



ABL Cash Fund

# Half Yearly Report

CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020



ABL Asset Management

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## FUND'S INFORMATION

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<b>Management Company:</b>	ABL Asset Management Company Limited Plot/Building # 14, Main Boulevard, DHA, Phase - VI, Lahore - 54810	
<b>Board of Directors</b>	Sheikh Mukhtar Ahmed Mr. Mohammad Naeem Mukhtar Mr. Muhammad Waseem Mukhtar Mr. Tahir Hassan Qureshi Mr. Pervaiz Iqbal Butt Mr. Muhammad Kamran Shehzad Mr. Alee Khalid Ghaznavi	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director CEO/ Director
<b>Audit Committee:</b>	Mr. Muhammad Kamran Shehzad Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt	Chairman Member Member
<b>Human Resource and Remuneration Committee</b>	Mr. Muhammad Waseem Mukhtar Mr. Pervaiz Iqbal Butt Mr. Alee Khalid Ghaznavi Mr. Muhammad Kamran Shehzad	Chairman Member Member Member
<b>Chief Executive Officer of The Management Company:</b>	Mr. Alee Khalid Ghaznavi	
<b>Chief Financial Officer &amp; Company Secretary:</b>	Mr. Saqib Matin	
<b>Chief Internal Auditor:</b>	Mr. Kamran Shehzad	
<b>Trustee:</b>	Central Depository Company of Pakistan Limited CDC-House, Shahrah-e-Faisal, Karachi	
<b>Bankers to the Fund:</b>	Allied Bank Limited Bank Al-Falah Limited United Bank Limited Habib Bank Limited	
<b>Auditor:</b>	M/s. A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, Karachi	
<b>Legal Advisor:</b>	Ijaz Ahmed & Associates Advocates & Legal Consultants No. 7, 11th Zamzama Street, Phase V DHA Karachi.	
<b>Registrar:</b>	ABL Asset Management Company Limited. L - 48, Defence Phase - VI, Lahore - 74500	

## REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

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The Board of Directors of ABL Asset Management Company Limited, the management company of ABL Cash Fund (ABL-CF), is pleased to present the Condensed Interim Financial Statements (un-audited) of ABL Cash Fund for the half year ended December 31, 2020.

### ECONOMIC PERFORMANCE REVIEW

During the period, average inflation clocked in at 8.63%YoY compared to 11.10%YoY in SPLY. This reduction in inflation has been witnessed predominantly because of the base effect. The food index increased by 12.90%YoY due to higher food prices amid supply shocks, locust attack, and higher agriculture commodity prices in international markets. Similarly, the housing, water, electricity & gas index raised by 4.55%YoY while the transport index spiked up by 12.72%YoY on the back of tariff adjustments, quarterly rent adjustments, and recovered fuel and related transport prices. All these kept the benefit of the base effect in check. Going forward, we estimate the inflation to settle between 8.7-8.8%YoY.

Pakistan's economy shrunk by 0.40% during the FY20 due to Covid-19 lockdown and already battered economy. However, in the 2HCY20, the economy came back on track on the incentives announced by the government and monetary easing by the SBP. The large-scale manufacturing (LSM) data during the period of Jul-Oct'20 also depicting the same case as increased by 5.46%YoY against 5.52%YoY decline in the SPLY. The major sectors those contributed to the growth were food, beverages & tobacco (2.14%YoY), non-metallic mineral products (1.75%), pharmaceutical (0.70%YoY), and textile (0.67%YoY).

On balance of payment front, the country posted a cumulative surplus of USD 1.64bn during 5MFY21 against the deficit of USD 1.74bn which is unprecedented. The primary reason behind this was the 26.91%YoY higher remittances amounting to USD 11.77bn. This increase in remittances could be attributed partly to declining transactions through illegal channels due to government crackdown, and rest could be attributed to lack of air travel. Moving ahead, total exports remained down by 6.85%YoY to USD 11.70bn while the imports dropped by 3.96%YoY to USD 21.25bn. Trade size remained down by 5.01%YoY arriving at USD 32.95bn. Foreign exchange reserves of the country stand at USD 20.25bn, as of December 20, 2020, providing a total import cover of ~4.77 months.

On the fiscal side, tax collection has reached to ~PKR 2.20tr vs. a target of ~PKR 2.21tr resulting in a deficit of ~PKR 15bn.

### MUTUAL FUND INDUSTRY REVIEW

Total assets under management (AUMs) of the open-end mutual fund industry posted an immense growth of 23%YoY (from PKR 788bn to PKR 970bn), mainly on account of substantial inflows in the money market fund.

The pandemic created demand for safe havens. Money market and fixed income funds (including Islamic and conventional) witnessed a huge growth of 31%YoY and 18%YoY to close the period at PKR 379bn and PKR 220bn, respectively. On the other hand, equity funds - including both conventional and Islamic - swelled by 30%YoY to close the period at PKR 222bn.

## Money Market Review

Government of Pakistan continued its efforts to support the economy by announcing various relief packages to support businesses such as debt restructuring and construction packages. SBP also followed a pro-growth policy by keeping interest rates unchanged at 7%, an aggregate decrease of 625bps from the high of 13.25% during 1HFY20.

T-bill yields across 3M, 6M and 12M increased from 6.71%, 6.65% and 6.73% to 7.11%, 7.18% and 7.28% respectively at the end of Dec'20. During the 1HFY21, market avoided taking exposure across longer tenor instruments therefore participation in 3M T-bill remained high.

During 1HFY21 the inversion in yield curve normalized as the longer duration 3Y, 5Y, and 10Y Pakistan investment bonds (PIBs) yields changed from 11.64%, 10.91%, 11.0% to 8.27%, 9.25%, and 9.98% respectively. Market's participation remained lack luster as the banks and the ministry remained in a deadlock, with the market's attempt to acquire 3, 5 & 10 year bonds at higher rate which did not coincide with the debt office's view of lower yields resulting in negligible issuance during the said period.

During the period under review SBP continued with frequent open market operations (OMOs), SBP conducted thirty-nine OMOs and remained a net lender of PKR 870.45bn as of 31st Dec 2020.

## FUND PERFORMANCE

During the period under review, ABL Cash Fund posted a competitive return of 6.58% compared. The return can be attributed to active trading of T-bills and better deals negotiated with Banks in Daily Product Accounts (DPAs) at quarter ends.

During the 1HFY21, the fund's AUM increased significantly to PKR 34,982.2mn at December 2020 compared to PKR 26,910.97mn at June 2020. Reasons for this substantial increase include the fund's superior performance against the benchmark as well as outperformance against the peer group in CY20. At the end of Dec'20, fund had majority of its exposure in Cash which closed at 97.69%.

