



Annual Report 2020

Al-Ameen Islamic Retirement Savings Fund



CORPORATE INFORMATION

Board of Directors

Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Syed Furrukh Zaeem

Naz Khan*

Arif Akmal Saifie

Sadia Saeed

Imran Sarwar

Audit Committee

Naz Khan* (Chair)

Imran Sarwar

Sadia Saeed

Arif Akmal Saifie

Risk and Compliance Committee

Imran Sarwar (Chairman)

Syed Furrukh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

HR & Compensation Committee

Azhar Hamid (Chairman)

Naz Khan*

Syed Furrukh Zaeem

Sadia Saeed

Yasir Qadri

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

**Resigned effective July 20, 2020.*

Chief Financial Officer

Umair Ahmed

Company Secretary

Bilal Javaid

Registered Office

4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.

Head Office

4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.

UAN: (92-21) 111-825-262

Fax: (92-21) 32214930

Date of incorporation of the Management

Company/ Pension Fund Manager

Incorporated in Pakistan on
3 April 2001 as a Public Limited
Company under the Companies
Ordinance, 1984

Management Quality Rating

AM1 by VIS Credit Rating Company

Funds Under Management

UBL Liquidity Plus Fund

Launch Date: 21 June 2009

UBL Government Securities Fund

Launch Date: 27 July 2011

UBL Money Market Fund

Launch Date: 14 October 2010

UBL Income Opportunity Fund

Launch Date: 29 March 2013

UBL Growth & Income Fund

Launch Date: 2 March 2006

UBL Asset Allocation Fund

Launch Date: 20 August 2013

UBL Stock Advantage Fund

Launch Date: 4 August 2006

Al-Ameen Islamic Sovereign Fund

Launch Date: 07 November 2010

Al-Ameen Islamic Aggressive Income Fund

Launch Date: 20 October 2007

Al-Ameen Islamic Cash Fund

Launch Date: 17 September 2012

Al-Ameen Shariah Stock Fund

Launch Date: 24 December 2006

Al-Ameen Islamic Asset Allocation Fund

Launch Date: 10 December 2013

Al-Ameen Islamic Cash Plan-I

Launch Date: 29 May 2020

Al-Ameen Islamic Dedicated Equity Fund

Launch Date: 05 Jan 2016

Al- Ameen Islamic Financial Planning Fund - II

Launch Date: 21 February 2017

UBL Pakistan Enterprise Exchange Traded Fund

Launch Date: 24 March 2020

UBL Financial Planning Fund

Launch Date: 28 September 2017

Al- Ameen Islamic Financial Planning Fund - III

Launch Date: 28 May 2018

UBL Dedicated Equity Fund

Launch Date: 29 May 2018

UBL Financial Sector Fund

Launch Date: 06 April 2018

UBL Special Saving Fund

Launch Date: 09 November 2018

UBL Cash Fund

Launch Date: 23 September 2019

Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan

Al- Ameen Islamic Financial Planning Fund

Launch Date: 23 June 2015

UBL Retirement Savings Fund

Launch Date: 10 May 2010

Al-Ameen Islamic Retirement Savings Fund

Launch Date: 10 May 2010

Al-Ameen Islamic Energy Fund

Launch Date: 13 December 2019

Al-Ameen Islamic Special Saving Plan-II

Launch Date: 09 March 2020

Al-Ameen Islamic Aggressive Income Plan-I

Launch Date: 16 April 2020

DIRECTORS' REPORT

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the Annual Report of “Al-Ameen Islamic Retirement Savings Fund” (AIRSF) for the year ended June 30, 2020.

ECONOMY REVIEW – FY20

The fiscal year 2019-20 remained challenging for the country, with the real GDP growth slumping to -0.38% as compared to 1.91% in the FY19. The slowdown in economic activities persist in the 1HFY20 as the earlier stabilization measures taken by authorities came in effect. However, with the outbreak of Covid-19 the situation got further vulnerable after the mid of March'20 as the country went in strict lockdown for almost 2 months which stop the all economic activities in the country and earlier expectation of recovery by 2QCY20 turned down as this global pandemic has created sever impact on country's overall aggregate demand. The said vulnerabilities also reflected in 10MFY20 LSM data, declining by 8.68% YoY, the major fall came from automobiles, petroleum, Iron and steel products, pharmaceutical and chemicals. In order to face the extraordinary circumstances and to restrained the economic growth, both monetary and fiscal authorities too severe measures including: 1) a hefty reduction in policy rates of 625bps since March'20, declining from 13.25% to 7%, 2) approval of a rapid financing facility of USD1.4bn by IMF along with some other inflows from International Financial Institutions to meet immediate fiscal and external financing requirements 3) government decision to defer the hike in utility prices.

Average headline inflation for FY20 rose to 10.7%, significantly higher than average headline inflation of 7.3% in FY19. The uptick in FY20 inflation was brought about by higher food prices, partly due to supply and administrative issues, while non-food inflation remained relatively controlled owing to lower fuel prices, subdued increase in house rents and weak domestic demand. We expect headline inflation numbers to remain muted during the next 6-7 months on account of subdued commodity prices, gradual and back-loaded increase in utility tariffs, few new taxation measures in the budget and high base effect of last year. In view of subdued inflation outlook, a manageable external account position and weak domestic economic activity, SBP further cut its policy rate by 100bp to 7.0% in an unscheduled monetary policy review meeting during the month. We think the current easing cycle is nearing an end as risks to growth, inflation and macroeconomic stability look more balanced now. A normalizing yield curve corroborates our view.

On external front, encouraging improvement has been witnessed as the 11MFY20 current account deficit significantly reduced by 74% from USD 12.4bn to USD 3.2bn. The primary reason for a decline in current account deficit was a significant decline in imports of 20% YoY (down from USD 57.9bn to USD 46.6bn). The major decline in imports came from Petroleum, Textile and Other manufacturing group. Exports also declined by 7% YoY (down from USD 27.9bn to USD 25.9bn), however remittances increased from USD21.7bn in FY19 to USD23.1bn in FY20 showing a growth of 6.4% YoY. Moreover, with heavy debt inflows overall balance of payment position witnessed a surplus of USD 3.4bn as against negative balance of USD 1.1bn in SPLY.

On the fiscal side, fiscal deficit on 10MFY10 came in at 5.3% (PKR2, 222 bn) vs 5.6% (PKR 2,128bn) in SPLY and primary deficit was -0.5% in 10MFY20 as compared to 1.4% primary deficit in SPLY. We expect FY20 to close with a deficit of 9-10% on account of weak collections & higher expenditure in 4QFY20 due to covid19 related developments. For FY21, the government is targeting a fiscal deficit of ~7% of GDP. However, we expect the government to overshoot the aforementioned number by 1-2% on account of lower collections & higher expenditure despite decreasing local borrowing cost.

DEBT MARKET REVIEW

During FY20, market appetite for the government securities remained strong. In twelve PIB auctions in FY20, heavy participation amounting to PKR ~5 trillion was observed, out of this Government preemptively accepted PKR ~1.9 trillion. Strong participation was mainly on the back of interest rate's peaked-out expectation in the beginning of the financial year along with the overall improvement in the fiscal position and estimates of higher external financing. Due to momentous demand, government leveraged its position by slashing the cut off rates by 628, 536 and 456 bps for 3Y, 5Y and 10Y PIBs respectively during the Fiscal year 2020.

In case of floating rate PIBs, government introduced 3Y floater PIB and 5Y floater PIB in addition to the existing 10Y floater PIB from June'20. Total participation of PKR ~1578 billion was observed in the floating rate PIB against the target of PKR ~900 billion. While government accepted PKR ~818 billion during FY'20.

Government has started issuance of 5-Years floating rate Ijara Sukuk since April'20 and successfully conducted 3 auctions and accepted PKR 197 billion against the target of PKR 225 billion.

Till August 2019, market bid mostly for the 3 months T-Bills. However, in the anticipation of declining interest rate scenario, heavy participation in the 12M T-Bills was observed in the subsequent auctions.

Yield curve comparison is given below:

Tenor	PKRV as on 30-06-2019 (%)	PKRV as on 30-06-2020 (%)	Change (%)
3-Months	12.75	7.15	-5.6
6-Months	12.85	7.09	-5.76
12-Months	13.13	7.05	-6.08
3-Years	13.85	7.55	-6.3
5-Years	13.88	8.14	-5.74
10-Years	13.72	8.71	-5.01

STOCK MARKET REVIEW FOR FY20

After a strong recovery of ~50% from its low of 28,764 points and touching its peak of 43,200 points during the mid-Jan'20, the benchmark index succumb to host of negative triggers eroding all previous gains and appeared as worst performing month since Dec'08 in the March'20. Major catalysts for sluggish performance of the index included 1) outbreak of covid-19 pandemic, 2) significant fall in global oil prices as the OPEC+ member couldn't reach an agreement in the late Feb'20 3) disruption in global demand and supply and 4) fear of economic slowdown due to Covid-19. However, later the benchmark index recouped much of its losses and closes FY20 with minimal gains of 1.5% YoY primarily due to 1) significant decline in policy rate by 625bps from 13.25% to 7% as an emergency response by the central bank, ii) recovery in global oil prices, iii) approval of a rapid financing facility of USD1.4bn by IMF along with USD3bn inflow from International Financial Institutions and Commercial Banks to meet immediate fiscal and external financing requirements iv) a host of relief measures announced by the federal government to lessen the impact of Covid19 on different sectors of the economy & v) further decline in money market yields.

Further, fear of economic slowdown and economic uncertainty created by Covid-19 forced the foreign investors to remain net seller in the equity market with offloading shares worth USD 284mn. On the contrary local Individuals and Insurance companies bought equities worth USD213/128mn respectively. In terms of activity, average volume and value traded during the period under review stood at 135mn shares and PKR6.2bn, up 40/18% YoY, respectively. Moreover, Sector wise Pharmaceuticals and Cements outperformed KSE100 by 61% and 38%, whereas Banks and E&Ps lagged the benchmark index by 12 and 9%, respectively.

ISLAMIC FINANCE REVIEW – FY20

There are currently 22 Islamic banking institutions operating in Pakistan including 5 full-fledged Islamic banks and 17 conventional banks having standalone Islamic banking branches with 3,250 branches spread across 120 districts as at Mar'20. Major share of branches is still concentrated in Punjab & Sindh. The number of Islamic banking windows operated by conventional banks having Islamic Banking Branches stood at 1,375 as at Mar'20.

The FY20 remained a profitable year for the Islamic Banking Institutions. Net Interest income witnessed significant growth of 43% during FY20. Overall, Islamic Banking Institutions registered Net Interest Income of PKR 87bn in FY20 as compared to PKR 61bn SPLY. Profit after tax improved from PKR 22bn in FY19 to PKR 34bn in FY20 showing approx. 57% increase YoY.

Overall total assets of Islamic banking institutions increased from PKR 2992bn in Jun'19 to PKR 3633bn in Jun'20. Despite high competition from conventional banking systems, deposit growth of Islamic banking industry outpaced the conventional banking industry in FY20. Total deposits of the banking sector grew by approx. 14% whereas Islamic Banking Industry witnessed deposit growth of 22% in FY20. Total deposits of Islamic Banking Industry were PKR 2945bn as at Jun'20 as compared to PKR 2415bn at the end of FY19. In terms of Market Share, total assets of Islamic Banking Industry has market share of 15.3% at the end of FY20 as compared to 14.4% in SPLY whereas market share of total deposits of Islamic Banking Institutions increased from 15.9% in FY19 to 16.9% in FY20.

With growing number of Islamic banking branch network and conventional banks setting up Islamic banking windows to attract growing customers a substantial growth in Islamic banking can be anticipated in the long term. Along with this, concerted efforts towards increasing exports, SBP introduced Financing Facility (ILTFF) on the basis of Mudarabah which is a Shariah compliant alternative to conventional Long Term Financing Facility (LTFF). This with other Islamic banking institutions providing enhanced Islamic products will aid in meeting growing demand of customers seeking Shariah compliant services.

COMMODITY MARKET REVIEW

On commodities front, during the period Gold outperformed the other commodities during the period under review, increasing by 22.6% YoY. During the 1H FY20 Gold prices remained volatile but later start increasing mainly due to dismal performance of global equity markets and lower economic growth. Further, the uncertainty created by Covid-19 pandemic pushed investors toward the safe haven asset classes like Gold which led the spike in Gold prices.

On the other end, Crude oil prices (Brent) declined by 37.6% YoY from USD 64.0/BBL during the start of FY20 to USD 39.9/BBL in the end of FY20. The primary reason for significant decline in oil prices was price war between the OPEC and its allies as were unable to agree on production cuts. With the price war between both, crude oil prices went down below \$15/bbl. However, later the crude oil prices recovered as both agree for production cuts as the fear the of Covid-19 dampened global oil demand.

FUTURE OUTLOOK

The fiscal year 2020 remained extremely challenging for the Pakistan economy, as earlier measures taken by authorities to stabilize along with expectation of recovery in the economy in late 2H FY20 turnaround due to exaggerate impact created by the Covid-19 pandemic. However, going forward with the authorities focus shifting towards revival of economy and supporting growth and employment, we believe going forward economic activity would recover and GDP growth will improve. With resumption of IMF program in 2Q FY21 overall macro indicators are expected to improve.

Inflation is expected in the range of 6-8% during FY21 mainly due to high base impact. We expected inflation to bottom out in Jan'20. After 625bps cut in policy rate, Real interest rates have turned negative at the moment however they are expected to be positive going forward due substantial decline in inflation.

On external front, we expect current account deficit to remain contained as subdued commodity prices and services imports neutralize the impact of lower exports and remittances. Further defer in debt repayments for the next 12 months government is likely to achieve balance of payments stability. For the FY21 we expect CAD to remain in range of USD 4.5-5.5bn and overall balance of payment is expected to be positive by USD1-2bn.

On fiscal side, we expect budget deficit to remain elevated in the range of 9-10% of GDP during FY20 because of weak revenue collection and high current expenditures in the 4QFY20. In the budget FY20-21, no major new taxes has been levied rather hefty tax relief has been provided by government along with high current expenditures, this all together has left very limited room on fiscal side, Thus, we expect fiscal challenges will persist also in FY21 and fiscal deficit can remain in range of 8-9% during FY21.

We believe economy is expected to recover from recession and GDP growth is expected to be 2.1% in FY21 therefore attractive valuation along with improving economic fundamentals in FY21 forced us to hold a sanguine view on domestic equity market. Even after downgrading our earnings due to Covid-related slowdown and lower oil prices, earnings yield differential from 10Y PIB yield is over 4.0% (12.8% vs 8.74%), much higher than the average yield differential of 0.7% over the last 10 years.

At current levels, the market is trading at an undemanding PE of 7.4x against historical average of ~8.5x and a P/B of 1.0x vs. historical average of 1.8x leaving further room for rerating, offering attractive dividend yields of 6.1% much higher a compare to regional average DY of ~3.0%. The market cap to GDP currently stands at 15.3%. Further, after the recent rates cut and lower returns from other investment avenues equity remain much attractive.

Performance and operational review

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund. The Fund as a whole earned a gross income of PKR 320.16 million and net income of PKR 291.166 million during the year. The total fund size stood at PKR 3,167.744 million as at the year end.

