



**UBL Retirement Savings Fund
Annual Report 2018**

CORPORATE INFORMATION

Board of Directors

Azhar Hamid
Chairman

Yasir Qadri
Chief Executive Officer

Syed Furrugh Zaeem
Director

Zia Ijaz
Director

Sharjeel Shahid
Director

Mirza Muhammad Sadeed
Hassan Barlas - Director

Naz Khan
Director

Audit Committee

Naz Khan
Chair

Zia Ijaz
Member

Sharjeel Shahid
Member

Mirza Muhammad Sadeed
Hassan Barlas
Member

Risk Management Committee

Mirza Muhammad Sadeed Barlas
Chairman

Syed Furrugh Zaeem
Member

Yasir Qadri
Member

Azhar Hamid
Member

Sharjeel Shahid
Member

HR & Compensation Committee

Azhar Hamid
Chairman

Naz Khan
Member

Syed Furrugh Zaeem
Member

Zia Ijaz
Member

Yasir Qadri
Member

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

Chief Financial Officer

Umair Ahmed

Company Secretary

Aly Osman

Registered Office

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

Operations 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 JCR-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 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 Dedicated Equity Fund
Launch Date: 05 Jan 2016

Al- Ameen Islamic Financial Planning Fund - II
Launch Date: 21 February 2017

UBL Capital Protected Fund - III
Launch Date: 26 January 2017

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

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

Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the Annual Report of "UBL Retirement Savings Fund" (URSF) for the year ended June 30, 2018.

Economy Review – FY18

The Fiscal Year 2018 remained yet another eventful year for Pakistan as the country posted a real GDP growth rate of 5.8% highest in thirteen years. The main highlights in support of this strong momentum were low inflation and strong growth in private sector credit off-take (17%YoY) amid low interest rate environment. However, rising industrial expansion, growing aggregate demand and increased government spending resulted in external and fiscal deficits beyond projection.

The Headline Inflation for FY18 remained moderate, averaging to 3.9%YoY against 4.2% in FY17 largely due to low food inflation. Consequently, the CPI inflation stood well within the SBP's full year inflation target of 6.0%. However, towards the end of the fiscal year, core inflation jumped to 7.1% reflecting a build-up of inflationary pressures amid heating economy. Change in international oil prices outlook, growing aggregate demand and lagged-impact of PKR devaluation are expected to remain prime drivers for inflation for the upcoming fiscal year.

The SBP continued pre-emptive measures to allay concerns of overheating of economy. As per its latest MPC meeting, SBP highlighted that a strong fiscal growth in 2HFY18, growing inflationary pressures due to recent PKR devaluation and higher international oil prices has prompted need for near term price stability measures. As a result, the committee decided to increase policy rate by 100bps to 7.5% in Jul-18. We expect monetary tightening to continue further in coming months.

The current account position continued to deteriorate reaching a deficit of USD 18bn in FY18 (43%YoY). The widening deficit was mainly on account of high trade deficit (+17%). Despite positive growth in exports (13%YoY), external account position continues to remain challenging for the authorities warranting additional policy measures. Balance of payment imbalances created by a large trade deficit, debt servicing and low realization of foreign direct investments, eventually led to pressure on foreign exchange reserves. As a result, country's foreign reserves fell from USD21bn to USD16bn a decline of 23%. This ultimately led to pressure on rupee and resulted in depreciation of ~20% since last year. We expect the recent corrective policy measures by central bank to discourage imports and provide relief to exports, thus lead to improvement in overall external account position going forward.

On the fiscal side, higher government spending amidst low tax collection augmented fiscal deficit to a new high in recent years (~7%) than previously anticipated (4.1%). In a bid to increase tax-base, the government introduced tax amnesty scheme to encourage documentation of the economy and improve reserve position. However, response to this scheme has been below expectations and the next government will have to initiate some austerity measures including cut in its development spending in order to contain its deficit.

During FY18, yields on short and long term tenor witnessed changes aligned with SBP's monetary policy tightening. Yield on 3M, 6M and 12M T-Bills increased by 79bps, 90bps and 116bps, respectively. Similarly, yield on 3-year, 5-year and 10-year bonds increased 180bps, 171bps and 86bps, respectively.

In light of recent elections, prospect of a stable government will bode well for the country's economy. In a bid to counter current economic challenges we expect a bundle of austerity measures including but not limited to re-entry into IMF's program, financial support from China and other friendly nations, issuance of Eurobonds or investment bonds for expatriates

as well as extensive reforms on domestic front. Corrective measures by the newly formed Govt will lower GDP growth in FY19 this will aid in stabilizing economy over medium term (GDP growth: +4.5-5%).

Debt Market Review – FY18

The International Crude Oil prices exhibited an upward trend for the fiscal year. The prices increased from USD 45-per barrel increasing as much as ~70% closing at a new high of USD ~80 per barrel. Increasing oil prices, higher commodity prices (with exception of sugar) along with lagged impact of PKR devaluation (+16%) aided in increasing inflation rate to 4.4% for 4QFY18. Core measures of inflation witnessed an upward trajectory where NFNE which is somewhat sticky in nature increased to 7.1% by end of FY18. Taking cues from this trend we expect SBP to continue its current monetary tightening policy.

In twelve PIB auctions for FY18 conducted during the year, the government raised PKR~102bn (PKR ~894bn in FY17) against target of PKR 330bn. Consequently, outstanding amount for the PIBs in the market increased to PKR 29.47trn. Participation in the auctions was largely skewed towards three and five year paper in line with interest rate hikes. Cut off yields in June auction trimmed to 7.5%, 8.5% and 8.7% for three, five and ten year PIB instruments respectively. In July'18 PIB Auction the government accepted PKR ~6.9bn.

The yield curve based on government securities of various maturities has shifted upwards in line with the ongoing increasing discounts rates. Yield on 3M, 6M and 12M T-Bills increased by 79bps, 90bps and 116bps, respectively. Similarly, yield on 3-year, 5-year and 10-year bonds increased 180bps, 171bps and 86bps, respectively. The spread between annualized yields of 1-year T-bills (7.20% p.a.) and 10-year PIBs (9.03% p.a.) stood at 1.83% as of 30 June 2018.

Stock Market Review – FY18

In the aftermath of distressing events in FY18, the KSE-100 index posted a cumulative loss of 10% after a prolonged period of 8-years. Market's decline was largely driven by a series of tensed political events, burgeoning concerns on macro-economic front along with continued sell-off by foreign investors (USD289mn). With growing uncertainties, market participants remained cautious, keeping average market-traded volumes depressed (84mn).

The benchmark index commenced the year with high hopes but soon suffered foreign outflows post MSCI inclusion. A series of setbacks augmented uncertainties during 1HFY18, keeping the equity market in a jittery position and pushing the index to a low of 37,919 points. The primary highlights among these were disqualification of sitting PM followed by barring of Finance Minister to run office; leaving little room to focus on economy. This was followed by a 21-day protest by TLP against the government pushing the regime into isolation. Without any proper economic manager in place, the country stood open to increasing hazards on the macroeconomic fronts.

With political tensions, concerns on external account started to unearth as support from low oil prices started to fade away. In the 3QFY18, some positive triggers like appointment of Finance Minister, smooth senate elections, announcement of tax amnesty scheme along with introduction of essential policy action prompted interest by market participants, leading to inflow of USD 31mn.

However, the concerns on macroeconomic front remained strong, requiring further use of policy actions. The full year FY18 current account deficit augmented to ~USD18bn (+43%YoY) further weighing down investor sentiment. Moreover, fiscal deficit came in much higher at ~7%. Mushrooming twin-deficit financing requirements weakened foreign reserves position. SBP's reserves were down to ~USD10bn at end of FY18, further deteriorating investor confidence.

On the international front, US Fed continued on its monetary tightening policy by 25bps to 2% during FY18. We expect this stance to continue in CY18. International oil prices mounted to a 4-year high of USD80/bbl amid better co-operation between member OPEC and Non-OPEC countries. Overall, commodity prices also rallied upwards with growing demands from

importing countries. Escalation of ongoing trade-war is expected to push oil prices downhill. This will be favorable for a high energy importing country like Pakistan. Moreover, a stable government will also resume work on the multi-billion CPEC project.

Going forward, remedial measures taken by central bank combined with austerity by newly formed Govt will enable corrective measures and stabilize economy over medium term. Moreover, subsiding political tensions, steep discount (~24% from its peak) along with a high earnings-yield offering (~12%) is expected to strengthen investor sentiment and bring investor's interest back in the local equity market..

Commodity Market Review – FY18

At the start of the fiscal year 2018, gold prices stood at 1247/oz. Since then, burgeoning uncertainty surrounding Pyongyang and Washington made this commodity as a preferred alternative asset class to conventional asset classes. With growing ambiguity amid threats of nuclear attacks, dollar weakened; pushing gold prices to a high of 1358/oz (+11%). As concerns related to nuclear war started to wear-off a climate of geo-political harmony strengthened between US and North Korea. Resultantly, dollar began its upwards drive while gold exhibiting an inverse relationship embarked downhill. This trend was further established with expectations of a robust US economy sparking expectations of interest rate hikes by US Fed. Nonetheless, despite this downward trend, the gold metal managed to yield a positive ~1% return for FY18.

