LAKSON MONEY MARKET FUND

Quarterly Report (March 31, 2020)

LAKSON INVESTMENTS

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

CONTENTS

Fund's Information

Management Company	Lakson Investments Limited Head Office Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan. Phone: (9221) 3840.0000 Fax: (9221) 3568.1653 Web site: www.li.com.pk E-mail: info@li.com.pk
Board of Directors of the Management Company	Mr. Iqbal Ali Lakhani - Chairman Mr. Babar Ali Lakhani - Chief Executive Officer Mr. Jamil Ahmed Mughal Mr. Amin Mohammed Lakhani Mr. Jacques John Visser Ms. Roxanne Davies Ms. Gaite Ali Ms. Kathleen Kennedy Townsend
Chief Financial Officer & Company Secretary of the Management Company	Mr. Salman Shafiq Hashmi
Audit Committee	Mr. Jacques John Visser - Chairman Mr. Amin Mohammed Lakhani Mr. Iqbal Ali Lakhani Mr. Jamil Ahmed Mughal
Human Resource and Remuneration Committee	Ms. Gaite Ali - Chairman Mr. Babar Ali Lakhani Mr. Iqbal Ali Lakhani
Trustee	Central Depository Company of Pakistan Limited CDC House, 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi, Pakistan.
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building No.2, Beaumont Road, Karachi - 75530, Pakistan

Bankers to the Fund	Allied Bank Limited Askari Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited National Bank of Pakistan Sindh Bank Limited United Bank Limited
Legal Adviser	Fazleghani Advocates F-72/I, Block 8, KDA-5, Kehkashan, Clifton, Karachi, Pakistan.
Registrar	Lakson Investments Limited Lakson Square Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan
Distributors	Adam Securities Amir Noorani Elixir Securities (Pvt.) Limited Ismail Iqbal Securities (No Fee Sharing) BMA Capital Management Limited (No Fee Sharing) Metro Capital Pvt. Limited Pearl Securities Pvt. Limited Rabia Fida Topline Securities (Pvt.) Limited Vector Capital (Pvt.) Limited Pyramid Financial Consultants
Rating by PACRA	AA(f) : Fund Stability Rating AM2+ : Asset Manager Rating

Review Report of the Directors' of the Management Company For the nine months period ended March 31, 2020

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Money Market Fund ('LMMF') is pleased to submit the review report together with the condensed interim financial statements for the nine months period ended March 31, 2020.

Fund Objective
The objective of the fund is to provide stable and competitive returns with low volatility that are in line with the money markets and consistent with capital preservation. Accordingly, the fund consists of a liquid portfolio of low risk, short-term investments.

Fund Profile
The Fund is an open-end money market fund and is listed on Pakistan Stock Exchange Limited. The Fund invests in Government Securities, Certificate of Investments, Clean Placements, Term Deposit Receipts and other short-term instruments. The weighted average maturity of the portfolio is kept below 3 months. LMMF invests in only those securities that have been assigned at least an "AA" rating by a rating agency in Pakistan and are of less than 6 months maturity. An in-depth credit analysis is conducted before taking any exposure to any counter party to mitigate the credit risk. Short maturity of the portfolio protects the Unit Holders against interest rate movements while enhancing the liquidity of the Fund. LMMF is allowed to borrow up to 10% of Net Assets to meet redemptions; however, LMMF did not utilize this facility during the period under review.

Fund performance
The LMMF generated return of 13.19% in M9FY20 compared to Benchmark (70% average 3M T-Bills yield + 30% average 3M TDR rate of minimum AA rated banks) return of 11.43%. The LMMF outperformed the benchmark by 176 bps. Asset allocation was concentrated in cash at 78.4% which provided good spread over the prevailing T bill yields without compromising liquidity and credit quality. As of March 31, 2020, the weighted average maturity (WAM) of the LMMF portfolio was standing at 16 days and fund size was PKR 14,043 million.

Earning per Unit (EPU)
EPU has not been disclosed as we feel the determination of weighted average units for calculating EPU is not practicable for open end funds.

Income Distribution
The Chief Executive Officer under the authority from Board of Directors of the Management Company during the period declared the interim payouts of PKR 9.5142 per unit (9.5142%) of face value of PKR 100/-) amounting to PKR 939.704 million distribution in cash for the period ended March 31, 2020.

Economic Review
After raising the key policy rate by 750bps (since December 2017) to 13.25% in July 2019, State Bank of Pakistan cut the interest rates by 225 bps in its mid-March Monetary Policy Committee ('MPC') meetings, signaling an end to the 20 months long monetary tightening cycle. The key considerations behind the cut were:

(i) a substantial improvement in inflation (softening food prices in particular) and expectations of greater disinflation ahead due to the downtrend in global commodity prices (particularly oil prices),

(ii) a 71% YOY reduction in the current account deficit in 8MFY20, and

(iii) perhaps most importantly, the coronavirus (COVID-19) pandemic, which threatened to reduce both domestic consumer demand and external demand for Pakistan's exports.

Ahead of the rate cut however, Pakistan witnessed USD 1.5 billion outflows from Government treasuries [Special Convertible Rupee Account ('SCRA account')]. In 9MFY20, SCRA inflows into T-Bills crossed USD 3.4 billion, while outflows of USD 1.7 billion resulted in cumulative net SCRA position of USD 1.7 billion. This drove a 7.5% slippage in the PKR vs. the USD during March 2020 to touch 166 vs. an average of 156-157 in Q2FY20. The State Bank of Pakistan ('SBP') foreign exchange reserves have climbed from a low of USD 7.3 billion in June 2019 (pre-IMF program) to USD 11.2 billion as at March 2020.

The economic slowdown continued in the real sector, during 9MFY20 with corporate profitability coming off significantly and LSM output contracting 3.64% YoY in 7MFY20. Notable decline was witnessed in automobile, food, construction and allied industries of steel and cement. There has however, been pickup in activity in electronics, engineering goods and fertilizer sectors during similar period where SBP initially set FY20 GDP growth target of 3.5%. This, however, is likely to be revised down as businesses continue to shut down amid the ongoing COVID-19 pandemic. The COVID-19 has resulted in trade disruptions, particularly for the export-oriented sectors and for companies importing from countries other than China. Extended country-wide lockdowns are expected to feed into further LSM contraction and rise in prices of essential goods.

On the balance of payment side, current account deficit ('CAD') narrowed down by 71% YoY to USD 2.8 billion in M8FY20. This was mainly led by a decline in imports (down 17.5% YoY in M8FY20) while exports also marginally improved by 3% YoY. The energy import bill remained low during this period due to a collapse in global oil prices, with West Texas Intermediate ('WTI') hitting a low of USD 20/bbl in March 2020. Going forward, this should lead to a substantial decline in the upcoming Current Account readings, further pushed by ongoing economic slowdown. However, this is likely to be offset by slow global demand and feed into lower exports in Q4FY20.

While lower oil prices may potentially help reign in fiscal slippages (via reduction in circular debt), and allow cost recovery, the government is having to temporarily waive off electricity bills for the month of March 2020 due to the ongoing lockdown situation. Most industries, other than a few essential industries, remained shut which has disrupted income for daily wage earners during the lockdown situation. Inflation readings for March 2020 came off to 10.2% vs. 12.4% in February 2020. So far, national inflation has averaged 11.53% in 8MFY20 which is in line with the Consumer Price Index ('CPI') target set by SBP for 11-12% through FY20.

Going forward, we expect that the massive decline in oil prices will feed into improvements in CAD and inflation. This will allow the SBP to reduce interest rates further in order to provide relief in the face of supply side disruptions. The situation is not dissimilar to the one which Pakistan had experienced in 2014 when the oil price crash, reduced inflation to 2-3% and interest rates to historic lows of 5.75% that consequently kick started the business cycle which peaked in 2017.

Fixed Income Market Review

GoP raised cumulative PKR 11.4 trillion in T-Bill auctions during 9MFY20 vs. PKR 13.5 trillion in 9MFY19. Flows were supported by strong foreign participation through the Special Convertible Rupee Account (SCRA) in H1FY20, however SBP's appetite was lower than last year due to expected commencement of monetary easing from early-Q3FY20 where SBP remained averse to locking itself at high interest rates for an extended period (13.25% Policy Rate in H1FY20). Participation also began to lose steam once expectations of a rate cut solidified shifting more towards the longer tenor instruments (12M T-Bills and PIBs). Consequently, with limited bids accepted by the Central Bank ahead of expected interest rate cuts, yields began to come off after inverting sharply in H1FY20. T-Bill yields for 3M, 6M and 12M tenors dropped to 12.73%/12.51% and 12.0% for 3M/6M and 12M tenor from a high of 13.75%/13.94% and 14.25% in August 2019.

With interest rates seemingly peaked in 2019, participation in PIB auctions picked up significantly, with bids accepted by SBP rising to PKR 1.6 trillion in M9FY20 vs. PKR 441 billion in M9FY19. Strong participation was witnessed in PIBs vs. 2019, while SBP's appetite remained limited. This pushed cut-off yields downwards to 11.58%, 10.99% and 10.85% for 3YR, 5YR and 10YR tenors from 13.70%, 13.80% and 13.70% at the end of June 2019 respectively.