## AUDITORS

M/s. A.F. Fergusons & Co. (Chartered Accountants), have been re-appointed as auditors for the year ending June 30, 2021 for ABL Cash Fund (ABL-CF).

## FUND STABILITY RATING

On December 31, 2020: VIS Credit Rating Company Limited (VIS) has reaffirmed the Fund Stability Rating (FSR) for ABL Cash Fund (ABL CF) to 'AA+ (f)' (Double A Plus (f)).

## MANAGEMENT QUALITY RATING

On December 31, 2020: VIS Credit Rating Company Limited (VIS) has maintained the Management Quality Rating (MQR) of ABL Asset Management Company (ABL AMC) at 'AM2++' (AM-Two-Double Plus). Outlook on the assigned rating has been revised from 'Stable' to 'Positive'.

## FUTURE OUTLOOK

We do not expect any significant changes to the policy rate of 7.00% at least on a medium-term view while shorter tenor instruments are expected to remain active. Inflation outlook remains benign on account of lower core inflation and significant room in the demand engine leaving unutilized capacity in the system. The IMF program may be restored in the near future but an overall softer stance is expected. The country's external account has also showed significant improvement during 2HCY20 with a cumulative Current Account surplus of USD 1,700 million on account of improvement in Trade Balance & strong remittances.

Going forward the fund will maintain the strategy of accumulating & trading 3-Month and lower maturity T-bills with majority placement in Banks/DFIs at quarter ends at handsome profit rates.

## 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 11, 2021



**Alee Khalid Ghaznavi**  
Chief Executive Officer

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahra-e-Faisal

Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

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Email: info@cdcpak.com



**TRUSTEE REPORT TO THE UNIT HOLDERS**

**ABL CASH 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 Cash 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, 2020 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; and
- (iii) 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.

We would like to draw the attention of the unit holders towards the Regulation 55(5) (b) of the NBFC Regulations which requires that the exposure of Fund to any debt issue of a company shall not exceed ten (10%) of that Issue. In this regard, the Fund was non-complied with the aforesaid requirement by taking an excess exposure of 5.03% of the debt securities issued by HUBCO. Subsequently, the Management Company complied the requirements on January 27, 2021 by offloading the excess exposure. The matter was also reported to the Commission.

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

Karachi: February 24, 2020



**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 Cash Fund** (the Fund) as at December 31, 2020 and the related condensed interim income statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement for the half year ended December 31, 2020, 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, 2020 and December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

**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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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

KARACHI LAHORE ISLAMABAD



**ABL CASH FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2020**

	(Un-audited) December 31, 2020	(Audited) June 30, 2020
Note	(Rupees in '000)	
<b>Assets</b>		
Bank balances	34,270,364	23,296,117
Investments	681,421	6,098,620
Profit accrued	112,098	94,379
Deposit, prepayments and other receivables	4,032	3,947
Receivable against sale of units	14,525	1,736
<b>Total assets</b>	<b>35,082,440</b>	<b>29,494,799</b>
<b>Liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	79,825	101,100
Payable to Central Depository Company of Pakistan Limited - Trustee	2,027	1,617
Payable to the Securities and Exchange Commission of Pakistan	3,002	4,712
Payable against redemption of units	9,024	6,497
Payable against purchase of investment	-	2,444,192
Accrued expenses and other liabilities	6,365	25,709
<b>Total liabilities</b>	<b>100,243</b>	<b>2,583,827</b>
<b>NET ASSETS</b>	<b>34,982,197</b>	<b>26,910,972</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>	<b>34,982,197</b>	<b>26,910,972</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10	
	(Number of units)	
<b>NUMBER OF UNITS IN ISSUE</b>	<b>3,426,299,875</b>	<b>2,643,799,166</b>
	(Rupees)	
<b>NET ASSET VALUE PER UNIT</b>	<b>10.2099</b>	<b>10.1789</b>

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

For ABL Asset Management Company Limited  
(Management Company)

  
 Saqib Matin  
 Chief Financial Officer

  
 Alee Khalid Ghaznavi  
 Chief Executive Officer

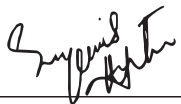
  
 Pervaiz Iqbal Butt  
 Director

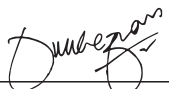
**ABL CASH FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020**

	For the half year ended December 31,		For the quarter ended December 31,	
	2020	2019	2020	2019
	Note -----(Rupees in '000)-----			
<b>Income</b>				
Income from government securities	506,230	114,823	328,098	79,892
Income from Islamic commercial papers	4,962	4,888	-	4,888
Income from certificates of investment	37,085	-	16,570	-
Income from letters of placement	180,940	170,368	72,844	76,795
Income from corporate sukuk certificates	13,509	-	7,375	-
Profit on savings accounts	354,729	1,238,416	175,125	625,432
	1,097,455	1,528,495	600,012	787,007
Loss on sale of investments - net	(2,247)	(2,278)	(1,390)	(2,173)
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(1)	-	(1)	(76)
	(2,248)	(2,278)	(1,391)	(2,249)
<b>Total income</b>	1,095,207	1,526,217	598,621	784,758
<b>Expenses</b>				
Remuneration of ABL Asset Management Company Limited - Management Company	6.1	86,237	108,246	40,837
Punjab Sales Tax on remuneration of Management Company	6.2	13,798	17,319	6,534
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	9,758	7,159	5,309
Sindh Sales Tax on remuneration of Trustee	7.2	1,269	931	691
Annual fee to the Securities and Exchange Commission of Pakistan	8.1	3,002	2,203	1,633
Securities transaction costs		495	22	77
Settlement and bank charges		1,069	592	660
Auditors' remuneration		280	329	140
Legal and professional charges		-	60	-
Printing charges		101	99	51
Annual listing fee		33	14	26
Annual rating fee		132	125	66
<b>Total operating expenses</b>		116,174	137,099	56,024
<b>Net income for the period before taxation</b>		979,033	1,389,118	542,597
Taxation	11	-	-	-
<b>Net income for the period after taxation</b>		979,033	1,389,118	542,597
Other comprehensive income for the period		-	-	-
<b>Total comprehensive income for the period</b>		979,033	1,389,118	542,597
<b>Earnings per unit</b>	12			
<b>Allocation of net income for the period:</b>				
Net income for the period after taxation		979,033	1,389,118	542,597
Income already paid on units redeemed		(112,258)	(157,381)	(74,640)
		866,775	1,231,737	467,957
<b>Accounting income available for distribution:</b>				
- Relating to capital gains		-	-	-
- Excluding capital gains		866,775	1,231,737	467,957
		866,775	1,231,737	467,957