Future Outlook

After a successful general elections process, a climate of political-stability is expected to reign in the country. The newly elected PTI government will face economic challenges in the months to follow, necessitating fresh loans from international financial institutions, including IMF, issuance of Eurobonds or Sukuk in international markets targeting expatriates, as well as possible financial support from China for sustaining foreign reserves position. We believe new PTI Govt to opt for effective and immediate reforms on fiscal side. This may involve cutting development expenditures, subsidies for power and agriculture and divesting in PSEs.

Taking cues from its recent bailout package for Argentina, we expect a similar support-program amounting in double-digits for Pakistan. Moreover, IMF will also work with the new government to smooth future debt repayments and push for endeavors to expand exports base and to make them more competitive.

Lagged impact of PKR devaluation, higher oil prices along with excessive demand will push inflation upwards requiring further use of price stability measures. We expect monetary tightening to continue, potentially pulling policy-rate upwards to 8.0-8.5%. On international front, political climate in US Mid-Term elections in Nov'18 and ongoing trade-war is expected to have medium term implications for oil price.

We expect the corrective policy course to bring about a slowdown in the economy for FY19. We believe these corrective measures will be important for stabilizing economy over medium term. Furthermore, improved security, better energy situation along with a stable regime will stand pivotal in bringing overall GDP growth to sustainable 5.0% level..

Fund Performance and operational review

UBL Retirement Savings Fund

The Fund comprises of four sub funds namely Equity sub-fund, Debt sub-fund, Money Market sub-fund and Commodity Sub Fund. The Fund as a whole earned gross loss of PKR 66.223 million and operating loss of PKR 119.877 million during the period while fund size stood at PKR 2,725.653 million as at the period end. Performance review for each sub Fund is given below.

Equity Sub-Fund

For the year ended June 30, 2018, the sub-fund earned a gross loss of PKR 155.211 million and operating loss of PKR 182.034 million. The net assets of the sub-fund stood at PKR 1,309.820 million representing net asset value of PKR 660.5478 per unit as at June 30, 2018.

Debt Sub Fund

For the year ended June 30, 2018, the sub-fund earned a gross income of PKR 47.957 million and operating income of PKR 33.865 million. The net assets of the sub-fund stood at PKR 723.593 million representing net asset value of PKR 215.4110 per unit as at June 30, 2018.

Money Market Sub Fund

For the year ended June 30, 2018, the sub-fund earned a gross income of PKR 40.767 million and operating income of PKR 28.235 million. The net assets of the sub-fund stood at PKR 687.446 million representing net asset value of PKR 175.5933 per unit as at June 30, 2018.

Commodity Sub Fund

For the period ended June 30, 2018, the sub-fund earned a gross income of PKR .264 million and operating income of PKR .057 million. The net assets of the sub-fund stood at PKR 4.794 million representing net asset value of PKR 114.3607 per unit as at June 30, 2018.

Auditors

The present statutory auditors M/s EY Ford Rhodes & Co., Chartered Accountants being eligible, has offered themselves for re appointment and Audit Committee of the Board has recommended their appointment as external auditors for the year ending June 30, 2019

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 Ltd (incoming Trustee) and MCB Financial Services Limited (outgoing Trustee) for their continued support, guidance and cooperation. The Board also likes 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

Yasir Qadri
CHIEF EXECUTIVE

Karachi,

Dated: August 28, 2018

ڈائریکٹرز کی رپورٹ

یو بی ایل فنڈ نیچر لیٹمنڈ بورڈ آف ڈائریکٹرز 30 جون 2018ء کو ختم شدہ سال کیلئے یو بی ایل ریٹائرمنٹ سیونگ فنڈ (یو ایس ایس ایف) کی سالانہ رپورٹ آپ کو پیش کرتے ہوئے اظہارِ مسرت کرتا ہے۔

اقتصادی جائزہ- مالی سال 2018ء

مالی سال 2018ء بھی پاکستان کیلئے ایک اور بھرپور سال رہا کیونکہ ملک نے تیرہ برسوں میں بلند ترین %5.8 کی حقیقی شرح نمو ظاہر کی ہے اس مستحکم رفتار کی ہم وجہ کم افراط زر اور نجی شعبے میں حصولِ قرضہ جات کی مستحکم نمو (سال بہ سال %17) تھی جو کم شرح کے ماحول کے بیچ رہی تاہم بڑھتی ہوئی صنعتی توسیع، بڑھتی ہوئی مجموعی طلب اور بڑھتے ہوئے حکومتی اخراجات توقع سے کہیں زیادہ بیرونی اور مالیاتی خسارہ جات پر منتج ہوئے۔

مالی سال 18ء کیلئے سرنامہ افراط زر معتدل رہا، مالی سال 17ء میں %4.2 کے مقابلے میں سال بہ سال %3.9 تک اوسطاً رہا جس کی بڑی وجہ کم سطح پر رہنے والا غذائی افراط زر تھا۔ نتیجے کے طور پر سی پی آئی افراط زر ایس جی پی کے پورے سال کے افراط زر کے ہدف %6 کے اندر رہی رہا، تاہم مالی سال کے اختتام کی طرف، بنیادی افراط زر %7.1 پر جا پہنچا جو پرجوش معیشت کے بیچ افراط زر کے دباؤ کی تشکیل کی عکاسی کرتا ہے۔ بین الاقوامی تیل کی قیمتوں کی توقعات میں تبدیلی، بڑھتی ہوئی مجموعی طلب اور پاکستانی روپے کی قدر میں کمی کے سست رو اثرات آنے والے مالی سال کیلئے افراط زر کیلئے حسب توقع بڑے محرکات ثابت ہوں گے۔

ایس بی پی نے معیشت کی برافروختگی کی تشویش اور پریشانیوں کو کم کرنے کی غرض سے پیشگیرانہ اقدامات جاری رکھے۔ اس کے تازہ ترین ایم پی سی اجلاس کے مطابق، ایس بی پی نے واضح کیا کہ مالی سال 18ء کے دوسرے نصف میں مستحکم مالیاتی نمو، پاکستانی روپے کی قدر میں حالیہ کمی کی وجہ سے بڑھتے ہوئے افراط زر کے دباؤ اور بین الاقوامی تیل کی قیمتوں میں قدرے اضافے نے قریب ترقی کیلئے قیمتوں میں استحکام کے اقدامات کی ضرورت کو تیز کر دیا ہے۔ جس کے نتیجے میں کمیٹی نے فیصلہ کیا ہے کہ جولائی 18ء میں شرح پالیسی 100 بی پی ایس کے اضافے سے اُسے %7.5 تک بڑھا دیا جائے۔ آنے والے مہینوں میں ہم مالیاتی سختی کے تسلسل کی توقع کرتے ہیں۔

حسابات کی حالیہ صورتحال مالی سال 18ء میں مسلسل خراب ہوتے ہوئے 18 ارب ڈالر کے خسارے تک پہنچ گئی ہے (سال بہ سال %43)۔ بڑھتے ہوئے خسارے کی بڑی وجہ بہت زیادہ تجارتی خسارہ (%17+) تھا برآمدات میں مثبت اضافے کے باوجود (سال بہ سال %13)، بیرونی حسابات کی صورتحال حکام کیلئے اضافی پالیسی اقدامات کے جواز کی غرض سے مسلسل چیلنجنگ رہے گی۔ بہت بڑے تجارتی خسارے، قرضہ جات سروسنگ اور براہ راست غیر ملکی سرمایہ کاری کی کم سے کم عملی شکل اختیار کرنے سے تخلیق کردہ ادائیگی کے توازن میں عدم ہائے توازن، نے بالآخر غیر ملکی زرمبادلہ کے ذخائر پر دباؤ ڈال رکھا ہے۔ جس کے نتیجے کے طور پر، غیر ملکی زرمبادلہ کے ملکی ذخائر %23 کی کمی سے 21 ارب ڈالر سے 16 ارب ڈالر تک گر چکے ہیں۔ اس نے آخر کار پاکستانی روپے پر دباؤ ڈالا اور پچھلے سال سے تقریباً %20 کی قدر کی کمی پر منتج ہوا۔ مرکزی بینک کی جانب سے درآمدات کی حوصلہ شکنی اور برآمدات کو سہارا فراہم کرنے کی غرض سے لیے گئے حالیہ اصلاحی پالیسی اقدامات سے ہمیں توقع ہے کہ مجموعی طور پر بیرونی حسابات کی صورتحال میں بہتری کی طرف پیش رفت ہو جائے گی۔

