



ABL Income Fund

Half Yearly Report

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



ABL Asset Management

Discover the potential

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FUND'S INFORMATION

Management Company:	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
Board of Directors:	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Aizid Razzaq Gill Ms. Saira Shahid Hussain Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director
Audit Committee:	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
Human Resource and Remuneration Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Board's Risk Management Committee	Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member
Board Strategic Planning & Monitoring Committee	Mr. Muhammad Waseem Mukhtar Mr. Muhammad Kamran Shehzad Mr. Pervaiz Iqbal Butt Mr. Naveed Nasim	Chairman Member Member Member
Chief Executive Officer of The Management Company:	Mr. Naveed Nasim	
Chief Financial Officer & Company Secretary:	Mr. Saqib Matin	
Chief Internal Auditor:	Mr. Kamran Shehzad	
Trustee:	Central Depository Company of Pakistan Limited CDC - House, Shara-e-Faisal, Karachi.	
Bankers to the Fund:	Allied Bank Limited Bank Al Falah Limited United Bank Limited	
Auditors:	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 Income Fund (ABL-IF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Income Fund for the half year ended December 31, 2023.

ECONOMIC PERFORMANCE REVIEW

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

MONEY MARKET REVIEW

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

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

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

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

MUTUAL FUND INDUSTRY REVIEW

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

FUND PERFORMANCE

During the first half year of FY24, ABL IF posted an annualized return at 19.66% against the benchmark return of 22.54%, thereby underperforming the benchmark by 288bps. The AUMs of the fund decreased to PKR 2,358.48 million at the end of Dec'23 from PKR 7,292 million at the end of June'23. At the end of Dec'23, fund had 14.11% exposure in PIBs, 23.97% exposure in TFCs and 41.49% of the funds exposure was placed as Cash.

AUDITORS

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

FUND STABILITY RATING

On November 17, 2023: The Pakistan Credit Rating Agency Limited (PACRA) has assigned the Fund Stability Rating (FSR) for ABL Income Fund (ABL IF) at 'A+ (f)' (Double A Plus (f)).

MANAGEMENT QUALITY RATING

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

Outlook & Strategy:

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

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

The inversion in the yield curve has sharpened since August'23. Yield curve at the shorter end has pretty much flattened with the 3M, 6M and 12M T-bills almost at the same level, carrying a negative spread of 150bps from the policy rate. On the longer end of the yield curve, the spread between the 2.5yrs and 5yrs fixed rate PIBs is around 130bps and their spread from the policy rate is almost 520bps and 650bps. Outstanding OMO is close to around PKR 9 trillion which itself is a huge systemic risk.

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



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

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

ACKNOWLEDGEMENT

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

For & on behalf of the Board



Director

Lahore, February 21, 2024



Naveed Nasim

Chief Executive Officer



TRUSTEE REPORT TO THE UNIT HOLDERS

ABL INCOME 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 Income Fund (the Fund) are of the opinion that ABL Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the following:

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

For the purpose of information, we would like to draw the attention of the unit holders towards Schedule XIX of the NBFC Regulations which requires that the exposure of a Collective Investment Scheme (CIS) to any single entity shall not exceed an amount equal to ten per cent of total net assets of the CIS. In this regard, the Fund was non-compliant with the said requirement from August 01, 2023 to December 06, 2023 wherein the Fund has taken exposure upto 31.16% of the net assets in TFCs of Bank Al Habib Limited. The said non-compliance has already been reported to the Securities and Exchange Commission of Pakistan.


Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: February 27, 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 Income 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 half year ended December 31, 2023, together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'). The Management Company (ABL Asset Management Company Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement for the quarter ended December 31, 2023 and December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2023.