Significant event during the period - COVID -19

A novel virus (2019-nCOV) was first reported in Wuhan, China on December 31, 2019. The virus causes respiratory illness like SARS but is less fatal. However, given the contagious nature of the virus, WHO declared COVID-19 as a pandemic on March 11, 2020, (the last pandemic was in 2009) when the global confirmed cases were almost 127,000. It has now spread to 205 countries around the world with more than 1.85 million confirmed cases.

With no vaccine and high R-naught (reproduction number) of the virus, Governments all around the world are responding in a similar manner as Wuhan, China where the communist party of China imposed a 2-months lockdown. Experts warn that the global economic fallout due to COVID-19 can be as high as USD 2,700 billion (3.2% of the GDP), with manufacturing and services taking a big hit as PMIs of major economies of the world are below 40. It is predicted that as much as 20% of the world economy is closed due to the lockout. IMF Managing Director Kristalina Georgieva now expects 2020 to be as bad as in 2009 when the global economy grew by 0.7% in 2009. Earlier in February 2020, the IMF projected global growth of 2.9% in 2020.

Almost no financial markets were immune to COVID-19. Developed, emerging and frontier equity markets destroyed wealth by ~30% since CYTD. While the flight to safety meant that Gold yielded a positive return of 5% and 10-year US Treasury yield dropped to 0.76% from 1.92%. In the commodity market, WTI slumped by 61% as nations in OPEC+ could not come to an agreement to cut production in the response to the decline in demand. In Pakistan, the benchmark KSE100 index fell by 32% in USD terms as massive foreign selling in both fixed and equity markets continued during March 2020 to date. SCRA (Special Convertible Rupee Accounts) has reported USD 1.7 billion net outflows in March 2020 after net inflows of USD over USD 3 billion from July-2019 till Feb-2020.

Central banks are responding aggressively to the crisis on the economy caused by COVID-19. The Fed, USA has already cut the policy rate by 1.5% to almost 0%. Furthermore, Fed has committed to buy USD 375 billion worth of government securities and USD 250 billion worth of Mortgage-backed securities in the first week alone. ECB announced EUR 870 billion (7.3% of EUR area GDP) worth of the Pandemic Emergency Purchase Program for the whole year with adjustments as and when needed. Furthermore, ECB will also conduct EUR 3 trillion worth of refinancing operations on the lowest rate of -0.75%. IMF also said that it will mobilize USD 1 trillion lending capacity with emphasis to aid emerging economies. On the fiscal side, Trump administration's USD 1 trillion proposed rescue plan to cater to individual Americans and small businesses. In Pakistan, SBP cut policy rate by 2.25% to 11% during March 2020. PTI lead government has announced USD 7.4 billion worth of Pandemic plans to respond to the COVID-19 economic crises.

Future Outlook
Any discernible progress in the ongoing COVID-19 contagion will likely stimulate the progress in the economy. Monetary easing cycle has commenced (slashing PR by 225bps in the month of March 2020), and the Government has announced a 1.2 trillion fiscal stimulus package, which should help to stabilize the economy to some extent, to say the least. 4QFY20 will be disturbing for the economy where we may witness negative GDP growth on a sequential basis.

Consequently, equity might remain volatile for the period, however we might see some further attraction in money market. Importantly, Yield curve is sharply inverted which we may see flattening in H2FY20.

Acknowledgment
The Board is thankful to its valued investors, the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund-Central Depository Company of Pakistan Limited and the management of the Pakistan Stock Exchange Limited for their continued cooperation and support. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the growth and the prudent management of the Fund.

For and on Behalf of the Board

Chief Executive Officer **Director**

Dated: April 09, 2020

لیکسن منی مارکیٹ فنڈ
31مارچ2020 کوختم ہونے والی مدت کے لیے
مینجمنٹ کمپنی کے ڈائریکٹرز کی جائزہ رپورٹ

لیکسن انویسٹمنٹس لمیٹڈ کابورڈ آف ڈائریکٹرز، لیکسن منی مارکیٹ فنڈ("LMMF") کی مینجمنٹ کمپنی، 31مارچ2020 کوختم ہونے والی9ماہ کی مدت کے لیے اپنی جائزہ رپورٹ مع مختصر عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

فنڈ کا مقصد

اس فنڈ کا مقصد کم اتار چڑھاؤ کے ساتھ مستحکم اور مسابقتی منافع جات فراہم کرنا ہے جو منی مارکیٹس سے ہم آہنگ اور سرمائے کے تحفظ سے مطابقت رکھتے ہوں۔ اسی طرح یہ سرمایہ کم خطرات، مختصر مدتی سرمایہ کاری کے لیکویڈ پورٹ فولیو پر مشتمل ہے۔

فنڈ کا تعارف

فنڈ ایک اوپن اینڈ منی مارکیٹ فنڈ ہے اور پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ فنڈ گورنمنٹ سیکیورٹیز، سرٹیفکیٹس آف انویسٹمنٹس ، Clean Placements ، ٹرم ڈپازٹ ریسیپٹس اور دیگر مختصر مدتی انسٹرومنٹس میں سرمایہ کاری کرتا ہے۔ پورٹ فولیو کی تخمینہ شدہ اوسط میچورٹی 3ماہ سے کم رکھی جاتی ہے۔ LMMFصرف ان سیکیورٹیز میں سرمایہ کاری کرتا ہے جنہیں پاکستان میں کسی ریٹنگ ایجنسی نے کم از کم "AA" ریٹنگ دے رکھی ہو اور جن کی میچورٹی 6ماہ سے کم ہو۔ کریڈٹ رسک کم کرنے کے لیے سرمایہ کاری سے پہلے مقابل پارٹی کا کریڈٹ کے حوالے سے باریک بینی سے تجزیہ کیا جاتا ہے۔ پورٹ فولیو کی مختصر میچورٹی یونٹ ہولڈرز کو شرح سود کے اتار چڑھاؤ کے خلاف تحفظ دیتی ہے، جب کہ فنڈ کی لیکویڈیٹی میں اضافہ کرتی ہے۔ LMMF کو ریڈیمپشن کی تکمیل کے لیے خالص اثاثوں کے 10فی صد تک قرض لینے کی اجازت ہے، تاہم LMMF نے اس سہولت کو زیر جائزہ مدت کے دوران استعمال نہیں کیا۔

فنڈ کی کارکردگی کا جائزہ

LMMF نے بینچ مارک منافع (سہ ماہی T بلز کے اوسط منافع جات کا70%+ کم از کم AAریٹڈ بینکس کے اوسط سہ ماہی TDR ریٹ کا30%) 11.43% کے مقابلے میں مالی سال 2020 کے پہلے نوماہ میں 13.19% منافع کمایا۔ LMMF نے بینچ مارک کو176بنیادی پوائنٹس سے پیچھے چھوڑ دیا۔ اثاثوں کی تفویض کا ارتکاز 78.4% کے ساتھ کیش پر رہا جس نے لیکویڈٹی اور کریڈٹ کوالٹی پر سمجھوتا کیے بغیر T بلز کے موجودہ منافع جات کے مقابلے میں قیمت خرید اور قیمت فروخت کا عمدہ فرق (spread) فراہم کیا۔ بمطابق 31مارچ2020، LMMF پورٹ فولیو کی تخمینہ شدہ اوسط میچورٹی (WAM)، 16دن ہے اور فنڈ سائز14,043 ملین روپے ہے۔

فی یونٹ آمدنی(EPU)

فی یونٹ آمدنی(EPU) ظاہر نہیں کی گئی ہے کیوں کہ ہم محسوس کرتے ہیں کہ EPU شمار کرنے کے لیے موزوں اوسط یونٹس کا تعین اوپن اینڈ فنڈز کے لیے قابل عمل نہیں ہے۔

آمدنی کی تقسیم

چیف ایگزیکٹیو آفیسر نے منیجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے اختیار کے تحت 31 مارچ 2020 کو ختم ہونے والی مدت کے لیے فی یونٹ 9.5142 روپے (100 روپے کی فیس ویلیو کا 9.5142%) کی عبوری نقد ادائیگی کا اعلان کیا ہے جس کی مالیت 939.704 ملین روپے بنتی ہے۔

معاشی جائزہ

جولائی 2019 میں کلیدی پالیسی ریٹ 750 بنیادی پوائنٹس (دسمبر 2017 سے) اضافے کے ساتھ 13.25 فیصد تک بڑھانے کے بعد، مارچ کے وسط میں ہونے والے مانیٹری پالیسی کمیٹی ('MPC') کے اجلاسوں میں اسٹیٹ بینک آف پاکستان نے سود کی شرحوں میں 225 بنیادی پوائنٹس کمی کردی، جو مالیاتی سختی بیس ماہ طویل دور کے خاتمے کا اشارہ ہے۔ اس کٹوتی کے پس پردہ اہم وجوہات درج ذیل ہیں:

(i) افراطِ زر میں خاطر خواہ بہتری (خاص طور پر اشیائے خوردونوش کی قیمتوں میں کمی) اور عالمی اجناس کی قیمتوں (خاص طور پر تیل کی قیمتوں) میں کمی کی وجہ سے آئندہ افراطِ زر میں زیادہ کمی کی توقع،