مالیاتی پہلو پر، ٹیکس کی کم وصولی کے بیچ حکومت کے بلند تر اخراجات نے حالیہ برسوں میں پچھلے پیش بینی (%4.1) سے زیادہ (تقریباً %7) تک کی ایک نئی بلندی تک مالیاتی خسارے کو پہنچا دیا ہے ٹیکس بیس میں کچھ اضافے کی کوششوں میں حکومت نے معیشت کو ضبط و تدریس میں لانے کی حوصلہ افزائی کی غرض سے ٹیکس ایبٹمنیٹی اسکیم متعارف کروائی اور ذخائر (زرمبادلہ) کی صورتحال کو بہتر کیا ہے تاہم، اس اسکیم کی پذیرائی توقع سے کم رہی ہے اور آنے والی حکومت کو کفایت شعاری کے کچھ اقدامات کا آغاز کرنا پڑے گا جس میں اس کے خسارے کو کم کرنے کیلئے اس کے ترقیاتی اخراجات میں کمی کرنا بھی شامل ہوگا۔

مالی سال 18ء کے دوران، قلیل اور طویل مدتی آمدن (ماحصل) پر ایس بی پی کی سختی والی مالیاتی پالیسی سے ہم آہنگ تبدیلیوں کا مشاہدہ بھی کیا گیا 3 ماہ، 6 ماہ، اور 12 ماہ کے ٹریڈری بلز پر آمدن (ماحصل) علی الترتیب 79، 90، اور 116 بی پی ایس تک بڑھ گئے۔ اسی طرح 3، 5، اور 10 سال کے بانڈز پر آمدن میں علی الترتیب 171، 180، اور 86 بی پی ایس تک اضافہ ہو گیا۔

حالیہ انتخابات کی روشنی میں، مستحکم حکومت کا امکان ملک کی معیشت کیلئے نیک شگون ہوگا۔ حالیہ معاشی چیلنجز کا مقابلہ کرنے کی کوشش میں ہم کفایت شعاری کے کئی اقدامات کی توقع کرتے ہیں جس میں آئی ایم ایف کے پروگرام میں دوبارہ شمولیت، چین اور دیگر دوست ممالک سے مالیاتی مدد، تارکین وطن کیلئے یورو بانڈز یا سرمایہ کاری بانڈز کے اجراء کے ساتھ ملکی محاذ پر طویل اصلاحات بھی شامل ہیں لیکن صرف انہیں اقدامات تک محدود نہیں۔ تشکیل پانے والی نئی حکومت کی جانب سے اصلاحی اقدامات مالی سال 19ء میں شرح نمو میں کمی کے خلاف سے وسط مدت پر ہی معیشت کو مستحکم کرنے میں مدد ملے گی (شرح نمو %5-4.5+)۔

بازار قرض کا جائزہ - مالی سال 2018ء

بین الاقوامی خام تیل کی قیمتوں نے اس مالی سال کیلئے تیزی کے رجحان کو ظاہر کیا ہے۔ قیمتیں 45 ڈالر فی بیرل سے تقریباً 70% کے اضافے کے ساتھ 80 ڈالر فی بیرل کے ایک نئی بلندی پر بند ہوئی ہیں۔ تیل کی بڑھتی ہوئی قیمتوں، بلند تر اشیائے صرف کی قیمتوں (شکر کی توقع کے ساتھ) مع پاکستانی روپے میں کمی کے پڑنے والے اثرات نے مالی سال 18ء کی چوتھی سہ ماہی کیلئے افراط زر کی 4.4% تک کی شرح میں اضافے میں بڑی مدد کی ہے۔ اس رجحان کے اشاروں سے ہم توقع کرتے ہیں کہ ایس بی پی (مرکزی بینک) اپنی جاری سخت مالیاتی پالیسی کے تسلسل کو برقرار رکھے گا۔

مالی سال 18ء کیلئے اس سال کے دوران منعقدہ 12 پی آئی جی آکشنز سے حکومت نے 330 ارب روپے کے ہدف کے مقابلے میں تقریباً 102 ارب روپے (مالی سال 17 میں تقریباً 894 ارب روپے) حاصل کیے۔ نتیجتاً مارکیٹ میں پی آئی جی کیلئے بھاری رقم 29.74 کھرب روپے تک بڑھ گئی۔ آکشن میں شرکت زیادہ تر شرح میں اضافے سے ہم آہنگ 3 اور 5 سال کی ضمانت (پیپر) کی طرف رہی۔ جولائی 18ء میں پی آئی جی آکشن میں حکومت نے تقریباً 6.9 ارب روپے قبول کیے۔

خط آمدن (حاصل) جو مختلف پیننگیوں کی حکومتی ضمانتوں (سیورٹیز) پر مبنی تھا بڑھتے ہوئے جاری شرح ہائے رعایت سے ہم آہنگ اور پر کی جانب منتقل ہو گیا۔ 3، 6 اور 12 ماہ کے ٹریڈری بلز پر آمدن علی الترتیب 90، 79 اور 116 بی پی ایس تک بڑھ گئی۔ پھیلاؤ ایک سالہ ٹی بلز (7.20% سالانہ) اور 10 سالہ پی آئی جی (9.03% سالانہ) کے سالانہ کی بنیاد پر آمدن کے درمیان بمطابق 30 جون 2018ء 1.83% پر قائم رہا۔

بازارِ حصص کا جائزہ - مالی سال 2018ء

مالی سال 18 میں پریشان کن واقعات کے ہوجانے کے بعد، کے ایس ای-100 انڈیکس نے 8 برسوں کے طویل عرصے کے بعد 10% کے مجموعی نقصان کو ظاہر کیا۔ بازار میں مندی کے بڑے محرکات میں کشیدہ سیاسی واقعات کا سلسلہ، اقتصادی کھلی محاذ پر بڑھتی تشویش کے ساتھ غیر ملکی سرمایہ کاروں کی جانب سے مسلسل فروخت (289 ملین ڈالر) شامل ہیں۔ بڑھتی ہوئی غیر یقینی کی کیفیات کے ساتھ بازار میں شریک ہونے اور حصہ لینے والے محتاط ہو گئے جس نے مارکیٹ میں تجارت کردہ احجام (والیومز) کو اوسطاً مندی کا شکار رکھا (84 ملین)۔

بینچ مارک انڈیکس نے سال کا آغاز بلند توقعات کے ساتھ کیا لیکن جلد ہی ایم ایس سی آئی میں شمولیت کے بعد غیر ملکی اخراج سے دوچار ہو گیا۔ مالی سال 18ء کے پہلے نصف کے دوران پریشانیوں کے سلسلے میں اضافہ ہو گیا، جس نے بازار حصص کو غیر پائیدار صورتحال میں رکھا اور انڈیکس کو 37,919 پوائنٹس کی کم تر سطح پر ڈھکیل دیا۔ ان بڑے بڑے واقعات کے بیچ برسرِ اقتدار وزیر اعظم کی نااہلی بھی تھی جس کے بعد وزیر خزانہ کو بھی کام کرنے سے روک دیا گیا، جس نے معیشت پر توجہ کیلئے بہت تھوڑی گنجائش چھوڑی۔ اس کے بعد ٹی ایل پی کی جانب سے حکومت مخا 21 دن کا احتجاج شروع ہوا جس نے حکومت کو تنہا کر دیا۔ کسی بھی مناسب معاشی نظم کار کی موقع پر موجودگی کے بغیر، ملک اقتصادی کھلی (میکرو اکنامک) محاذوں پر زیادہ سے زیادہ خطروں کیلئے کھلا چھوڑ دیا گیا تھا۔

سیاسی بحرانوں کے ساتھ، بیرونی حسابات پر تشویش نے ظاہر ہونا شروع کر دیا کیونکہ تیل کی کم قیمتوں سے ملنے والی مدد رفتہ رفتہ ختم ہوتی چلی گئی۔ مالی سال 18ء کی تیسری سہ ماہی میں، کچھ مثبت آثار جیسے وزیر خزانہ کی تقرری، سینیٹ کے ہموار انتخابات، ٹیکس ایمنسٹی اسکیم کا اعلان اور ساتھ ہی اہم پالیسی اقدام کے آغاز سے شرماء بازار کی جانب سے دلچسپی کو افسوسناک کیا۔ جس کے نتیجے میں 31 ملین ڈالر کا دخول (Inflow) ہوا۔ تاہم، اقتصادی کھلی (میکرو اکنامک) محاذ پر تشویشات مستحکم رہیں، مزید پالیسی اقدامات کے استعمال کی ضرورت ہے۔ پورے مالی سال 18ء کے حسابات جاریہ کا خسارہ تقریباً 18 ارب ڈالر تک بڑھ گیا (سال بہ سال +43%) جو سرمایہ کاروں کے جذبات کو مزید ٹھنڈا کرنے کا سبب ہے۔ علاوہ ازیں مالیاتی خسارہ تقریباً 7% سے زیادہ پر آ گیا۔ بڑھتے ہوئے دہرے خسارے کی فراہمی قرضہ شرائط نے غیر ملکی زرمبادلہ کے ذخائر کو کمزور کر کے رکھ دیا ہے۔ ایس بی پی کے ذخائر مالی سال 18ء کے اختتام پر تقریباً 10 ارب ڈالر تک گر گئے ہیں، جو سرمایہ کاروں کے اعتماد کو مزید خراب کر رہا ہے۔