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

  
**Alek Khalid Ghaznavi**  
 Chief Executive Officer

  
**Pervaiz Iqbal Butt**  
 Director



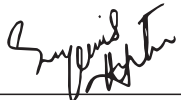
# ABL CASH FUND

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Half year ended December 31, 2020			Half year ended December 31, 2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
<b>Net assets at the beginning of the period (audited)</b>	26,717,947	193,025	26,910,972	21,077,223	171,243	21,248,466
Issue of 3,623,312,585 (2019: 2,119,115,771) units						
- Capital value (at net asset value per unit at the beginning of the period)	36,881,336	-	36,881,336	21,544,636	-	21,544,636
- Element of income	126,060	-	126,060	193,884	-	193,884
Total proceeds on issuance of units	37,007,396	-	37,007,396	21,738,520	-	21,738,520
Redemption of 2,840,811,876 (2019: 1,912,066,951) units						
- Capital value (at net asset value per unit at the beginning of the period)	28,916,340	-	28,916,340	19,439,578	-	19,439,578
Element of loss	(2,615)	112,258	109,643	51,707	157,381	209,088
Total payments on redemption of units	28,913,725	112,258	29,025,983	19,491,285	157,381	19,648,666
Total comprehensive income for the period	-	979,033	979,033	-	1,389,118	1,389,118
Distribution for the period ended July 28, 2020						
- @ Re. 0.0496 per unit (2019: Re. 0.1200 per unit on August 04, 2019)	(3,858)	(127,987)	(131,845)	(20,634)	(218,570)	(239,204)
Distribution for the period ended September 6, 2020						
- @ Re. 0.0671 per unit (2019: Re. 0.1312 per unit on September 10, 2019)	(39,473)	(141,695)	(181,168)	(22,843)	(263,106)	(285,949)
Distribution for the period ended October 11, 2020						
- @ Re. 0.0678 per unit (2019: Re. 0.0936 per unit on October 6, 2019)	(20,465)	(188,770)	(209,235)	(8,321)	(174,975)	(183,296)
Distribution for the period ended November 15, 2020						
- @ Re. 0.0631 per unit (2019: Re. 0.2977 per unit on December 27, 2019)	(11,145)	(183,826)	(194,971)	(82,974)	(565,650)	(648,624)
Distribution for the period ended December 15, 2020						
- @ Re. 0.0547 per unit	(7,301)	(164,701)	(172,002)	-	-	-
Total distribution during the period	(82,242)	(806,979)	(889,221)	(134,772)	(1,222,301)	(1,357,073)
Net assets as at the end of the period (un-audited)	34,729,376	252,821	34,982,197	23,189,686	180,679	23,370,365
Undistributed income brought forward						
- Realised income		189,193			171,243	
- Unrealised income		3,832			-	
		193,025			171,243	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		866,775			1,231,737	
		866,775			1,231,737	
Distribution for the period		(806,979)			(1,222,301)	
Undistributed income carried forward		252,821			180,679	
Undistributed income carried forward						
- Realised income		252,822			180,679	
- Unrealised loss		(1)			-	
		252,821			180,679	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			10.1789			10.1668
Net assets value per unit at end of the period			10.2099			10.1741

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

  
Alee Khalid Ghaznavi  
Chief Executive Officer

  
Pervaiz Iqbal Butt  
Director





**ABL CASH FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

	Half year ended December 31, 2020	Half year ended December 31, 2019
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	979,033	1,389,118
<b>Adjustments:</b>		
Income from letters of placement	(180,940)	(170,368)
Profit on savings accounts	(354,729)	(1,238,416)
Income from government securities	(506,230)	(114,823)
Income from Islamic commercial papers	(4,962)	(4,888)
Income from certificates of investment	(37,085)	-
Income from corporate sukuk certificates	(13,509)	-
Unrealised diminution on re-measurement of investments classified as "financial assets at fair value through profit or loss" - net	1	-
	(1,097,454)	(1,528,495)
<b>Increase in assets</b>		
Deposit, prepayments and other receivables	(85)	(267)
<b>(Decrease) / increase in liabilities</b>		
Payable to ABL Asset Management Company Limited - Management Company	(21,275)	(1,887)
Payable to Central Depository Company of Pakistan Limited - Trustee	410	(73)
Payable to the Securities and Exchange Commission of Pakistan	(1,710)	(11,628)
Accrued expenses and other liabilities	(19,344)	85,380
	(41,919)	71,792
Profit received on letters of placement	190,723	121,477
Profit received on government securities	506,230	114,823
Profit received on savings accounts	330,095	1,232,533
Profit received on commercial papers	4,962	678
Profit received on certificates of investment	37,085	-
Profit received on corporate sukuk certificates	10,641	-
Net amount received on purchase / sale of investments	2,149,708	-
	3,229,444	1,469,511
<b>Net cash generated from operating activities</b>	3,069,019	1,401,659
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash payout against distribution	(806,979)	(1,357,072)
Receipts from issuance of units - net of refund of element	36,912,365	21,738,520
Net payments against redemption of units	(29,023,456)	(19,677,699)
<b>Net cash generated from financing activities</b>	7,081,930	703,749
<b>Net increase in cash and cash equivalents during the period</b>	10,150,949	2,105,408
Cash and cash equivalents at the beginning of the period	24,119,415	21,155,084
<b>Cash and cash equivalents at the end of the period</b>	4.3 34,270,364	23,260,492

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

  
 Alee Khalid Ghaznavi  
 Chief Executive Officer

  
 Pervaiz Iqbal Butt  
 Director



  
 Discover the potential

# ABL CASH FUND

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2020

### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 ABL Cash Fund is an open ended mutual fund constituted under a Trust Deed entered into on September 25, 2009 between ABL Asset Management Company Limited (ABL AMCL) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the deed of change of Trustee and the First and Second Supplemental Trust Deeds dated July 29, 2011 and May 15, 2013 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, Fourth, Fifth and Sixth supplements dated September 20, 2011, January 28, 2013, March 01, 2013, October 06, 2016, and June 02, 2017 respectively with the approval of the SECP. The SECP authorised constitution of the Trust Deed vide letter no. NBFC-II/DD/ABLAMC/872 dated September 17, 2009 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 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 a money market 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 July 30, 2010 and are transferable and redeemable by surrendering them to the Fund.