(ii) مالی سال 2020 کے پہلے 8 ماہ میں موجودہ اکاؤنٹ خسارے میں سال بہ سال بنیاد پر 71 فیصد کمی، اور

(iii) شاید سب سے اہم بات یہ ہے کہ کورونا وائرس (COVID-19) عالمی وبا جس سے گھریلو صارفین کی طلب اور پاکستان کی برآمدات کے لئے بیرونی طلب دونوں کم ہونے کا خطرہ ہے۔

اس شرح میں کٹوتی سے پہلے، پاکستان کے سرکاری خزانے [اسپیشل کنورٹیبل روپی اکاؤنٹ (SCRA account)] سے 1.5 ارب ڈالر کا اخراج ہوا۔ مالی سال 2020 کے پہلے 9 ماہ میں، ایس سی آر اے نے ٹی بلز میں 3.4 بلین امریکی ڈالر کی آمد کی حد عبور کی، جبکہ 1.7 بلین ڈالر کے اخراج کے نتیجے میں ایس سی آر اے کی خالص مجموعی حیثیت 1.7 ارب ڈالر رہی۔ اس کے نتیجے میں مارچ 2020 کے دوران پاکستانی روپے کی قدر میں امریکی ڈالر کے مقابلے میں 7.5 فیصد کی کمی ہوئی جس نے 166 روپے کی حد کو چھولیا اور مالی سال 2020 کی دوسری سہ ماہی میں اوسط قدر 157-156 روپے رہی۔ اسٹیٹ بینک آف پاکستان (SBP) کے زرمبادلہ کے ذخائر جون 2019 میں (آئی ایم ایف سے قبل پروگرام) 7.3 ارب ڈالر کی نچلی سطح سے بڑھ کر مارچ 2020 تک 11.2 ارب ڈالر ہو گئے ہیں۔

مالی سال 2020 کے پہلے 9 ماہ میں کے دوران، حقیقی شعبے میں معاشی ست روی کا سلسلہ جاری رہا، کارپوریٹ منافع میں نمایاں کمی آئی اور مالی سال 2020 کے پہلے 7 ماہ میں بڑی صنعتوں (LSM) کی پیداوار میں سال بہ سال بنیاد پر 3.64 فیصد کی کمی ہوئی۔ آٹوموبائل، خوراک، تعمیرات اور اسٹیل اور سیمنٹ سے وابستہ صنعتوں میں نمایاں گراوٹ دیکھنے میں آئی۔ تاہم، اسی عرصے کے دوران الیکٹرانکس، انجینئرنگ کے سامان اور کھاد کے شعبوں میں سرگرمی میں اضافہ ہوا جہاں ایس بی پی نے ابتدائی طور پر مالی سال 2020 کے لیے جی ڈی پی کی شرح نمو 3.5 فیصد طے کی تھی۔ تاہم، اس میں نظر ثانی کا امکان ہے کیونکہ جاری COVID-19 عالمی وبا کے دوران کاروبار کی بندش کا سلسلہ جاری ہے۔ COVID-19 کے نتیجے میں تجارت میں خلل پڑا ہے، خاص طور پر برآمدی شعبے اور چین کے علاوہ دیگر ممالک سے درآمدات کرنے والی کمپنیوں کے لئے۔ ملک بھر میں طویل لاک ڈاؤن بڑی صنعتوں (LSM) کی پیداوار میں مزید کمی کا باعث بنے گا اور اشیائے ضرورت کی قیمتوں میں اضافہ ہوگا۔

ادائیگی کے توازن کے معاملے میں، کرنٹ اکاؤنٹ کا خسارہ (CAD) سال بہ سال بنیاد پر 71 فیصد کم ہو کر مالی سال 2020 کے پہلے 8 ماہ میں 2.8 بلین امریکی ڈالر ہو گیا۔ اس کی بنیادی وجہ درآمدات میں کمی (مالی سال 2020 کے پہلے 8 ماہ میں سال بہ سال بنیاد پر 17.5 فیصد کمی) تھی جبکہ برآمدات میں بھی سال بہ سال بنیاد پر 3 فیصد کا معمولی اضافہ ہوا۔ مارچ 2020 میں ویسٹ ٹیکساس انٹرمیڈیٹ (WTI) کی قیمت 20/bbl امریکی ڈالر کی سطح تک گرنے کے ساتھ، تیل کی عالمی قیمتوں میں کمی کی وجہ سے اس عرصے کے دوران توانائی کا درآمدی بل کم رہا۔ آگے بڑھتے ہوئے، اس کے نتیجے میں آئندہ کرنٹ اکاؤنٹ کے

اعداد وشمار نمایاں کمی ہونی چاہیے، جسے جاری معاشی سست روی مزید دھکیلے گی۔ تاہم، یہ ممکن ہے کہ سست عالمی طلب کے نتیجے میں اس کے اثرات زائل ہو جائیں اور اور مالی سال 2020 کی چوتھی سہ ماہی میں کم برآمدات کو اس سے بڑھا وامل جائے۔

اگرچہ تیل کی کم قیمتیں ممکنہ طور پر مالی خسارے پر قابو پانے (گردشی قرضوں میں کمی کے ذریعے) میں معاون ثابت ہوسکتی ہیں اور لاگت کی وصولی کا موقع فراہم کرسکتی ہیں، حکومت کو لاک ڈاؤن کی موجودہ صورتحال کے سبب مارچ 2020 کے مہینے کے لئے بجلی کے بلوں کو عارضی طور پر معاف کرنا پڑ رہا ہے۔ کچھ ضروری صنعتوں کے علاوہ زیادہ تر صنعتیں بند رہیں جس نے لاک ڈاؤن کی صورتحال کے دوران روزانہ اجرت کمانے والوں کی آمدنی میں خلل ڈالا ہے۔ افراط زر کی شرحیں فروری 2020 میں 12.4 فیصد کے مقابلے میں مارچ 2020 میں 10.2 فیصد پر آگئیں۔ اب تک 2020 کے پہلے 8 ماہ میں قومی افراط زر کی اوسط شرح 11.53 فیصد ہے جو اسٹیٹ بینک کی طرف سے مالی سال 2020 کے لئے متعین کردہ کنزیومر پرائس انڈیکس (CPI) کے ہدف 12-11 فیصد کے مطابق ہیں۔

آگے بڑھتے ہوئے، ہم توقع کرتے ہیں کہ تیل کی قیمتوں میں بڑے پیمانے پر کمی کرنٹ اکاؤنٹ خسارے اور مہنگائی میں بہتری لائے گی۔ اس سے اسٹیٹ بینک کو سپلائی میں درپیش خلل کے حوالے سے ریلیف فراہم کے لیے سود کی شرحوں کو مزید کم کرنے کا موقع ملے گا صورتِ حال اس سے کچھ زیادہ مختلف نہیں ہے جس کا تجربہ پاکستان نے 2014 میں کیا تھا جب تیل کی قیمتوں میں اچانک گراوٹ، افراط زر میں 2 سے 3 فیصد تک کمی اور 5.75 فیصد کی تاریخی سطح تک کم سود کی شرحوں نے بالآخر اس کاروباری سلسلے کا آغاز کیا تھا جو 2017 میں عروج پر پہنچ گیا تھا۔

فکسڈ انکم مارکیٹ کا جائزہ

حکومتِ نے ٹی بلز کی نیلامیوں میں مالی سال 2019 کے پہلے 9 ماہ میں 13.5 ٹریلین روپے کے مقابلے میں 2020 کے پہلے 9 ماہ میں مجموعی طور پر 11.4 ٹریلین روپے جمع کیے۔ مالی سال 2020 کے پہلے نصف میں اسپیشل کنورٹیبل روپی اکاؤنٹ (SCRA account)] کے ذریعے اخراج کو مضبوط غیر ملکی مالیاتی شراکت سے زبردست سہارا ملا، تاہم مالی سال 2020 کی تیسری سہ ماہی کے آغاز سے مالیاتی نرمی کے آغاز کی توقع کے نتیجے میں ایس بی پی کی طلب پچھلے سال کے مقابلے میں کم تھی جب ایس بی پی ایک طویل عرصے کے لیے سود کی بلند شرح پر خود کو جامد کرنے سے گریزاں رہا۔ توسیعی مدت (مالی سال 2020 کے پہلے نصف میں پالیسی ریٹ 13.25 فیصد)۔ جب ایک بار شرح سود میں کمی کی توقعات مستحکم ہوئیں تو مالیاتی شراکت کا زور بھی ٹوٹنے لگا اور وہ نسبتاً طویل میعاد والے تمسکات کی طرف زیادہ منتقل ہونے لگی (12 ماہ کی میعاد والے ٹی بلز اور PIBs)۔ اس کے نتیجے میں شرح سود میں متوقع کٹوتی سے پہلے مرکزی بینک کی طرف محدود پیشکشیں قبول کی گئیں اور مالی سال 2020 کے پہلے نصف میں تیز رفتار عروج کے بعد منافع جات کم ہونے لگے۔ سہ ماہی، ششماہی اور بارہ ماہی میعاد کے ٹی بلز کے منافع جات اگست 2019 میں 13.75 فیصد، 13.94 فیصد اور 14.25 فیصد کی بلند سطحوں سے بالترتیب تین ماہ/چھ ماہ اور بارہ ماہ کی میعاد کے لیے بالترتیب 12.73 فیصد/12.51 فیصد اور 12 فیصد تک گر گئے۔