Scope of Review

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

Conclusion

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

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



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State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

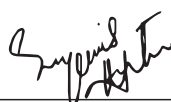
■ KARACHI ■ LAHORE ■ ISLAMABAD

ABL INCOME 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) -----	
ASSETS			
Bank balances	4	1,182,474	2,109,797
Investments	5	1,089,451	5,031,018
Accrued profit / mark-up		67,128	124,985
Receivable against sale of investments		4,866	-
Deposits, prepayments and other receivables		46,846	84,647
Total assets		2,390,765	7,350,447
LIABILITIES			
Payable to ABL Asset Management Company Limited - Management Company	6	29,540	35,857
Payable to Central Depository Company of Pakistan Limited - Trustee	7	168	507
Payable to the Securities and Exchange Commission of Pakistan	8	148	1,450
Payable against redemption of units		143	19
Dividend payable		-	35
Accrued expenses and other liabilities	9	2,284	20,578
Total liabilities		32,283	58,446
NET ASSETS		2,358,482	7,292,001
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,358,482	7,292,001
CONTINGENCIES AND COMMITMENTS	10		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		228,861,681	720,064,616
		----- (Rupees)-----	
NET ASSET VALUE PER UNIT		10.3053	10.1269

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director

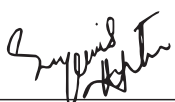


ABL INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

		Half year ended		Quarter ended	
		December 31,		December 31,	
		2023	2022	2023	2022
Note		(Rupees in '000)			
INCOME					
		24,035	93,237	13,287	74,620
		-	15,651	-	9,976
		64,769	14,067	-	14,067
		115,036	118,274	54,027	61,827
		80,743	299,806	32,288	89,405
		2,893	-	2,893	-
		287,476	541,035	102,495	249,895
		6,062	(50,697)	6,372	(61,307)
		(4,831)	(22,373)	(3,439)	(19,786)
5.6		1,231	(73,070)	2,933	(81,093)
Total income		288,707	467,965	105,428	168,802
EXPENSES					
		7,059	9,726	2,448	4,853
6.1		1,129	1,556	391	788
6.2		5,504	18,971	1,908	8,415
6.4		2,117	-	734	-
6.5					
		1,059	2,615	367	1,175
7.1		138	340	48	153
7.2		1,059	697	367	313
8.1		603	1,975	586	1,395
		-	10	-	-
		373	328	211	180
		88	100	38	75
		350	333	240	333
		31	14	-	7
		-	156	-	79
		19,510	36,821	7,338	17,766
Total operating expenses					
Net income for the period before taxation		269,197	431,144	98,090	151,036
12	Taxation	-	-	-	-
Net income for the period after taxation		269,197	431,144	98,090	151,036
Earnings per unit					
13					
Allocation of net income for the period					
		269,197	431,144		
		(33,335)	(88,355)		
		235,862	342,789		
Accounting income available for distribution					
		1,231	-		
		234,631	342,789		
		235,862	342,789		

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

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Naveed Nasim
Chief Executive Officer


Pervaiz Iqbal Butt
Director

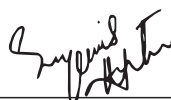


ABL INCOME FUND**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	Half year ended December 31,		Quarter ended December 31,	
	2023	2022	2023	2022
	----- (Rupees in '000) -----			
Net income for the period after taxation	269,197	431,144	98,090	151,036
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>269,197</u>	<u>431,144</u>	<u>98,090</u>	<u>151,036</u>