1.3 The objective of the Fund is to provide investors consistent returns with a high level of liquidity which the Fund aims to deliver mainly by investing in money market and sovereign debt instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.

1.4 The VIS Credit Rating Company Limited has assigned the asset manager rating of AM2++ (2019: AM2++ on December 31, 2019) to the Management Company on December 31, 2020. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Furthermore, VIS Credit Rating Company Limited has maintained the stability rating "AA+(f)" to the Fund (2019: "AA+(f)" on January 20, 2020) on December 31, 2020.

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 current period, the Trust Act, 1882 has been repealed due to promulgation of provincial trust acts as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration and annual renewal requirements under the relevant trust acts have been introduced. The Management Company in consultation with the MUFAP and the Trustee is currently deliberating upon the requirements of the newly enacted provincial trust acts and their implication on the Fund.

### 2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2020.

2.1 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2020.

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

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, 2020.

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, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2020.

#### 3.3 Amendments to published accounting and reporting standards that are effective in the current period:

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2020. 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, 2021. However, these will not have any significant effects on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
------(Rupees in '000)-----			
<b>4 BANK BALANCES</b>			
Balances with banks in:			
- Savings accounts	4.1	22,270,358	19,196,107
- Current accounts	4.2	12,000,006	4,100,010
		<u>34,270,364</u>	<u>23,296,117</u>

4.1 These include balances of Rs 1,231.580 million (June 30, 2020: Rs 6,582.928 million) maintained with Allied Bank Limited (a related party) that carry profit rate of 7.82% per annum (June 30, 2020: 9.00%). All other savings accounts of the Fund carry profit rates ranging from 5.00% to 9.00% per annum (June 30, 2020: 5.00% to 9.00% per annum).

4.2 These represents balances maintained with Allied Bank Limited, a related party of the Fund.

	Note	(Un-audited) December 31, 2020	(Un-audited) December 31, 2019
------(Rupees in '000)-----			
<b>4.3 Cash and cash equivalents</b>			
Bank balances	4	34,270,364	20,331,102
Market treasury bills with original maturity of less than 3 months	5	-	495
Islamic commercial papers	5	-	1,028,895
Letters of placement	5	-	1,900,000
		<u>34,270,364</u>	<u>23,260,492</u>

### 5 INVESTMENTS

#### At fair value through profit or loss

Government securities - Market Treasury Bills	5.1	4,921	4,671,581
Islamic commercial papers	5.2	-	327,039
Corporate sukuk certificates	5.3	676,500	400,000
Letters of placement	5.4	-	700,000
Certificates of investment	5.5	-	-
		<u>681,421</u>	<u>6,098,620</u>

## 5.1 Government Securities - Market Treasury Bills

Tenor	Face value (Rupees in '000)				(Rupees in '000)			Market value as a percentage of total investments	Market value as a percentage of net assets
	As at July 01, 2020	Purchased during the period	Disposed off / matured during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market value as at December 31, 2020	Unrealised (diminution) / appreciation as at December 31, 2020		
3 months	125,000	104,508,000	104,633,000	-	-	-	-	-	-
6 months	4,012,000	27,680,000	31,687,000	5,000	4,922	4,921	(1)	0.72%	0.01%
12 months	638,915	34,171,000	34,809,915	-	-	-	-	-	-
<b>Total as at December 31, 2020</b>	<b>4,775,915</b>	<b>166,359,000</b>	<b>171,129,915</b>	<b>5,000</b>	<b>4,922</b>	<b>4,921</b>	<b>(1)</b>	<b>0.72%</b>	<b>0.01%</b>
<b>Total as at June 30, 2020</b>					<b>4,667,749</b>	<b>4,671,581</b>	<b>3,832</b>	<b>76.60%</b>	<b>17.36%</b>

5.1.1 These carries profit yield ranging from 6.19% and 11.27% (June 30, 2020: 7.07% and 11.27%) per annum and is due to mature latest by March 25, 2021.

## 5.2 Islamic commercial papers

Name of security	Maturity Date	Latest available rating	Face value (Rupees in '000)				(Rupees in '000)			Market value as a percentage of total investments	Market value as a percentage of net assets
			As at July 01, 2020	Purchased during the period	Disposed off / matured during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market value as at December 31, 2020	Unrealised appreciation/ (diminution) as at December 31, 2020		
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
K-Electric Limited ICP 5	August 13, 2020	A-1+	280,000	-	280,000	-	-	-	-	-	-
K-Electric Limited ICP 6	August 26, 2020	A-1+	52,000	-	52,000	-	-	-	-	-	-
<b>Total as at December 31, 2020</b>			<b>332,000</b>	<b>-</b>	<b>332,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total as at June 30, 2020</b>							<b>327,039</b>	<b>327,039</b>	<b>-</b>	<b>5.36%</b>	<b>1.22%</b>

5.2.1 These carried profit rates ranging from 10.62% to 14.64% (June 30, 2020: 11.94% to 14.64%) per annum.

## 5.3 Corporate sukuk certificates

Name of security	Maturity date	Coupon rate	Latest available rating	Number of certificates				(Rupees in '000)			Percentage		
				As at July 01, 2020	Purchased during the period	Disposed off / matured during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market value as at December 31, 2020	Unrealised appreciation/ (diminution) as at December 31, 2020	Market value as a percentage of total investments	Market value as a percentage of net assets	Investment as a percentage of total issue size
<b>Power generation &amp; distribution</b>													
Hub Power Company Limited (related party) (Face value of Rs. 100,000 per certificate)	May 16, 2021	6 months kibor + 1.3%	A1+	4,000	6,765	4,000	6,765	676,500	676,500	-	99.28%	1.93%	15.03%
<b>Total as at December 31, 2020</b>				<b>4,000</b>	<b>6,765</b>	<b>4,000</b>	<b>6,765</b>	<b>676,500</b>	<b>676,500</b>	<b>-</b>	<b>99.28%</b>	<b>1.93%</b>	
<b>Total as at June 30, 2020</b>								<b>400,000</b>	<b>400,000</b>	<b>-</b>	<b>6.56%</b>	<b>1.49%</b>	