Performance review for each sub fund is given below:

a) Equity Sub-Fund

For the year ended June 30, 2020, the equity sub-fund earned a gross income of PKR 155.236 million and net income of PKR 132.993 million. The net assets of equity sub-fund stood at PKR 1,288.48 million representing net asset value of PKR 578.6757 per unit as at June 30, 2020.

b) Debt Sub Fund

For the year ended June 30, 2020, the debt sub-fund earned a gross income of PKR 75.988 million and net income of PKR 68.394 million. The net assets of debt sub-fund stood at PKR 825.98 million representing net asset value of PKR 191.3011 per unit as at June 30, 2020.

c) Money Market Sub Fund

For the year ended June 30, 2020, the money market sub-fund earned a gross income of PKR 88.936 million and net income of PKR 89.779 million. The net assets of money market sub-fund stood at PKR 1053.281 million representing net asset value of PKR 185.1940 per unit as at June 30, 2020.

Auditors

The present statutory auditors M/s BDO Ebrahim & Co., Chartered Accountants being eligible, have offered themselves for reappointment. The Audit Committee has recommended their appointment as the statutory auditors of the Fund for the year 2021.

Acknowledgements

We would like to thank our valued unit holders for their confidence and trust in UBL Fund Managers Limited. In addition, we would like to acknowledge the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, Central Depository Company of Pakistan Limited (Trustee) and Shariah Advisory Board for their continued support, guidance and cooperation. The Board would also like to take this opportunity to express its appreciation to the employees for their dedication, commitment, enthusiasm and hard work.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF UBL FUND MANAGERS LIMITED

SD

Yasir Qadri
(Chief Executive Officer)

SD

Arif Akmal Saif
(Director)

Karachi
Dated: September 24, 2020

ڈائریکٹرز رپورٹ

یو بی ایل فنڈ مینیجرز لمیٹڈ کے بورڈ آف ڈائریکٹرز مسرت کے ساتھ ال امین اسلامک ریٹائرمنٹ سوینگز فنڈ کی رپورٹ پیش کرتے ہیں۔ یہ رپورٹ مالی سال 2020 کے اختتام تک ہے:

اقتصادی جائزہ برائے مالی سال 2019-20

مالی سال 2019-20 ملک کے لئے چیلنج رہا ، حقیقی جی ڈی پی کی نمو منفی 0.38 فیصد رہی جبکہ مالی سال 2018-19 میں یہ 1.91 فیصد تھی۔ اقتصادی سرگرمیوں میں سست روی 20H FY1 میں برقرار رہی جس کی وجہ حکام کی طرف سے استحکام کے لئے اٹھائے جانے والے گزشتہ اقدامات ہیں۔ کوویڈ 19 کی وباء کے ساتھ ہی مارچ 2020 کے وسط کے بعد صورتحال مزید بدحالی سے دوچار ہوگئی کیونکہ ملک تقریباً 2 ماہ تک سخت لوک ڈاؤن میں رہا جس سے ملک کی تمام معاشی سرگرمیاں بند ہو گئیں اور 20Q CY2 میں بہتری کی توقعات مدہم ہو گئیں۔ کیونکہ اس عالمی وبائی بیماری نے ملک کی مجموعی طلب کو بری طرح متاثر کیا۔

مذکورہ کمزوریاں لارج سکیل مینوفیکچرنگ سیکٹر کے 20MFY10 کے اعداد و شمار سے مزید نمایاں ہوتی ہیں، جس میں 8.68% YoY کی کمی واقع ہوئی۔ سب سے زیادہ گراؤٹ آٹوموبائل ، پٹرولیم ، آئرن اور اسٹیل، دواسازی اور کیمیکل کی صنعتوں میں واقع ہوئی۔ غیر معمولی حالات کا سامنا کرنے اور معاشی نمو کو روکنے کے لئے ، مالیاتی اور معاشی حکام نے سخت اقدامات کیے جن میں:

(1) مارچ 2020 کے بعد سے پالیسی ریٹ میں 625bps کی کمی، جو 13.25 فیصد سے کم ہو کر 7 فیصد ہو گیا ہے ،

IMF (2) کے ذریعے 1.4 ارب ڈالر کی فوری مالی اعانت کی سہولت کی منظوری اور بین الاقوامی مالیاتی اداروں کی طرف سے مالی اعانت کی فراہمی تاکہ فوری معاشی ضروریات اور بیرونی قرض کی ادائیگی ممکن بنی جا سکے

(3) یوٹیلیٹیز کی قیمتوں میں کسی فوری اضافے کو روکنے کا حکومتی فیصلہ

مالی سال 2019-20 کے لئے اوسطاً افراط زر کی شرح 10.7 فیصد رہی ، جو گزشتہ مالی سال 2018-19 میں اوسطاً 7.3 فیصد تھی۔ مالی سال 2019-20 میں افراط زر میں اضافے کی وجہ اشیائے خورد و نوش کی اضافی قیمتیں تھیں ، جس کی ایک وجہ فراہمی کا نظام اور انتظامی امور ہیں۔ دوسری جانب ایندھن کی قیمتوں میں کمی ، گھریلو کرایوں میں معمولی اضافے اور مجموعی طلب کی کمی کی وجہ سے غیر خوراک کی افراط زر نسبتاً قابو میں رہی۔

ہم توقع کرتے ہیں کہ افراط زر کی شرح اگلے 6-7 ماہ کے دوران مستحکم رہے گی جس کی وجہ اشیائے خوردونوش کی قیمتوں میں استحکام، یوٹیلیٹیز کے نرخوں میں غیر ضروری اضافے کی روک تھام ، بجٹ میں صرف چند ایک نئے ٹیکسوں کا اضافہ اور گزشتہ برس کا بیس افیکٹ ہیں۔ افراط زر کی صورتحال، بہتر بیرونی اکاؤنٹ پوزیشن اور ملکی معاشی سرگرمی میں کمی کے پیش نظر ، اسٹیٹ بینک نے مالیاتی پالیسی جائزہ اجلاس میں پالیسی ریٹ کی شرح کو 100bps کم کر کے 7.0 فیصد کر دیا ہے۔

توقع کی جاتی ہے کہ موجودہ معاشی آسانیوں کا سلسلہ جلد ختم ہو جائے گا کیونکہ ترقی ، افراط زر اور معاشی استحکام کو پیش نظر خطرات کافی محدود ہو چکے ہیں۔ نارمل ہوتا ہوا Yield Curve اس نظریہ کی تائید کرتا ہے۔

بیرونی محاذ پر ، حوصلہ افزا بہتری دیکھنے میں آئی ہے کیونکہ 20MFY11 کرنٹ اکاؤنٹ خسارہ نمایاں طور پر 74 فیصد کی کمی سے 12.4 ارب ڈالر سے کم ہو کر 3.2 ارب ڈالر رہ گیا ہے۔ کرنٹ اکاؤنٹ خسارے میں کمی کی بنیادی وجہ درآمدات میں 20% YoY کی نمایاں کمی تھی (جو کہ 57.9 ارب ڈالر سے کم ہو کر 46.6 ارب ڈالر کی سطح پر آگئیں)۔ درآمدات میں سب سے نمایاں کمی پٹرولیم ، ٹیکسٹائل اور دیگر مینوفیکچرنگ صنعتوں میں ہوئی۔

برآمدات میں بھی 7% YoY کی کمی واقع ہوئی (جو کہ 27.9 ارب ڈالر سے کم ہو کر 25.9 ارب ڈالر کی سطح پر آگئیں) ، تاہم مالی سال 2019 کی نسبت مالی سال 2020 میں ترسیلات 21.7 ارب ڈالر سے بڑھ کر 23.1 ارب ڈالر ہو گئیں جو کہ 6.4% YoY کا اضافہ ہے۔ مزید برآں، بھاری قرض کی وصولی کے نتیجے میں ادائیگیوں کے توازن میں 3.4 ارب ڈالر کا سرپلس پیدا ہوا جبکہ گزشتہ سال اس مد میں 1.1 ارب ڈالر کا خسارہ تھا ۔

مالیاتی رخ پر ، 20MFY10 کا مالیاتی خسارہ 5.3% (2,222 ارب روپے) رہا جبکہ گزشتہ سال یہ خسارہ 5.3% (2,182 ارب روپے) تھا۔ 20MFY10 میں بنیادی خسارہ منفی 0.5% رہا جبکہ گزشتہ سال یہ خسارہ 1.4% تھا۔ توقع کی جا سکتی ہے کہ مالیاتی سال 2020 کے اختتام تک مالیاتی خسارہ 9% سے 10% تک پہنچ سکتا ہے جسکی وجہ کووڈ 19 کے نتیجے 20QFY4 میں ہونے والی کم وصولیاں اور اضافی اخراجات ہیں۔

مالی سال 2120 کے لئے، مالی خسارے کا حکومتی ہدف جی ڈی پی کا 7% ہے۔ تاہم توقع کی جا سکتی ہے کہ کم وصولیوں اور اضافی اخراجات کے پیشے نظر اور باوجود اس کے کہ مقامی قرض سستا ہو گیا ہے مالی خسارہ مذکورہ بالا ہدف سے 1-2% تک تجاوز کر سکتا ہے۔

بازار قرض کا جائزہ

مالی سال 2020 کے دوران، سرکاری سیکیورٹیز کے لئے مارکیٹ کی طلب مستحکم رہی۔ مالی سال 2020 میں پی آئی بی کی بارہ نیلامیوں میں ، 5 کھرب روپے کی بھاری شرکت رہی، جس میں سے حکومت نے 1.9 کھرب روپے منظور کیے۔ سرمایہ کاروں کی شرکت بنیادی طور پر مالی سال کے آغاز میں شرح سود میں متوقع اضافے اور اس کے ساتھ ساتھ مالی حالت میں مجموعی بہتری اور بیرونی ترسیلات میں اضافے کے تخمینوں کے سبب رہی۔ اضافی طلب کے نتیجے میں حکومت نے مالی سال 2020 کے دوران 3 سال، 5 سال اور 10 سال کے PIBs پر بالترتیب 628 ، 536 اور 456 BPS کمی کر کے اپنی پوزیشن کا فائدہ اٹھایا۔

جون 2020 سے حکومت نے موجودہ 10 سال کے Floating Rate PIBs کے ساتھ اس کٹیگری میں 3 سال اور 5 سال کے Floating Rate PIBs بھی متعارف کئے ہیں۔ مالی سال 2020 کے دوران 900 ارب روپے کے ہدف کے مقابلے میں Floating Rate PIBs میں سرمایہ کاروں کی مجموعی شرکت 1,578 ارب روپے رہی جبکہ حکومت نے مالی سال 2020 کے دوران 818 ارب روپے منظور کیے۔

حکومت نے اپریل 2020 سے 5 سال کے Floating Rate Ijarah Sukuk جاری کرنا شروع کیے اور کامیابی کے ساتھ 3 نیلامیاں مکمل کیں۔ اس ضمن میں 225 ارب روپے کے ہدف کے مقابلے میں 197 ارب روپے کی پیشکشیں منظور کی گئیں۔

اگست 2019 تک زیادہ تر 3 ماہ کے TBills کے لئے بولیاں وصول ہوئیں۔ تاہم ، شرح سود میں کمی کے اندازوں کے سبب بعد میں ہونے والی نیلامیوں میں 12 ماہ کے TBills میں بھاری شرکت دیکھی گئی۔

Yield Curve کا موازنہ درج ذیل ہے:

Tenor	PKRV as on 30-06-2019 (%)	PKRV as on 30-06-2020 (%)	Change (%)
3-Months	12.75	7.15	-5.6
6-Months	12.85	7.09	-5.76
12-Months	13.13	7.05	-6.08
3-Years	13.85	7.55	-6.3
5-Years	13.88	8.14	-5.74
10-Years	13.72	8.71	-5.01

شینرز (حصص) بازار کا جائزہ:

جنوری 2020 کے وسط تک انڈیکس قریب 50% کے زبردست اضافے کے ساتھ 28,764 پوائنٹس سے بڑھ کر 43,200 کی بلند ترین سطح پر آ چکا تھا۔ البتہ اس کے بعد پیش آنے والے حالات نے بینج مارک انڈیکس پر انتہائی منفی اثرات مرتب کیے اور انڈیکس کی کارکردگی 2020 March میں انتہائی غیر متاثر کن رہی جو کہ December 2008 کے بعد سے بدترین کارکردگی تھی۔

انڈیکس کی سست کارکردگی کے بنیادی محرکات میں (1) کووڈ 19 کی وبا (2) بڑے کٹالسٹوں میں شامل ہے (1) کووڈ 19 وبائی بیماری کا پھیلنا ، (2) تیل کی عالمی قیمتوں میں نمایاں گراوٹ OPEC میمبرز کا فروری 2020 کے اختتام تک کسی معاہدے تک نہ پہنچ پانا (3) عالمی طلب اور رسد میں پیدا ہونے والی مشکلات اور (4) کووڈ 19 کے سبب معاشی سست روی کا خوف شامل ہیں۔

تاہم مالی سال کے آخری حصے میں بینچ مارک انڈیکس بہتری کی جانب گامزن رہا اور مثبت اشاروں کی بدولت جن میں 1) اسٹیٹ بینک کی جانب سے ہنگامی ردعمل کے طور پر پالیسی ریٹ کی شرح کو بتدریج 13.25% سے کم کر کے 7% کیا جانا 2) عالمی سطح پر تیل کی قیمتوں میں استحکام 3) IMF کے ذریعے 1.4 ارب ڈالر کی فوری مالی اعانت کی سہولت کی منظوری اور بین الاقوامی مالیاتی اداروں کی طرف سے مالی اعانت کی فراہمی تاکہ فوری معاشی ضروریات اور بیرونی قرض کی ادائیگی ممکن بنی جا سکے 4) کوویڈ 19 کے منفی اثرات کو زائل کرنے کے لئے وفاقی حکومت کی جانب سے مختلف شعبوں کے لئے ریلیف کے مختلف اقدامات 5) منی مارکیٹ کی شرح منافع میں مزید کمی۔ نقصانات کا ازالہ ممکن ہوا اور مالی سال 2020 انڈیکس میں 1.5% YoY اضافے کے اختتام پذیر ہوا۔

مزید برآں کوویڈ 19 کے نتیجے میں پیدا ہونے والی معاشی سست روی اور معاشی غیر یقینی صورتحال کے پیش نظر مارکیٹ سے 284 ملین ڈالر کے غیر ملکی سرمایے کا اخراج ہوا۔ اس کے برعکس مقامی سرمایہ کاروں اور انشورنس کمپنیوں نے بالترتیب 213 اور 128 ملین ڈالر کے حصص خریدے۔ سٹاک مارکیٹ کی کاروباری سرگرمی کے اعتبار سے رواں برس اوسط حجم 135 ملین حصص (40% اضافہ YoY) جبکہ کاروباری لاگت 6.2 ارب روپے (18% اضافہ YoY) رہی۔ اس کے علاوہ، فارماسیوٹیکلز اور سیمنٹ کے شعبوں نے بہتر کارکردگی کی بدولت 100KSE انڈیکس کو بالترتیب 61 فیصد اور 38 فیصد سے مات دی جبکہ اس کے مقابلے میں بینکوں اور E&P سیکٹر کی کارکردگی 100KSE انڈیکس کی نسبت بالترتیب 12 فیصد اور 9 فیصد کم رہی۔

جنس (کموڈٹیز) مارکیٹ کا جائزہ:

مالی سال 2020 کے دوران کے دوران سونے کی کارکردگی دیگر اجناس کے مقابلے میں بہت بہتر رہی اور سونے کی شرح نمو YoY بنیاد پر 22.6 فیصد رہی۔ 20HFY1 کے دوران سونے کی قیمتیں غیر مستحکم رہیں البتہ بعد میں عالمی حصص منڈیوں کی غیر متاثر کن کارکردگی اور معاشی نمو میں واقع ہونے والی کمی کے سبب سونے کی قیمتوں میں چڑھاؤ دیکھنے میں آیا۔ اس کے علاوہ سونے کی قیمتوں میں اضافے کا ایک سبب کوویڈ 19 کی وبا بھی بنی جس کے نتیجے میں پیدا ہونے والی غیر یقینی صورتحال کے پیش نظر سرمایہ کاروں کا جھکاؤ سونے جیسی محفوظ جنس کی طرف رہا۔