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director



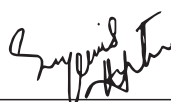
ABL INCOME FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half year ended December 31, 2023			Half year ended December 31, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at the beginning of the period (audited)	7,207,350	84,651	7,292,001	12,797,291	34,701	12,831,992
Issuance of 202,314,464 (2022: 1,733,387,899) units						
- Capital value (at net asset value per unit at the beginning of the period)	2,048,812	-	2,048,812	17,503,025	-	17,503,025
- Element of income	27,674	-	27,674	19,048	-	19,048
Total proceeds on issuance of units	2,076,486	-	2,076,486	17,522,073	-	17,522,073
Redemption of 693,517,399 (2022: 2,177,071,767) units						
- Capital value (at net asset value per unit at the beginning of the period)	7,023,161	-	7,023,161	21,983,159	-	21,983,159
- Element of loss	2,874	33,335	36,209	15,071	88,355	103,426
Total payments on redemption of units	7,026,035	33,335	7,059,370	21,998,230	88,355	22,086,585
Total comprehensive income for the period	-	269,197	269,197	-	431,144	431,144
Distributions during the period:						
- Re. 0.1393 per unit on July 25, 2023	(15,337)	(84,524)	(99,861)	(2,976)	(108,564)	(111,540)
(2022: 0.1713 per unit on August 11, 2022)	(176)	(28,299)	(28,475)	(1,203)	(64,872)	(66,075)
- Re. 0.1718 per unit on August 28, 2023	(708)	(20,674)	(21,382)	(3,566)	(78,864)	(82,430)
(2022: 0.1006 per unit on September 05, 2022)	(171)	(21,788)	(21,959)	(19,705)	(95,640)	(115,345)
- Re. 0.1256 per unit on September 27, 2023	(10,939)	(37,216)	(48,155)	(27,450)	(347,940)	(375,390)
(2022: 0.1261 per unit on October 05, 2022)	(27,331)	(192,501)	(219,832)			
- Re. 0.1344 per unit on October 27, 2023						
(2022: 0.1297 per unit on November 07, 2022)						
- Re. 0.2152 per unit on November 29, 2023						
Total distribution during the period						
Net assets at the end of the period (un-audited)	2,230,470	128,012	2,358,482	8,293,684	29,550	8,323,234
Undistributed income brought forward						
- Realised income		122,300			21,382	
- Unrealised (loss) / income		(37,649)			13,319	
		84,651			34,701	
Accounting income available for distribution						
- Relating to capital gains	1,231			-		
- Excluding capital gains	234,631			342,789		
	235,862			342,789		
Distribution during the period		(192,501)			(347,940)	
Undistributed income carried forward		128,012			29,550	
Undistributed income carried forward						
- Realised income		132,843			51,923	
- Unrealised loss		(4,831)			(22,373)	
		128,012			29,550	
			Rupees			Rupees
Net asset value per unit at the beginning of the period			10.1269			10.0976
Net asset value per unit at the end of the period			10.3053			10.0630

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director

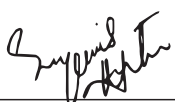


ABL INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half year ended December 31,	
	2023	2022
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	269,197	431,144
Adjustments:		
Income from government securities	(24,035)	(93,237)
Income from commercial papers	-	(15,651)
Income from reverse repo transactions	(64,769)	-
Income from term finance and sukuk certificates	(115,036)	(118,274)
Profit on savings accounts	(80,743)	(299,806)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.6 4,831	22,373
	(279,752)	(504,595)
Decrease / (increase) in assets		
Deposits, prepayments and other receivables	37,801	(30,864)
Decrease in liabilities		
Payable to ABL Asset Management Company Limited - Management Company	(6,317)	(10,852)
Payable to Central Depository Company of Pakistan Limited - Trustee	(339)	(565)
Payable to the Securities and Exchange Commission of Pakistan	(1,302)	(1,934)
Accrued expenses and other liabilities	(18,294)	(32,854)
	(26,252)	(46,205)
Income received from government securities	12,687	78,530
Income received from commercial papers	-	15,651
Income received from reverse repo transactions	74,481	-
Income received from term finance and sukuk certificates	129,331	119,298
Profit received on savings accounts	125,941	405,329
Net amount received / (paid) on sale and purchase of investments	3,952,250	(2,811)
Net cash generated from operating activities	4,295,684	465,477
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(192,536)	(375,437)
Receipts from issuance of units - net of refund of capital	2,049,155	17,522,073
Payments against redemption of units	(7,059,246)	(22,086,600)
Net cash used in financing activities	(5,202,627)	(4,939,964)
Net decrease in cash and cash equivalents	(906,943)	(4,474,487)
Cash and cash equivalents at the beginning of the period	2,109,797	10,881,270
Cash and cash equivalents at the end of the period	4.3 1,202,854	6,406,783

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

For ABL Asset Management Company Limited
(Management Company)