5.3.1 Sukuk certificates of The Hub Power Company are carried at their cost as they are not valued by MUFAP / at PKISRV.

#### 5.4 Letters of placement

Name of Investee Company	Latest available rating	Amount placed (Rupees in '000)				(Rupees in '000)			Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 01, 2020	Purchased during the period	Disposed off / matured during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market value as at December 31, 2020	Unrealised appreciation / (diminution) as at December 31, 2020		
----- Percentage -----										
<b>COMMERCIAL BANKS</b>										
Zarai Taraqati Bank Limited	A1+	700,000	1,800,000	2,500,000	-	-	-	-	-	-
<b>INVESTMENT COMPANIES</b>										
Pak Oman Investment Company Limited	A1+	-	9,235,000	9,235,000	-	-	-	-	-	-
PAIR Investment Company Limited	A1+	-	3,000,000	3,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Private) Limited	A1+	-	17,526,985	17,526,985	-	-	-	-	-	-
Pak Brunei Investment Company	A1+	-	5,310,000	5,310,000	-	-	-	-	-	-
Saudi Pak Industrial and Agricultural Investment Company Limited	A1+	-	8,615,000	8,615,000	-	-	-	-	-	-
<b>Total as at December 31, 2020</b>		<b>700,000</b>	<b>45,486,985</b>	<b>46,186,985</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total as at June 30, 2020</b>						<b>700,000</b>	<b>700,000</b>	<b>-</b>	<b>11.48%</b>	<b>2.60%</b>

5.4.1 These carried profit rates ranging from 6.85% to 8.25% (June 30, 2020: 8.25%) per annum.

#### 5.5 Certificates of investment

Name of Investee Company	Latest available rating	Amount placed (Rupees in '000)				(Rupees in '000)			Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 01, 2020	Purchased during the period	Disposed off / matured during the period	As at December 31, 2020	Carrying value as at December 31, 2020	Market value as at December 31, 2020	Unrealised appreciation / (diminution) as at December 31, 2020		
----- Percentage -----										
<b>INVESTMENT COMPANIES</b>										
Pak Oman Investment Company Limited	A1+	-	2,000,000	2,000,000	-	-	-	-	-	-
<b>Total as at December 31, 2020</b>		<b>-</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total as at June 30, 2020</b>						<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

5.5.1 This carried profit rate of 7.2% per annum.

5.6 Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	Note	(Un-audited)	(Audited)
		December 31, 2020	June 30, 2020
----- (Rupees in '000) -----			
Market value of securities	5.1, 5.2, 5.3, 5.4 & 5.5	681,421	6,098,620
Less: carrying value of securities	5.1, 5.2, 5.3, 5.4 & 5.5	681,422	6,094,788
		(1)	3,832

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

Management fee payable	6.1	13,802	16,516
Punjab sales tax on remuneration of the Management Company	6.2	10,655	11,089
Federal excise duty on remuneration of the Management Company	6.3	54,898	54,898
Sales load payable		470	-
Accounting and operational charges payable	6.4	-	18,597
		<u>79,825</u>	<u>101,100</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 the 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 remuneration under the following rates:

Rate applicable from July 1, 2019 to December 19, 2019	Rate applicable from December 20, 2019 to August 30, 2020	Rate applicable from August 31, 2020 to December 31, 2020
10% of the gross earnings subject to a minimum fee of 0.75% of average daily net assets and maximum fee of 1% of average daily net assets	0.75% of average daily net assets	0.5% of average daily net assets

The remuneration is payable to the Management Company in arrears.

- 6.2 During the period, an amount of Rs. 13.798 million (2019: Rs 17.319 million) was charged on account of sales tax on the management fee levied through the Punjab Sales Tax on Services Act, 2012 at the rate of 16% (2019: 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, 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 and sales load 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 54.898 million is being retained in these condensed interim 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 NAV per unit of the Fund as at December 31, 2020 would have been higher by Re 0.016 (June 30, 2020: Re 0.021) per unit.

- 6.4 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme.

Until June 19, 2019 there was a maximum cap of 0.1% of the average annual net assets of the scheme or actual whichever is less, for allocation of such expense to the Fund. However, SECP vide its SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%.

As per guideline issued by SECP vide its SRO 639 dated June 30, 2020, the Management Company based on its discretion has not charged any accounting and operational charges during this period (June 30, 2020: at the rate of 0.1% and 0.25% of the average annual net assets from July 1, 2019 to December 31, 2019 and January 1, 2020 to June 30, 2020 respectively).

	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
<b>7 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY</b>			
----- (Rupees in '000) -----			
Trustee fee payable	7.1	1,794	1,431
Sindh Sales tax payable on trustee fee	7.2	233	186
		2,027	1,617

- 7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.065% (June 30, 2020: 0.065%) per annum of net assets. Accordingly the Fund has charged trustee fee at the above mentioned rate during the period.
- 7.2 During the period, an amount of Rs 1.269 million (2019: Rs 0.931 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% (2019: 13%).

	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
------(Rupees in '000)-----			
<b>8</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Fee payable	3,002	4,712

**8.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay an annual fee to SECP.

As per the guideline issued by SECP vide its SRO No. 685(I)/2019 dated June 28, 2019, the Fund has recognised SECP fee at the rate of 0.02% (June 30, 2020: 0.02%).

	Note	(Un-audited) December 31, 2020	(Audited) June 30, 2020
------(Rupees in '000)-----			
<b>9</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration payable	324	370
	Brokerage payable	50	393
	Printing charges payable	146	100
	Withholding taxes payable	2,319	21,320
	Provision for Sindh Workers' Welfare Fund	3,526	3,526
		<u>6,365</u>	<u>25,709</u>

**9.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

The Fund has made provision for SWWF from May 21, 2015 till June 30, 2017 amounting to Rs 3.526 million as the decision in this respect is pending to date. The Fund has not made any provision for SWWF after July 01, 2017 as the registered office of the Management Company of the Fund has been relocated from the Province of Sindh to the Province of Punjab.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to June 30, 2017, the net asset value of the Fund as at December 31, 2020 would have been higher by Re 0.001 (June 30, 2020: Re 0.0013) per unit.

## **10 CONTINGENCIES AND COMMITMENTS**

There were no other contingencies and commitments outstanding as at December 31, 2020 and June 30, 2020.

## **11 TAXATION**

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

## 12 EARNINGS PER UNIT

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

## 13 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 0.77% (December 31, 2019: 1.25%) which includes 0.12% (December 31, 2019: 0.18%) representing Government Levy and the SECP Fee. The prescribed limit for the ratio is 2% (December 31, 2019: 2%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "Money Market" scheme.