دوسری طرف مالی سال 2020 میں خام تیل (Brent) کی قیمتوں میں YoY کی بنیاد پر 37.6% کی کمی واقع ہوئی۔ مالی سال کے آغاز پر خام تیل کی قیمت 64 ڈالر فی بیرل تھی جو کے سال کے اختتام تک 39.9 ڈالر فی بیرل کی کم ترین سطح پر آ گئی۔ خام تیل کی قیمتوں میں نمایاں کمی کی بنیادی وجہ OPEC اور اس کے اتحادیوں کے مابین قیمتوں کے تعین کے معاملات اور پیداوار میں کمی پریم آپنگی کا فقدان تھا۔ ان حالات کے پیش نظر ایک موقع پر خام تیل کی قیمتیں 15 ڈالر فی بیرل کی کم ترین سطح تک گر چکی تھیں۔ تاہم کوویڈ 19 کے تناظر میں تیل کی عالمی طلب میں واقع ہونے والی کمی کے پیش نظر فریقین پیداوار میں کمی پر راضی ہوئے۔ اس کے نتیجے میں خام تیل کی قیمتوں میں بہتری واقع ہوئی۔

اسلامی مالیاتی جائزہ - مالی سال 2020

پاکستان میں اس وقت 22 اسلامی بینکاری ادارے کام کر رہے ہیں جن میں 5 اسلامی بینکوں اور 17 Conventional بینکوں کی اسلامک بینکنگ برانچیں شامل ہیں۔ مارچ 2020 تک اسلامک بینکنگ برانچوں کی کل تعداد 3,250 ہے جن کا نیٹ ورک ملک کے 120 اضلاع میں پھیلا ہوا ہے۔

مارچ 2020 تک ملک میں اسلامک بینکنگ برانچوں والے Conventional بینکوں کی اسلامی بینکنگ ونڈوز کی کل تعداد مارچ 2020 تک 1,375 رہی۔

مالی سال 2020 اسلامی بینکاری کے اداروں کے لئے منافع بخش سال رہا۔ اسلامی بینکاری کے اداروں کی آمدنی میں 43 فیصد کا نمایاں اضافہ دیکھنے میں آیا۔ مجموعی طور پر، مالی سال 2020 میں اسلامی بینکنگ اداروں کی آمدنی 87 ارب روپے رہی جو کہ گزشتہ مالی سال میں 61 ارب روپے تھی۔ نیز بہتر کارکردگی کے سبب YoY کی بنیاد پر مالی سال 2020 میں بعد از ٹیکس منافع 34 ارب روپے رہا جو کہ گزشتہ سال 22 ارب روپے تھا۔

مجموعی طور پر اسلامی بینکاری اداروں کے کل اثاثوں کا حجم جون 2020 کے اختتام پر 3,633 ارب روپے تک پہنچ گیا جو کہ جون 2019 کے اختتام پر 2,992 ارب روپے تھا۔ Conventional بینکاری اداروں کی جانب سے سخت مقابلے کے باوجود مالی سال 2020 میں اسلامی بینکاری سیکٹر کے Deposits کی نمو Conventional بینکاری سیکٹر کے Deposits کی نموسے قدرے بہتر رہی۔ مالی سال 2020 میں Conventional بینکنگ سیکٹر کے Deposits کی

نمو تقریباً 14% رہی جبکہ اسلامک بینکنگ سیکٹر کے Deposits کی نمو 22% رہی۔ جون 2020 میں اسلامک بینکنگ سیکٹر کے Deposits کا کل حجم 2,945 ارب روپے رہا جو کہ جون 2019 میں 2,415 ارب روپے تھا۔ مالی سال 2020 کے اختتام پر اسلامی بینکاری کے اثاثوں کا مارکیٹ میں حصہ 15.3% رہا جو کہ مالی سال 2019 کے اختتام پر 14.4% تھا۔ جبکہ مالی سال 2020 میں اسلامی بینکنگ کے کل Deposits کا مارکیٹ میں حصہ مالی سال 2019 کے مقابلے میں 15.9% سے بڑھ کر 16.9% ہو گیا۔

اسلامک بینکنگ برانچوں کے بڑھتے ہوئے نیٹ ورک کے ساتھ ساتھ صارفین کی بڑھتی ہوئی تعداد کے پیش نظر Commercial بینکوں کی جانب سے اسلامک بینکنگ ونڈوز کے قیام سے اسلامک بینکنگ کے شعبے میں خاطر خواہ ترقی کی توقع کی جاسکتی ہے۔ اس کے ساتھ ساتھ برآمدات میں اضافے کی کوششوں کے تحت اسٹیٹ بینک نے LTFF Facility کے متبادل کے طور پر مداربہ کی طرز پر ILTFF Facility متعارف کی گئی ہے۔ اس کے علاوہ دیگر اسلامک بینکنگ اداروں کی جانب سے اسلامک بینکنگ مصنوعات کی فراہمی اسلامک بینکنگ صارفین کی بڑھتی ہوئی طلب کو پورا کرنے میں معاون ثابت ہوں گی۔

مستقبل کا زاویہ نگاہ

مالی سال 2020 پاکستان کی معیشت کے لئے انتہائی دشوار رہا کیونکہ حکام کی جانب سے کی گئی معاشی استحکام کی کوششوں اور 20HFY2 میں معاشی بحالی کی امیدوں کو کووڈ 19 کی وبا کے منفی اثرات نے شدید متاثر کیا۔ تاہم، حکام کی جانب سے معیشت کی بحالی، معاشی ترقی اور روزگار کے مواقع پیدا کرنے کی کوششوں کے تناظر میں امید کی جا سکتی ہے کہ معاشی سرگرمیوں میں بہتری واقع ہوگی GDP کی نمو بہتر ہوگی۔ 21QFY2 میں IMF پروگرام کی بحالی سے مجموعی طور پر کلیاتی اشاریوں میں بہتری کی توقع کی جا رہی ہے۔

مالی سال 2021 کے دوران افراط زر کی شرح 6 سے 8 فیصد تک متوقع ہے جس کی بنیادی وجہ High Base Effect ہے۔ پالیسی ریٹ میں BPS 625 کی کمی کے نتیجے میں حقیقی سود کی شرح منفی ہوچکی ہے تاہم مہنگائی کی شرح میں کمی سے حقیقی سود کی شرح کے مثبت ہو جانے کی امید کی جاسکتی ہے۔

بیرونی محاذ پر، کرنٹ اکاؤنٹ خسارے کے قابو میں رہنے کی توقع کی جا سکتی ہے کیونکہ Services درآمدات اور اجناس کی قیمتوں میں کمی نے برآمدات اور ترسیلات میں کمی کے منفی اثرات کو زائل کیا ہے۔ مزید یہ کہ قرضوں کی ادائیگیوں ملنے والی 12 ماہ کی مہلت کے نتیجے میں حکومت ادائیگیوں کے توازن میں استحکام حاصل کرنے میں کامیاب ہو جائیگی۔ مالی سال 2021 میں کرنٹ اکاؤنٹ خسارہ 4.5 سے 5.5 ارب امریکی ڈالر اور مجموعی ادائیگی کا توازن 1 سے 2 ارب امریکی ڈالر رہنے کا امکان ہے۔ مالی رخ پر، مالی سال 2020-21 میں بجٹ خسارہ بڑھنے اور GDP کے 9% سے 10% کی حد میں رہنے کا امکان ہے جس کی وجہ محصولات میں کمی اور 20QFY4 میں اضافی قلیل مدتی اخراجات ہیں۔ مالی سال 2020-21 کے وفاقی بجٹ میں کوئی نیا ٹیکس عائد نہیں کیا گیا ہے بلکہ اس کے برعکس حکومت نے ٹیکس ریلیف فراہم کیا ہے اور اس کے ساتھ ہی قلیل مدتی اخراجات میں اضافہ کیا ہے۔ ان عوامل کے پیش نظر مالی رخ پر حکومت کے پاس کچھ زیادہ گنجائش موجود نہیں رہی ہے لہذا سال 2021 میں مالی چیلنجز کے برقرار رہنے اور مالی خسارے کے 8% سے 9% کی حد میں رہنے کا امکان ہے۔

مالی سال 2021 میں معیشت کے بحرانی صورتحال سے نکلنے اور GDP کی شرح نمو 2% رہنے کا امکان ہے۔ لہذا مالی سال میں بہتر ہوتے معاشی اشاریوں کے سبب لوکل حصص مارکیٹ میں اضافے کا رجحان رہنے کا امکان ہے۔ Covid 19 کے نقصانات کے نتیجے میں منافع کی شرح میں ہونے والی کمی اور تیل کی گرتی ہوئی قیمتوں کے باوجود 10 سال کے PIBs کے منافع کی شرح کی نسبت Earnings Yield کی شرح 4% تک زائد رہی۔ اس کے برعکس گزشتہ سالوں کے دوران یہ فرق اوسطاً محض 0.7% تک محدود رہا ہے۔

اس وقت مارکیٹ میں x7.4 کے P/E پر کاروبار ہو رہا ہے جو کہ ماضی میں اوسطاً x8.5 تھا۔ جبکہ P/B 1.0x ہے جو کہ ماضی میں اوسطاً x1.8 رہا ہے جس کے سبب Rerating کی گنجائش موجود ہے۔ Dividend Yield کی شرح 6.1% ہے جو کہ خطے کے 3% کے D/Y سے کہیں زیادہ ہے۔

Market Capitalization to GDP کا تناسب 15.31% ہے۔ مزید برآں پالیسی ریٹ کی شرح میں کمی اور سرمایہ کاری کے دیگر شعبوں کی نسبت حصص میں سرمایہ کاری زیادہ منافع بخش ہے۔

فنڈ کی کارکردگی کا جائزہ

Al-Ameen Islamic Retirement Savings Fund (AIRSF) مندرجہ ذیل تین ذیلی فنڈز پر مشتمل ہے:

1. Al-Ameen Islamic Retirement Savings Fund - Equity Sub Fund
2. Al-Ameen Islamic Retirement Savings Fund - Debt Sub Fund
3. Al-Ameen Islamic Retirement Savings Fund - Money Market Sub Fund

مجموعی طور پر AIRSF کی آمدنی 320.16 ملین روپے رہی جب کہ فنڈ کا خالص منافع 291.166 ملین روپے رہا۔ سال کے اختتام پر فنڈ کا کل حجم 3,167.744 ملین روپے رہا۔

AIRSF کے ذیلی فنڈز کی کارکردگی بالترتیب درج ذیل ہے:

Al-Ameen Islamic Retirement Savings Fund - Equity Sub Fund (AIRSF - ESF) .1

مالی سال 2019-20 کے اختتام پر AIRSF - ESF کی آمدنی 155.236 ملین روپے رہی جب کہ فنڈ کا خالص منافع 132.993 ملین روپے رہا۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 1,288.48 ملین روپے اور فی یونٹ خالص قدر 578.6757 روپے رہی۔

Al-Ameen Islamic Retirement Savings Fund - Debt Sub Fund (AIRSF - DSF) .2

مالی سال 2019-20 کے اختتام پر AIRSF - DSF کی آمدنی 75.988 ملین روپے رہی جب کہ فنڈ کا خالص منافع 68.394 ملین روپے رہا۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 825.98 ملین روپے اور فی یونٹ خالص قدر 191.3011 روپے رہی۔

Al-Ameen Islamic Retirement Savings Fund - Money Market Sub Fund (AIRSF - MMSF) .3

مالی سال 2019-20 کے اختتام پر AIRSF - MMSF کی آمدنی 88.936 ملین روپے رہی جب کہ فنڈ کا خالص منافع 89.779 ملین روپے رہا۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 1,053.281 ملین روپے اور فی یونٹ خالص قدر 185.1940 روپے رہی۔

آڈیٹرز:

مالی سال کے آڈٹ کے اختتام پر URSF کے آڈیٹرز M/s BDO Ebrahim & Co نے اگلی مدت کے لئے اہل ہونے کے سبب دوبارہ تقرر کی پیشکش کی ہے۔ اس ضمن میں Audit Committee کی جانب سے مالی سال 2020-21 کے لئے M/s BDO Ebrahim & Co کے تقرر کی سفارش کی گئی ہے۔

تسلیم و تحسین:

بورڈ آف ڈائریکٹرز فنڈز کے معزز یونٹ ہولڈرز کا ان کے اعتماد اور بھروسے کے لئے شکر گزار ہے۔ مزید برآں، بورڈ آف ڈائریکٹرز تمام سٹیک ہولڈرز بشمول SBP, CDC, SECP, Shariah Advisory Board کی معاونت، رہنمائی اور تعاون کا معترف ہے۔ اس کے علاوہ کمپنی کے ملازمین کے خلوص، جذبے اور انتھک کوششوں کا بھی اعتراف کرتا ہے۔

منجانب و برائے بورڈ آف ڈائریکٹرز آف UBL Fund Managers Limited

عارف اکمل سیفی

ڈائریکٹر

یاسر قادری

چیف ایگزیکٹو آفیسر

برائے مالی سال June 30, 2020

کراچی

24 ستمبر 2020

AIRSF

Al-Ameen Islamic Retirement Savings Fund

INVESTMENT OBJECTIVE

AIRSF is a Shariah-compliant open-end fund that aims to provide a secure source of savings and regular income after retirement to the Participants. The Participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement.

Pension Fund Manager	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	BDO EBRAHIM & CO. CHARTERED
	Bank Alfalah Limited Bank Al-Habib Limited National Bank Pakistan Dubai Islamic Bank Limited BankIslami Pakistan Limited Faysal Bank Limited- Islamic Banking Habib Bank Limited Habib Metropolitan Bank Limited- Islamic Banking Meezan Bank Limited MCB Islamic Bank Limited Soneri Bank Limited - Islamic Banking United Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

Fund Manager's Report – Al-Ameen Islamic Retirement Savings Fund (AIRSF)

i) **Description of the Voluntary Pension Scheme (VPS) category and type**

Shariah Compliant Voluntary Pension Scheme / Open-end

ii) **Statement of VPS investment objective**

AIRSF is a Shariah-compliant open-end fund that aims to provide a secure source of savings and regular income after retirement to the Participants. The Participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement.

iii) **Explanation as to whether the VPS achieved its stated objective**

The Pension Scheme achieved its stated objective.

iv) **Statement of benchmark(s) relevant to the VPS**

None

v) **Comparison of the VPS performance during the period**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIRSF Debt (p.a)*	10.50%	10.87%	11.35%	11.15%	11.10%	11.53%	11.23%	10.79%	10.91%	6.67%	-4.04%	7.14%	9.00%
AIRSF Money Market (p.a)*	10.03%	10.68%	11.36%	11.13%	11.02%	11.29%	10.73%	10.50%	10.49%	6.86%	1.11%	6.85%	9.30%
AIRSF Equity	-6.85%	-8.32%	9.00%	9.74%	14.93%	4.62%	2.91%	-8.47%	-23.02%	24.49%	-0.13%	0.67%	11.49%

Al-Ameen Islamic Retirement Savings Fund	FY'20
High Volatility	11.0%
Medium volatility	10.3%
Low volatility	9.7%
Lower volatility	9.1%

vi) **Description of the strategies and policies employed during the period under review in relation to the VPS performance**

The Equity Sub Fund generated a return of 11.49% during FY20. Significant exposure was maintained in Oil & Gas Exploration Companies (27%), Fertilizer (17%) and Cement companies (11%).