2019 میں شرح سود کے بظاہر بلند ترین سطح چھو لینے کے ساتھ، پی آئی بی کی نیلامی میں مالیاتی شراکت میں نمایاں اضافہ ہوا، اسٹیٹ بینک آف پاکستان کی طرف سے مالیاتی سال 2019 کی پہلے نو ماہ میں 441 ارب روپے کے مقابلے میں مالیاتی سال 2020 کی پہلے نو ماہ میں 1.6 ٹریلین روپے کی پیشکشیں قبول کی گئیں۔ 2019 کے مقابلے میں PIBs میں زبردست مالیاتی شراکت دیکھنے میں آئی جب کہ اسٹیٹ بینک آف پاکستان کی طلب محدود رہی۔ جس نے تین سال، پانچ سال اور دس سال میعادوں کے حتمی منافع جات کو جون 2019 کے اختتام پر بالترتیب 13.70 فیصد، 13.80 فیصد اور 13.70 فیصد سے 11.58 فیصد، 10.99 فیصد اور 10.85 فیصد تک نیچے کی طرف دھکیل دیا۔

مدت کے دوران اہم واقعہ۔کووڈ-19

نوویل وائرس (2019-nCOV) سب سے پہلے 31 دسمبر، 2019 کو ووہان، چین میں رپورٹ ہوا۔ وائرس سارس جیسی سانس کی بیماری کا سبب بنتا ہے لیکن اس سے کم مہلک ہوتا ہے۔ تاہم، وائرس کی متعدی نوعیت کے پیش نظر، ڈبلیو ایچ او نے 11 مارچ 2020 کو، کوویڈ 19 کو عالمی وبا قرار دے دیا، (آخری عالمی وبا 2009 میں تھی) جب عالمی سطح پر تصدیق شدہ واقعات قریب 127,000 تھے۔ اب یہ دنیا بھر کے 205 ممالک میں پھیل چکا ہے جس میں 1.85 ملین سے زیادہ تصدیق شدہ کیس ہیں۔

وائرس کی کسی ویکسین کی غیر موجودگی اور بلند R-naught (تولیدی تعداد) کے ساتھ، پوری دنیا کی حکومتیں ووہان، چین ہی کی طرح جواب دے رہی ہیں جہاں چین کی کمیونسٹ پارٹی نے 2 ماہ کا لاک ڈاؤن لگا دیا تھا۔ ماہرین نے خبردار کیا ہے کہ کووڈ۔19 کی وجہ سے ہونے والا عالمی معاشی خسارہ 2,700 بلین امریکی ڈالر (جی ڈی پی کا 3.2 فیصد) تک ہو سکتا ہے اور صنعتوں اور خدمات کو زبردست نقصان پہنچے گا جیسا کہ دنیا کی بڑی معیشتوں کی PMIs چالیس سے کم ہیں۔ پیش گوئی کی گئی ہے کہ دنیا کی 20 فیصد معیشت لاک آؤٹ کی وجہ سے بند ہے۔ آئی ایم ایف کی مینجنگ ڈائریکٹر کرسٹالینا جورجیوا اب توقع رکھتی ہیں کہ 2020 بھی 2009 جیسا خراب ہوگا جب عالمی معیشت میں 0.7 فیصد اضافہ ہوا تھا۔ اس سے قبل فروری 2020 میں، آئی ایم ایف نے 2020 میں 2.9 فیصد کی عالمی نمو کی پیش گوئی کی تھی۔

لگ بھگ کوئی مالیاتی منڈی کووڈ۔19 سے محفوظ نہیں رہی۔ ڈیویلپڈ، ایمرجنگ اور فرنٹیئر ایکویٹی مارکیٹس موجودہ سال تا حال 30 فیصد تک سرمایے کی تباہی سے دوچار ہو چکی ہیں۔ سرمایہ کاروں کے تحفظ کی طرف فرار کا نتیجہ یہ رہا کہ سونے نے 5 فیصد کا مثبت منافع فراہم کیا ہے اور 10 سالہ امریکی ٹریژری کا منافع 1.92 فیصد سے 0.76 فیصد تک گر گیا۔ اجناس کی منڈی میں، ڈبلیو ٹی آئی میں 61 فیصد کی کمی واقع ہوگئی کیونکہ اوپیک+ میں شامل ممالک طلب میں کمی کے جواب میں پیداوار میں کمی پر اتفاق نہ ہو سکا۔ پاکستان میں، بینچ مارک کے ایس ای 100 انڈیکس میں امریکی ڈالر کے لحاظ سے 32 فیصد کمی واقع ہوئی ہے کیونکہ آج تک مارچ 2020 کے دوران تا حال فکسڈ اور ایکویٹی مارکیٹس دونوں میں بڑے پیمانے پر غیر ملکی فروخت جاری رہی۔ جولائی 2019 سے فروری 2020 تک 3 ارب امریکی ڈالر سے زائد کی خالص آمد کے بعد مارچ 2020 میں ایس سی آر اے (اسپیشل کنورٹ ایبل روپی اکاؤنٹس) سے 1.7 ارب ڈالر کا خالص اخراج رپورٹ کیا گیا ہے۔

کووڈ۔19 کے نتیجے میں پیدا ہونے والے معاشی بحران پر مرکزی بینکس جارحانہ ردعمل کا اظہار کر رہے ہیں۔ FED، امریکا نے پہلے ہی پالیسی ریٹ 1.5 فیصد کم کر کے تقریباً صفر فیصد کر دیا ہے۔ مزید یہ کہ، FED نے پہلے ہی ہفتے میں 375 ارب امریکی ڈالر کی سرکاری سیکیورٹیز اور 250 ارب ڈالر مالیت کی مورگیج بیکڈ سیکیورٹیز خریدنے کا عہد کیا ہے۔ ای سی بی نے پورے سال کے لئے حسب ضرورت ردوبدل کی گنجائش کے ساتھ 870 بلین یورو (یوروایریا کے جی ڈی پی کا 7.3 فیصد) مالیت کے پینڈیمک ایمرجنسی پرچیز پروگرام کا اعلان کیا ہے۔ مزید برآں، ای سی بی کی طرف سے 0.75- فیصد کی کم ترین شرح کے ساتھ 3 ٹریلین یورو کی ری فنانسنگ کی کاروائیاں بھی عمل میں لائی جائیں گی۔ آئی ایم ایف نے یہ بھی کہا کہ وہ ابھرتی ہوئی معیشتوں کی امداد پر زور دینے کے ساتھ ایک ٹریلین ڈالر کی قرض دینے کی صلاحیت کو متحرک کرے گا۔

مالیاتی رخ پر، ٹرمپ انتظامیہ کی طرف سے امریکی شہریوں اور چھوٹے کاروباروں کے لیے ایک ٹریلین امریکی ڈالر کا ریسکیو پلان تجویز کیا گیا ہے۔ پاکستان میں، اسٹیٹ بینک نے مارچ 2020 کے دوران پالیسی ریٹ میں 2.25 فیصد کٹوتی کر کے اسے 11 فیصد تک کم کر دیا۔ پی ٹی آئی کی زیرقیادت حکومت نے کووڈ۔19 کے اقتصادی بحرانوں سے نمٹنے کے لئے 7.4 ارب ڈالر مالیت کے عالمی وبا سے متعلق منصوبوں کا اعلان کیا ہے۔

مستقبل کی توقعات

کووڈ-19 سے جاری جنگ میں کسی بھی قابل ذکر پیشرفت سے معاشی ترقی کو تحریک ملنے کا امکان بڑھ جائے گا۔ مالیاتی نرمی کا سلسلہ شروع ہو چکا ہے (مارچ 2020 کے مہینے میں پالیسی ریٹ میں 225 بنیادی پوائنٹس کی کمی)، اور حکومت نے 1.2 ٹریلین ڈالر کے مالیاتی محرک پیکیج کا اعلان کیا ہے، جس سے کم از کم معیشت کو استحکام حاصل کرنے میں کسی حد تک مدد ملنی چاہئے۔ مالی سال 2020 کی چوتھی سہ ماہی معیشت کے لئے پریشان کن ہوگی جہاں ہم مرحلہ وار بنیادوں پر جی ڈی پی کی منفی نمو دیکھ سکتے ہیں۔

نتیجتاً اس مدت کے لیے ایکویٹی اتار چڑھاؤ کا شکار رہ سکتی ہے۔ تاہم ہم منی مارکیٹ میں کچھ مزید کشش دیکھ سکتے ہیں۔ اہم بات یہ ہے کہ Yield curve میں تیزی سے الٹ ہوا ہے جسے ہم مالی سال 2020 کے دوسرے نصف میں سپاٹ ہوتا دیکھ سکتے ہیں۔

اظہار تشکر

یہ بورڈ اپنے قابل قدر انویسٹرز، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، فنڈ کے ٹرسٹی، سینٹرل ڈپازیٹری کمپنی آف پاکستان لمیٹڈ اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کا، ان کے مسلسل تعاون اور مدد پر شکرگزار ہے۔ مینجمنٹ کمپنی کے ڈائریکٹرز فنڈ کی ترقی اور دانشمندانہ انتظام و انصرام کے لیے مینجمنٹ کمپنی کی ٹیم کی محنت اور کاوشوں کا بھی اعتراف کرتے ہیں۔