Saqib Matin
Chief Financial Officer


Naveed Nasim
Chief Executive Officer


Pervaiz Iqbal Butt
Director



ABL INCOME FUND

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

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

- 1.2 The Fund has been categorised as an open ended 'Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 10 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from September 20, 2008 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the Fund is to earn superior risk adjusted rate of return by investing in a blend of short, medium and long-term instruments, both within and outside Pakistan which the Fund aims to deliver mainly by investing in government securities, cash in bank accounts, money market placements, deposits, certificates of deposits, term deposit receipts, commercial papers, reverse repo, term finance certificates / sukuks, marginal trading system, spread transactions other absolute return instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's Offering Document.
- 1.4 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated October 26, 2023 (December 31, 2022: 'AM1' dated October 26, 2022) The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, VIS Credit Rating Company Limited has reaffirmed the stability rating of the Fund to "A+(f)" dated November 17, 2023 [December 31, 2022: "A+(f)" dated December 30, 2022].
- 1.5 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.6 During the year ended June 30, 2021, the Trust Act, 1882 had been repealed due to promulgation of Provincial Trust Act namely "The Punjab Trusts Act 2020" (The Punjab Trust Act). Consequently, the Fund was required to be registered under the Punjab Trust Act. Accordingly, on June 20, 2023, the Fund had been registered as a Trust under the Punjab Trusts (Amendment) Act, 2022 and has been issued a Trust Registration Certificate.

2 BASIS OF 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 from 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 are 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 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 declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at and for the half year ended December 31, 2023.

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

- 3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2023.

- 3.2 The preparation of 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 the 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 annual financial statements of the Fund as at and for the year ended June 30, 2023.

- 3.3 **Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period:**

There are certain amendments to the published 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 impact on the Fund's operations and, therefore have not been detailed in these condensed interim financial statements.

4	BALANCES WITH BANKS	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			------(Rupees in '000)-----	
	Balances with banks in:			
	Savings accounts	4.1	1,182,466	2,109,789
	Current account	4.2	8	8
			<u>1,182,474</u>	<u>2,109,797</u>

- 4.1 These include a balance of Rs 28.769 million (June 30, 2023: Rs 14.439 million) maintained with Allied Bank Limited (a related party) that carries mark-up rate 20.50% per annum (June 30, 2023: 19.50%). Other profit and loss saving accounts of the Fund carry profit rates ranging from 18.00% to 23.00% per annum (June 30, 2023: 15.00% to 21.20% per annum).

- 4.2 This represents balance maintained with Allied Bank Limited, a related party of the Fund.

	Note	(Un-audited) December 31, 2023 ------(Rupees in '000)-----	(Un-audited) December 31, 2022
4.3 Cash and cash equivalents			
Balances with banks	4	1,182,474	3,184,868
Market Treasury Bills (having original maturity of 3 months or less)	5.3	20,380	3,221,915
		<u>1,202,854</u>	<u>6,406,783</u>

	Note	(Un-audited) December 31, 2023 ------(Rupees in '000)-----	(Audited) June 30, 2023
5 INVESTMENTS			
At fair value through profit or loss			
Term finance certificates	5.1	601,156	1,032,230
Corporate sukuk certificates	5.2	-	17,552
Government securities - Market Treasury Bills	5.3	20,380	-
Government securities - Pakistan Investment Bonds	5.4	396,075	490,158
GoP Ijarah sukuk certificates	5.5	71,841	74,319
Reverse Repo		-	3,416,759
		<u>1,089,451</u>	<u>5,031,018</u>

5.1 Term finance certificates

Name of the security	Maturity date	Profit rate	As at July 1, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised (diminution) / appreciation as at December 31, 2023	Percentage in relation to		
			Number of certificates								net assets of the Fund	total market value of investments

COMMERCIAL BANKS

The Bank of Punjab (AA, PACRA, non-traded) (Face value of Rs. 99,780 per certificate)	April 23, 2028	6 months KIBOR plus base rate of	500	-	-	500	50,377	50,307	(69)	2.13%	4.62%
JS Bank Limited (A+, PACRA, traded) (Face value of Rs. 99,920 per certificate)	December 28, 2028	6 months KIBOR plus base rate of	2,250	-	450	1,800	181,096	179,856	(1,240)	7.63%	16.51%
JS Bank Limited (A+, PACRA, non-traded) (Face value of Rs. 99,760 per certificate)	December 29, 2024	6 months KIBOR plus base rate of	510	-	510	-	-	-	-	-	-
Bank Al Habib Limited (AAA, PACRA, non-traded) (Face value of Rs. 4,990 per certificate)	December 6, 2028	6 months KIBOR plus base rate of	28,000	-	16,000	12,000	60,150	60,688	539	2.57%	5.57%
Bank Al Habib Limited (AAA, PACRA, traded) (Face value of Rs. 4,996 per certificate)	September 29, 2031	6 months KIBOR plus base rate of	76,000	36,000	85,000	27,000	133,273	131,857	(1,416)	5.59%	12.10%
Samba Bank Limited (AA-, PACRA, non-traded) (Face value of Rs. 99,900 per certificate)	March 1, 2031	6 months KIBOR plus base rate of	1,035	-	-	1,035	103,397	103,245	(151)	4.38%	9.48%