The Debt Sub Fund generated a yield of 9.00% p.a. during FY20. The Debt Sub Fund maintained majority exposure in cash and government securities during the year, which benefited the performance.

The Money Market Sub Fund generated a yield of 9.30% p.a. Limited investable instruments in the Islamic money market result in fewer investment opportunities.

- vii) **Disclosure of the VPS asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

Asset Allocation (% of Total Assets)	Jun-19	Jun-20
Gop Ijarah Sukuk	0%	8%
TFC/Sukuk	0%	2%
Placements with banks	18%	88%
Cash & Equivalent	79%	2%
Others	3%	0%
Leverage	Nil	Nil
AIRSF Money Market (% of Total Assets)	Jun-19	Jun-20
Gop Ijarah Sukuk	0%	0%
TFC/Sukuk	0%	0%
Placements with banks	14%	0%
Cash & Equivalent	81%	89%
Others	4%	11%
Leverage	Nil	Nil
AIRSF Equity (% of Total Assets)	Jun-19	Jun-20
Equities	91%	92%
Cash & Equivalent	7%	7%
Others	2%	1%
Leverage	Nil	Nil

- viii) **Analysis of the VPS performance**

AIRSF DSF: FY'20 Return:	9.00% p.a.
AIRSF MSF: FY'20 Return:	9.30% p.a.
AIRSF ESF: FY'20 Return:	11.49%

ix) **Changes in total NAV and NAV per unit since the last review period or since commencement (in case of newly established VPS)**

	Net Asset Value			NAV per unit		
	30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
	Rupees (000)		%	Rupees		%
AIRSF-ESF	1,288,483	1,269,513	1.49	578.68	519.02	11.49
AIRSF-DSF	825,980	643,480	28.36	191.30	175.46	9.03
AIRSF-MSF	1,053,281	673,293	56.44	185.19	169.40	9.32

x) **Disclosure on the markets that the VPS has invested in including
- review of the market(s) invested in and returns during the period**

The scheme has 3 sub funds which invest in the shariah compliant equity and debt / money markets actively. Reviews of these markets is as follows:

Debt Market Review for FY20

During FY20, market appetite for the government securities remained strong. In twelve PIB auctions in FY20, heavy participation amounting to PKR ~5 trillion was observed, out of this Government preemptively accepted PKR ~1.9 trillion. Strong participation was mainly on the back of interest rate's peaked-out expectation in the beginning of the financial year along with the overall improvement in the fiscal position and estimates of higher external financing. Due to momentous demand, government leveraged its position by slashing the cut off rates by 628, 536 and 456 bps for 3Y, 5Y and 10Y PIBs respectively during the Fiscal year 2020.

In case of floating rate PIBs, government introduced 3Y floater PIB and 5Y floater PIB in addition to the existing 10Y floater PIB from June'20. Total participation of PKR ~1578 billion was observed in the floating rate PIB against the target of PKR ~900 billion. While government accepted PKR ~818 billion during FY'20

Stock Market Review for FY20

After a strong recovery of ~50% from its low of 28,764 points and touching its peak of 43,200 points during the mid-Jan'20, the benchmark index succumbed to host of negative triggers eroding all previous gains and appeared as worst performing since Dec'08 in the month of March'20. Major catalysts for sluggish performance of the index included 1) outbreak of Covid-19 pandemic, 2) significant fall in global oil prices as the OPEC+ members couldn't reach an agreement in the late Feb'20 3) disruption in global demand and supply and 4) fear of economic slowdown due to Covid-19. However, later the benchmark index recouped much of its losses and closes FY20 with minimal gains of 1.5% YoY primarily due to 1) significant decline in policy rate by 625 bps from 13.25% to 7% as an emergency response by the Central Bank, ii) recovery in global oil prices, iii) approval of a rapid financing facility of USD 1.4 bn by IMF along with USD 3 bn inflow from International Financial Institutions and

Commercial Banks to meet immediate fiscal and external financing requirements iv) a host of relief measures announced by the federal government to lessen the impact of Covid-19 on different sectors of the economy & v) further decline in money market yields.

Further, fear of economic slowdown and economic uncertainty created by Covid-19 forced the foreign investors to remain net seller in the equity market with offloading shares worth USD 284 mn. On the contrary, local Individuals and insurance companies bought equities worth USD213mn /128 mn respectively. In terms of activity, average volume and value traded during the period under review stood at 135 mn shares and PKR 6.2bn, up 40% / 18% YoY, respectively. Moreover, Sector wise Pharmaceuticals and Cements outperformed KSE100 by 61% and 38%, whereas Banks and E&Ps lagged the benchmark index by 12% and 9%, respectively..

xi) Description and explanation of any significant changes in the state of affairs of the VPS during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements

There were no significant changes in the state of affairs during the year under review.

xii) Breakdown of unit holdings by size

Range of Units	Number of Investors	Number of Investors	Number of Investors
	ESF	DSF	MSF
0.0001 - 9,999.9999	3,137	2,738	2,101
10,000.0000 - 49,999.9999	37	66	118
50,000.0000 - 99,999.9999	1	4	2
100,000.0000 - 499,999.9999	2	5	12
500,000.0000 & Above	-	-	1
Total	3,177	2,813	2,234

xiii) Disclosure on unit split (if any), comprising:-

There were no unit splits during the period.

xiv) Disclosure of circumstances that materially affect any interests of unit holders

Investment are subject to credit and market risk.

xv) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the VPS.

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Pension Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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TRUSTEE REPORT TO THE PARTICIPANTS

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND

**Report of the Trustee pursuant to Rule 31(h) of the Voluntary Pension System
Rules, 2005**

We, Central Depository Company of Pakistan Limited, being the Trustee of Al-Ameen Islamic Retirement Savings Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Pension Fund Manager of the Fund has in all material respects managed the Fund during the year ended June 30, 2020 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.

Abdul Samad
Chief Operating Officer
Central Depository Company of Pakistan Limited

Karachi: September 29, 2020

REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the Fund are issuing this report in accordance with the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

In the capacity of Shariah Advisor, we have prescribed criteria for Shariah compliance of equity investments which comprises of five factors such as (i) Nature of business, (ii) Interest bearing debt to total assets, (iii) Illiquid assets to total assets, (iv) Investment in non-Shariah compliant activities and income from non-compliant investments, and (v) Net liquid assets vs. share market price.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries from the Management Company personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

- i. We have reviewed and approved the modes of investments of Al-Ameen Islamic Retirement Savings Fund (AIRSF) containing three sub Funds namely Al-Ameen Islamic Retirement Savings Fund – Equity Sub Fund (AIRSF-ESF), Al-Ameen Islamic Retirement Savings Fund – Debt Sub Fund (AIRSF-DSF) and Al-Ameen Islamic Retirement Savings Fund – Money Market Sub Fund (AIRSF-MMSF) in light of Shariah requirements. The following is a list of equity investments of AIRSF-ESF as on 30 June 2020 and their evaluation according to the screening criteria established by us:

AIRSF			Interest Bearing Debt to Total Assets	Non-Compliant Investments to Total Assets	Non-Compliant Income to Total Revenue	Illiquid Assets to Total Assets	Net Liquid Assets per Share (A)		Share Market Price (B)
Sr.No.	Top Equity Scrip Holdings	Nature of Business	<37%	<33%	<5%	>25%	A	<	B
1	Man Petroleum Co. Ltd.	Explorer/Producer of Oil	0%	9%	4%	8%	485.4	<	1,413.0
2	Engro Corporation	Manufacturer of Chemicals	23%	14%	5%	48%	(93.8)	<	300.0
3	Oil And Gas Development Co. Ltd.	Explorer/Producer of Oil	0%	16%	6%	16%	125.9	<	115.7
4	The Hub Power Co. Ltd.	Generator of Electricity	33%	19%	1%	34%	(6.9)	<	83.6
5	Lucky Cement Co. Ltd.	Manufacturer of Cement	31%	1%	0%	78%	(242.5)	<	607.6
6	Pak Petroleum Ltd.	Explorer/Producer of Oil	0%	0%	1%	30%	64.2	<	100.6
7	Kohat Cement Co. Ltd.	Manufacturer of Cement	22%	3%	0%	83%	(35.5)	<	170.2
8	Engro Fertilizer Ltd.	Manufacturer of Fertilizers	23%	10%	1%	68%	(91.6)	<	62.2
9	Systems Ltd.	Technology & Communication	10%	8%	1%	29%	38.0	<	210.4
10	Pak Oilfields Ltd.	Explorer/Producer of Oil	0%	0%	6%	13%	100.5	<	437.1

In light of the above, we hereby certify that all the provisions of the Fund and investments made on accounts of AIRSF-ESF by UBL Funds are Shariah compliant and in accordance with the criteria established.

UBL Fund Managers Limited

Corporate Office

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Operations Office

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Civil Lines, Karachi, Pakistan.

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- ii. On the basis of information provided by the management all operations of AIRSF-ESF for the year ended 30 June 2020 have been in compliance with the Shariah principles.
- iii. The Management Company has been directed to set aside as charity amount earned as interest from conventional banks. In addition, there are investments made by AIRSF-ESF where Investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Management Company has been directed to set aside charity for such proportion of the income from Investee companies in order to purify the earning of the Fund.
- iv. Besides, all the provisions booked, investments made and operations conducted on account of AIRSF-DSF & AIRSF-MMSF by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.

During the year, amount of PKR 1,211,756 have been recognized as charity by AIRSF-ESF

May Allah give us strength to work in accordance with Quran and Sunnah and forgive our mistakes.



Muhammad Hassan Kaleem
Member, Shariah Advisory Board



Muhammad Najeed Khan
Member, Shariah Advisory Board

KARACHI:
DATE: 26 August 2020

INDEPENDENT AUDITOR'S REPORT TO THE PARTICIPANTS OF THE FUND

We have audited the annexed financial statements comprising:

- i Statement of Assets and Liabilities;
- ii Income Statement;
- iii Statement of Comprehensive Income;
- iv. Statement of Cash Flows; and
- v. Statement of Movement in Participants' Sub - Fund

of Al-Ameen Islamic Retirement Savings Fund ("the Fund") as at June 30, 2020 together with the notes forming part thereof, for the year then ended.

It is the responsibility of UBL Funds Managers Limited (the Pension Fund Manager) to establish and maintain a system of internal controls; and prepare and present the financial statements of the Fund in conformity with the International Accounting Standards notified under the sub-section (1) of section 225 of the Companies Act, 2017 and technical releases issued by the Institute of Chartered Accountants of Pakistan from time to time and the requirements of the Voluntary Pension System Rules, 2005 (the VPS Rules) and the Companies Act, 2017. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- a) the financial statements prepared for the year ended June 30, 2020 have been properly drawn in accordance with the relevant provisions of the trust deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) a true and fair view is given of the disposition of the Fund as at June 30, 2020 and of the transactions of the Fund for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan;
- c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- e) the accounts prepared are in agreement with the Fund's books and records;
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit; and Zakat deductible at source under the Zakat and Usher Ordinance, 1980 (XVIII of 1980) was deducted by the Fund and deposited in the Central Zakat Fund established under section 7 of that Ordinance.



Other Matter

The financial statements of the Fund for the year ended June 30, 2019 were audited by another firm of chartered accountants who had expressed an unqualified opinion thereon vide their report dated September 24, 2019.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 24 SEP 2020

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2020

		June 30, 2020				June 30, 2019				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note		----- (Rupees in '000) -----								
ASSETS										
	Bank balances	5	88,224	729,600	944,531	1,762,355	91,635	628,450	651,037	1,371,122
	Investments - Net	6	1,211,068	85,700	-	1,296,768	1,174,608	-	-	1,174,608
	Deposits and other receivables	7	18,218	17,939	115,194	151,351	26,268	20,707	28,325	75,300
	Advance income tax	8	538	513	305	1,356	538	353	281	1,172
Total assets			1,318,048	833,752	1,060,030	3,211,830	1,293,049	649,510	679,643	2,622,202
LIABILITIES										
	Payable to UBL Fund Managers Limited - Pension Fund Manager	9	2,253	1,602	1,620	5,475	2,124	945	1,055	4,124
	Payable to the Central Depository Company of Pakistan Limited - Trustee	10	136	88	110	334	143	69	75	287
	Payable to the Securities and Exchange Commission of Pakistan	11	361	209	236	806	480	200	165	845
	Accrued expenses and other liabilities	12	26,815	5,873	4,783	37,471	20,789	4,816	5,055	30,660
Total liabilities			29,565	7,772	6,749	44,086	23,536	6,030	6,350	35,916
NET ASSETS			1,288,483	825,980	1,053,281	3,167,744	1,269,513	643,480	673,293	2,586,286
PARTICIPANTS' SUB-FUNDS										
(as per statement attached)			1,288,483	825,980	1,053,281	3,167,744	1,269,513	643,480	673,293	2,586,286
Contingencies and commitments		13								
Number of Units in Issue		14	2,226,606	4,317,696	5,687,447		2,445,998	3,667,374	3,974,510	
			----- Rupees -----				----- Rupees -----			
Net Asset Value Per Unit			578.6757	191.3011	185.1940		519.02	175.46	169.40	

The annexed notes from 1 to 26 form an integral part of this financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

		June 30, 2020				June 30, 2019			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub- Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub- Fund	Total
Note		----- (Rupees in '000) -----							
Income									
Financial income	16	5,953	82,268	91,836	180,057	7,114	53,904	45,299	106,317
Capital gain / (loss) on sale of investments - net		57,432	(4,600)	(2,900)	49,932	(30,120)	(358)	174	(30,304)
Dividend income		49,793	-	-	49,793	66,779	-	-	66,779
Unrealised appreciation / (diminution) on revaluation of investments classified as financial assets at fair value through profit or loss - net		42,058	(1,680)	-	40,378	(296,068)	-	-	(296,068)
Total income / (loss)		<u>155,236</u>	<u>75,988</u>	<u>88,936</u>	<u>320,160</u>	<u>(252,295)</u>	<u>53,546</u>	<u>45,473</u>	<u>(153,276)</u>
Expenses									
Remuneration of UBL Fund Managers Limited - Pension Fund Manager	9.1	18,751	10,931	12,383	42,065	21,816	9,104	7,485	38,405
Sindh sales tax on Pension Fund Manager's remuneration	9.2	2,438	1,421	1,610	5,469	2,836	1,183	973	4,992
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10	1,662	969	1,095	3,726	1,964	820	677	3,461
Annual fee to the Securities and Exchange Commission of Pakistan	11	361	209	236	806	480	200	165	845
Auditors' remuneration	17	120	120	120	360	118	118	118	354
Securities transaction costs		2,711	35	23	2,769	2,415	10	5	2,430
Legal and professional charges		70	70	70	210	76	75	71	222
Custody and settlement charges		30	5	-	35	69	7	-	76
Charity expense		1,212	-	-	1,212	967	-	-	967
Bank and other charges		34	48	78	160	69	80	91	240
Total expenses		<u>27,389</u>	<u>13,808</u>	<u>15,615</u>	<u>56,812</u>	<u>30,810</u>	<u>11,597</u>	<u>9,585</u>	<u>51,992</u>
Net operating income / (loss) for the year		<u>127,847</u>	<u>62,180</u>	<u>73,321</u>	<u>263,348</u>	<u>(283,105)</u>	<u>41,949</u>	<u>35,888</u>	<u>(205,268)</u>
Element of income and capital gains included in the prices of units less those in units redeemed - net		7,807	7,583	18,255	33,645	6,509	1,116	9,113	16,738
Provision for Sindh Workers' Welfare Fund	12.2	(2,661)	(1,369)	(1,797)	(5,827)	-	-	-	-
Net income / (loss) for the period before taxation		<u>132,993</u>	<u>68,394</u>	<u>89,779</u>	<u>291,166</u>	<u>(276,596)</u>	<u>43,065</u>	<u>45,001</u>	<u>(188,530)</u>
Taxation	18	-	-	-	-	-	-	-	-
Net income / (loss) for the year after taxation		<u>132,993</u>	<u>68,394</u>	<u>89,779</u>	<u>291,166</u>	<u>(276,596)</u>	<u>43,065</u>	<u>45,001</u>	<u>(188,530)</u>