برائے و منجانب بورڈ

چیف ایگزیکٹو آفیسر | ڈائریکٹر

تاریخ: 09 اپریل 2020

Condensed Interim Statement of Assets and Liabilities
As at March 31, 2020

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
Assets		(Rupees)	
Bank balances	6	**11,091,036,564**	8,615,306,057
Investments	7	**2,833,130,725**	-
Mark-up receivable		**209,789,559**	64,023,028
Advance Tax		**5,674,358**	9,793,403
Prepayments and other receivables		**150,251**	133,569
Total assets		**14,139,781,457**	8,689,256,057
Liabilities			
Payable to the Management Company	8	**42,590,224**	44,364,429
Payable to the Trustee		**1,592,901**	734,675
Annual fee payable to the Securities and Exchange Commission of Pakistan		**1,684,007**	6,710,153
Dividend payable			-
Accrued and other liabilities	11	**50,769,742**	29,279,235
Total liabilities		**96,636,874**	81,088,492
Net assets		**14,043,144,583**	8,608,167,565
UNIT HOLDERS' FUND (as per statement of movement in Unit holders' Fund)		**14,043,144,583**	8,608,167,565
Contingencies and commitments	12		
		(Number of units)	
Number of units in issue		**139,599,913**	85,632,524
		(Rupees)	
Net assets value per unit		**100.5957**	100.5246

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

Condensed Interim Income Statement (Unaudited)
For the nine months period and quarter ended March 31, 2020

	Note	Nine months ended March 31, 2020	Nine months ended March 31, 2019	Quarter ended March 31, 2020	Quarter ended March 31, 2019
		--------(Rupees)--------			
Income					
Mark-up income		**1,156,346,339**	616,339,475	**447,101,704**	331,924,329
Capital (loss) / Gain on sale of investments - net		**(4,842,674)**	(5,852,190)	**540,116**	(286,229)
Unrealised appreciation / (diminution) in the fair value of investments classified as 'held for trading' - net	7.1 & 7.2	**1,438,126**	-	**1,438,126**	-
		1,152,941,791	610,487,285	**449,079,946**	331,638,100
Expenses					
Remuneration to the Management Company	8.1	**50,022,298**	49,505,306	**16,482,007**	24,673,661
Sales tax on remuneration of Management Company	8.2	**6,502,899**	6,435,690	**2,142,661**	3,207,576
Remuneration to the Trustee		**6,184,515**	5,906,412	**2,421,207**	2,727,972
Annual fee to the Securities and Exchange Commission of Pakistan		**1,684,007**	4,773,975	**659,281**	2,324,175
SECP Supervisory Fee		**1,878**	1,877	**622**	617
Auditors' remuneration		**227,155**	249,711	**48,661**	53,879
Fees and subscription		**543,826**	429,545	**184,854**	86,766
Printing charges		-	(14,658)	-	(34,998)
Brokerage and bank charges		**647,434**	557,915	**156,348**	143,867
		65,814,012	67,845,773	**22,095,641**	33,183,515
Net income from operating activities		**1,087,127,779**	542,641,512	**426,984,305**	298,454,585
Sindh Workers' Welfare Fund	11.1	**(21,742,556)**	(10,852,830)	**(8,539,686)**	(5,969,092)
Net income for the period before taxation		**1,065,385,223**	531,788,682	**418,444,619**	292,485,493
Taxation	13.	-	-	-	-
Net income for the period after taxation		**1,065,385,223**	531,788,682	**418,444,619**	292,485,493
Allocation of Net Income for the period					
Net income for the period after taxation		**1,065,385,223**	531,788,682	**418,444,619**	292,485,493
Less: Income already paid on units redeemed		**(115,585,091)**	(121,450,360)	**(39,056,815)**	(86,085,126)
		949,800,132	410,338,322	**379,387,804**	206,400,367
Accounting income available for distribution					
Relating to capital gains		-	-	-	-
Excluding capital gains		**949,800,132**	410,338,322	**379,387,804**	206,400,367
Accounting income available for distribution		**949,800,132**	410,338,322	**379,387,804**	206,400,367

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

Condensed Interim Statement of Comprehensive Income (Unaudited)
For the nine months period and quarter ended March 31, 2020

	Nine months ended March 31,		Quarter ended March 31,	
	2020	2019	**2020**	2019
	----------(Rupees)----------			
Net income for the period after taxation	**1,065,385,223**	531,788,682	**418,444,619**	292,485,493
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	**1,065,385,223**	531,788,682	**418,444,619**	292,485,493

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

Condensed Interim Statement Of Movement In Reserve Or Unit Holders' Fund (Unaudited)
For the nine months ended March 31, 2020

	Note	**Nine months ended 31 March 2020**			Nine months ended 31 March 2019		
		Capital value	**Undistributed income**	**Total**	Capital value	Undistributed income	Total
				---(Rupees)---			
Net assets at beginning of the period		**8,581,794,762**	**26,372,803**	**8,608,167,565**	5,553,837,584	219,941,522	5,773,779,106
Issuance of 286,802,008 units (2019: 128,122,421 units)							
Capital value (at net asset value per unit at the beginning of the period)		**28,831,512,038**	**-**	**28,831,512,038**	12,949,607,384		12,949,607,384
Element of income		**164,058,934**		**164,058,934**	316,557,299		316,557,299
		28,995,570,972	**-**	**28,995,570,972**	13,266,164,683	-	13,266,164,683
Redemption of 232,834,619 units (2019: 68,494,880 units)							
Capital value (at net asset value per unit at the beginning of the period)		**(23,406,692,143)**		**(23,406,692,143)**	(6,878,933,906)		(6,878,933,906)
Element of income		**(7,218,687)**	**(115,585,091)**	**(122,803,778)**	(114,721,040)	(121,450,360)	(236,171,400)
		(23,413,910,830)	**(115,585,091)**	**(23,529,495,921)**	(6,993,654,946)	(121,450,360)	(7,115,105,306)
Total comprehensive income for the period		**-**	**1,065,385,223**	**1,065,385,223**	-	531,788,682	531,788,682
Distribution during the period	14.	**(156,779,425)**	**(939,703,830)**	**(1,096,483,255)**	82,285,727	(201,673,210)	(283,958,937)
Net (loss) / income for the period less distribution		**(156,779,425)**	**125,681,393**	**(31,098,032)**	(82,285,727)	330,115,472	247,829,745
Net assets as at end of the period		**14,006,675,478**	**36,469,105**	**14,043,144,583**	11,744,061,594	428,606,634	12,172,668,228
Distribution for the period							
Undistributed income brought forward							
Realized income			**26,372,803**			219,941,522	
Unrealized income			**-**			-	
			26,372,803			219,941,522	
Accounting income available for distribution							
Relating to capital gains			**-**			-	
Excluding capital gains			**949,800,132**			410,338,322	
			949,800,132			410,338,322	
						-	
Distribution during the period			**(939,703,830)**			(201,673,210)	
Undistributed income carried forward			**36,469,105**			428,606,634	
Undistributed income carried forward comprises of:							
Realized income at end of the period			**35,030,979**			428,606,634	
Unrealized income at end of the period			**1,438,126**			-	
			36,469,105			428,606,634	
				(Rupees)			**(Rupees)**
Net assets value per unit at beginning of the period				**100.5246**			105.6246
Net assets value per unit at end of the period				**100.5957**			106.5062

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

Condensed Interim Cash Flow Statement (Unaudited)
For the nine months ended March 31, 2020

	Nine months ended March 31, 2020	Nine months ended March 31, 2019
	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	**1,065,385,223**	531,788,682
Adjustments for:		
Unrealised diminution / (appreciation) in the fair value of investments - held for trading - net	**(1,438,126)**	-
	1,063,947,097	531,788,682
(Increase) / decrease in assets		
Investments	**(2,831,692,600)**	(1,075,000,000)
Mark-up receivable	**(145,766,531)**	(75,214,247)
Advances and prepayment	**4,102,363**	(21,356,956)
	(2,973,356,768)	(1,171,571,203)
Increase / (decrease) in liabilities		
Remuneration payable to the Management Company	**(1,774,205)**	5,782,325
Remuneration payable to the Trustee	**858,226**	442,929
Annual fee payable to the Securities and Exchange Commission of Pakistan	**(5,026,146)**	56,461
Accrued and other liabilities	**21,490,507**	9,790,147
	15,548,382	16,071,862
Net cash (used in) / generated from operating activities	**(1,893,861,289)**	(623,710,659)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from issuance of units	**28,995,570,972**	13,266,164,683
Cash paid against redemption of units	**(23,529,495,921)**	(7,115,105,306)
Cash dividend paid	**(1,096,483,255)**	(283,958,937)
Net cash (used in) / generated from financing activities	**4,369,591,796**	5,867,100,440
Net (decrease) / increase in cash and cash equivalents during the period	**2,475,730,507**	5,243,389,781
Cash and cash equivalents at beginning of the period	**8,615,306,057**	5,121,706,902
Cash and cash equivalents at end of the period	**11,091,036,564**	10,365,096,683

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For Lakson Investments Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

Notes to and forming part of the Condensed Interim Financial Information (Unaudited) For the nine months and quarter ended March 31, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

Lakson Money Market Fund (the "Fund") was established under the Trust Deed executed on September 2, 2009 between the Lakson Investments Limited as its Management Company and the Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a Notified Entity on September 18, 2009 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Management Company of the Fund has been licensed by SECP to undertake Asset Management and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is located at 14 - Ali Block, New Garden Town, Lahore.