## 14 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

14.5 Accounting and operational charges are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

### 14.6 Detail of transactions with related parties / connected persons during the period:

	Un-audited	
	Half year ended December 31,	
	2020	2019
	------(Rupees in '000)-----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Issue of 14,771,282 (2019: 13,719,375) units	150,648	141,673
Redemption of 18,933,013 (2019: 44,250,343) units	193,408	455,301
Remuneration for the period	86,237	108,246
Punjab sales tax on remuneration	13,798	17,319
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Issue of 10,267,559 (2019: 19,671,873) units	105,632	200,000
Redemption of 19,597,660 (2019: Nil) units	200,000	-
Remuneration for the period	9,758	7,159
Sindh sales tax on remuneration	1,269	931
Settlement charges	102	3
<b>Allied Bank Limited</b>		
Profit on savings accounts	189,974	166,337
Bank charges	863	405
<b>Ibrahim Holdings (Private) Limited</b>		
Issue of 15,782,062 (2019: 329,635,085) units	188,632	3,401,419
Redemption of 77,971,063 (2019: 49,680,870) units	795,000	508,000
<b>Ibrahim Agencies Pvt Limited</b>		
Issue of 124,306 (2019: 1,000,898) units	1,489	10,340
<b>Fauji Fertilizer Company Limited</b>		
Issue of 1,587,859,346 (2019: 168,079,753) units	16,262,811	1,753,514
Redemption of 1,249,390,625 (2019: Nil) units	12,763,757	-

	<b>Un-audited</b>	
	<b>Half year ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
	----- <b>(Rupees in '000)</b> -----	
<b>ABL Financial Planning Fund Conservative Allocation Plan</b>		
Issue of 860,382 (2019: Nil) units	8,771	-
Redemption of 151,665 (2019: Nil) units	1,550	-
<b>ABL Financial Planning Fund Active Allocation Plan</b>		
Issue of Nil (2019: 83,647) units	-	850
Redemption of Nil (2019: 744,569) units	-	7,625
<b>ABL Financial Planning Fund Strategic Allocation Plan</b>		
Issue of Nil (2019: 128,366) units	-	1,305
Redemption of Nil (2019: 1,389,328) units	-	14,300
<b>DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE MANAGEMENT COMPANY</b>		
<b>Sheikh Mukhtar Ahmed</b>		
Issue of 41,971 (2019: 81,461) units	503	918
<b>Muhammad Waseem Mukhtar</b>		
Issue of 31,674 (2019: 629,091) units	379	6,516
<b>Mohammad Naeem Mukhtar</b>		
Issue of 16,479,043 (2019: Nil) units	168,868	-
Redemption of 22,050,657 (2019: Nil) units	225,000	-
<b>Alee Khalid Ghaznavi</b>		
Issue of 1,943 (2019: 3,065,300) units	23	31,367
Redemption of 78,138 (2019: 3,799,770) units	796	38,831

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

	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>December 31,</b>	<b>June 30,</b>
	<b>2020</b>	<b>2020</b>
	----- <b>(Rupees in '000)</b> -----	
<b>ABL Asset Management Company Limited - Management Company</b>		
Outstanding 2 (June 30, 2020: 4,161,733) units	-	42,362
Remuneration payable	13,802	16,516
Punjab sales tax on remuneration	10,655	11,089
Federal excise duty on remuneration	54,898	54,898
Sales load payable	470	-
Accounting and operational charges payable	-	18,597
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Outstanding 11,290,278 (June 30, 2020: 20,620,379 ) units	115,273	209,893
Remuneration payable	1,794	1,431
Sindh sales tax on remuneration	233	186
Security deposit	100	100
Deposit in IPS account	8	59
<b>Allied Bank Limited</b>		
Balances held	13,231,496	10,682,934
Profit receivable	97,320	60,224

	(Un-audited) December 31, 2020 ----- <b>(Rupees in '000)</b> -----	(Audited) June 30, 2020
<b>Ibrahim Holdings (Private) Limited</b>		
Outstanding 576,957,285 (June 30, 2020: 639,146,286) units	5,890,676	6,505,807
<b>Ibrahim Agencies Pvt Limited</b>		
Outstanding 4,999,176 (June 30, 2020: 4,874,870) units	51,041	49,621
<b>Fauji Fertilizer Company Limited</b>		
Outstanding 931,548,192 (June 30, 2020: 593,079,471) units	9,511,014	6,036,898
<b>ABL Financial Planning Fund Conservative Allocation Plan</b>		
Outstanding 2,849,058 (June 30, 2020: 2,140,341) units	29,089	21,786
<b>DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE MANAGEMENT COMPANY</b>		
<b>Sheikh Mukhtar Ahmed</b>		
Outstanding 1,687,939 (June 30, 2020: 1,645,968) units	17,234	16,734
<b>Muhammad Waseem Mukhtar</b>		
Outstanding 1,273,831 (June 30, 2020: 1,242,157) units	13,006	12,644
<b>Muhammad Naeem Mukhtar</b>		
Outstanding 10,687,446 (June 30, 2020: 16,259,060) units	109,118	165,499
<b>Alee Khalid Ghaznavi</b>		
Outstanding Nil (June 30, 2020: 76,195) units	-	775

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 OF FINANCIAL INSTRUMENTS

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

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

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

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

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

As at December 31, 2020 and June 30, 2020, the carrying values of all the assets approximate their fair values:

(Un-audited)				
As at December 31, 2020				
Level 1	Level 2	Level 3	Total	
(Rupees in '000)				
<b>Financial assets 'at fair value through profit or loss'</b>				
Government securities - Market Treasury Bills	-	4,921	-	4,921
Corporate sukuk certificates	-	676,500	-	676,500

(Audited)				
As at June 30, 2020				
Level 1	Level 2	Level 3	Total	
(Rupees in '000)				
<b>Financial assets 'at fair value through profit or loss'</b>				
Government securities - Market Treasury Bills	-	4,671,581	-	4,671,581
Islamic commercial papers *	-	327,039	-	327,039
Corporate sukuk certificates	-	400,000	-	400,000
Letters of placement *	-	700,000	-	700,000

\* The valuations of Islamic commercial papers and letter of placement have been done based on amortisation to their fair value as per the guidelines given in Circular 33 of 2012 as the residual maturity of these investments are less than six months and these instruments are placed with counterparties which have high credit rating.

## 16 GENERAL

16.1 Figures have been rounded off to the nearest (thousand) Rupee unless otherwise stated.

## 16.2 COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided the following relaxation to CISs operating in Pakistan for classification of debt security for a specified period of time commencing from April 9, 2020 and expiring on March 31, 2021.

- The timeline for classification of debt security as non performing has been extended from 15 days to 180 days overdue.


The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network (“VPN”) connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.