MICROFINANCE BANKS / COMPANY

U Microfinance Bank Limited (AA-, PACRA, non-traded) (Face value of Rs. 50,000 per certificate)	June 23, 2025	6 months KIBOR plus base rate of 1.35%	1,000	-	-	1,000	50,065	50,202	137	2.13%	4.61%
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TRUST

Kashf Foundation (AAA, PACRA, non-traded) (Face value of Rs. 100,000 per certificate)	June 23, 2025	6 months KIBOR plus base rate of 1.35%	-	250	-	250	25,000	25,000	-	1.06%	2.29%
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INVESTMENT COMPANIES

Jahangir Siddique Company Limited (AA+, PACRA, non-traded) (Face value of Rs. 625 per certificate)	July 18, 2023	6 months KIBOR plus base rate of 1.40%	30,000	-	30,000	-	-	-	-	-	-
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Total as at December 31, 2023

603,358 601,156 (2,202)

Total as at June 30, 2023

1,065,517 1,032,230 (33,287)



5.2 Corporate sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 1, 2023	Purchased during the period	Sold / matured 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) as at December 31, 2023	Percentage in relation to	
			Number of certificates			(Rupees in '000)			net assets of the Fund	total market value of investment	
									%		
POWER GENERATION & DISTRIBUTION											
The Hub Power Company Limited (AA+, PACRA, traded) (Face value of Rs. 25,000 per certificate)	August 22, 2023	3 months KIBOR plus base rate of 1.90%	700	-	700	-	-	-	-	-	-
Total as at December 31, 2023							-	-	-		
Total as at June 30, 2023							20,235	17,552	(2,683)		

5.3 Government securities - Market Treasury Bills

Tenor	Face Value (Rupees in '000)				Rupees in '000			Percentage in relation to	
	As at July 1, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised diminution as at December 31, 2023	total market value of investment	net assets of the Fund
Number of certificates				(Rupees in '000)			%		
3 Months	-	2,000,000	1,979,000	21,000	20,391	20,380	(11)	1.87%	0.86%
6 Months	-	1,500,000	1,500,000	-	-	-	-	-	-
12 Months	-	2,500,000	2,500,000	-	-	-	-	-	-
Total as at December 31, 2023					20,391	20,380	(11)	-	-
Total as at June 30, 2023					-	-	-	-	-

5.3.1 The Treasury Bills carry yield of 21.26% (June 30, 2023: Nil) per annum and have maturity upto February 22, 2024.

5.4 Government securities - Pakistan Investment Bonds

Issue date	Tenure	As at July 1, 2023	Purchased during the period	Disposed of during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised (diminution) / appreciation as at December 31, 2023	Market value as a percentage of	
									net assets of the Fund	total investments of the Fund
		Face value (Rupees in '000)						Rupees in '000		
December 30, 2021	2 years	-	600,000	600,000	-	-	-	-	-	-
May 6, 2021	5 years	500,000	-	500,000	-	-	-	-	-	-
July 4, 2023	3 years	-	650,000	650,000	-	-	-	-	-	-
October 13, 2022	5 years	-	225,000	225,000	-	-	-	-	-	-
October 19, 2023	5 years	-	1,470,000	1,470,000	-	-	-	-	-	-
November 10, 2023	10 years	-	250,000	250,000	-	-	-	-	-	-
September 21, 2023	5 years	-	700,000	300,000	400,000	389,105	388,680	(425)	16.48%	35.68%
September 21, 2023	3 years	-	400,000	400,000	-	-	-	-	-	-
September 21, 2023	2 years	-	800,000	800,000	-	-	-	-	-	-
September 19, 2019	5 years	8,000	-	-	8,000	7,110	7,395	284	0.31%	0.68%
Total as at December 31, 2023						396,215	396,075	(141)		
Total as at June 30, 2023						489,431	490,158	727		