The Fund is an open end mutual fund and is listed on Pakistan Stock Exchange Limited (Formerly: Lahore Stock Exchange Limited). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The Fund is categorised as "Money Market Scheme" as per the Circular 07 of 2009 issued by Securities and Exchange Commission of Pakistan (SECP) and the Fund primarily invests in Government Securities, Certificates of Investment, Certificates of Deposits, Term Deposit Receipts, Commercial Papers, Reverse Repo, etc. subject to the guidelines issued by SECP from time to time.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained AA(f) (Fund Stability Rating) to the Fund on April 20, 2020 and (PACRA) has also maintained asset manager rating of the Company to AM2+ (stable outlook), on August 29, 2019 (2018: AM2+ as on February 27, 2019).

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as 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, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP have been followed.

The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2019, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the nine months period ended March 31, 2019.

This condensed interim financial information do not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2019. However, selected explanatory notes are included to explain events and transactions that are significant.

This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (g) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2020.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for investments that are stated at fair values.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest of rupees.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2019

4 SIGNIFICANT JUDGEMENTS AND ESTIMATES

4.1 The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to financial statements as at and for the year ended June 30, 2019.

5. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2019.

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
		(Rupees)	
6. BANK BALANCES			
In profit and loss sharing accounts	6.1	**11,091,029,124**	8,615,298,617
In current accounts		**7,440**	7,440
		11,091,036,564	8,615,306,057

6.1 These represents profit and loss account maintained with banks carrying profit rates ranging from 9.00% to 12.35% (June 30, 2019: 10.50% to 13.20%) per annum.

7. INVESTMENTS

	Note	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
Financial assets classified as at fair value through profit or loss			
Government securities			
Market Treasury Bills	7.1	**2,265,263,425**	-
		2,265,263,425	-
Financial assets classified as at amortized cost			
Commercial paper	7.2	**567,867,300**	-
		567,867,300	-
		2,833,130,725	-

7.1 Government securities-Market Treasury bills

	Number of treasury bills				Balance as at March 31, 2020				
	Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying value	Market value	Unrealized appreciation	Market value as a percentage of net assets	Market value as a percentage of total investments
					Rupees			%	
Treasury Bills - 3 months (face value of Rs. 100,000 each)	-	805,860	790,860	15,000	1,480,870,986	1,481,876,500	1,005,514	10.55	52.31
Treasury Bills - 6 months (face value of Rs. 100,000 each)	-	39,450	31,400	8,050	782,954,313	783,386,925	432,612	5.58	27.65
Total - March 31, 2020					**2,263,825,299**	**2,265,263,425**	**1,438,126**	**16.13**	**79.96**
Total - June 30, 2019					-	-	-	-	-

7.2 Commercial Papers

		Number of Pakistan Investment Bonds				Balance as at March 31, 2020				
		Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying value	Market value	Unrealized appreciation	Market value as a percentage of net assets	Market value as a percentage of total investments
						Rupees			%	
K-Electric 6 Month CP-3 Issue date 19-09-2019		-	8,000,000	8,000,000	-	-	-	-	-	-
K-Electric 6 Month CP-1 Issue date 14-02-2020	7.2.1	-	3,000,000	-	3,000,000	284,860,800	284,860,800	-	2.03	10.05
K-Electric 6 Month CP-7 Issue date 10-03-2020	7.2.2	-	3,000,000	-	3,000,000	283,006,500	283,006,500	-	2.02	9.99
Total - March 31, 2020						**567,867,300**	**567,867,300**	**-**	**4.04**	**20.04**
Total - June 30, 2019						-	-	-	-	-

7.2.1 This represent invetment in Commercial Paper of K-Electric (6-Months) having coupon rate of 14.64% and will be matured after 6-months in full .i.e. August 14, 2020. The paper is unsecured.

7.2.2 This represent invetment in Commercial Paper of K-Electric (6-Months) having coupon rate of 13.64% and will be matured after 6-months in full .i.e. September 10, 2020. The paper is unsecured.

		Note	**March 31, 2020 (Unaudited)**	June 30, 2019 (Audited)
			(Rupees)	
8	**PAYABLE TO THE MANAGEMENT COMPANY**			
	Remuneration payable to the Management Company	8.1	**6,077,765**	7,648,998
	Sales Tax payable on remuneration to the Management Company	8.2	**5,534,549**	5,737,521
	Federal Excise Duty payable on remuneration to the Management Company	8.3	**30,977,910**	30,977,910
			42,590,224	44,364,429

8.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding one percent per annum of the average daily net assets of the Fund. Currently the Management Company is charging its remuneration at the rate of 0.5% of the net assets of the Fund, calculated on a daily basis (30 June 2019: 0.83%). Currently the effective rate of Management Company remuneration for the nine months periodr ended March 2020 is 0.59% of the average annual net assets. Remuneration is paid to the Management company in arrears on a monthly basis.

8.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% (June 30, 2019: 13%) on Management Company's remuneration. Above liability includes Rs. 4,743,150 (June 30, 2019: Rs. 4,743,150) accrued on Federal Excise Duty (FED) on the management remuneration as more fully explained in note 7.3 below. Had the provision relating to FED not been made, Net Asset Value per unit of the Fund as at March 31, 2020 would have been higher by Re. 0.0340 (June 30, 2019: Re. 0.0554) per unit.

8.3 There is no change in the status of the appeal pending in the Supreme Court of Pakistan against the decision of High Court of Sindh as more fully disclosed in the annual financial statements for the year ended June 30, 2019 regarding the FED on management's remuneration. The Management Company, as a matter of abundant caution, is carrying provision for FED for the period from June 13, 2013 to June 30, 2016 aggregating to Rs.30.978 million. Had the provision not been made, Net asset Value per unit of the Fund as at March 31, 2020 would have been higher by Re. 0.22 (June 30, 2019: Re. 0.36) per unit.

9 REMUNERATION PAYABLE TO THE TRUSTEE

The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provision of Trust Deed. Effective from 01 July 2019 the Trustee has revised the trustee fee which is 0.065% per annum of the net assets.

Upto 30 June 2019 the Trustee was entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the following rates:

Net assets ranging from Rs. 1 million to Rs. 1 billion

0.15% per annum of the daily average net assets of the Fund.

Net assets ranging between Rs. 1 billion to Rs. 10 billion

Rs. 1.5 million plus 0.075% per annum of the daily average net assets of the Fund exceeding Rs. 1 billion.

Exceeding Rs. 10 billion

Rs. 8.25 million plus 0.06% per annum of the daily average net assets of the Fund exceeding Rs. 10 billion.

10 ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to SECP in accordance with the NBFC Regulations. Effective from 01 July 2019 the SECP has revised the Annual SECP fee. Currently The Company is required to pay SECP an amount at the rate of 0.02% per annum of the average daily net assets of the fund.

Upto 30 June 2019 the SECP was entitled for annual fee payable in accordance with the regulation 62 of the NBFC Regulation 2008, at the rate of 0.075% per annum of the average daily net assets of the fund.

11 ACCRUED AND OTHER LIABILITIES	**Note**	**March 31, 2020 (Unaudited)**	June 30, 2019 (Audited)
		(Rupees)	
Auditors' remuneration		**229,888**	207,933
Sindh Workers' Welfare Fund Payable	11.1	**49,962,601**	28,220,046
Brokerage payable		**172,548**	199,223
Withholding tax payable		**14,449**	652,033
Rating fee payable		**74,574**	-
Others		**315,682**	-
		50,769,742	29,279,235

11.1 Sindh Workers' Welfare Fund Payable

Provision for Sindh Workers' Welfare Fund is being made on a daily basis going forward pursuant to MUFAP's recommendation to all its members on January 12, 2017 against the backdrop of the Sindh Revenue Board (SRB) letter to mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after December 31, 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 hence WWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs /mutual funds excluded from the applicability of SWWF, but as a matter of abundant caution management has recorded SWWF with effect from the date of the applicability of the SWWF Act, 2014 (i.e. with effect from July 1, 2014).

Provision for SWWF as of March 31, 2020 amounted to Rs. 49.9626 million. Had the recognition in previous years not been made, the net assets value per unit of the Fund would be higher by Re. 0.36 (June 30, 2019: Re. 0.33).

12. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at March 31, 2020 and June 30, 2019.

13. TAXATION

13.1 The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule of 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. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The management intends to distribute at least 90% of the income earned by the year end by this Fund to the unit holders. The Fund is also exempted from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule of the Income Tax Ordinance, 2001. Accordingly, no provision has been made in this condensed interim financial information.

13.2 A new section 4B was introduced in the Income Tax Ordinance, 2001 vide the Finance Act, 2015, according to which super tax has been imposed for Tax Year 2015 on the income of individuals, association of persons and companies who are earning income of Rs. 500 million or above in Tax Year 2015 at the rate of 3% other than banking companies.