بین الاقوامی محاذ پر، امریکی فیڈرل ریزرو بورڈ نے مالی سال 18ء کے دوران اپنی مالیاتی پالیسی کو سختی کے تسلسل کو 25 بی پی ایس سے 2% تک جاری رکھا۔ ہم اس موقف کے تسلسل کی توقع جاری سال 18ء میں بھی رکھتے ہیں۔ تیل کی بین الاقوامی قیمتیں 80 ڈالر فی بیرل کی 4 سالہ بلندی کو پہنچ گئی جو کہ ایک ممبر اور غیر اوپیک ممالک کے درمیان بہتر تعاون کا شاخسانہ ہے۔ مجموعی طور پر اشیائے صرف کی قیمتیں بھی درآمدی ممالک سے بڑھتی ہوئی طلب کے ساتھ اوپر کی طرف گئی ہیں۔ جاری تجارتی جن کے بڑھ جانے سے توقع ہے کہ اس سے تیل کی قیمتیں نیچے کی طرف لڑھک جائیں گی۔ یہ تیل کے زیادہ درآمدی ملک جیسے پاکستان کیلئے سازگار ہوگا۔ تاہم، مستحکم حکومت ملٹی پلین سی بیک منصوبے پر کام کو پھر سے شروع کر دے گی۔ پیش قدمی کرتے ہوئے مرکزی بینک کی جانب سے نئی تشکیل پانے والی حکومت کی کفایت شعاری کو ساتھ ملا کر لیے گئے چارہ ساز اقدامات اصلاحی اقدامات کو ممکن بنائیں گے اور وسط مدت پر معیشت کو مستحکم کر پائیں گے۔ اس کے علاوہ سیاسی بحرانوں کو کم کرنے سے، فوری رعایت (اس کی بلندی سے تقریباً 24%) مع زیادہ آمدن کی پیشکش (تقریباً 12%) سے توقع ہوگی کہ اس سے سرمایہ کار کا اعتماد مضبوط ہوگا اور مقامی بازار حصص میں سرمایہ کار کی دلچسپی لوٹ آئے گی۔

بازار ایشیائے صرف کا جائزہ - مالی سال 2018ء

مالی سال 2018ء کے آغاز پر، سونے کی قیمتیں 1247 ڈالر فی اونس رہیں تب سے اب تک بیونگ یا نگ (شمالی کوریا) اور واشنگٹن (امریکہ) کے اردگرد بڑھتی ہوئی غیر یقینی کیفیت نے اس جنس کو اقسام روایتی اثاثہ جات کے قابل ترجیح متبادل قسم اثاثہ میں تبدیل کر دیا ہے۔ نیوکلیدی حیلوں کی دھمکیوں کے بیچ بڑھتے ہوئے ابہام نے ڈالر کو کمزور کر کے سونے کی قیمتوں کو 1358 ڈالر فی اونس کی بلندی تک (+11%) دھکیل دیا ہے۔ جیسا کہ نیوکلیدی جنگ سے متعلق تشویش ختم ہونا شروع ہوئی، امریکہ اور شمالی کوریا کے درمیان جغرافیائی سیاسی ہم آہنگی کی فضا مستحکم ہوگی۔ نتیجتاً ڈالر کے دام بڑھنا شروع ہو گئے جبکہ سونے کی قیمتوں نے تعلق معکوس ظاہر کرتے ہوئے نیچے آنا شروع کر دیا اس رجحان نے مزید تقویت پکڑا جب امریکی فیڈرل ریزرو کی جانب سے مضبوط امریکی معیشت کی چمک دمک کی توقعات سے شرح سود میں اضافے کی امیدیں پیدا ہونے لگیں۔ پھر بھی اس مندی کی رجحان کے باوجود، سونے جیسی دھات نے مالی سال 18ء کیلئے تقریباً 1% کے مثبت منافع کے ماحصل کی نظم کاری کی۔

توقعات مستقبل

کامیاب عام انتخابات کے عمل کے بعد، توقع کی جاتی ہے کہ ملک کے اندر سیاسی استحکام کی ایک فضا قائم ہو جائے گی۔ نئی منتخب کردہ پی ٹی آئی حکومت آگے آنے والے مہینوں میں معاشی چیلنجز کا سامنا کرے گی، جس سے بین الاقوامی مالیاتی اداروں بشمول آئی ایم ایف، بیرون ملک پاکستانیوں کو ہدف بناتے ہوئے بین الاقوامی مارکیٹس میں یورو بونڈز یا صکوک کا اجراء ساتھ ہی ساتھ زرمبادلہ کے ذخائر کی صورتحال کو پائیدار رکھنے کی غرض سے چین سے مکنہ مالی امداد کے ذریعے تازہ قرضوں کی ضرورت پڑے گی۔ ہمیں یقین ہے کہ پی ٹی آئی حکومت مالیاتی پہلو پر مؤثر اور فوری اصلاحات کا انتخاب کرے گی۔ اس میں ترقیاتی اخراجات میں کمی، توانائی اور زراعت کیلئے رعایات اور پبلک سیکٹر انڈر پرائزز (پی ایس ایز) میں سرمایہ کاری واپس لینا بھی شامل ہے۔

ارجنٹائن کیلئے اس کے حالیہ بیل آؤٹ پیکیج سے رہنمائی حاصل کرتے ہوئے، ہم پاکستان کیلئے دو ہندسوں پر مشتمل مالیت کے ایک ایسے ہی اعانتی پروگرام کی توقع کرتے ہیں۔ علاوہ ازیں، آئی ایم ایف بھی نئی حکومت کے ساتھ مستقبل کے قرضوں کی ادائیگیوں کو ہموار کرنے کی غرض سے کام کرے گا اور اساس برآمدات بڑھانے کی کوششوں کیلئے زور دے گا اور انہیں زیادہ مسابقتانہ بنانے میں مدد کرے گا۔

پاکستانی روپے کی قدر میں کمی، تیل کی بلند قیمتوں مع زیادہ طلب کے پڑنے والے اثرات افراط زر کو اوپر دھکیل دیں گے جسے قیمتوں کے استحکام کے اقدامات کے مزید استعمال کی ضرورت پڑے گی۔ ہم مالیاتی سختی کے تسلسل کی توقع کرتے ہیں جو ممکنہ طور پر شرح پالیسی کو 8.0% سے 8.5% تک اوپر لے جائے گی۔ بین الاقوامی محاذ پر نومبر 18ء میں امریکی وسط مدتی انتخابات میں سیاسی فضا اور جاری تجارتی جنگ سے توقع ہے کہ اس سے تیل کی قیمتوں کیلئے درمیانی مدت کے اثرات پڑیں گے۔

ہم اصلاحی پالیسی کے چلنے سے توقع کرتے ہیں کہ یہ مالی سال 19ء کیلئے معیشت میں سست روی کا سبب بنے گی۔ ہمیں یقین ہے کہ یہ اصلاحی اقدامات وسط مدتی عرصے کیلئے معیشت کے استحکام کی غرض سے اہم ہوں گے۔ مزید برآں بہتر سیوریٹی، توانائی کی بہتر صورتحال مع ایک مستحکم و پائیدار حکومت مجموعی شرح نمو کو پائیدار 5.0% سطح پر لانے میں مرکزی حیثیت کی حامل ہوگی۔

فنڈ کی کارکردگی اور عملی جائزہ

یو بی ایل ریٹائرمنٹ سیونگز فنڈ

یہ فنڈ چار سبب فنڈز (ذیلی فنڈز) پر مشتمل ہے جن کے نام ایکویٹی فنڈ، ڈی بیٹ سبب فنڈ، منی مارکیٹ سبب فنڈ اور کو موڈیٹی سبب فنڈ ہیں۔ اس فنڈ کو من حیث المجموع 66.223 ملین روپے کا مجموعی نقصان ہوا اور اسی عرصے کے دوران 119.877 ملین روپے کا عملی نقصان اٹھایا جبکہ فنڈ کی جسامت برطابق اختتام عرصہ 2,725.653 ملین روپے رہی۔ ہر سبب فنڈ/ذیلی فنڈ کی کارکردگی کا جائزہ درج ذیل ہے:

ایکوویٹی سبب فنڈ

30 جون 2018ء کو ختم شدہ سال کیلئے، اس سبب فنڈ کو 155.211 ملین روپے کا مجموعی نقصان ہوا اور مجموعی نقصان کی مالیت 182.034 ملین روپے رہی۔ اس فنڈ کے خالص اثاثہ جات 1,309.820 ملین روپے تھے جو 30 جون 2018ء پر پی بونٹ 660.5478 روپے کی خالص مالیت اثاثہ جات کی ترجمانی کرتے ہیں۔

ڈی بیٹ سبب فنڈ

30 جون 2018ء کو ختم شدہ سال کیلئے، اس سبب فنڈ نے 47.957 ملین روپے کی مجموعی آمدن حاصل کی اور عملی آمدن کی مالیت 33.865 ملین روپے رہی۔ اس فنڈ کے خالص اثاثہ جات کی مالیت 723.593 ملین روپے تھی جو 30 جون 2018ء پر پی بونٹ 215.4110 روپے کی خالص مالیت اثاثہ جات کی ترجمان ہے۔