5.4.1 The Pakistan Investment Bonds carry yield ranging from 13.92% to 24.79% (June 30, 2023: ranging from 13.92% to 21.84%) per annum and have maturity upto September 21, 2028.

5.5 GoP Ijarah sukuk certificates

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2023	Purchased during the period	Sold during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised diminution as at December 31, 2023	Market value as a percentage of	
												net assets of the Fund	total investments of the Fund
					Number of certificates			(Rupees in '000)			%		
GoP Ijarah Sukuk Certificates - XI - FRR	Semi-annually	December 15, 2021	December 15, 2026	11.40%	825	-	-	825	74,319	71,841	(2,478)	3.05%	6.59%
Total as at December 31, 2023									74,319	71,841	(2,478)		
Total as at June 30, 2023									76,725	74,319	(2,406)		

5.5.1 The nominal value of this GoP Ijarah sukuk certificates is Rs. 100,000 each.

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
5.6 Unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss - net		-----Rupees in '000-----	
Market value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	1,089,451	1,614,259
Less : Carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	(1,094,282)	(1,651,908)
		<u>(4,831)</u>	<u>(37,649)</u>

6 PAYABLE TO ABL ASSET MANAGEMENT COMPANY LIMITED - RELATED PARTY

Remuneration payable	6.1	987	2,989
Punjab Sales Tax payable on remuneration of the Management Company	6.2	2,934	3,254
Provision for Federal Excise Duty on remuneration of the Management Company	6.3	19,142	19,142
Accounting and operational charges payable	6.4	5,503	7,032
Selling and marketing expenses payable	6.5	734	3,107
Other payable		240	333
		<u>29,540</u>	<u>35,857</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 following rates:

Rate applicable from July 1, 2022 to June 30, 2023	Rate applicable from July 1, 2023 to November 07, 2023	Rate applicable from November 08, 2023 to December 31, 2023
0.25% of average daily net assets per annum subject to minimum floor of 0.25% of average daily net assets p.a. and maximum cap of 0.50% of average daily net assets p.a.	0.25% to 0.50% of average daily net assets	0.00% to 2.00% of average daily net assets

The remuneration is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs 1.129 million (December 31, 2022: Rs 1.556 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% (June 30, 2023: 16%).

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 19.142 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2023 would have been higher by Re 0.084 (June 30, 2023: Re 0.027) per unit.

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

The Management Company based on its own discretion has currently fixed a maximum capping of 0.39% (June 30, 2023: ranging from 0.35% to 0.50%) of the average annual net assets of the scheme for allocation of such expenses to the Fund.

- 6.5 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 0.15% (June 30, 2023: 0.15%) per annum of the average annual net assets of the Fund during the period ended December 31, 2023 while keeping in view the overall return and Total Expense Ratio limit of the Fund as defined under the NBFC Regulations, subject to total expense charged being lower than actual expense incurred.

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
7	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
		------(Rupees in '000)-----	
	Remuneration payable to the Trustee	7.1	149
	Sindh Sales Tax payable on remuneration of the Trustee	7.2	19
		<u>168</u>	<u>507</u>

- 7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provision of the Trust Deed at the rate of 0.075% (June 30, 2023: 0.075%) per annum of average annual net assets of the Fund. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.

- 7.2 During the period, an amount of Rs. 0.138 million (December 31, 2022: 0.340 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% (June 30, 2023: 13%).

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
8	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
		------(Rupees in '000)-----	
	Fee payable	8.1	148
		<u>148</u>	<u>1,450</u>

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

Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, has revised the rate of fee to 0.095% per annum of the daily net assets of the Fund, applicable to an "Income Scheme". Previously, the rate of fee applicable on all categories of CISs was 0.02% per annum of the daily net assets of the Fund. Accordingly, the Fund has charged the SECP fee at the rate of 0.095% per annum of the daily net assets during the period.