During year ended June 30, 2017, the Management Company has received an order under the aforementioned section for recovery of super tax not paid with return of income in respect of the Fund for the Tax Year 2015. The Deputy Commissioner considered that the Fund was required to pay super tax as the income of the Fund was more than Rs. 500 million and raised a demand of Rs. 18.819 million in this respect.

The Management Company had filed an appeal before Commissioner Appeals (Inland Revenue) against the order which was decided in favor of the Company whereby super tax demand was been deleted. The department had filed an appeal against the decision at the Appellate Tribunal which is pending adjudication and no provision has been made for super tax in the condensed interim financial information for the period ended March 31, 2020.

The Fund has also received an order for Tax Year 2016 whereby demand amounting to Rs. 24 million has been created mainly on account that the Fund has made less than 90% distribution out of its distributable profit due to misinterpretation of the facts of the case. The Fund has filed an appeal against the said order to CIT (Appeals) and considers that the case will be decided in Fund's favor. Hence, no provision has been in the condensed interim financial information for the period ended March 31, 2020.

Subsequent to period end March 31, 2020, the Fund has received show-cause notice under section 4B of the Income Tax Ordinance, 2001 for recovery of super tax not paid with return of income in respect of the stated Fund for the Tax year 2019. The Deputy Commissioner considered that the Fund has failed to pay super tax on the profit of debt income earned during the tax year 2019, as the total profit of debt income of the Fund was Rs.916 million and raised a demand of Rs.18.321 million in this respect.

The Management Company of the Fund intends to file an appeal in due course of time and no provision has been made for super tax in the condensed interim financial information for the period ended December 31, 2019 for the reason that the same issue had been raised in earlier tax year 2015 and the same had been decided in funds favour by the CIT appeals and Appellate Tribunal.

14. DISTRIBUTIONS DURING THE PERIOD

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees)	
Interim Distributions		
Rs. 0.9015 per unit declared on July 26,2019		
- Cash Distribution	**72,291,089**	-
- Refund of Capital	**9,049,800**	-
Rs. 1.0987 per unit declared on Aug 30, 2019		
- Cash Distribution	**72,459,436**	-
- Refund of Capital	**17,161,693**	-
Rs. 1.0059 per unit declared on Sep 27, 2019		
- Cash Distribution	**70,257,789**	-
- Refund of Capital	**20,597,372**	-
Rs. 1.2753 per unit declared on Nov 01, 2019		
- Cash Distribution	**117,995,094**	-
- Refund of Capital	**20,536,614**	-
Rs. 0.9181 per unit declared on Nov 29, 2019		
- Cash Distribution	**99,327,788**	-
- Refund of Capital	**16,102,096**	-
Rs. 1.0387 per unit declared on Dec 27, 2019		
- Cash Distribution	**119,130,186**	-
- Refund of Capital	**16,505,596**	-
Rs. 1.2777 per unit declared on Jan 31, 2020		
- Cash Distribution	**155,016,985**	
- Refund of Capital	**18,199,978**	
Rs. 1.0238 per unit declared on March 01, 2020		
- Cash Distribution	**110,440,011**	
- Refund of Capital	**27,378,773**	
Rs. 0.9746 per unit declared on March 29, 2020		
- Cash Distribution	**122,785,452**	
- Refund of Capital	**11,247,503**	
Final Distributions		
2018: Rs. 5.1947 per unit declared on July 03, 2018		
- Cash Distribution	-	201,673,210
- Refund of Capital	-	82,285,727
	1,096,485,275	283,960,956

15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, SIZA Services (Private) Limited being the holding company of the Management Company, associated companies of the Management Company, key management personnel, other funds being managed by the Management Company, staff retirement benefits of related parties and other entities having holding more than 10% in the units of the Funds as March 31, 2020. It also includes staff retirement funds of the above related parties / connected persons.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively. Other transactions are in normal course of business, at contracted rates and terms determined in accordance with the market rates.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

15.1 Balance as at period / year end

	March 31, 2020 (Unaudited)	June 30, 2019 (Audited)
	(Rupees)	
Lakson Investments Limited - Management Company of the Fund		
Remuneration payable	**6,077,765**	7,648,998
Sindh Sales Tax and Federal Excise Duty on remuneration to Management Company	**36,512,459**	36,715,431
Central Depository Company of Pakistan Limited - Trustee of the fund		
Remuneration payable	**1,592,901**	734,675

15.2 Unit Holders' Fund

	Nine months ended March 31, 2020								
	Number of Units					Rupees			
	Number of Units as at July 01, 2019	Units issued during the period	Refund / Adjustment of units as element of income	Units redeemed during the period	Number of units as at March 31, 2020	Balance as at July 01, 2019	Units issued during the period	Units redeemed during the period	Balance as at March 31, 2020
Lakson Investments Limited - Management Company	2,506,825	25,324,399	231,006	23,900,669	4,161,561	251,997,558	2,569,025,302	2,426,233,475	418,635,129
Directors, Chief Executive and their spouse and minors	7,209,047	48,282,128	224,600	19,592,038	36,123,737	724,686,518	4,846,860,682	1,980,339,790	3,633,892,616
Key management personnel, employees and connected persons of the Management Company	29,148	32,077	148	33,876	27,497	2,930,091	3,239,438	3,245,000	2,766,126
Holding company / associated companies / undertakings of the Management Company									
SIZA Services (Private) Limited (Holding Company of the Management Company)	3,149,897	22,273,175	203,164	25,580,715	45,521	316,642,139	2,260,002,714	2,592,567,963	4,579,233
SIZA (Private) Limited	2,849,970	21,353,236	172,878	24,376,084	(0)	286,492,064	2,166,157,908	2,470,368,754	-
Hasanali & Gulbanoo Lakhani Foundation	566,308	47,219	17	524,774	88,769	56,927,847	4,748,319	53,000,000	8,929,765
Premier Fashions (Private) Limited	142,337	6,881,805	41,994	6,910,698	155,438	14,308,360	697,520,334	699,735,236	15,636,406
Lakson Power Limited	3,864	300		445	3,719	388,427	30,204	45,000	374,117
Colgate Palmolive (Pakistan) Limited	24,523,303	3,661,089	20,196	10,868,787	17,335,803	2,465,195,264	370,064,782	1,100,000,000	1,743,907,195
SIZA Commodities (Private) Limited	2,703,722	6,561,699	40,123	9,172,902	132,641	271,790,541	664,090,263	927,939,742	13,343,144
Baluchistan Polyproducts (Private) Limited	1,746	129	-	986	889	175,550	13,016	100,000	89,452
Accuray Surgical Limited	172,324	45,375	272	-	217,970	17,322,771	4,588,735	-	21,926,858
Express Publications Private Limited	118,116	5,386		99,088	24,415	11,873,609	541,442	10,000,000	2,456,036
Book ME Tickets Private Limited	202,010	8,069		210,079	(0)	20,306,974	811,135	21,081,875	-
Century Insurance Co. Ltd., GF	-	69,379	484	69,862	0	-	7,023,206	7,110,276	-
Century Insurance Company Limited Employees Contributory Provident Fund Trust	-	49,107	339	32,436	17,010	-	4,916,244	3,300,000	1,711,097
Colgate Palmolive Pakistan Limited ECPFT	-	152,576	1,029	-	153,606	-	15,441,848	-	15,452,093
Colgate Palmolive Pakistan Limited EGF	-	137,767	5,530	-	143,297	-	14,405,482	-	14,415,040
Gam Corporation Private Limited Employees Contributory Provident Fund	-	29,184	197	-	29,381	-	2,953,642	-	2,955,602
Merit Packaging Limited Employees Contributory Provident Fund Trust	-	108,150	753	105,221	3,682	-	10,947,940	10,700,000	370,375
Merit Packaging Limited Employees Gratuity Fund	-	49,075	339	33,419	15,995	-	4,967,522	3,400,000	1,609,001
Trustee / Custodian									
Central Depository Company of Pakistan Limited	-	2,532,630	24,530	-	2,557,160	-	257,068,775	-	257,239,338
Connected person due to holding more than 10% units									
Fauji Fertilizer Company Limited	17,499,041	63,236,376	346,245	49,771,676	31,309,987	1,759,084,130	6,391,827,073	5,009,127,764	3,149,650,068

Above related parties / connected person hold 66.30% of the units of the fund (30 June 2019: 72.03%)