The annexed notes from 1 to 26 form an integral part of this financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020

	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----								
Net income / (loss) for the year after taxation	132,993	68,394	89,779	291,166	(276,596)	43,065	45,001	(188,530)
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	<u>132,993</u>	<u>68,394</u>	<u>89,779</u>	<u>291,166</u>	<u>(276,596)</u>	<u>43,065</u>	<u>45,001</u>	<u>(188,530)</u>

The annexed notes from 1 to 26 form an integral part of this financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	------(Rupees in '000) -----							
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income / (loss) for the period before taxation	132,993	68,394	89,779	291,166	(276,596)	43,065	45,001	(188,530)
Adjustments for:								
Financial income	(5,953)	(82,268)	(91,836)	(180,057)	(7,114)	(53,904)	(45,299)	(106,317)
Dividend income	(49,793)	-	-	(49,793)	(66,779)	-	-	(66,779)
Capital loss / (gain) on sale of investments	(57,432)	4,600	2,900	(49,932)	30,120	358	(174)	30,304
Unrealised appreciation / (diminution) on revaluation of investments classified as financial assets at fair value through profit or loss - net	(42,058)	1,680	-	(40,378)	296,068	-	-	296,068
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(7,807)	(7,583)	(18,255)	(33,645)	(6,509)	(1,116)	(9,113)	(16,738)
Provision for Sindh Workers' Welfare Fund	2,661	1,369	1,797	5,827	-	-	-	-
	(160,382)	(82,202)	(105,394)	(347,978)	245,786	(54,662)	(54,586)	136,538
Net cash used in operating activities before working capital changes	(27,389)	(13,808)	(15,615)	(56,812)	(30,810)	(11,597)	(9,585)	(51,992)
Decrease / (increase) in assets								
Investments - net	63,030	(91,980)	(2,900)	(31,850)	(91,351)	172,578	70,440	151,667
Deposits and other receivables	5,569	7,548	(79,655)	(66,538)	5,720	6	1	5,727
	68,599	(84,432)	(82,555)	(98,388)	(85,631)	172,584	70,441	157,394
Increase / (decrease) in liabilities								
Payable to UBL Fund Managers Limited - Pension Fund Manager	129	657	565	1,351	(317)	(72)	269	(120)
Payable to the Central Depository Company	(7)	19	35	47	(27)	(1)	31	3
Payable to the Securities and Exchange - Commission of Pakistan	(119)	9	71	(39)	(14)	13	54	53
Accrued expenses and other liabilities	3,365	(312)	(2,069)	984	37	706	(978)	(235)
	3,368	373	(1,398)	2,343	(321)	646	(624)	(299)
	44,578	(97,867)	(99,568)	(152,857)	(116,762)	161,633	60,232	105,103
Dividend income received	52,331	-	-	52,331	64,064	-	-	64,064
Financial income received	5,896	77,488	84,622	168,006	7,359	52,658	42,439	102,456
Withholding tax deducted during the year	-	(160)	(24)	(184)	(28)	(81)	(89)	(198)
Net cash generated from / (used in) operating activities	102,805	(20,539)	(14,970)	67,296	(45,367)	214,210	102,582	271,425
CASH FLOWS FROM FINANCING ACTIVITIES								
Amount received on issue of units	337,116	442,958	732,550	1,512,624	508,792	319,318	534,858	1,362,968
Amount paid on redemption of units	(499,857)	(278,995)	(409,835)	(1,188,687)	(457,900)	(343,635)	(350,105)	(1,151,640)
Reallocation among Sub-Funds	56,525	(42,274)	(14,251)	-	5,068	(15,982)	10,914	-
Net cash (used in) / generated from financing activities	(106,216)	121,689	308,464	323,937	55,960	(40,299)	195,667	211,328
Net increase/ (decrease) in cash and cash equivalents	(3,411)	101,150	293,494	391,233	10,593	173,911	298,249	482,753
Cash and cash equivalents at the beginning of the year	91,635	628,450	651,037	1,371,122	81,042	454,539	352,788	888,369
Cash and cash equivalents at the end of the year	88,224	729,600	944,531	1,762,355	91,635	628,450	651,037	1,371,122

The annexed notes from 1 to 26 form an integral part of this financial statements.

SD	For UBL Fund Managers Limited (Pension Fund Manager)	SD
CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER	DIRECTOR

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Note	June 30, 2020				June 30, 2019			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		------(Rupees in '000) -----							
Net assets at beginning of the year		1,269,513	643,480	673,293	2,586,286	1,492,286	638,457	434,735	2,565,478
Amount received on issuance of units	14 & 15	337,116	442,958	732,550	1,512,624	513,164	322,691	541,861	1,377,716
Amount paid on redemption of units - net		(499,857)	(278,995)	(409,835)	(1,188,687)	(457,900)	(343,635)	(350,105)	(1,151,640)
Reallocation among Sub-Funds		56,525	(42,274)	(14,251)	-	5,068	(15,982)	10,914	-
		(106,216)	121,689	308,464	323,937	60,332	(36,926)	202,670	226,076
Element of income and capital gains included in the prices of units sold less those in units redeemed - net		(7,807)	(7,583)	(18,255)	(33,645)	(6,509)	(1,116)	(9,113)	(16,738)
Capital gain / (loss) on sale of investments - net		57,432	(4,600)	(2,900)	49,932	(30,120)	(358)	174	(30,304)
Unrealised appreciation / (diminution) on revaluation of investments classified as financial assets at fair value through profit or loss - net		42,058	(1,680)	-	40,378	(296,068)	-	-	(296,068)
Other net income		33,503	74,674	92,679	200,856	49,592	43,423	44,827	137,842
		132,993	68,394	89,779	291,166	(276,596)	43,065	45,001	(188,530)
Net assets at the end of the year		1,288,483	825,980	1,053,281	3,167,744	1,269,513	643,480	673,293	2,586,286

The annexed notes from 1 to 26 form an integral part of this financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC RETIREMENT SAVINGS FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic Retirement Savings Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (SECP) on January 29, 2010. It has been constituted under a Trust Deed, dated November 17, 2009, between UBL Fund Managers Limited as the Pension Fund Manager, a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and the MCB Financial Services Limited as the Trustee. The trusteeship of the Fund was transferred to Central Depository Company of Pakistan Limited (CDC) (the Trustee) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014. The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are nontransferable except in the circumstances mentioned in the VPS Rules and can be redeemed by surrendering to the Fund. As per the offering document the Fund cannot distribute any income from the Fund whether in cash or otherwise.

The object of the Fund is to provide a secure source of savings and regular income after retirement to the participants. The participants would contribute to the Fund during their working life and would typically withdraw from the Fund on or after retirement age. The Fund invests in a Shariah compliant diversified portfolio of securities under the Trust Deed. All the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Shariah Advisory Council to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Fund consists of three sub-funds namely, Al-Ameen Islamic Retirement Savings Fund Equity Sub-Fund ("Equity Sub-Fund"), Al - Ameen Islamic Retirement Savings Fund Debt Sub-Fund ("Debt Sub-Fund") and Al-Ameen Islamic Retirement Savings Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The main features of the investment policy for each of the Sub-Funds are as follows:

- The Equity Sub-Fund shall invest primarily in listed equity securities with a minimum investment of 90% of its net asset value in listed shares. The investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or the paid-up capital of the investee company. The investment in a single stock exchange sector is restricted to the higher of 30% of the NAV or the index weight, subject to a maximum of 35% of the NAV. The remaining assets of the Equity Sub-Fund shall be invested in any government security having less than one year time to maturity, or in a scheduled commercial bank having credit rating of 'A'.

- The Debt Sub-Fund shall invest primarily in tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Debt Sub-Fund shall be invested in securities issued by the Federal Government and up to twenty five (25%) of the Fund may be deposited with banks having not less than "AA+" rating. In case the shariah compliant securities issued by Federal Government are not available to comply with above , the asset of a shariah compliant Debt Sub-Fund may be deposited in Islamic commercial banks, having not less than "A+" rating or Islamic windows of commercial banks, having not less than "AA" rating, or may be invested in Islamic bonds or sukuks issued by entities wholly owned by the Federal Government or in such Islamic securities which are fully guaranteed by the Federal Government. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund shall invest in short term debt instruments with time to maturity not exceeding six months, and in case of Shariah compliant Government securities, up to three years. The Fund can make investment in Shariah compliant securities issued by the Federal Government and the commercial banks having A+ rating. There are no restrictions placed by the VPS rules on such investments. The Fund can also make investment in securities issued by the provincial government, city government and government or a corporate entity (having credit rating of 'A' or higher) up to 10%, 5% and 5% of net assets of the Money Market Sub-Fund respectively.

As prescribed under the VPS rules, the Fund offers five types of allocation schemes to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility and Life Cycle Allocation. The contributors have the option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

The title to the assets of the fund is held in the name of the Trustee.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) 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; and
- Voluntary Pension System Rules, 2005 and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, the Voluntary Pension System Rules, 2005 and requirements of the Trust Deed differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, the Voluntary Pension System Rules, 2005 and requirements of the Trust Deed have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

These financial statements have been prepared by following accrual basis of accounting except for cash flows information.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the fund's functional and presentation currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.4 and 18 to these financial statements.

Impairment of financial assets

For details please refer notes 4.2.1.2 to these financial statements.

Provision for taxation

For details please refer notes 4.6 and 20 to these financial statements.

Sindh Workers' Welfare Fund

For details please refer note 12.2 to these financial statements.

Other assets

Judgement is involved in assessing the realisability of other assets balances.

3 NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED STANDARDS

3.1 Standards / amendments that are effective in current year and relevant to the Fund

The Fund has adopted the standards / amendments to the following approved accounting and reporting standards as applicable in Pakistan which became effective during the year from the dates mentioned below against the respective standard:

		Effective date (annual periods beginning on or after)
IFRS 9	Financial Instruments - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
IFRIC 23	Uncertainty over Income Tax Treatments	January 01, 2019

Other than the Amendments to standards mentioned above, there are certain annual improvements made to IFRS that became effective during the year:

Annual improvements to IFRSs (2015 – 2017) Cycle:

IFRS 3	Business Combinations	January 01, 2019
IFRS 11	Joint Arrangements	January 01, 2019
IAS 12	Income Taxes	January 01, 2019
IAS 23	Borrowing Costs	January 01, 2019

3.2 Amendments that are effective in current year and not relevant to the Fund

The Fund has adopted the Amendments to the following approved accounting standards as applicable in Pakistan which became effective during the year from the dates mentioned below against the respective standard and are not relevant to the Fund :

		Effective date (annual periods beginning on or after)
IFRS 8	Operating Segments - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
IFRS 16	Leases - Original issue	January 01, 2019
IAS 19	Employee benefits - Amendments regarding plan Amendments, curtailments or settlements	January 01, 2019
IAS 28	Investments in Associates and Joint Ventures - Amendments regarding long-term interests in associates and joint ventures	January 01, 2019
IFRS 14	Regulatory Deferral Accounts - Original issue	July 01, 2019

3.3 Amendments not yet effective

The following Amendments to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard:

	Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update these pronouncements with regard to references to and quotes from the framework or to indicate where they refer to different version of the Conceptual Framework.	January 01, 2020
IFRS 3	Business Combinations - Amendments to clarify the definition of a business	January 01, 2020
IFRS 3	Business Combinations - Amendments updating a reference to the Conceptual Framework	January 01, 2022
IFRS 4	Insurance Contracts - Amendments regarding the expiry date of the deferral approach	January 01, 2023

		Effective date (annual periods beginning on or after)
IFRS 7	Financial Instruments: Disclosures - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2020
IFRS 9	Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2020
IFRS 9	Financial Instruments - Amendments regarding the interaction of IFRS 4 and IFRS 9	January 01, 2023
IFRS 16	Leases - Amendment to provide lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification	January 01, 2020
IFRS 17	Insurance Contracts - Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published	January 01, 2023
IAS 1	Presentation of Financial Statements - Amendments regarding the definition of materiality	January 01, 2020
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities	January 01, 2022
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of materiality	January 01, 2020
IAS 16	Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	January 01, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous	January 01, 2022
IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2020

The annual improvements to IFRSs that are effective from the dates mentioned below against respective standards:

**Effective date
(annual periods
beginning on or
after)**

Annual improvements to IFRSs (2018 – 2020) Cycle:

IFRS 1	First-time Adoption of International Financial Reporting Standards	January 01, 2022
IFRS 9	Financial Instruments	January 01, 2022
IFRS 41	Agriculture	January 01, 2020

3.4 Standards or interpretations not yet effective

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts

The Funds expects that the adoption of the other amendments and interpretations of the standards will not have any material impact and therefore will not affect the Fund's financial statements in the period of initial application.

4 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied, unless otherwise stated.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at nominal amount.

4.2 Financial instruments

4.2.1 Financial assets

4.2.1.1 Classification and measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified and measured at: amortised cost, fair value through other comprehensive income (FVOCI) – debt investment, FVOCI – equity investment or fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model on which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (refer note 4.2.1.2). Interest income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

4.2.1.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly investment, advances and deposits, dividend and profit receivable and bank balances.

SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012 dated October 24, 2012 in relation to impairment of debt securities.

4.2.1.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.1.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.2.3 Offsetting of financial assets and liabilities

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

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from Income Tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

4.5 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less an amount that the Pension Fund Manager may consider to be an appropriate provision of duties and charges. Redemption of units is recorded on acceptance of application for redemption.

4.6 Element of income

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less an amount that the Pension Fund Manager may consider to be an appropriate provision of duties and charges. Redemption of units is recorded on acceptance of application for redemption.

The 'element of income / (loss) and capital gains / (losses) in prices of units issued less those in units redeemed' during the year is transferred to the 'income statement'.

4.7 Net assets value per unit

The net assets value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.8 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.

- Dividend income from equity securities is recognised when the right to receive the dividend is established.
- Profit on bank deposits is recognised on a time apportionment basis.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.
- Return on Government securities, Sukuks, bank balances and term deposits are recognised at the rate of return implicit in the instrument on a time proportionate basis.

4.9 Expenses

All expenses including NAV based expenses are recognised in the income statement on a time apportionment basis.

4.10 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the income statement.

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

5. BANK BALANCES

		June 30, 2020				June 30, 2019			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		----- (Rupees in '000) -----							
Profit and loss sharing accounts	5.1	62,864	719,254	933,139	1,715,257	51,862	512,363	548,020	1,112,245
Current accounts	5.2	25,360	10,346	11,392	47,098	39,773	2,087	5,017	46,877
Term deposit receipts	5.3	-	-	-	-	-	114,000	98,000	212,000
		<u>88,224</u>	<u>729,600</u>	<u>944,531</u>	<u>1,762,355</u>	<u>91,635</u>	<u>628,450</u>	<u>651,037</u>	<u>1,371,122</u>

5.1 Profit rate on these accounts ranges between 2.312% to 8.25% (2019: 3.70% to 12.25%) per annum. This includes an amount held by a related party (United Bank Limited) amounting to Rs. 411.798 million (2019: Rs. 253.681 million) on which return is earned at 7.50% (2019: 8.25%) per annum.