مئی مارکیٹ سب فنڈ

30 جون 2018ء کو ختم شدہ سال کیلئے، اس سب فنڈ نے 40.767 ملین روپے کی مجموعی آمدن حاصل کی اور عملی آمدن 28.235 ملین روپے رہی۔ اس فنڈ کے خالص اثاثہ جات کی مالیت 687.446 ملین روپے رہی جو 30 جون 2018ء پر فی یونٹ 175.5933 کی خالص مالیت اثاثہ جات کی ترجمان ہے۔

کموڈٹی سب فنڈ

30 جون 2018ء کو ختم شدہ عرصے کیلئے اس سب فنڈ نے 0.264 ملین روپے کی مجموعی آمدن حاصل کی اور عملی آمدن 0.057 ملین روپے رہی۔ اس فنڈ کے خالص اثاثہ جات 4.794 ملین روپے رہے جو 30 جون 2018ء پر فی یونٹ 114.3607 روپے کی خالص مالیت اثاثہ جات کی ترجمانی کرتے رہیں۔

آڈٹرز

موجودہ قانونی آڈٹرز میسرز ارنسٹ اینڈ ینگ فورڈ رھوڈز کمپنی، چارٹرڈ اکاؤنٹنٹس، جواہل ہیں، نے اپنی دوبارہ تقرری کیلئے خود کو پیش کر دیا ہے اور بورڈ کی آڈٹ کمیٹی نے 30 جون 2019ء کو ختم ہونے والے سال کیلئے ان کی تقرری بطور ایکسٹرنل آڈٹرز کیلئے سفارش کر دی ہے۔

اظہار تشکر

ہم اپنے گرانقدر یونٹ ہولڈرز کا یو بی ایل فنڈ نیچرز لمیٹڈ پر ان کے اعتماد اور یقین کیلئے شکریہ ادا کرتے ہیں۔ اس کے علاوہ ہم سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ (آنے والے لٹرسٹی) اور ایم سی بی فنانشل سروسز لمیٹڈ (رخصت ہونے والے لٹرسٹی) کا ان کی مسلسل اعانت، رہنمائی اور تعاون پر بھی شکریہ ادا کرنا چاہیں گے۔ بورڈ اس موقع کو غنیمت جانتے ہوئے اپنے تمام ملازمین کا بھی ان کی لگن، عزم، جذبے اور محنتِ شاقہ کیلئے اعتراف کے ساتھ تہ دل سے شکر گزار ہے۔

منجانب و برائے بورڈ

یاسر قادری

چیف ایگزیکٹو

کراچی، بتاریخ 28 اگست 2018ء

URSF

UBL Retirement Savings Fund

INVESTMENT OBJECTIVE

URSF is an 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 Shakra-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	Ernst & Young Ford Rhodes
Bankers	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited JS Bank Limited MCB Bank Limited National Bank of Pakistan Samba Bank Limited Sindh Bank Limited Tameer MicroFinance Bank United Bank Limited Zarai Taraqati Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

Fund Manager's Report – UBL Retirement Savings Fund (URSF)

- i) **Description of the Voluntary Pension Scheme (VPS) category and type**
Voluntary Pension Scheme / Open-end
- ii) **Statement of VPS's investment objective**
URSF is an 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's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'17	Aug'17	Sep'17	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18	Mar'18	Apr'18	May'18	Jun'18	FYTD
URSF Debt (p.a)*	2.88%	3.58%	6.31%	5.04%	4.32%	4.54%	4.23%	4.24%	4.86%	5.21%	4.43%	6.05%	4.63%
URSF Money Market (p.a)*	4.11%	4.27%	4.29%	3.81%	4.33%	4.08%	4.43%	4.31%	4.41%	4.72%	4.19%	5.68%	4.38%
URSF Equity	-2.28%	-10.88%	1.87%	-6.51%	0.45%	1.09%	8.45%	-2.40%	5.46%	0.10%	-4.85%	-2.17%	-12.39%
URSF Commodity	3.42%	2.94%	-2.49%	-0.77%	-0.44%	1.24%	2.89%	-1.71%	0.20%	-0.60%	-0.83%	-2.47%	1.17%

UBL Retirement Savings Fund	FY'18
High Volatility	-9.0%
Medium volatility	-4.0%
Low volatility	0.3%
Lower volatility	4.4%

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

The Equity Sub Fund generated a return of -12.39% during FY18. Major exposure was taken in Commercial Banks (22%), Oil & Gas Exploration (18%) and Fertilizers (10%).

The Debt Sub Fund maintained majority exposure in government securities during the year, keeping the return consistent by generating a yield of 4.63% p.a.

The Money Market Sub Fund generated a yield of 4.38% p.a. higher than the peer group average return of 4.45%.

The Commodity Sub Fund generated a return of 1.17% during the year, which was primarily due to the upward rising trend in international gold prices during the 1HFY18.

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

Correction

Asset Allocation (% of Total Assets)	Jun-17	Jun-18
Treasury Bills	38%	30%
Placements with banks	10%	0%
Term Finance Certificates / Sukuks	3%	10%
Placement against TFC	0%	0%
PIBs	15%	1%
Cash	15%	58%
Others	1%	1%
GoP Ijara Sukuk	19%	0%
Leverage	Nil	Nil
URSF Money Market (% of Total Assets)	Jun-17	Jun-18
Treasury Bills	56%	24%
Placements with banks	19%	19%
PIBs	0%	0%
Cash	23%	57%
Term Finance Certificates / Sukuks	0%	0%
Others	2%	1%
Leverage	Nil	Nil
URSF Equity (% of Total Assets)	Jun-17	Jun-18
Equities	94%	94%
Cash	5%	5%
Others	1%	1%
Leverage	Nil	Nil
URSF Commodity (% of Total Assets)	Jun-17	Jun-18
Gold	78%	72%
T-Bills	0%	0%
Cash	61%	77%
Others*	-39%	-49%
Leverage	Nil	Nil

viii) **Analysis of the VPS performance**

URSF -DSF: FY'18 Return:	4.63% p.a.
URSF -MSF: FY'18 Return:	4.38% p.a.
URSF -ESF: FY'18 Return:	-12.39%
URSF -CSF: FY'18 Return:	1.17%

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-18	30-Jun-17	Change	30-Jun-18	30-Jun-17	Change
	Rupees (000)		%	Rupees		%
URSF-ESF	1,309,820	1,566,570	(16.4)	660.55	753.96	(12.4)
URSF-DSF	723,593	732,319	(1.2)	215.41	205.88	4.6
URSF-MSF	687,447	547,293	25.6	175.59	168.22	4.4
URSF-CSF	4,794	4,572	4.9	114.36	113.04	1.2

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 4 sub funds which invest in the equity, debt / money market and commodity markets actively. Reviews of these markets are as follows:

Debt Market Review – FY18

The International Crude Oil prices exhibited an upward trend for the fiscal year. The prices increased from USD 45-per barrel increasing as much as ~70% closing at a new high of USD ~80 per barrel. Increasing oil prices, higher commodity prices (with exception of sugar) along with lagged impact of PKR devaluation (+16%) aided in increasing inflation rate to 4.4% for 4QFY18. Core measures of inflation witnessed an upward trajectory where NFNE which is somewhat sticky in nature increased to 7.1% by end of FY18. Taking cues from this trend we expect SBP to continue its current monetary tightening policy.

In twelve PIB auctions for FY18 conducted during the year, the government raised PKR~102bn (PKR ~894bn in FY17) against target of PKR 330bn. Consequently, outstanding amount for the PIBs in the market increased to PKR 29.47trn. Participation in the auctions was largely skewed towards three and five year paper in line with interest rate hikes. Cut off yields in June auction trimmed to 7.5%, 8.5% and 8.7% for three, five and ten year PIB instruments respectively. In July'18 PIB Auction the government accepted PKR ~6.9bn.

The yield curve based on government securities of various maturities has shifted upwards in line with the ongoing increasing discounts rates. Yield on 3M, 6M and 12M T-Bills increased by 79bps, 90bps and 116bps, respectively.

Similarly, yield on 3-year, 5-year and 10-year bonds increased 180bps, 171bps and 86bps, respectively. The spread between annualized yields of 1-year T-bills (7.20% p.a.) and 10-year PIBs (9.03% p.a.) stood at 1.83% as of 30 June 2018.

Stock Market Review – FY18

In the aftermath of distressing events in FY18, the KSE-100 index posted a cumulative loss of 10% after a prolonged period of 8-years. Market's decline was largely driven by a series of tensed political events, burgeoning concerns on macro-economic front along with continued sell-off by foreign investors (USD289mn). With growing uncertainties, market participants remained cautious, keeping average market-traded volumes depressed (84mn).

The benchmark index commenced the year with high hopes but soon suffered foreign outflows post MSCI inclusion. A series of setbacks augmented uncertainties during 1HFY18, keeping the equity market in a jittery position and pushing the index to a low of 37,919 points. The primary highlights among these were disqualification of sitting PM followed by barring of Finance Minister to run office; leaving little room to focus on economy. This was followed by a 21-day protest by TLP against the government pushing the regime into isolation. Without any proper economic manager in place, the country stood open to increasing hazards on the macroeconomic fronts.