The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

## 17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 11, 2021 by the Board of Directors of the Management Company.

For ABL Asset Management Company Limited  
(Management Company)

  
\_\_\_\_\_  
Saqib Matin  
Chief Financial Officer

  
\_\_\_\_\_  
Alee Khalid Ghaznavi  
Chief Executive Officer

  
\_\_\_\_\_  
Pervaiz Iqbal Butt  
Director

**ABL**  
Cash Fund

**ABL** Asset Management  
Discover the potential

## مینجمنٹ کمپنی کی کوالٹی کی درجہ بندی

31 دسمبر، 2020 کو، JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ (ABL AMC) کی 'AM-two-Double Plus' (AM2++) کی مینجمنٹ کوالٹی ریٹنگ کی تصدیق کردی ہے۔ (اے ایم ٹو پلس پلس) تفویض کردہ درجہ بندی پر آؤٹ لک 'مستحکم' ہے۔

## آؤٹ لک اور اسٹریٹیجی

کم سے کم درمیانی مدت کے نقطہ نظر پر ہم 7.00 فیصد کی پالیسی کی شرح میں کسی خاص تبدیلی کی توقع نہیں کرتے ہیں جبکہ کم عمر تنخواہ کے فعال رہنے کی امید ہے۔ افراط زر کا نقطہ نظر کم بنیادی افراط زر اور نظام میں غیر استعمال شدہ صلاحیت کو چھوڑنے والے ڈیمانڈ انجن میں نمایاں گنجائش کی وجہ سے بے نظیر ہے۔ آئی ایم ایف پروگرام مستقبل قریب میں بحال ہوسکتا ہے لیکن مجموعی طور پر اس میں نرم رویہ کی توقع ہے۔ تجارتی بیلنس اور مضبوط ترسیلات زر میں بہتری کی وجہ سے 2HCY20 کے دوران ملک کے بیرونی کھاتے میں بھی نمایاں بہتری ہوئی ہے تجارتی توازن اور مضبوط ترسیلات زر میں بہتری کی وجہ سے مجموعی کرنٹ اکاؤنٹ کی رقم 1,700 ملین ڈالر ہے۔

فنڈ کو آگے بڑھانے سے منافع کی شرحوں پر سہ ماہی میں بینکوں / ڈی ایف آئی میں اکثریتی پلیسمنٹ کے ساتھ 3 ماہ اور کم پختگی والے ٹی بل جمع کرنے اور ٹریڈنگ کی حکمت عملی برقرار رہے گی۔

## اعتراف

ہم اپنے قابل قدر سرمایہ کاروں کا شکریہ ادا کرتے ہیں جنہوں نے ہم پر اعتماد کیا ہے۔ بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، ٹرسٹی (سنٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ) اور پاکستان اسٹاک ایکسچینج لمیٹڈ کے انتظامیہ کی ان کی مسلسل رہنمائی اور مدد کے لئے ان کا شکریہ بھی ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کے ذریعہ کی جانے والی کوششوں کی بھی تعریف کرتے ہیں۔

## بورڈ کی طرف سے اور بورڈ کے لئے



ڈائریکٹر

لاہور، 11 فروری، 2021



علی خالد غزنوی  
چیف ایگزیکٹو آفیسر

## منی مارکیٹ کا جائزہ

حکومت پاکستان نے مختلف تنظیموں جیسے قرضوں کی تنظیم نو اور تعمیراتی پیکجوں کی حمایت کے لئے امدادی پیکجوں کا اعلان کر کے معیشت کی حمایت کے لئے اپنی کوششیں جاری رکھی ہیں۔ اسٹیٹ بینک نے بھی شرح نمو کو 7% پر غیر متناسب رکھ کر ترقیاتی ترقی کی پالیسی پر عمل کیا ، 1HFY20 کے دوران 13.25% کے اضافے سے مجموعی طور پر 625bps کی کمی واقع ہوئی۔

دسمبر 20 کے آخر میں 3 M، 6 M اور 12 M میں ٹی بل کی شرح بالترتیب 6.71% ، 6.65% اور 6.73% سے بڑھ کر 7.11% ، 7.18% اور 7.28% ہو گئی۔ 1HFY21 کے دوران ، مارکیٹ نے لمبے عرصے سے ٹینر آلات کی نمائش کرنے سے گریز کیا لہذا 3 ٹی بل میں شرکت زیادہ رہی۔

1HFY21 کے دوران پیداوار میں منحنی خطرہ معمول پر آ گیا کیونکہ طویل مدت 3Y ، 5Y ، اور 10Y پاکستان انوسمنٹ بانڈ (PIBs) کی پیداوار بالترتیب 11.64% ، 10.91% ، 11.0% سے 8.27% ، 9.25% ، اور 9.98% ہو گئی۔ مارکیٹ میں شراکت میں کمی کا رجحان برقرار رہا کیوں کہ بینکوں اور وزارت میں تعطل رہا ، مارکیٹ کی اعلیٰ قیمت پر 3 ، 5 اور 10 سال کے بانڈز حاصل کرنے کی کوشش کی گئی جو قرضوں کے آفس کے کم پیداوار کے نظریہ کے مطابق نہیں تھی جس کے نتیجے میں رجحان نہ ہونے کے برابر رہا۔

زیر جائزہ اس مدت کے دوران ، اسٹیٹ بینک نے بار بار اوپن مارکیٹ آپریشنز (OMOs) کے ساتھ جاری رکھی ، اسٹیٹ بینک نے انتیس OMOs کا انعقاد کیا اور 31 دسمبر 2020 تک bn870.45 PKR کا خالص قرض خواہ رہا۔

## فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران ، اے بی ایل کیش فنڈ نے 6.58% کی مسابقتی واپسی شائع کی۔ واپسی کو ٹی بلوں کی فعال تجارت اور سہ ماہی کے اختتام پر ڈیلی پروڈکٹ اکاؤنٹس (ڈی پی اے) میں بینکوں کے ساتھ بہتر معاہدوں سے منسوب کیا جاسکتا ہے۔

1HFY21 کے دوران ، جون 2020 میں پی کے آر mn26,910.97 کے مقابلے میں ، دسمبر 2020 میں فنڈ کی AUM نمایاں طور پر PKR 34,982.2mn تک بڑھ گئی۔ اس کافی حد تک اضافے کی وجوہات میں بینچ مارک کے خلاف فنڈ کی اعلیٰ کارکردگی کے ساتھ ساتھ CY20 میں پیر گروپ کے خلاف کارکردگی بھی شامل ہے۔ دسمبر 20 کے اختتام پر فنڈ میں کیش میں اس کی زیادہ تر نمائش تھی جو 97.69% پر بند ہو گئی۔