5.2 This includes an amount held by a related party (United Bank Limited) amounting to Rs. 13.739 million (2019: Rs. 3.446 million).

5.3 Profit rate on the term deposit receipts is nil (2019: 6.40% to 12.50%) per annum.

6. INVESTMENTS -NET

		June 30, 2020				June 30, 2019			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		----- (Rupees in '000) -----							
Investments by category:									
Fair value through profit or loss									
Listed equity securities	6.1	1,211,068	-	-	1,211,068	1,174,608	-	-	1,174,608
Government securities - Ijarah Sukuk Certificates	6.2	-	70,325	-	70,325	-	-	-	-
Debt securities - privately placed sukuk certificates	6.3	-	15,375	-	15,375	-	-	-	-
		1,211,068	85,700	-	1,296,768	1,174,608	-	-	1,174,608

6.1 Equity securities - Fair Value Through Profit or Loss
(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Name of Investee Company	As at July 1, 2019	Purchased/ bonus/rights received during the year	Sold during the year	As at June 30, 2020	Total carrying value as at June 30, 2020	Total market value as at June 30, 2020	Unrealised appreciation / (diminution) on revaluation of investments	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company	
Quoted investments	Note	-----Number of shares-----			-----Rupees in '000-----			-----Percentage-----			
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars (Pakistan) Limited	-	30,000	29,000	1,000	153	194	41	0.02	0.02	0.00	
					153	194	41	0.02	0.02	0.00	
AUTOMOBILE PARTS & ACCESSORIES											
Thal Limited	67,650	55,300	19,700	103,250	35,615	33,550	(2,065)	2.60	2.77	0.25	
					35,615	33,550	(2,065)	2.60	2.77	0.25	
CEMENT											
Attock Cement Company Limited	-	26,500	1,000	25,500	2,678	3,178	500	0.25	0.26	0.00	
Cherat Cement Company Limited	227,700	80,000	307,700	-	-	-	-	0.00	0.00	0.00	
Kohat Cement Company Limited	566,280	396,000	538,500	423,780	24,929	58,249	33,320	4.52	4.81	0.21	
Lucky Cement Company Limited	97,400	146,800	59,495	184,705	77,417	85,256	7,839	6.62	7.04	0.06	
Maple Leaf Cement Factory Limited	50,000	610,000	482,500	177,500	4,518	4,611	93	0.36	0.38	0.02	
Pioneer Cement Limited	141,300	-	141,300	-	-	-	-	0.00	0.00	0.00	
					109,542	151,294	41,752	11.75	12.49	0.29	
CHEMICALS											
Engro Polymer And Chemicals Limited	1,395,990	721,500	1,631,000	486,490	13,991	12,153	(1,838)	0.94	1.00	0.05	
ICI Pakistan Limited	5,800	12,000	4,600	13,200	8,883	9,170	287	0.71	0.76	0.01	
Ittehad Chemicals Limited	-	250,000	10,000	240,000	5,081	6,324	1,243	0.49	0.52	0.00	
Lotte Chemical Pakistan Limited		701,000	700,000	1,000	10	10	-	0.00	0.00	0.00	
Sitara Chemicals Industries Limited	100,600	-	5,000	95,600	29,241	26,492	(2,749)	2.06	2.19	0.45	
					57,206	54,149	(3,057)	4.20	4.47	0.51	
COMMERICAL BANKS											
Meezan Bank Limited	739,972	204,500	454,000	490,472	40,428	33,769	(6,659)	2.62	2.79	0.04	
					40,428	33,769	(6,659)	2.62	2.79	0.04	
ENGINEERING											
International Industries Limited	61,600	170,410	232,010	-	-	-	-	0.00	0.00	0.00	
International Steels Limited	51,000	-	51,000	-	-	-	-	0.00	0.00	0.00	
					-	-	-	0.00	0.00	0.00	
FERTILIZER											
Engro Corporation Limited	6.1.1	356,180	184,625	122,400	418,405	116,832	122,559	5,727	9.51	10.12	0.03
Engro Fertilizer Limited		654,500	905,000	651,500	908,000	54,502	54,734	232	4.25	4.52	0.04
Fatima Fertilzer Company Limited			463,000	-	463,000	12,265	12,376	111	0.96	1.02	0.00
Fauji Fertilizer Company Limited		527,000	189,000	428,500	287,500	27,656	31,622	3,966	2.45	2.61	0.05
					211,255	221,291	10,036	17.17	18.27	0.12	
FOOD & PERSONAL CARE PRODUCTS											
Al-Shaheer Corporation Limited		408,500	552,920	745,710	215,710	2,658	2,468	(190)	0.19	0.20	0.20
Shezan International Limited		86,590	-	5,000	81,590	34,469	18,266	(16,203)	1.42	1.51	0.02
					37,127	20,734	(16,393)	1.61	1.71	0.22	
GLASS & CERAMICS											
Tariq Glass Industries Limited		12,100	177,500	181,100	8,500	646	548	(98)	0.04	0.05	0.00
					646	548	(98)	0.04	0.05	0.00	
INV. BANKS/ INV. COS. / SECURITIES COS.											
Dawood Hercules Corporation Limited		122,800	1,600	75,600	48,800	5,427	6,243	816	0.48	0.52	0.56
					5,427	6,243	816	0.48	0.52	0.56	
LEATHER & TANNERIES											
Service Industries Limited		37,175	-	37,175	-	-	-	0.00	0.00	0.00	
					-	-	-	0.00	0.00	0.00	

Name of Investee Company		As at July 1, 2019	Purchased/ bonus/rights received during the year	Sold during the year	As at June 30, 2020	Total carrying value as at June 30, 2020	Total market value as at June 30, 2020	Unrealised appreciation / (diminution) on revaluation of investments	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company
Quoted investments	Note	-----Number of shares-----				-----Rupees in '000-----			-----Percentage-----		
MISCELLANEOUS											
Synthetic Products Limited		589,500	136,900	252,500	473,900	10,247	19,705	9,458	1.53	1.63	0.10
Tri-Pack Films limited		39,000	-	1,000	38,000	2,521	3,461	940	0.27	0.29	0.00
						12,768	23,166	10,398	1.80	1.92	0.10
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited		103,185	38,488	41,800	99,873	93,564	123,508	29,944	9.59	10.20	0.04
Oil and Gas Development Company Limited		809,400	578,500	360,861	1,027,039	129,246	111,947	(17,299)	8.69	9.24	0.04
Pak Oilfields Limited		147,920	22,700	33,400	137,220	55,083	48,113	(6,970)	3.73	3.97	0.10
Pak Petroleum Limited		480,430	357,686	37,400	800,716	96,422	69,486	(26,936)	5.39	5.74	0.54
						374,315	353,054	(21,261)	27.40	29.15	0.72
OIL & GAS MARKETING COMPANIES											
Pakistan State Oils Company Limited	6.1.1 & 6.1.2	247,728	135,545	177,027	206,246	31,311	32,620	1,309	2.53	2.69	0.23
						31,311	32,620	1,309	2.53	2.69	0.23
PAPER & BOARD											
Century Paper and Board Mills Limited		380,600	40,000	80,000	340,600	10,474	24,377	13,903	1.89	2.01	0.24
Cherat Packaging Limited			4,000	4,000	-	-	-	-	0.00	0.00	0.00
Packages Limited		49,500	-	48,500	1,000	301	347	46	0.03	0.03	0.00
Roshan Packages Limited			30,000	-	30,000	536	673	137	0.05	0.06	0.00
						11,311	25,397	14,086	1.97	2.10	0.24
PHARMACEUTICALS											
Ferozsons Laboratories Limited		73,200	-	73,200	-	-	-	-	0.00	0.00	0.00
Highnoon Laboratories Limited	6.1.2	8,666	5,646	7,200	7,112	2,854	3,565	711	0.28	0.29	0.00
IBL Healthcare Limited			45,500	-	45,500	3,413	3,524	111	0.27	0.29	0.00
The Searle Company Limited	6.1.2	73,636	90,000	88,800	74,836	14,784	14,910	126	1.16	1.23	0.00
						21,051	21,999	948	1.71	1.81	-
POWER GENERATION & DISTRIBUTION											
Hub Power Company Limited		1,488,591	322,599	626,000	1,185,190	93,141	85,926	(7,215)	6.67	7.10	0.32
K-Electric Limited		1,885,000	-	1,825,000	60,000	263	181	(82)	0.01	0.01	0.02
Pakgen Power Limited		795,000	172,500	100,000	867,500	12,569	10,419	(2,150)	0.81	0.86	2.24
Saif Power Limited		654,000	10,000	10,000	654,000	12,287	10,510	(1,777)	0.82	0.87	0.74
						118,260	107,036	(11,224)	8.31	8.84	3.32
REFINERY											
National Refinery Limited		61,800	-	61,800	-	-	-	-	0.00	0.00	0.00
						-	-	-	-	-	-
TECHNOLOGY & COMMUNICATION											
Avanceon Limited	6.1.2	2,013	201	-	2,214	99	78	(21)	0.01	0.01	0.00
Systems Limited		242,550	46,500	20,500	268,550	25,675	49,327	23,652	3.83	4.07	0.13
						25,774	49,405	23,631	3.84	4.08	0.13
TEXTILE COMPOSITE											
Kohinoor Textile Mills Limited		275,000	755,500	27,000	1,003,500	30,021	35,634	5,613	2.77	2.94	0.34
Nishat Mills Limited		428,200	155,000	83,000	500,200	45,199	39,021	(6,178)	3.03	3.22	0.14
						75,220	74,655	(565)	5.80	6.16	0.48
TRANSPORT											
Pakistan National Shipping Corporation Limited			26,000	-	26,000	1,600	1,964	363	0.15	0.16	0.02
						1,600	1,964	363	0.15	0.16	0.02
Total June 30, 2020						1,169,009	1,211,068	42,058			
Total June 30, 2019						1,470,676	1,174,608	(296,068)			

6.1.1 The above equity security include 0.1 million shares (June 30, 2019: 0.07 million shares) pledged with National Clearing Company of Pakistan Limited having market value of Rs. 19.850 million (June 30, 2019: Rs. 11.871 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. An investee company of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 1.356 million (June 30, 2019: Rs. 1.02 million) at period end. Such shares have not been deposited by the investee company in CDC account of Income Tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at year end. However, through Finance Act 2018, the tax on bonus is withdrawn.

Finance Act, 2018 effective from July 01, 2018 has omitted Section 236M of the ITO, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold 5% of the bonus shares to be issued. Accordingly, post July 01, 2018, shares are not being withheld at the time of bonus issue.

6.2 Government securities - Ijarah Sukuk Certificates - at fair value through profit or loss

The details of investment in Ijarah Sukuk Certificates of Rs. 100,000 each are as follows:

Particulars	As at July 1, 2019	Purchased during the year	Sold / matured during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised appreciation / (diminution) on revaluation of investments	Percentage in relation to	
								Market value as a percentage of Total Investment of the Sub Fund	Market value as a percentage of net assets of the Sub Fund
-----Number of certificates----- (Rs in "000")----- (%)-----									
Held by Debt Sub-Fund									
Government Of Pakistan Ijara Sukuk	-	725,000	-	725,000	72,500	70,325	(2,175)	82.06	8.51
Held by Money Market Sub-Fund									
Government Of Pakistan Ijara Sukuk	-	1,000,000	1,000,000	-	-	-	-	0.00	0.00
Total as at June 30, 2020					72,500	70,325	(2,175)	82.06	8.51
Total as at June 30, 2019					-	-	-		

6.3 Debt securities - Privately placed sukuk certificates - at fair value through profit and loss

The details of investment in Sukuk certificates of Rs 1,000,000 each unless indicated otherwise are as follows:

Particulars	As at July 1, 2019	Purchased during the year	Sold / matured during the year	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised appreciation / (diminution) on revaluation of investments	Percentage in relation to	
								Market value as a percentage of total investment of the sub fund	Market value as a percentage of net assets of the sub fund
-----Number of certificates----- (Rs in "000")----- (%)-----									
Held by Debt Sub-Fund									
Meezan Bank Limited (Certificates of Rs 1,000,000 each)	-	15	-	15	14,880	15,375	495	17.94	1.86
Total as at June 30, 2020					14,880	15,375	495	17.94	1.86
Total as at June 30, 2019					-	-	-		

7. DEPOSITS AND OTHER RECEIVABLES

Particulars	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Dividend receivable	4,672	-	-	4,672	7,210	-	-	7,210
Profit receivable on bank balances and								
Term Deposit Receipts	491	8,890	12,030	21,411	432	5,629	5,942	12,003
Profit receivable on investments	-	1,520	1,125	2,645	-	-	-	-
Receivable against main collection account								
against issuance of units	5,618	7,405	4,805	17,828	13,562	14,978	22,283	50,823
Security deposit with the Central Depository								
Company Limited	100	100	-	200	100	100	100	300
NCCPL deposit	2,500	-	100	2,600	2,500	-	-	2,500
Receivable against sale of investment	4,837	-	97,100	101,937	2,464	-	-	2,464
Other receivables	-	24	34	58	-	-	-	-
	18,218	17,939	115,194	151,351	26,268	20,707	28,325	75,300

8. ADVANCE INCOME TAX

The income of the fund is exempt from tax under Clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance 2001 and funds is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding tax under section 150, 150A and 151 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015 made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001. The management is confident that the same shall be refunded after filing refund application within stipulated time.

9. PAYABLE TO UBL FUND MANAGERS LIMITED - PENSION FUND MANAGER

Remuneration fee (including Sindh									
Sales Tax there against)	9.1 & 9.2	1,772	1,140	1,427	4,339	1,790	866	906	3,562
Sales load and conversion charges		475	446	177	1,098	333	74	143	550
Other payable		6	16	16	38	1	5	6	12
		2,253	1,602	1,620	5,475	2,124	945	1,055	4,124

- 9.1 As per the provisions of the Voluntary Pension System Rules, 2005, the Pension Fund Manager, is allowed to charge an annual management fee of 1.5% of the average of the values of the net assets of each of the Sub-Funds. Accordingly, the management fee has been accrued at 1.5% per annum of the average daily net assets of the Sub-Funds. The amount of remuneration is being paid monthly in arrears.
- 9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2019: 13%) on the remuneration of the Pension Fund Manager through the Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

The Trustee is entitled to remuneration of 0.15% per annum of the net assets value of the Fund, where the net assets are upto Rs. 1 billion. The rates applicable for Trustee's remuneration on net assets exceeding Rs. 1 billion are as follows:

Net assets	Tariff per annum
Up to Rs. 1,000 million	0.15% p.a of NAV
Exceeding Rs. 1,000 million up to Rs. 3,000 million	Rs. 1.5 million plus 0.10% p.a of NAV exceeding Rs. 1,000 million
Exceeding Rs. 3,000 million up to Rs. 6,000 million	Rs. 3.5 million plus 0.08% p.a of NAV exceeding Rs. 3,000 million
Exceeding Rs. 6,000 million	Rs. 5.9 million plus 0.06% p.a of NAV exceeding Rs. 6,000 million

11. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to the Securities and Exchange Commission of Pakistan (SECP) in accordance with rule 36 of the Voluntary Pension Rules, 2005 whereby the Fund is required to pay SECP an amount equal to one thirtieth of 1% of the average annual net asset value of each of the Sub-funds. SECP vide S.R.O.1620 (1) /2019 has revised its annual fee 0.025% per annum of average daily net assets of the Fund, applicable from January 01, 2020. During the year, Management Company has charged the fee accordingly.