With political tensions, concerns on external account started to unearth as support from low oil prices started to fade away. In the 3QFY18, some positive triggers like appointment of Finance Minister, smooth senate elections, announcement of tax amnesty scheme along with introduction of essential policy action prompted interest by market participants, leading to inflow of USD 31mn.

However, the concerns on macroeconomic front remained strong, requiring further use of policy actions. The full year FY18 current account deficit augmented to ~USD18bn (+43%YoY) further weighing down investor sentiment. Moreover, fiscal deficit came in much higher at ~7%. Mushrooming twin-deficit financing requirements weakened foreign reserves position. SBP's reserves were down to ~USD10bn at end of FY18, further deteriorating investor confidence.

On the international front, US Fed continued on its monetary tightening policy by 25bps to 2% during FY18. We expect this stance to continue in CY18. International oil prices mounted to a 4-year high of USD80/bbl amid better co-operation between member OPEC and Non-OPEC countries. Overall, commodity prices also rallied upwards with growing demands from importing countries. Escalation of ongoing trade-war is expected to push oil prices downhill. This will be favorable for a high energy importing country like Pakistan. Moreover, a stable government will also resume work on the multi-billion CPEC project.

Going forward, remedial measures taken by central bank combined with entry into the IMF program will enable corrective measures and stabilize economy over medium term. Moreover, subsiding political tensions, steep discount (~24% from its peak) along with a high earnings-yield offering (~12%) is expected to strengthen investor sentiment and bring investor's interest back in the local equity market.

Commodity Market Review – FY18

At the start of the fiscal year 2018, gold prices stood at 1247/oz. Since then, burgeoning uncertainty surrounding Pyongyang and Washington made this commodity as a preferred alternative asset class to conventional asset classes. With growing ambiguity amid threats of nuclear attacks, dollar weakened;

pushing gold prices to a high of 1358/oz (+11%). As concerns related to nuclear war started to wear-off a climate of geo-political harmony strengthened between US and North Korea. Resultantly, dollar began its upwards drive while gold exhibiting an inverse relationship embarked downhill. This trend was further established with expectations of a robust US economy sparking expectations of interest rate hikes by US Fed. Nonetheless, despite this downward trend, the gold metal managed to yield a positive ~1% return for FY18.

- 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	Number of Investors
	ESF	DSF	MSF	CSF
0.0001 - 9,999.9999	1589	1506	946	181
10,000.0000 - 49,999.9999	34	52	50	
50,000.0000 - 99,999.9999	2	6	11	
100,000.0000 - 499,999.9999	1	7	9	
500,000.0000 & Above				
Total	1626	1571	1016	181

- 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.

Head Office

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TRUSTEE REPORT TO THE PARTICIPANTS

UBL 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 UBL 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, 2018 in accordance with the provisions of the constitutive documents of the Fund and the Voluntary Pension System Rules, 2005.

Aftab Ahmed Diwan
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, October 12, 2018

AUDITORS' REPORT TO THE PARTICIPANTS OF UBL RETIREMENT SAVINGS 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-funds.

of UBL Retirement Savings Fund (the Fund) as at **30 June 2018** and for the year ended **30 June 2018** together with the notes forming part thereof for the year then ended.

It is the responsibility of the Pension Fund Manager to establish and maintain a system of internal control and prepare and present the financial statements of the Fund in conformity with the accounting and reporting standards as applicable in Pakistan and the requirements of Voluntary Pension System Rules, 2005. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion:

- a) the financial statements prepared for the year 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 30 June 2018 and of the transactions of the fund for the year ended 30 June 2018;
- 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) proper books and records have been kept by the Fund or the financial statements prepared are in agreement with the Fund's books and records, that fact;
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of the audit; and
- g) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.



Chartered Accountants

Audit Engagement Partner: Shaikh Ahmed Salman

Date: 28 August 2018

Karachi

UBL RETIREMENT SAVINGS FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2018

Note	2018					2017					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	
	(Rupees '000)										
ASSETS											
Bank balances	5	67,932	428,307	393,732	4,064	894,035	85,873	108,403	136,532	3,198	334,006
Term deposit receipt	6	-	-	133,000	-	133,000	-	75,000	105,000	-	180,000
Investments	7	1,255,417	302,601	163,457	(32)	1,721,443	1,490,513	554,288	308,947	(80)	2,353,668
Advance tax	8	748	303	430	25	1,506	747	279	267	22	1,315
Receivable against sale of investments		3,565	-	-	-	3,565	8,614	-	-	-	8,614
Dividend, deposits, mark-up and other receivables	9	5,510	4,045	2,879	1,126	13,560	6,463	3,811	1,304	1,889	13,467
Total assets		1,333,172	735,256	693,498	5,183	2,767,109	1,592,210	741,781	552,050	5,029	2,891,070
LIABILITIES											
Payable to the Pension Fund Manager	10	2,328	1,246	1,357	35	4,966	3,162	1,390	875	43	5,470
Payable to the Trustee	11	146	81	77	-	304	174	79	59	-	312
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	12	443	246	221	2	912	455	268	168	11	902
Accrued expenses and other liabilities	13	20,435	10,090	4,397	352	35,274	21,849	7,724	3,655	403	33,631
Total liabilities		23,352	11,663	6,052	389	41,456	25,640	9,461	4,757	457	40,315
NET ASSETS		1,309,820	723,593	687,446	4,794	2,725,653	1,566,570	732,320	547,293	4,572	2,850,755
PARTICIPANTS' SUB-FUNDS (AS PER STATEMENT ATTACHED)		1,309,820	723,593	687,446	4,794		1,566,570	732,320	547,293	4,572	
Contingencies and commitments	14										
NUMBER OF UNITS IN ISSUE (AS PER STATEMENT ATTACHED)		1,982,938	3,359,128	3,914,990	41,924		2,077,794	3,557,087	3,253,362	40,445	
NET ASSETS VALUE PER UNIT (RUPEES)	4.7	660.5478	215.4110	175.5933	114.3607		753.9583	205.8763	168.2238	113.0424	

The annexed notes from 1 to 28 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL RETIREMENT SAVINGS FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2018

	Note	2018					2017				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
(Rupees'000)											
INCOME											
Net capital (loss) / gain on sale of investments classified as:											
- 'at fair value through profit or loss - held-for-trading'		(100,585)	(768)	-	35	(101,318)	178,763	-	-	(2,707)	176,056
- 'designated at fair value through profit or loss'		-	161	(66)	-	95	-	94	(258)	-	(164)
- 'available-for-sale'		3,077	-	-	-	3,077	-	(10,728)	-	-	(10,728)
Dividend income		56,128	-	-	-	56,128	45,992	-	-	-	45,992
Income from Government securities classified as:											
- 'at fair value through profit or loss - held-for-trading'		-	4,813	-	-	4,813	-	-	-	-	-
- 'designated at fair value through profit or loss'		-	15,591	18,887	-	34,478	-	10,672	13,842	-	24,514
- 'available-for-sale'		-	(353)	-	-	(353)	-	35,467	-	-	35,467
Income from sukuk certificates / term finance certificates classified as											
'designated at fair value through profit or loss'		-	5,631	-	-	5,631	-	1,278	450	-	1,728
Mark-up on bank accounts and other deposits		5,349	22,457	21,950	241	49,997	5,556	11,667	17,549	1,426	36,198
Net unrealised (loss) / gain on revaluation of investments classified as											
- 'at fair value through profit or loss - held-for-trading'		(119,244)	-	-	(32)	(119,276)	120,969	153	-	(80)	121,042
- 'designated at fair value through profit or loss'		-	391	(45)	-	346	-	(1,598)	(24)	-	(1,622)
Other income		64	34	41	20	159	112	30	19	109	270
Total (loss) / income		(155,211)	47,957	40,767	264	(66,223)	351,392	47,035	31,578	(1,252)	428,753
Impairment loss on investments classified as 'available-for-sale'		(7,219)	-	-	-	(7,219)	-	-	-	-	-
EXPENSES											
Remuneration of Pension Fund Manager	10.1	19,951	11,077	9,938	82	41,048	20,479	12,045	7,487	485	40,496
Sales tax on remuneration of Pension Fund Manager	10.2	2,594	1,440	1,292	11	5,337	2,662	1,566	983	63	5,274
Remuneration of the Trustee	11.1	1,573	873	784	6	3,236	1,616	953	598	39	3,206
Sales tax on remuneration of the Trustee	11.2	204	113	102	1	420	210	124	78	5	417
Annual fee to SECP	12	443	246	221	2	912	455	268	168	11	902
Auditors' remuneration	16	83	83	83	83	332	78	78	78	78	312
Custody and settlement charges		700	10	-	10	720	1,400	100	-	44	1,544
Securities transaction cost		1,209	150	17	14	1,390	5,385	107	11	60	5,563
Legal and professional charges		83	39	39	35	196	98	81	53	17	249
Bank charges		33	93	102	8	236	25	37	67	10	139
Printing		(50)	(49)	(62)	(45)	(206)	-	-	-	-	-
Other expenses		-	17	16	-	33	24	9	7	-	40
Total expenses		26,823	14,092	12,532	207	53,654	32,432	15,368	9,530	812	58,142
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those redeemed - net		4,013	(1,349)	617	(2)	3,279	44,268	(3,003)	1,423	1,994	44,682
Reversal of provision for Workers Welfare Fund (WWF)	13.1	-	-	-	-	-	6,510	2,816	809	20	10,155
Provision for Sindh Workers Welfare Fund (SWWF)	13.1	-	-	-	-	-	(7,251)	(618)	(477)	-	(8,346)
		-	-	-	-	-	(741)	2,198	332	20	1,809
Net (loss) / income for the year before taxation		(185,240)	32,516	28,852	55	(123,817)	362,487	30,862	23,803	(50)	417,102
Taxation	17	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the year after taxation		(185,240)	32,516	28,852	55	(123,817)	362,487	30,862	23,803	(50)	417,102
Earnings per unit	18										