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

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
9	ACCRUED EXPENSES AND OTHER LIABILITIES	------(Rupees in '000)-----	
	Auditors' remuneration payable	373	392
	Securities transaction cost	158	3
	Settlement charges charges payable	22	22
	Printing charges payable	143	156
	Withholding tax payable	1,588	20,005
		<u>2,284</u>	<u>20,578</u>

10 CONTINGENCIES AND COMMITMENTS

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

11 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at December 31, 2023 is 1.39% (December 31, 2022: 1.06%) which includes 0.17% (December 31, 2022: 0.08%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a "Income scheme".

12 TAXATION

The income of the Fund is exempt from 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 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 NBFC Regulations, the Fund is required to distribute not less than 90 percent 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, 2024 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.

13 EARNINGS PER UNIT

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

14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

- 14.1** Connected persons / related parties include Allied Bank Limited being the holding company of the Management Company, ABL Asset Management Company, other collective investment schemes being managed by the Management Company, entities under common management or directorships, Central Depository Company of Pakistan Limited being the Trustee, directors and their close family members and key management personnel of the Management Company and any person or company beneficially owning directly or indirectly 10% or more of the net assets of the Fund.
- 14.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 14.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations.
- 14.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 14.5** Accounting and operational charges are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.



14.6 Detail of transactions with connected persons during the period are as follows:

	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Remuneration for the period	7,059	9,726
Punjab Sales Tax on remuneration of the Management Company	1,129	1,556
Accounting and operational charges	5,504	18,971
Issue of 181,013,049 (December 31, 2022: 86,177,596) units	1,865,600	876,761
Redemption of 111,742,412 (December 31, 2022: 44,265,999) units	1,147,191	450,000
Central Depository Company of Pakistan Limited - Trustee		
Remuneration for the period	1,059	2,615
Sindh Sales Tax on remuneration of the Trustee	138	340
Allied Bank Limited		
Profit on savings account	1,902	1,615
Bank charges	-	10
DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE MANAGEMENT COMPANY		
Sheikh Mukhtar Ahmed		
Issue of 15,864 (December 31, 2022: 440,421) units	163	4,821
Redemption of 15,864 (December 31, 2022: 588,414) units	161	6,000
Mr Muhammad Waseem Mukhtar		
Issue of 42,577 (December 31, 2022: 1,599,949) units	459	17,554
Redemption of Nil (December 31, 2022: 1,094,625) units	-	11,000
Mr Muhammad Naeem Mukhtar		
Issue of 37,530 (December 31, 2022: 34,757) units	410	381
Redemption of Nil (December 31, 2022: Nil) units	-	-
Mr Naveed Nasim		
Issue of 87 (December 31, 2022: Nil) units *	-	-
Redemption of 87 (December 31, 2022: Nil) units *	-	-

* Nil figures due to rounding off

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

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	----- Rupees in '000 -----	
ABL Asset Management Company Limited - Management Company		
Outstanding 179,066,975 (June 30, 2023: 109,796,338) units	1,845,339	1,111,897
Remuneration payable	987	2,989
Punjab Sales Tax payable on remuneration of the Management Company	2,934	3,254
Provision for Federal Excise Duty on remuneration of the Management Company	19,142	19,142
Accounting and operational charges payable	5,503	7,032
Selling and marketing expenses payable	734	3,107
Other payable	240	333
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	149	449
Sindh Sales Tax payable on remuneration of the Trustee	19	58



	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	----- Rupees in '000 -----	
Allied Bank Limited		
Balances with bank	28,777	14,448
Profit receivable savings accounts	134	268

DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE MANAGEMENT COMPANY

Mr Muhammad Waseem Mukhtar		
Outstanding 520,967 (June 30, 2023: 478,390) units	5,369	4,845
Mr Mohammad Naeem Mukhtar		
Outstanding 591,526 (June 30, 2023: 553,996) units	6,096	5,610