12. ACCRUED EXPENSES AND OTHER LIABILITIES

Particulars		June 30, 2020				June 30, 2019			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Auditors' remuneration		119	119	119	357	69	69	69	207
Brokerage and other payable		5,627	1,177	1,175	7,979	2,312	1,539	3,293	7,144
Provision of Indirect Taxes and Duties	12.1	5,019	2,481	1,340	8,840	5,019	2,481	1,340	8,840
Provision of Sindh Workers' Welfare Fund	12.2.	16,050	2,096	2,149	20,295	13,389	727	353	14,469
		26,815	5,873	4,783	37,471	20,789	4,816	5,055	30,660

12.1 Provision of Indirect Taxes and Duties

As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Pension Fund Manager was applied with effect from June 13, 2013. The Pension Fund Manager is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Pension Fund Manager jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED since June 13, 2013.

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Therefore, no provision for FED has been recorded after June 30, 2016.

On June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after the 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Honorable Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Pending the adjudication in the SCP, the Pension Fund Manager, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 4.051 million (2019: Rs. 4.051 million), Rs. 1.836 million (2019: Rs. 1.836 million) and Rs. 1.097 million (2019: Rs. 1.097 million) for Equity sub-fund, Debt sub-fund and Money Market sub-fund respectively. Had the provision not been made, the net asset value per unit of Equity sub-fund, Debt sub-fund and Money Market sub-fund as at June 30, 2020 would have been higher by Rs. 1.82, Rs. 0.42 and Rs. 0.20 (June 30, 2019: Rs. 1.66, Rs. 0.50 and Rs. 0.28) respectively.

12.2 Provision of Sindh Workers' Welfare Fund

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs. 500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan and ultimately in the Supreme Court of Pakistan. On 10 November 2016, the SCP passed a judgment declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently, the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

Further, as a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014. SWWF Act 2014, enacted on 21 May 2015, requires every Industrial Establishment located in the province of Sindh and having total income of Rs. 500,000 or more in any year of account commencing on or after the date of closing of account on or after 31 December 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of "Industrial Undertaking" but does not define Financial Institution. The Pension Fund Manager, based on an opinion obtained by the Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay Sindh WWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters during financial year ended June 30, 2017. Based on such legal advice (which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited), MUFAP had recommended to all its members to reverse the Federal WWF and start recording of Sindh WWF. Consequently, the Equity sub-fund, Debt sub-fund and Money Market sub-fund has recorded provision of Rs. 5.826 (June 2019: Rs. Nil) for the year and Rs. 16.050 million, Rs. 2.096 million and Rs. 2.149 million (June 2019:Rs. 13.389 million, Rs. 0.727 million and Rs. 0.353 million), respectively, in aggregate in respect of SWWF.

Had the provision not been made, it would have resulted in an increase in the net assets value per unit by Rs. 7.21, Rs. 0.50 and Rs. 0.38 (30 June 2019: Rs. 6.56, Rs. 0.57 and Rs. 0.54) of Equity sub fund, Debt sub fund and Money Market sub fund, respectively.

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 (2019 : Nil).

14. NUMBER OF UNITS IN ISSUE

Particulars	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Total units outstanding at the beginning of the year	2,445,998	3,667,374	3,974,510	10,087,882	2,360,849	3,899,731	2,750,091	9,010,671
Units issued during the year	592,260	2,404,061	4,124,911	7,121,232	845,630	1,915,016	3,316,097	6,076,743
Effect of reallocation	109,546	(240,419)	(83,952)	(214,825)	8,136	(97,588)	69,020	(20,432)
Units redeemed during the year	(921,198)	(1,513,320)	(2,328,022)	(4,762,540)	(768,617)	(2,049,785)	(2,160,698)	(4,979,100)
Total units in issue at the end of the year	2,226,606	4,317,696	5,687,447	12,231,749	2,445,998	3,667,374	3,974,510	10,087,882

15. CONTRIBUTION TABLE

Contribution (net of front end fee) received during the year

From:	As at June 30, 2020							
	Equity Sub Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)
Individuals	592,260	337,116	2,404,061	442,958	4,124,911	732,550	7,121,232	1,512,624

From:	As at June 30, 2019							
	Equity Sub Fund		Debt Sub-Fund		Money Market Sub-		Total	
	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)	Units	Rupees (000)
Individuals	845,630	513,164	1,915,016	322,691	3,316,097	541,861	6,076,743	1,377,716

16. FINANCIAL INCOME

Particulars	June 30, 2020				June 30, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Profit on Government of Pakistan -Ijarah Sukuk	-	2,069	1,126	3,195	-	6,223	3,574	9,797
Profit on Privately Placed Sukuks	-	1,155	-	1,155	-	557	-	557
Profit on bank balances	5,953	78,419	90,173	174,545	7,114	40,233	35,402	82,749
Profit on Term Deposit Receipts	-	625	537	1,162	-	6,891	6,323	13,214
	5,953	82,268	91,836	180,057	7,114	53,904	45,299	106,317

17. AUDITOR'S REMUNERATION

Annual Audit fee	66	66	66	198	64	64	64	192
Half yearly review fee	39	39	39	117	39	39	39	117
Out of pocket expenses	15	15	15	45	15	15	15	45
	120	120	120	360	118	118	118	354

18. TAXATION

The income of the Fund is exempt from income tax under clause 57(3) (viii) of part I of the Second Schedule to the Income Tax Ordinance, 2001. Therefore, no provision has been made for current and deferred taxation in these financial statements.

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

19. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 19.1 Connected persons / related parties comprise of United Bank Limited (holding Company of Pension Fund Manager), UBL Fund Managers Limited (Pension Fund Manager), Al - Ameen Financial Services (Private) Limited (subsidiary of pension fund managers), collective investment schemes managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, entities under common management or directorships, and Central Depository Company of Pakistan Limited (Trustee).
- 19.2 Remuneration of the Pension Fund Manager and trustee is determined in accordance with the provisions of VPS Rules, and the Trust Deed.
- 19.3 Other transactions with the related parties / connected persons are carried out at agreed / commercial terms.
- 19.4 Details of transactions with related parties / connected persons during the and balances held with them at the year ended June 30, 2020 are as follows:

Particulars	Pension Fund Manager	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons
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----- For the year ended June 30, 2020 -----

Equity Sub Fund

Transactions during the year

----- (Rupees in '000) -----

Profit on PLS accounts	-	5,259	-	-	-	-
Bank charges	-	25	-	-	-	-
Units issued	-	-	-	-	5,315	-
Units redeemed	-	-	-	-	5,173	-
Remuneration including sales tax	21,189	-	1,662	-	-	-
CDS expense	-	-	30	-	-	-

Balances held

----- As at June 30, 2020 -----

----- (Units in '000) -----

Units held	-	-	-	-	23	230
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	13,310	133,095
Bank balances	-	66,079	-	-	-	-
Deposits	-	-	-	-	-	-
Profit receivable	-	484	-	-	-	-
Remuneration payable	1,766	-	136	-	-	-
Sales load and other payable	481	-	-	-	-	-
Other payable	6	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives**	Other connected persons
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----- For the year ended June 30, 2019 -----

Equity Sub Fund

Transactions during the year

----- (Rupees in '000) -----

Profit on PLS accounts	-	5,590	-	-	-	-
Bank charges	-	54	-	-	-	-
Units issued	-	-	-	-	5,038	-
Units redeemed	-	-	-	-	2,065	-
Remuneration including sales tax	24,652	-	1,964	-	-	-
CDS expense	-	-	69	-	-	-

Particulars	Pension Fund Manager	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons
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Balances held

----- As at June 30, 2019 -----

----- (Units in '000) -----

Units held	-	-	-	-	21	-
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	10,899	-
Bank balances	-	45,661	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	334	-	-	-	-
Remuneration payable	1,790	-	143	-	-	-
Sales load and other payable	333	175	-	-	-	-
Other payable	1	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons
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----- For the year ended June 30, 2020 -----

Debt Sub Fund

Transactions during the year

----- (Rupees in '000) -----

Profit on PLS accounts	-	13,086	-	-	-	-
Bank charges	-	37	-	-	-	-
Units issued	-	-	-	-	1,727	66,102
Units redeemed	-	-	-	-	855	2,760
Remuneration including sales tax	12,352	-	969	-	-	-
CDS expense	-	-	5	-	-	-

Balances held

----- As at June 30, 2020 -----

----- (Units in '000) -----

Units held	-	-	-	-	58	486
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	11,095	92,972
Bank balances	-	156,200	-	-	-	-
Deposits	-	-	-	-	-	-
Profit receivable	-	921	-	-	-	-
Remuneration payable	1,124	-	88	-	-	-
Sales load and other payable	462	-	-	-	-	-
Other payable	16	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons
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----- For the year ended June 30, 2019 -----

Debt Sub Fund

Transactions during the year

----- (Rupees in '000) -----

Profit on PLS accounts	-	6,046	-	-	-	-
Bank charges	-	65	-	-	-	-
Units issued	-	-	-	-	1,844	-
Units redeemed	-	-	-	-	1,089	-
Remuneration including sales tax	10,287	-	820	-	-	-
CDS expense	-	-	7	-	-	-

Particulars	Pension Fund Manager	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons
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Balances held

----- As at June 30, 2019 -----

----- (Units in '000) -----

Units held	-	-	-	-	53	-
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	9,299	-
Bank balances	-	88,339	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable						
Remuneration payable	866	-	69	-	-	-
Sales load and other payable	74	57	-	-	-	-
Other payable	6	-	-	-	-	-

Particulars	Pension Fund Manager	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons
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----- For the year ended June 30, 2020 -----

Money Market Sub Fund

Transactions during the year

----- (Rupees in '000) -----

Profit on PLS accounts	-	15,160	-	-	-	-
Bank charges	-	67	-	-	-	-
Units issued	-	-	-	-	1,251	-
Units redeemed	-	-	-	-	1,155	-
Remuneration including sales tax	13,993	-	1,095	-	-	-

Balances held

----- As at June 30, 2020 -----

----- (Units in '000) -----

Units held	-	-	-	-	17	-
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----- (Rupees in '000) -----

Value of units held	-	-	-	-	3,148	-
Bank balances	-	203,259	-	-	-	-
Deposits	-	-	-	-	-	-
Profit receivable	-	1,237	-	-	-	-
Remuneration payable	1,411	-	110	-	-	-
Sales load and other payable	193	-	-	-	-	-
Other payable	16	-	-	-	-	-

----- For the year ended June 30, 2019 -----

Money Market Sub Fund

Transactions during the year

----- (Rupees in '000) -----

Profit on PLS accounts	-	6,923	-	-	-	-
Bank charges	-	80	-	-	-	-
Units issued	-	-	-	-	570	-
Units redeemed	-	-	-	-	360	-
Remuneration including sales tax	8,458	-	677	-	-	-

Particulars	Pension Fund Manager	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives**	Other Connected persons
<u>Balances held</u>	----- As at June 30, 2019 -----					
	----- (Units in '000) -----					
Units held	-	-	-	-	16	-
	----- (Rupees in '000) -----					
Value of units held	-	-	-	-	2,710	-
Bank balances	-	123,126	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	1,121	-	-	-	-
Remuneration payable	906	-	75	-	-	-
Sales load and other payable	143	38	-	-	-	-
Other Payable	6	-	-	-	-	-

* This represents parent (including the related subsidiaries of the parent) of the Pension Fund Managers, associated companies / undertakings of the Pension Fund Managers, its parents and the related subsidiaries.

** These include transactions and balances in relation to the entities where common directorship exists as at year end. However, it does not include the transactions and balances whereby the common director resigned from the Board of the Pension Fund Managers during the year.

20. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	June 30, 2020									
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Total
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	

----- (Rupees in '000) -----

Financial assets

Bank balances	88,224	-	88,224	729,600	-	729,600	944,531	-	944,531	1,762,355
Investments - net	-	1,211,068	1,211,068	-	85,700	85,700	-	-	-	1,296,768
Deposit and other receivable	18,218	-	18,218	17,939	-	17,939	115,194	-	115,194	151,351
	106,442	1,211,068	1,317,510	747,539	85,700	833,239	1,059,725	-	1,059,725	3,210,474

Particulars	June 30, 2019									
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Total
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	

----- (Rupees in '000) -----

Financial assets

Bank balances	91,635	-	91,635	628,450	-	628,450	651,037	-	651,037	1,371,122
Investments - net	-	1,174,608	1,174,608	-	-	-	-	-	-	1,174,608
Deposit and other receivable	26,268	-	26,268	20,707	-	20,707	28,325	-	28,325	75,300
	117,903		1,292,511	649,157		649,157	679,362		679,362	2,621,030

Particulars	June 30, 2020									
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Total
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	

----- (Rupees in '000) -----

Financial liabilities

Payable to UBL Fund

Manager Limited -

Pension Fund Manager	2,253	-	2,253	1,602	-	1,602	1,620	-	1,620	5,475
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Payable to the Central

Depository Company of

Pakistan Limited - Trustee	136	-	136	88	-	88	110	-	110	334
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Accrued expenses and

other liabilities	5,746	-	5,746	1,296	-	1,296	1,294	-	1,294	8,336
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	8,135	-	8,135	2,986	-	2,986	3,024	-	3,024	14,145
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Particulars	June 30, 2019									
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund			Total
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	

----- (Rupees in '000) -----

Financial liabilities

Payable to UBL Fund

Manager Limited -

Pension Fund Manager	2,124	-	2,124	945	-	945	1,055	-	1,055	4,124
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Payable to the Central

Depository Company of

Pakistan Limited - Trustee	143	-	143	69	-	69	75	-	75	287
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Accrued expenses and

other liabilities	2,381	-	2,381	1,608	-	1,608	3,362	-	3,362	7,351
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	4,648	-	4,648	2,622	-	2,622	4,492	-	4,492	11,762
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21. FINANCIAL RISK MANAGEMENT

The Fund's objective in managing risks is the creation and protection of participants' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Fund's continuing profitability.

Monitoring and controlling risks are primarily set up to be performed based on the limits established by the internal controls set on different activities of the Fund by the Board of Directors. These controls and limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. In addition, the Fund monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risks type and activities.

The policy of the Fund is to make investments only in designated authorised investments approved by the Investment Committee.

The Fund primarily invests in listed equity securities, government securities, term finance certificates, sukuk certificates and deposits with scheduled banks. These activities are exposed to a variety of financial risks such as: market risks, credit risk and liquidity risks.

21.1 Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's / issuer's credit standing) will effect the Fund's income or the fair value of its financial instruments. Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

21.1.1 Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Fund has no financial instruments as at the reporting date which exposes it to currency risk.

21.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

a) Sensitivity analysis for fixed rate instruments

As at June 30, 2020, the Fund does not hold any fixed rate instruments that could expose the Fund to fair value interest rate risk.

b) Sensitivity analysis for variable rate instruments

The Fund's interest rate risk arises from the balances in savings accounts, term deposit and KIBOR based profit bearing Sukuks exposing each of the Sub-Funds to cash flow interest rate risk.

For the year, income would have increased / (decreased) by Rs. 0.629 million, 7.193 million and 9.331 million (2019: Rs. 0.535 million, 5.144 million and 5.528 million) of Equity sub-fund, Debt sub-fund and Money Market sub-fund, respectively, had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

For the year, income would have increased / (decreased) by Rs. nil and nil (2019: Rs. 1.14 million and 0.98 million) of Debt sub-fund and Money Market sub-fund, respectively, had the interest rates on term deposit with bank increased / (decreased) by 100 basis points.