The annexed notes from 1 to 28 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL RETIREMENT SAVINGS FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2018

	2018					2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	----- (Rupees in '000) -----									
Net (loss) / income for the year after taxation	(185,240)	32,516	28,852	55	(123,817)	362,487	30,862	23,803	(50)	417,102
Other comprehensive income / (loss) for the year:										
Items to be reclassified to income statement in subsequent periods										
Net unrealised appreciation / (dimnution) on re-measurement of investments classified as 'available-for-sale'	9	(487)	-	-	(478)	-	(270)	-	-	(270)
Total comprehensive (loss) / income for the year	<u>(185,231)</u>	<u>32,029</u>	<u>28,852</u>	<u>55</u>	<u>(124,295)</u>	<u>362,487</u>	<u>30,592</u>	<u>23,803</u>	<u>(50)</u>	<u>416,832</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL RETIREMENT SAVINGS FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	2018					2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	(Rupees in '000)									
CASH FLOWS FROM OPERATING ACTIVITIES										
Net (loss) / income for the year before taxation	(185,240)	32,516	28,852	55	(123,817)	362,487	30,862	23,803	(50)	417,102
Adjustments for:										
Net capital (loss) / gain on sale of investments classified as:										
- 'at fair value through profit or loss - held-for-trading'	100,585	768	-	(35)	101,318	(178,763)	-	-	2,707	(176,056)
- 'designated at fair value through profit or loss'	-	(161)	66	-	(95)	-	(94)	258	-	164
- 'available-for-sale	(3,077)	-	-	-	(3,077)	-	10,728	-	-	10,728
Net unrealised (loss) / gain on revaluation of investments classified as:										
- 'at fair value through profit or loss - held-for-trading'	119,244	-	-	32	119,276	(120,969)	(153)	-	80	(121,042)
- 'designated at fair value through profit or loss'	-	(391)	45	-	(346)	-	1,598	24	-	1,622
Income from Government securities classified as:										
- 'at fair value through profit or loss - held-for-trading'	-	(4,813)	-	-	(4,813)	-	-	-	-	-
- 'designated at fair value through profit or loss'	-	(15,591)	(18,887)	-	(34,478)	-	(20)	(545)	-	(565)
- 'available-for-sale	-	353	-	-	353	-	(35,467)	-	-	(35,467)
Income from sukuk certificates / term finance certificates classified as:										
- 'at fair value through profit or loss - held-for-trading'	-	(5,631)	-	-	(5,631)	-	(1,278)	(450)	-	(1,728)
Impairment loss on investments classified as 'available-for-sale'	7,219	-	-	-	7,219	-	-	-	-	-
Mark-up on bank accounts and other deposits	(5,349)	(22,457)	(21,950)	(241)	(49,997)	(5,556)	(11,667)	(17,549)	(1,426)	(36,198)
Dividend income	(56,128)	-	-	(20)	(56,128)	(45,992)	-	-	-	(45,992)
Other income	(64)	(34)	(41)	(20)	(179)	-	-	-	-	-
Reversal of provision for Workers Welfare Fund (WWF)	-	-	-	-	-	(6,510)	(2,816)	(809)	(20)	(10,155)
Provision for Sindh Workers Welfare Fund (SWWF)	-	-	-	-	-	7,251	618	477	-	8,346
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those redeemed - net	(4,013)	1,349	(617)	2	(3,279)	(44,268)	3,003	(1,423)	(1,994)	(44,682)
	158,417	(46,608)	(41,384)	(262)	70,143	(394,807)	(35,548)	(20,017)	(653)	(451,025)
Decrease / (increase) in assets										
Investments	11,134	207,749	37,663	(45)	256,501	(16,792)	426,666	304,531	(560)	713,845
Advance tax	(1)	(24)	(163)	(3)	(191)	(1)	-	88	(13)	74
Receivable against sale of investments	5,049	-	-	-	5,049	(8,614)	-	-	-	(8,614)
Dividend, deposits, mark-up and other receivables	-	(2)	-	772	770	-	4	-	3,578	3,582
	16,182	207,723	37,500	724	262,129	(25,407)	426,670	304,619	3,005	708,887
(Decrease) / increase in liabilities										
Payable to the Pension Fund Manager	(834)	(144)	482	(8)	(504)	782	(399)	168	(35)	516
Payable to the Trustee	(28)	2	18	-	(8)	35	(14)	13	(8)	26
Annual fee payable to SECP	(12)	(22)	53	(9)	10	122	23	50	-	195
Accrued and other liabilities	(1,414)	2,366	742	(51)	1,643	665	537	(64)	(3)	1,135
	(2,288)	2,202	1,295	(68)	1,141	1,604	147	167	(46)	1,872
Dividend and mark-up received	62,494	32,350	1,529	252	96,625	49,636	62,174	25,105	1,553	138,468
Net cash generated from / (used in) operating activities	49,565	228,183	27,792	701	306,241	(6,487)	484,305	333,677	3,809	815,304
CASH FLOWS FROM FINANCING ACTIVITIES										
Net receipt of contribution	591,257	414,538	661,005	1,771	1,668,571	583,908	213,189	350,423	3,412	1,150,932
Effect of reallocation	(60,162)	44,581	15,218	363	-	(26,479)	17,061	9,738	(320)	-
Net payment against redemption of units	(598,601)	(501,224)	(564,305)	(1,969)	(1,666,099)	(579,864)	(394,857)	(260,227)	(35,797)	(1,270,745)
Net cash (used in) / generated from financing activities	(67,506)	(42,105)	111,918	165	2,472	(22,435)	(164,607)	99,934	(32,705)	(119,813)
Net (decrease) / increase in cash and cash equivalent during the year	(17,941)	186,078	139,710	866	308,713	(28,922)	319,698	433,611	(28,896)	695,491
Cash and cash equivalents at beginning of the year	85,873	466,108	550,479	3,198	1,105,658	114,795	146,410	116,868	32,094	410,167
Cash and cash equivalents at end of the year	67,932	652,186	690,189	4,064	1,414,371	85,873	466,108	550,479	3,198	1,105,658
Cash and cash equivalents										
Bank balances	67,932	428,307	393,732	4,064	894,035	85,873	108,403	136,532	3,198	334,006
Term deposit receipt (TDR)	-	-	133,000	-	133,000	-	75,000	105,000	-	180,000
Treasury bills	-	223,879	163,457	-	387,336	-	282,705	308,947	-	591,652
	67,932	652,186	690,189	4,064	1,414,371	85,873	466,108	550,479	3,198	1,105,658

The annexed notes from 1 to 28 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

UBL RETIREMENT SAVINGS FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

Note	2018					2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	(Rupees in '000)									
Net assets at beginning of the year	1,566,570	732,320	547,293	4,572	2,850,755	1,270,786	863,332	424,979	39,321	2,598,418
Amount received on issuance of units	591,257	414,538	661,005	1,771	1,668,571	583,908	213,189	350,423	3,412	1,150,932
Effect of reallocation	(60,162)	44,581	15,218	363	-	(26,479)	17,061	9,738	(320)	-
Amount paid on redemption of units	(598,601)	(501,224)	(564,305)	(1,969)	(1,666,099)	(579,864)	(394,857)	(260,227)	(35,797)	(1,270,745)
	(67,506)	(42,105)	111,918	165	2,472	(22,435)	(164,607)	99,934	(32,705)	(119,813)
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed - amount	(4,013)	1,349	(617)	2	(3,278)	(44,268)	3,003	(1,423)	(1,994)	(44,682)
	1,495,051	691,564	658,594	4,739	2,849,949	1,204,083	701,728	523,490	4,622	2,433,923
Net movement on remeasurement of investments classified as 'available-for-sale' arising during the year	9	(487)	-	-	(478)	-	(270)	-	-	(270)
Net capital (loss) / gain on sale of investments classified as:										
- 'at fair value through profit or loss - held-for-trading'	(100,585)	(768)	-	35	(101,318)	178,763	94	-	(2,707)	176,150
- 'designated at fair value through profit or loss'	-	161	(66)	-	95	-	(10,728)	(258)	-	(10,986)
- 'available-for-sale'	3,077	-	-	-	3,077	-	-	-	-	-
Unrealised (loss) / gains on revaluation of investments classified as:										
- 'at fair value through profit or loss - held-for-trading'	(119,244)	-	-	(32)	(119,276)	120,969	153	-	(80)	121,042
- 'designated at fair value through profit or loss'	-	391	(45)	-	346	-	(1,598)	(24)	-	(1,622)
Other net income for the year	31,512	32,732	28,963	52	93,259	62,755	42,941	24,085	2,737	132,518
	(185,240)	32,516	28,852	55	(123,817)	362,487	30,862	23,803	(50)	417,102
Net assets at end of the year	1,309,820	723,593	687,446	4,794	2,725,653	1,566,570	732,320	547,293	4,572	2,850,755

The annexed notes from 1 to 28 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

**UBL RETIREMENT SAVINGS FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL 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 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 Companies Ordinance, 1984 and the MCB Financial Services Limited as the Trustee. The trusteeship of the Fund has been transferred to Central Depository Company of Pakistan Limited (CDC) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014. The title to the assets of the Fund is held in the name of the Trustee.

