for management of risk pertaining to market risks (including price risk, profit rate risk and currency risk) credit risk and liquidity risk. Further, the overall exposure of the Fund complies with the NBFC Regulations and the directives issued by the SECP.

Risks managed and measured by the Fund are explained below:

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: profit rate risk, currency risk and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of December 31, 2023, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

The Fund's variable rate risk arises from the balances with banks. At December 31, 2023, if there had been increase / decrease of 100 basis points in interest rates, with all other variables held constant, net assets of the Fund for the period then ended would have been higher / lower by Rs 4.113 million.

b) Sensitivity analysis for fixed rate instruments

The Fund does not hold any financial instruments that are exposed to fixed rate risk.

The composition of the Fund's investment portfolio and KIBOR rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of December 31, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at December 31, 2023 can be determined as follows:

-----2023-----					
Effective yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- Rupees in '000 -----					
Financial assets					
Bank balances	20.85% - 21.50%	411,279	-	-	411,279
Accrued profit		-	-	1,166	1,166
Preliminary expenses and floatation costs		-	-	522	522
		411,279	-	1,688	412,967
Financial liabilities					
Payable to ABL Asset Management Company Limited - Management Company		-	-	597	597
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	5	5
Payable against redemption and conversion of units		-	-	3,916	3,916
Accrued expenses and other liabilities		-	-	23	23
		-	-	4,541	4,541
On-balance sheet gap		411,279	-	(2,853)	408,426
Total profit rate sensitivity gap		411,279	-	-	-
Cumulative profit rate sensitivity gap		411,279	411,279	411,279	

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund does not hold any instruments that are exposed to price risk.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

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

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting year to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial assets						
Bank balances	411,279	-	-	-	-	411,279
Accrued profit	1,166	-	-	-	-	1,166
Preliminary expenses and floatation costs	-	-	522	-	-	522
	412,445	-	522	-	-	412,967
Financial liabilities						
Payable to ABL Asset Management Company	597	-	-	-	-	597
Payable to Central Depository Company of Pakistan Limited - Trustee	5	-	-	-	-	5
Payable against redemption and conversion of units	3,916	-	-	-	-	3,916
Accrued expenses and other liabilities	8	15	-	-	-	23
	3,929	15	-	-	-	3,944
Net financial assets / (liabilities)	408,516	(15)	522	-	-	409,023

19.3 Credit risk

19.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arising on the debt instruments is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed.

The table below analyses the Fund's maximum exposure to credit risk:

December 31, 2023	
Un-audited	
Balance as per condensed interim statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----	
Bank balances	411,279
Accrued profit	1,166
	<u>412,445</u>
	<u>412,445</u>

The maximum exposure to credit risk before any credit enhancement as at December 31, 2023 is the carrying amount of the financial assets.

19.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks, profit accrued thereon. The credit rating profile of balances with banks is as follows:

Rating	% of bank balance exposed to credit risk
	2023
AAA	99.995%
AA	0.005%
	<u>100.00%</u>

19.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at December 31, 2023 are unsecured and are not impaired.

20 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.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at the reporting date, the Fund does not hold any instrument that are measured at fair value.

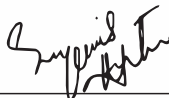
21 GENERAL

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

22 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 یوروبانڈ 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 کین 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 (سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے انتظامیہ کی ان کی مسلسل رہنمائی اور مدد کے لئے ان کا شکریہ بھی ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کے ذریعہ کی جانے والی کوششوں کی بھی تعریف کرتے ہیں۔

بورڈ کی طرف سے اور بورڈ کے لئے


ڈائریکٹر

لاہور 21 فروری، 2024


نویس
چیف ایگزیکٹو آفیسر

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۔

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 اسلامک منی مارکیٹ پلان I نے 21.23% کے بیچ مارک ریٹرن کے مقابلے میں 13.59% کا سالانہ منافع پیدا کیا، اس طرح بیچ مارک کی کارکردگی 764bps سے کم رہی۔ اثاثہ مختص کی زیادہ تر نمائش کیش میں تھی جو 23 دسمبر کے آخر میں 99.59% تھی۔

آڈیٹر

میسرز۔ اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹس)، کو 30 جون، 2024 کو ختم ہونے والے سال کے لئے اے بی ایل اسلامک منی مارکیٹ فنڈ (اے بی ایل - FMMI) کے لئے آڈیٹر مقرر کیا گیا ہے۔

مینجمنٹ کمپنی کی کوالیٹی کی درجہ بندی

26 اکتوبر 2023 کو پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ABL ایسیٹ مینجمنٹ کمپنی (ABLAMC) کی مینجمنٹ کو الٹی ریٹنگ (MQR) کو 'AM-One' (AM1) 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 ہو گا۔

میجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل اسلامک منی مارکیٹ فنڈ (اے بی ایل - FMMI) کی انتظامیہ کمپنی، اے بی ایل ایسٹ میجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2023 کو ختم ہونے والی ششماہی کے لئے اے بی ایل اسلامک منی مارکیٹ فنڈ 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 زرمبادلہ 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 زرمبادلہ 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 4505bn PKR جمع کرنے میں کامیاب رہا۔

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 بیسس 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 گرنے 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۔



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