## آڈیٹر

میسرز۔ اے ایف فرگوسن اینڈ کمپنی (چارٹرڈ اکاؤنٹنٹ) کو ، اے بی ایل کیش فنڈ (اے بی ایل سی ایف) کے لئے 30 جون 2021 کو ختم ہونے والے سال کے لئے دوبارہ آڈیٹر مقرر کیا گیا ہے۔

## فنڈ استحکام کی درجہ بندی

JCR-VIS - کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) نے 31 دسمبر، 2020 کو ، (AA +f) میں ABL کیش فنڈ کی فنڈ استحکام کی درجہ بندی کی توثیق کر دی ہے۔



## مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اے بی ایل کیش فنڈ (اے بی ایل-سی ایف) کی انتظامیہ کمپنی ، اے بی ایل ایسٹ مینجمنٹ کمپنی لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر ، 2020 کو ختم ہونے والے نصف سال کے لئے اے بی ایل کیش فنڈ کے کنڈسیڈ عبوری فنانشل اسٹیٹمنٹ (غیر آڈٹ شدہ) پیش کرنے پر خوشی محسوس کرتے ہیں۔

### اقتصادی کارکردگی کا جائزہ

اس عرصے کے دوران ، اوسط افراط زر YOY %8.63 پر چلا گیا جبکہ اس کے مقابلے میں SPLY میں %11.10 YOY تھا۔ افراط زر میں یہ کمی بنیادی اثر کی وجہ سے بنیادی طور پر دیکھی گئی ہے۔ سپلائی کے جھٹکوں ، ٹڈیوں کے حملے اور بین الاقوامی منڈیوں میں زرعی اجناس کی اعلیٰ قیمتوں کے درمیان کھانے کی قیمتوں میں اضافے کی وجہ سے فوڈ انڈیکس میں 12.90 فیصد اضافہ ہوا ہے۔ اسی طرح ، ہاؤسنگ ، پانی ، بجلی اور گیس انڈیکس میں %4.55 YOY کا اضافہ ہوا جبکہ ٹرانسپورٹ انڈیکس میں نرخوں میں ایڈجسٹمنٹ ، سہ ماہی کرایے میں ایڈجسٹمنٹ ، اور ایندھن اور اس سے متعلقہ ٹرانسپورٹ کی قیمتوں میں اضافے کے بعد YOY %12.72 کا اضافہ ہوا۔ ان سب نے بیس اثر کا فائدہ روک لیا۔ آگے بڑھتے ہوئے ، ہم اندازہ لگاتے ہیں کہ افراط زر YOY %8.8-8.7 کے درمیان طے ہوگا۔

کوویڈ-19 لاک ڈاؤن اور پہلے ہی خراب معیشت کی وجہ سے مالی سال 20 کے دوران پاکستان کی معیشت 0.40 فیصد گھٹ گئی۔ تاہم ، 20HCY20 میں ، حکومت کی طرف سے اعلان کردہ مراعات اور اسٹیٹ بینک کی طرف سے مالیاتی آسانی میں نرمی پر معیشت دوبارہ پٹری پر آگئی۔ جولائی-اکتوبر 2020 کے دوران بڑے پیمانے پر مینوفیکچرنگ (LSM) کے اعداد و شمار میں بھی اسی صورت کی عکاسی کی گئی ہے جس میں SPLY میں YOY %5.52 کمی کے مقابلے میں YOY %5.46 کا اضافہ ہوا ہے۔ کھانے ، مشروبات اور تمباکو (YOY %2.14) ، غیر دھاتی معدنیات کی مصنوعات (1.75%) ، دواسازی (YOY %0.70) ، اور ٹیکسٹائل (YOY %0.67) تھے جن اہم شعبوں نے اس اضافے میں اہم کردار ادا کیا۔

ادائیگی کے محاذ پر متوازن ہونے پر ، ملک نے 5MFY21 کے دوران 1.74 ملین امریکی ڈالر کے خسارے کے مقابلے میں 1.64 بلین امریکی ڈالر کی مجموعی سرپلس رقم کی جو غیر معمولی ہے۔ اس کی بنیادی وجہ YOY %26.91 زیادہ ترسیلات زر تھیں جو bn11.77 امریکی ڈالر ہیں۔ ترسیلات زر میں اس اضافے کا جزوی طور پر سرکاری کریک ڈاؤن کی وجہ سے غیر قانونی چینلز کے ذریعہ لین دین میں کمی سے منسوب کیا جاسکتا ہے ، اور باقی کو ہوائی سفر کی کمی کی وجہ سے قرار دیا جاسکتا ہے۔ آگے بڑھتے ہوئے ، کل برآمدات YOY %6.85 کی کمی سے 11.70 بلین ڈالر رہیں جب کہ درآمدات YOY %3.96 کی کمی سے bn21.25 ڈالر رہ گئیں۔ تجارتی سائز %5.01 کم رہا YOY 32.95bn امریکی ڈالر پر پہنچ گیا۔ 20 دسمبر 2020 تک ، ملک کے زرمبادلہ کے ذخائر 20.25 بلین ڈالر ہیں ، جو مجموعی طور پر ~ 4.77 ماہ کی درآمدی رقم فراہم کرتے ہیں۔

مالی معاملات میں ، ٹیکس وصولی ~ PKR 2.20tr تک پہنچ گئی ہے۔ جبکہ اس کا ہدف PKR 2.21 تھا جس کے نتیجے میں PKR 15bn کا خسارہ ہے۔

### میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈ انڈسٹری کے مینجمنٹ کے تحت (AUMs) مجموعی اثاثوں میں YOY %23 کی بے پناہ ترقی ہوئی (PKR 788bn سے PKR 970bn تک) ، بنیادی طور پر منی مارکیٹ فنڈ میں کافی اضافے کی وجہ سے۔ وبائی مرض نے محفوظ مانگ پیدا کر دی۔ منی مارکیٹ اور فیکسڈ انکم فنڈ (بشمول اسلامی اور روایتی) میں YOY %31 اور YOY %18 کی زبردست نمو دیکھنے میں آئی جس نے بالترتیب PKR 379bn اور PKR 220bn پر مدت کو بند کیا۔ دوسری طرف ، روایتی اور اسلامی دونوں سمیت ایکویٹی فنڈز %30 YOY کی طرف سے بڑھے اور اس مدت کو PKR 222bn پر بند کر دیا۔



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