	Nine months ended March 31, 2019								
	Number of Units					Rupees			
	Number of Units as at July 01, 2018	Units issued during the period	Refund / Adjustment of units as element of income	Units redeemed during the period	Number of units as at March 31, 2019	Balance as at July 01, 2018	Units issued during the period	Units redeemed during the period	Balance as at March 31, 2019
Lakson Investments Limited - Management Company	2,036,870	605	104,645	-	2,142,120	215,143,562	60,762	-	228,149,044
Directors, Chief Executive and their spouse and minors	8,742,650	386,226	-	2,608,706	6,520,170	828,388,277	38,988,536	265,000,000	694,438,495
Key management personnel, employees and connected persons of the Management Company	53,478	32,318	-	18,843	66,953	74,498,203	3,279,335	1,950,000	7,130,893
Holding company / associated companies / undertakings of the Management Company									
SIZA Services (Private) Limited (Holding Company of the Management Company)	294,139	5,183,115	8,041	2,115,551	3,369,744	31,068,279	537,612,304	217,615,010	358,898,652
SIZA (Private) Limited	963,577	7,994,989	33,010	4,922,040	4,069,536	101,777,414	826,436,712	505,388,528	433,430,842
Hasanali & Gulbanoo Lakhani Foundation	487,907	25,526	6,187	47,975	471,645	51,534,982	2,564,177	5,000,000	50,233,070
Premier Fashions (Private) Limited	1,748,182	2,348,547	55,779	4,152,509	(0)	184,650,981	242,957,480	429,287,469	-
Lakson Power Limited	3,745	-	-	144	3,601	395,564		15,000	383,545
Colgate Palmolive Pakistan Limited	-	25,640,844	-	2,880,807	22,760,038	-	2,650,000,000	300,000,000	2,424,085,130
SIZA Commodities (Private) Limited	2,079,234	1,164,101	67,372	1,029,984	2,280,722	219,618,264	119,429,575	104,600,000	242,911,086
Baluchistan Polyproducts (Private) Limited	14,279	66	661	10,589	4,417	1,508,183	6,615	800,000	470,427
Accuray Surgical Limited	106,682	50,786	2,978	-	160,446	11,268,244	5,216,841	-	17,088,462
Express Publications Private Limited	-	440,279	-	-	440,279	-	45,211,500	-	46,892,416
Bashir Dawood**	9,886,216	366,438	92,575	-	10,345,229	1,044,227,660	36,801,290	-	1,101,831,079
Millat Tractors Limited**	4,886,438	-	-	-	4,886,438	516,128,059	-	-	520,435,943
Gul Ahmed Energy Limited**	-	11,804,230	-	-	11,804,230	1,220,127,700	-	1,257,223,694	
Fauji Fertilizer Company Limited*	-	26,776,672	-	6,052,126	20,724,546	2,775,000,000	636,000,000	2,207,292,676	
Mobilink Microfinance Bank Limited**	7,105,550	141,895	200,597	-	7,448,042	750,520,837	14,250,483	-	793,262,611

* holding increased to above 10 % due to investment of Unit holder (s) / divestment from other Unit holders

** holding decreased to below 10 % due to divestment of Unit holder (s) / investment from other Unit holders

15.3 Other transactions during the period	Nine months ended March 31, 2020	2019
	(Unaudited) (Rupees)	
Lakson Investments Limited - Management Company of the Fund		
Remuneration to the Management Company	**50,022,298**	49,505,306
Sindh sales tax on remuneration of Management Company	**6,502,899**	6,435,690
Dividend paid	**1,535,046**	-
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration for the period	**2,421,207**	2,727,972
Dividend paid	**8,316,207**	-
Directors, Chief Executive and their spouse and minors		
Dividend Received from the fund	**190,164,932**	-
Key management personnel, employees and connected persons of the Management Company		
Dividend Paid	**369,608**	-
SIZA Services (Private) Limited		
Dividend Paid	**10,058,786**	-
SIZA (Private) Limited		
Dividend Paid	**4,812,811**	-
Hasanali & Gulbanoo Lakhani Foundation		
Dividend Paid	**1,701,511**	-
Premier Fashions (Private) Limited		
Dividend Paid	**1,482,540**	-
Lakson Power Limited		
Dividend Paid	**35,534**	-
Colgate Palmolive (Pakistan) Limited		
Dividend Paid	**200,076,215**	-
SIZA Commodities (Private) Limited		
Dividend Paid	**18,549,154**	-
Baluchistan Polyproducts (Private) Limited		
Dividend Paid	**14,036**	-
Accuray Surgical Limited		
Dividend Paid	**1,869,100**	-
Express Publications Private Limited		
Dividend Paid	**636,991**	-

	Nine months ended March 31, 2020	2019
	(Unaudited) (Rupees)	
Book ME Tickets Private Limited		
Dividend Paid	**954,276**	-
Century Insurance Co. Ltd., GF		
Dividend Paid	**23,206**	-
Fauji Fertilizer Company Limited		
Sale of T-Bills	**160,373,560**	-
Century Insurance Company Limited - ECPFT		
Sale of T-Bills	**399,606**	-
Dividend Received from the fund	**70,777**	
Colgate Palmolive (Pakistan) Limited - ECPFT		
Sale of T-Bills	**9,990,150**	-
Dividend Received from the fund	**541,848**	
Colgate Palmolive (Pakistan) Limited - EGF		
Sale of T-Bills	**6,893,204**	-
Dividend Received from the fund	**505,482**	
GAM Corp. (Pvt.) Limited - ECPFT		
Sale of T-Bills	**65,835,089**	-
Dividend Received from the fund	**103,642**	
Merit Packaging Limited - ECPFT		
Sale of T-Bills	**999,015**	-
Dividend Received from the fund	**47,940**	
Merit Packaging Limited - EGF		
Sale of T-Bills	**399,606**	-
Dividend Received from the fund	**67,522**	
Lakson Investments Limited - ECPFT		
Sale of T-Bills	**24,475,868**	-
Saad Iqbal		
Sale of T-Bills	**9,190,938**	-
Amin Mohammed Lakhani		
Sale of T-Bills	**19,980,300**	-
Azhar Mohamed		
Sale of T-Bills	**6,493,598**	-

	Nine months ended March 31, 2020	2019
	(Unaudited) (Rupees)	
Abrar Hasan		
Sale of T-Bills	**499,508**	-
Abdus Samad Parekh		
Sale of T-Bills	**599,409**	-
Muhammad Ashraf		
Sale of T-Bills	**1,998,030**	-
Century Insurance Company Limited		
Sale of T-Bills	**7,292,810**	-
Crescent Steel And Allied Products Limited - Pension Worker's Participation Fund		
Sale of T-Bills	**10,489,658**	-
Crescent Steel And Allied Products Limited - Staff Provident Fund		
Sale of T-Bills	**8,591,529**	-
Crescent Steel And Allied Products Limited - Steel Division Worker's Participation Fund		
Sale of T-Bills	**94,906,425**	-

	March 31, 2020 (Un Audited)	June 30, 2019 (Audited)
	(Rupees)	
Lakson Investments Limited - Management Company of the Fund		
Remuneration payable to the Management Company	6,077,765	7,648,998
Sindh sales tax payable on remuneration of Management Company	36,512,459	36,715,431
Central Depository Company of Pakistan Limited - Trustee of the Fund		
Remuneration payable (including sindh slaes tax)	1,592,901	734,675

16. TOTAL EXPENSE RATIO

As per the SECP circular vide direction no. 23 dated July 20, 2016 and as referred in Regulations 60 (5) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "Regulations"), Total Expense Ratio (TER) calculated inclusive of Sindh Sales Tax and SECP fee is 1.04% as of March 31, 2020 (March 31, 2019: 1.24%) and this includes 0.37% (March 31, 2019: 0.36%) representing Sindh Sales tax and SECP fee.

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and 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 traded in an open market are revalued at the market prices prevailing at the close of trading on the reporting date. The estimated fair value of all other financial assets and liabilities is not considered to be significantly different from book values as the items are either short-term in nature or periodically repriced.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" requires the Fund to classify fair value measurements 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:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

- 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) (level 2); and

- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		March 31, 2020 (Un-Audited)						
		Carrying amount			Fair Value			
On-balance sheet financial instruments		Fair value through profit and loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees)						
Financial assets not measured at fair value	17.1							
Bank balances		-	11,091,036,564	11,091,036,564	-	-	-	-
Mark-up receivable		-	209,789,559	209,789,559	-	-	-	-
Investments		-	2,833,130,725	2,833,130,725	-	-	-	-
		-	14,133,956,848	14,133,956,848	-	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company		-	42,590,224	42,590,224	-	-	-	-
Payable to the Trustee		-	1,592,901	1,592,901	-	-	-	-
Annual fee payable to Securities and Exchange Commission of Pakistan		-	-	-	-	-	-	-
Accrued expenses and other liabilities		-	792,692	792,692	-	-	-	-
		-	44,975,817	44,975,817	-	-	-	-

On-balance sheet financial instruments	Note	June 30, 2019 (Audited)						
		Carrying amount			Fair Value			
		Fair value through profit and loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees)						
Financial assets not measured at fair value	17.1							
Bank balances		-	8,615,306,057	8,615,306,057	-	-	-	-
Mark-up receivable		-	64,023,028	64,023,028	-	-	-	-
Investments		-	-	-	-	-	-	-
		-	8,679,329,085	8,679,329,085	-	-	-	-
Financial liabilities not measured at fair value								
Payable to the Management Company		-	44,364,429	44,364,429	-	-	-	-
Payable to the Trustee		-	734,675	734,675	-	-	-	-
Annual fee payable to Securities and Exchange Commission of Pakistan		-	-	-	-	-	-	-
Accrued expenses and other liabilities		-	407,156	407,156	-	-	-	-
		-	45,506,260	45,506,260	-	-	-	-

17.1 Valuation techniques

The fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

18. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 09, 2020 by the Board of Directors of the Management Company.

19. GENERAL

Figures have been rounded off to the nearest rupee.

For Lakson Investments Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

A Lakson Group Company

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