Yield / interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

Particulars	June 30, 2020																			
	Equity Sub Fund						Debt Sub Fund						Money Market Sub Fund						Total	
	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total		
		Upton three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year				
%	(Rupees in '000)						%	(Rupees in '000)						%	(Rupees in '000)					
On-balance sheet financial instruments																				
Financial assets																				
Bank balances	6 - 13.25	62,864	-	-	25,360	88,224	6 - 13.25	719,254	-	-	10,346	729,600	6 - 13.25	933,139	-	-	11,392	944,531	1,762,355	
Investments - net		-	-	-	1,211,068	1,211,068	12.056-14.426	-	-	85,700	-	85,700		-	-	-	-	-	1,296,768	
Deposits and other receivable		-	-	-	18,218	18,218		-	-	-	17,939	17,939		-	-	-	115,194	115,194	151,351	
		62,864	-	-	1,254,646	1,317,510		719,254	-	85,700	28,285	833,239		933,139	-	-	126,586	1,059,725	3,210,474	
Financial liabilities																				
Payable to UBL Asset Management Limited - Pension Fund Manager		-	-	-	2,253	2,253		-	-	-	1,602	1,602		-	-	-	1,620	1,620	5,475	
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	-	136	136		-	-	-	88	88		-	-	-	110	110	334	
Accrued expenses and other liabilities		-	-	-	26,815	26,815		-	-	-	5,873	5,873		-	-	-	4,783	4,783	37,471	
		-	-	-	29,204	29,204		-	-	-	7,563	7,563		-	-	-	6,513	6,513	43,280	
On-balance sheet gap		62,864	-	-	1,225,442	1,288,306		719,254	-	85,700	20,722	825,676		933,139	-	-	120,073	1,053,212	3,167,194	
Off-balance sheet financial instruments																				
		-	-	-	-	-		-	-	-	-	-		-	-	-	-	-	-	
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-		-	-	-	-	-	-	

Particulars	-----'June 30, 2019-----																		
	Equity Sub Fund						Debt Sub Fund						Money Market Sub Fund						Total
	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	
		Up to three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year			
%	(Rupees in '000)					%	(Rupees in '000)					%	(Rupees in '000)						

**On-balance sheet
financial instruments**

Financial assets

Bank balances	3.75 - 6.20	51,862	-	-	39,773	91,635	3.75 - 6.20	512,363	-	-	2,087	514,450	3.75 - 6.20	548,020	-	-	5,017	553,037	1,159,122
Term Deposit Receipts		-	-	-	-	-	6.40-12.50	114,000	-	-	-	114,000	6.40-12.50	-	-	-	-	-	114,000
Investments - net		-	-	-	1,174,608	1,174,608	5.51 - 6.33	-	-	-	-	-	7.06 - 7.25	-	-	-	-	-	1,174,608
Deposits and profit receivable		-	-	-	26,268	26,268		-	-	-	20,707	20,707		-	-	-	28,325	28,325	75,300
		51,862	-	-	1,240,649	1,292,511		626,363	-	-	22,794	649,157		548,020	-	-	33,342	581,362	2,523,030

Financial liabilities

Payable to UBL Asset Management Limited - Pension Fund Manager		-	-	-	2,124	2,124		-	-	-	946	946		-	-	-	1,055	1,055	4,125
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	-	143	143		-	-	-	69	69		-	-	-	75	75	287
Accrued expenses and other liabilities		-	-	-	5,746	5,746		-	-	-	1,296	1,296		-	-	-	1,294	1,294	8,336
Net assets attributable to redeemable units		-	-	-	1,269,513	1,269,513		-	-	-	643,480	643,480		-	-	-	673,293	673,293	2,586,286
		-	-	-	1,277,526	1,277,526		-	-	-	645,791	645,791		-	-	-	675,717	675,717	2,599,034
On-balance sheet gap		51,862	-	-	(36,877)	14,985		626,363	-	-	(622,997)	3,366		548,020	-	-	(642,375)	(94,355)	(76,004)

**Off-balance sheet
financial instruments**

Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-		-	-	-	-	-	-
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21.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund manages this risk by limiting its investment exposure in the following ways:

- 5% of NAV or paid-up capital of the investee company, whichever is lower.
- higher of 30% of NAV or index weight of a single stock exchange sector, subject to a maximum limit of 35% of NAV.

A summary analysis of local investments by industry sector, the percentage in relation to Fund's assets and the issued capital of the investee company is presented in note 6.1 to these financial statements. Further, the Fund's policy requires that the overall Fund position is monitored on a daily basis by the Fund Manager and is reviewed on bi-monthly basis by the Investment Committee and by the Board of Directors in every meeting of the Board. Non - compliance with the Fund's investment policies is reported to the Board of Directors.

The Fund's investments in equity securities are publicly traded and are valued at the rates quoted on the relevant stock exchanges.

In case of 5% increase / decrease in the fair value of the Fund's equity securities at fair value through profit or loss on June 30, 2020, net income for the year would increase / decrease by Rs. 60.55 million (2019:Rs. 58.73 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI index, is expected to change over the time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of PSX 100 Index.

21.2 Credit risk

Credit risk represents the risk of loss if the counter parties fail to perform as contracted. Credit risk arises from deposits with banks and financial institutions, credit exposure arising as a result of dividends receivable on equity securities, receivable against sale of investments and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery using the national clearing company system. The risk of default is considered minimal due to inherent systematic measures taken therein. Risk attributable to investment is limited as these are issued by the Federal Government.

Credit risk is managed and controlled by the Pension Fund Manager of the Fund in the following manner:

- The Fund limits its exposure to credit risk by only investing in liquid debt securities that have at minimum an investment grade as rated by a credit rating agency approved by the SECP. In the absence of issue rating, the Fund ensures that the entity has an investment grade as rated by a credit rating agency approved by the SECP.
- The risk of counter party exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.

Concentration of Credit risk

Concentration of risk arises when a number of financial instruments or contracts are entered into the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

21.2.1 Credit quality of investment in bank balances

The credit quality of balances with banks that are neither past due nor impaired can be assessed by reference to the external credit ratings or to the historical information about counterparty default rates:

Rating	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund	
	% of financial assets exposed to credit risk		% of financial assets exposed to credit risk		% of financial assets exposed to credit risk	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
AAA	79.42	51.04	44.00	17.48	42.44	22.64
AA+	19.68	48.80	0.68	21.90	0.42	19.32
AA	0.88	0.14	34.83	38.81	37.40	39.52
AA-	-	-	20.42	21.80	19.68	18.50
A+	0.02	0.02	0.08	0.01	0.06	0.01
	100	100	100	100	100	100

The maximum exposure to credit risk before any credit enhancement is the carrying amount of the financial assets.

21.2.2 There are no financial assets that are past due or impaired.

21.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations and commitments associated with financial instruments. The Pension Fund Manager manages liquidity risk by continuously analysing the maturities of its financial liabilities.

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Fund can borrow, with prior approval of the trustee, for meeting redemption requests. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of total assets at the time of borrowing with repayment in 90 days of such borrowings. No such borrowings were made during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows:

Particulars	-----'June 30, 2020-----												
	Equity Sub Fund				Debt Sub Fund				Money Market Sub Fund				Total
	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	

----- (Rupees in '000) -----

Financial Liabilities

Payable to UBL Asset Management Limited - Pension Fund Manager	2,253	-	-	2,253	1,602	-	-	1,602	1,620	-	-	1,620	5,475
Payable to the Central Depository Company of Pakistan Limited - Trustee	136	-	-	136	88	-	-	88	110	-	-	110	334
Accrued expenses and other liabilities	5,746	-	-	5,746	1,296	-	-	1,296	1,294	-	-	1,294	8,336
	8,135	-	-	8,135	2,986	-	-	2,986	3,024	-	-	3,024	14,145

Particulars	-----'June 30, 2019-----												
	Equity Sub Fund				Debt Sub Fund				Money Market Sub Fund				Total
	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	

----- (Rupees in '000) -----

Financial Liabilities

Payable to UBL Fund Manager Limited - Pension Fund Manager	2,124	-	-	2,124	945	-	-	945	1,055	-	-	1,055	4,124
Payable to the Central Depository Company of Pakistan Limited - Trustee	143	-	-	143	69	-	-	69	75	-	-	75	287
Accrued expenses and other liabilities	2,381	-	-	2,381	1,608	-	-	1,608	3,362	-	-	3,362	7,351
	4,648	-	-	4,648	2,622	-	-	2,622	4,492	-	-	4,492	11,762

The above mentioned financial liabilities do not carry any mark-up.

Units of the Fund are redeemable on demand at the participants' option. However, unit holders typically retain them from medium to long term.

22. PARTICIPANTS' FUNDS RISK MANAGEMENT (CAPITAL RISK)

The participants' fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

The Fund's objectives when managing participants' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to participants and to maintain a strong base of assets under management.

In accordance with the risk management policies stated in note 21, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with long term objective, the possibility of a significant redemption pressure is limited, such liquidity is augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments, where necessary.

All units, including the core units, and fractions thereof represents an undivided share in the pertinent sub-funds of the Fund and rank pari passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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 (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Al Ameen Islamic Retirement Saving Fund-Equity Sub Fund

Financial assets measured at fair value

Investment in listed equity securities

1,211,068 - 1,211,068 - -

Financial assets not measured at fair value

Bank balances and TDR

Dividend and other receivables

-	88,224	-	-	-
-	18,216	-	-	-
-	106,440	-	-	-
1,211,068	106,440	1,211,068	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited

Pension Fund Managers

Payable to Central Depository Company

of Pakistan Limited - Trustee

Accrued expenses and other liabilities

- 2,049 - - -

- 120 - - -

- 4,865 - - -

- 7,034 - - -

Carrying Amount		Fair value		
----- As at June 30, 2019 -----				
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

Rupees in '000

Financial assets measured at fair value

Investment in listed equity securities

1,174,608 - 1,174,608 - -

Financial assets not measured at fair value

Bank balances and TDR

Dividend and other receivables

-	91,635	-	-	-
-	26,267	-	-	-
-	117,902	-	-	-
1,174,608	117,902	1,174,608	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited

Pension Fund Managers

Payable to Central Depository Company

of Pakistan Limited - Trustee

Accrued expenses and other liabilities

- 1,918 - - -

- 143 - - -

- 1,513 - - -

- 3,574 - - -

Carrying Amount		Fair value		
----- As at June 30, 2020 -----				
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3
----- Rupees in '000-----				

Al Ameen Islamic Retirement Saving Fund-Debt Sub Fund

Financial assets measured at fair value

Government securities - Ijarah Sukuk Certificates	70,325	-	-	70,325
Debt securities - Privately Placed Sukuk Certificates	15,375	-	-	15,375

Financial assets not measured at fair value

Bank balances	-	729,600	-	-	-
Dividend and other receivables	-	-	-	-	-
	-	729,600	-	-	-
	85,700	729,600	-	85,700	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited Pension Fund Managers	-	1,471	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	88	-	-	-
Accrued expenses and other liabilities	-	4,865	-	-	-
	-	6,424	-	-	-

Carrying Amount		Fair value		
----- As at June 30, 2019 -----				
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3
----- Rupees in '000-----				

Financial assets measured at fair value

Government securities - Ijarah Sukuk Certificates	-	-	-	-	-
Debt securities - Privately Placed Sukuk Certificates	-	-	-	-	-

Financial assets not measured at fair value

Bank balances and TDR	-	628,450	-	-	-
Dividend and other receivables	-	-	-	-	-
	-	628,450	-	-	-
	-	628,450	-	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited Pension Fund Managers	-	845	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	69	-	-	-
Accrued expenses and other liabilities	-	225	-	-	-
	-	1,139	-	-	-

Carrying Amount		Fair value		
----- As at June 30, 2020 -----				
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3
----- Rupees in '000-----				

Al Ameen Islamic Retirement Saving Fund-Money Market Sub Fund

Financial assets not measured at fair value

Bank balances	-	944,531	-	-	-
Dividend and other receivables	-	115,194	-	-	-
	-	1,059,725	-	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited Pension Fund Managers	-	1,456	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	110	-	-	-
Accrued expenses and other liabilities	-	647	-	-	-
	-	2,213	-	-	-

Carrying Amount		Fair value		
----- As at June 30, 2019 -----				
Fair value through profit or loss	Amortized cost	Level 1	Level 2	Level 3

Rupees in '000

Financial assets not measured at fair value

Bank balances
Dividend and other receivables

-	651,037	-	-	-
-	28,324	-	-	-
-	679,361	-	-	-

Financial liabilities not measured at fair value

Payable to UBL Fund Managers Limited
Pension Fund Managers
Payable to Central Depository Company of Pakistan Limited - Trustee
Accrued expenses and other liabilities

-	951	-	-	-
-	75	-	-	-
-	128	-	-	-
-	1,154	-	-	-

23.1 Valuation techniques

- 23.1.1 For level 1 investments at fair value through profit or loss - 'Investment in respect of equity securities, the Fund uses daily quotation rates which are taken from Pakistan Stock Exchange Limited at the reporting date.
- 23.1.2 For level 2 investments at fair value through profit or loss - investment in respect of Sukuk, Fund uses the rates prescribed by MUFAP.
- 23.1.3 The Fund has not disclosed the fair values of 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.
- 23.2 There were no transfers between various levels of fair value hierarchy during the year.

24. FINANCIAL PERFORMANCE

Equity sub-fund

Equity Sub Fund				
June 30, 2020	June 30, 2019	% Change	June 30, 2018	June 30, 2017
----- (Rupees in '000) -----			----- (Rupees in '000) -----	
132,993	(276,596)	-148%	(238,613)	400,598
57,432	(30,120)	-291%	(75,765)	217,415
42,058	(296,068)	-114%	(192,031)	110,899
49,793	66,779	-25%	64,466	43,519
5,953	7,114	-16%	5,709	3,696
579	519	12%	632	736
337,116	513,164	-34%	773,984	541,696

Debt sub-fund

Debt Sub Fund				
June 30, 2020	June 30, 2019	% Change	June 30, 2018	June 30, 2017
----- (Rupees in '000) -----			----- (Rupees in '000) -----	
68,394	43,065	59%	17,283	20,969
(4,600)	(358)	1185%	(3,499)	729
(1,680)	-	-	(1,893)	4,081
82,268	53,904	53%	32,285	23,796
191	175.46	9%	163.72	159.82
442,958	322,691	37%	535,870	263,050

Money market sub-fund

Money Market Sub Fund				
June 30, 2020	June 30, 2019	% Change	June 30, 2018	June 30, 2017
----- (Rupees in '000) -----			----- (Rupees in '000) -----	
89,779	45,001	100%	13,979	10,842
(2,900)	174	-1767%	-	-
-	-	-	(789)	600
91,836	45,299	103%	18,454	12,666
185.19	169.40	9%	158.08	153.00
732.550	541.861	35%	455.873	233.865

24.1 Highest and lowest issue price of units during the year

	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
----- (Rupees in '000) -----						
Highest issue price	668.87	654.72	191.33	175.46	185.19	622.97
Lowest issue price	429.90	500.40	175.51	163.63	169.44	158.11

25. GENERAL

- 25.1 Figures have been rounded off to the nearest thousand rupees.
- 25.2 On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel, and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government, Central Banks including financial institutions affiliated to those banks, and regulators have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Management Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the financial performance of the Fund as well as the going concern assessment. As a result of such assessment, the management has not identified any material adverse impact on its financial performance due to COVID-19 pandemic situation.

26. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on September 24, 2020.

**For UBL Fund Managers Limited
(Pension Fund Manager)**

SD
CHIEF EXECUTIVE OFFIER

SD
CHIEF FINANCIAL OFFICER









SD
DIRECTOR









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