* Nil figures due to rounding off

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

15 FAIR VALUE MEASUREMENT

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

15.1 Fair value hierarchy

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

Level 1: quoted price (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)			
At fair value through profit or loss				
Term finance certificates	-	601,156	-	601,156
Government securities - Market Treasury Bills	-	20,380	-	20,380
Government securities - Pakistan Investment Bonds	-	396,075	-	396,075
GoP Ijarah sukuk certificates	-	71,841	-	71,841
	-	1,089,451	-	1,089,451



	(Audited)			
	As at June 30, 2023			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
At fair value through profit or loss				
Term finance certificates	-	1,032,230	-	1,032,230
Corporate sukuk certificates	-	17,552	-	17,552
GoP Ijarah sukuk certificates	-	74,319	-	74,319
Government securities - Pakistan Investment Bonds	-	490,158	-	490,158
Reverse Repo *	-	3,416,759	-	3,416,759
	-	5,031,018	-	5,031,018

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

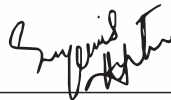
16 GENERAL

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

17 DATE OF AUTHORISATION FOR ISSUE

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

For ABL Asset Management Company Limited
(Management Company)



Saqib Matin
Chief Financial Officer



Naveed Nasim
Chief Executive Officer



Pervaiz Iqbal Butt
Director

مستقبل کا آؤٹ لک

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

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

23 اگست سے پیداوار کے منحنی خطوط میں الٹا اضافہ ہوا ہے۔ چھوٹے سرے پر پیداوار کا منحنی خطوط تقریباً ایک ہی سطح پر M3، M6 اور M12 T-Bills کے ساتھ کافی حد تک چپٹا ہو گیا ہے، جو پالیسی کی شرح سے 150bps کا منفی پھیلاؤ رکھتا ہے۔ پیداوار وکڑ کے طویل اختتام پر، yrs2.5 اور yrs5 کے مقررہ شرح PIBs کے درمیان پھیلاؤ تقریباً 130bps ہے اور پالیسی ریٹ سے ان کا پھیلاؤ تقریباً 520bps اور 650bps ہے۔ بقایا 9 OMO PKR ٹریلین کے قریب ہے جو بذات خود ایک بہت بڑا نظامی خطرہ ہے۔

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

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

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

اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکریٹریز اینڈ ایگزیکٹو 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۔ ڈائریکٹر 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

ABL-IF
ABL-INCOME FUND

نویس

چیف ایگزیکٹو آفیسر

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

میوچل فنڈ اینڈ سٹری کا جائزہ

اوپن اینڈ میوچل فنڈ اینڈ سٹری 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 نمو 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 IF نے 22.54% کے بینچ مارک ریٹرن کے مقابلے میں 19.66% پر سالانہ ر منافع پوسٹ کیا، اس طرح بینچ مارک کی کارکردگی سے 288 bps سے کم کارکردگی کا مظاہرہ کیا۔ فنڈ کے AUMs دسمبر 23 کے آخر میں PKR 2,358.48 ملین ہو گئے جو جون 23 کے آخر میں PKR 7,292 ملین تھے۔ 23 دسمبر کے آخر میں، PIBs میں فنڈ کی 14.11% نمائش، TFCs میں 23.97% اور فنڈز کی 41.49% نمائش کیش کے طور پر رکھی گئی۔

آڈیٹر

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

فنڈ استحکام کی درجہ بندی

17 نومبر 2023 کو: پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ABL انکم فنڈ (ABL IF) کے لیے (A+ (f) (ڈبل اے پلس (f) پر فنڈ استحکام کی درجہ بندی (FSR) تفویض کی ہے۔

مینجمنٹ کمپنی کی کوالیٹی کی درجہ بندی

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

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل انکم فنڈ (اے بی ایل - آئی ایف) کی انتظامیہ کمپنی، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے لیے اے بی ایل انکم 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 1 HFY24 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 تھیں۔ 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 ٹہلے گا۔ مناسب انتظامیہ کے ساتھ سخت مالیاتی اور مالیاتی پالیسیوں کا تسلسل تجارتی توازن کو کم کرنے کا باعث بنا ہے۔ 5 MFY24 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۔

منی مارکیٹ کا جائزہ

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

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

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



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or



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