The Fund is a pension fund and offers units for public subscription on a continuous basis. The units are non-transferable 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 Fund consists of four Sub-Funds namely, UBL Retirement Savings Fund Equity Sub-Fund ("Equity Sub-Fund"), UBL Retirement Savings Fund Debt Sub-Fund ("Debt Sub-Fund"), UBL Retirement Savings Fund Money Market Sub-Fund ("Money Market Sub-Fund") and UBL Retirement Savings Fund Commodity Sub-Fund ("Commodity 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 Assets Value (NAV) in listed shares. The investment in a single company is restricted to lower of 10% of 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 percent (25%) of the Funds may be deposited with banks having not less than "AA +" rating. 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.
- The Commodity Sub-Fund of a Pension Fund shall invest only in those commodity futures contracts that are traded at the Pakistan Mercantile Exchange and cash settled futures contracts, except for gold for which the Commodity Sub-Fund, in addition to the cash settled futures, may also invest in deliverable futures contracts. At least seventy percent (70%) of net assets of the Commodity Sub-Fund shall remain invested in commodity futures contracts during the year based on quarterly average investment calculated on daily basis. At least 10% of the net assets of the Commodity Sub-Fund shall remain invested in Government treasury bills or Government securities having less than 90 days' time to maturity or kept as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP. A Pension Fund Manager may invest any surplus (un-invested) funds in Government treasury bills and Government securities having less than one year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than AA by a rating agency registered with SECP.

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. UBL Retirement Savings Fund also offers optional insurance cover to the contributors.

The registered office of UBL Fund Managers is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi with effect from April 06, 2016.

JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM1 (stable outlook) dated December 29, 2017 to the Management Company.

2. STATEMENT OF COMPLIANCE

2.1 These financial statements has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, voluntary pension system Rules, 2005 (VPS Rules) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP differ with the requirements of IFRS. The requirements of the Trust Deed, the VPS Rules (2005) or the requirements of the said directives prevail.

2.2 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IAS 7 Statement of Cash Flows - Disclosure Initiative - (Amendment)

IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 2 – Share-based Payments – Classification and Measurement of of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	Not yet finalized
IFRS 9 – Financial Instruments	July 01, 2018
IFRS 9 – Prepayment Features with Negative Compensation - (Amendments)	January 01, 2019
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IFRS 15 – Revenue from Contracts with Customers	July 01, 2018

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 16 – Leases	January 01, 2019
IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)	January 01, 2019
IAS 28 - Long-term Interests in Associates and Joint Ventures – (Amendments)	January 01, 2019
IAS 40 Investment Property: Transfers of Investment Property (Amendments)	January 01, 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	January 01, 2018
IFRIC 23 Uncertainty over Income Tax Treatments	January 01, 2019

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application. However, the Fund is currently evaluating the requirements of IFRS-9 and potential impact on the financial statements of the Fund.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2016 and December 2017. Such improvements are generally effective for accounting periods beginning on or after 01 January 2018 and 01 January 2019 respectively. The Fund expects that such improvements to the standards will not have any impact on the Fund's financial statements in the period of initial application

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after 1 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 17 - Insurance Contracts	January 01, 2021

3. BASIS OF PREPARATION

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments are measured at fair value.

3.2 Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and 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 result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments made by management in the application of accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment are explained in note 4.1 and 4.1.5.

3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial years except as described in note 2.3.

4.1 Financial assets

4.1.1 Classification

The Fund classifies its financial assets in the following categories: 'investment at fair value through profit or loss' - held-for-trading, 'loans and receivables' and 'available-for-sale investment' in accordance with the requirements of International Accounting Standard (IAS) 39: 'Financial Instruments: Recognition and Measurement'. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification on a regular basis.

a) Financial assets at fair value through profit or loss

These include held-for-trading investments and such other investments that, upon initial recognition, are designated under this category. Investments are classified as held-for-trading if they are acquired for the purpose of selling in the near term. After initial measurement, such investments are carried at fair value and gains or losses on revaluation are recognised in the income statement.

b) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Fund's loans and receivables comprise of balances with banks, deposits and other receivables and dividend and profit receivable.

c) Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified as (a) loans and receivables or (b) financial assets 'at fair value through profit or loss' - held-for-trading. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price.

4.1.2 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognized at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.1.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

4.1.4 Subsequent measurement

Subsequent to initial recognition, financial assets designated by the management as 'at fair value through profit or loss' and 'available-for-sale' are valued as follows:

a) Government Ijarah Sukuks

The investment of the Debt Sub-Fund and Money Market Sub-Fund in Government Ijarah Sukuks are categorized as 'at fair value through profit or loss' - held-for-trading and 'available-for-sale' and are valued on the basis of broker average rates obtained from Mutual Funds Association of Pakistan (MUFAP).

b) Equity Securities

The investment of the Equity Sub-Fund in equity securities is categorised as 'at fair value through profit or loss' - held-for-trading and 'available-for-sale' and is valued on the basis of quoted market prices available at the stock exchange.

c) Debt Securities

The investment of the Fund in debt securities is valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 1 dated January 6, 2009 as amended by Circular No. 33 dated October 24, 2012. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorizes them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

d) Derivative Financial Instruments

Derivative instruments that are held by the Fund primarily comprise of gold futures contracts in the commodities market. These are measured initially at fair value and revalued at each subsequent measurement date at their fair values which is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the futures commodities. Derivatives with the positive market values (unrealised gains) are included in assets and derivatives with the negative market (unrealised losses) are included in liabilities in the statement of assets and liabilities. The resulted gains and losses are included in the income statement.

e) Loans and receivables

Subsequent to initial recognition financial assets classified as loans and receivables are carried at amortized cost using the effective interest method.

Net gains and losses arising from the difference between the carrying amount and the value determined in accordance with the criteria mentioned above in respect of financial assets at fair value through profit or loss are recognised as unrealised gain or loss in the income statement.

Gain or loss is also recognised in the income statement when financial assets carried at amortised cost are derecognised.

Net gains and losses arising from the difference in value determined in accordance with the above mentioned criteria compared to the carrying amount in respect of available-for-sale financial assets are recognised in other comprehensive income until the available-for-sale financial assets are derecognised. At this time, the cumulative gain or loss previously recognised directly in other comprehensive income is reclassified from other comprehensive income to income statement as a reclassification adjustment.

4.1.5 Impairment

The carrying amounts of the Fund's assets are assessed at each balance sheet date to determine whether there is any indication of impairment in any asset or group of assets. If such indication exists, the recoverable amount of the assets is estimated and impairment losses are recognised immediately as an expense in the income statement. In case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in other comprehensive income is reclassified from other comprehensive income and recognised in the income statement. Impairment losses recognised on equity financial assets recognised in the income statement are not reversed through the income statement.

For loans and receivables, a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective profit rate.

4.1.6 Derecognition

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

4.1.7 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 recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

4.1.8 Reclassification

The Fund may choose to reclassify a non-derivative trading financial asset in equity securities out of the 'held-for-trading' category to the 'available-for-sale' category if the financial asset is no longer held for the purpose of selling it in the near term. Such reclassifications are made only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. Reclassifications are made at fair value as of the reclassification date which then becomes the new cost and no reversals of fair value gains or losses recorded before the reclassification date are subsequently made.

4.2 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to contractual provisions of the instrument. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Financial liabilities include payable to the Pension Fund Manager, payable to the Trustee and other liabilities.

4.3 Formation cost

Formation cost represents expenditure incurred prior to the commencement of operations of the Fund. It is being amortised over a period of three years in accordance with the requirements set out in the Trust Deed of the Fund.

4.4 Issuance, allocation, reallocation and redemption of units

Contribution received from a Participant is allocated to the sub-funds on the basis of the allocation scheme selected by the Participant out of the allocation schemes offered by the Pension Fund Manager. Units issued in respect of a sub-fund are recorded at the offer price of that sub-fund, determined by the Pension Fund Manager for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit of the sub-fund as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Pension Fund Manager.

The Pension Fund Manager makes reallocation of the sub-fund units between the sub-funds at least once a year to ensure that the allocations of the sub-fund units of all the Participants are according to the allocation schemes selected by the Participants.

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

An equalization account called the 'element of income / (loss) and capital gains / (losses) included in prices of units sold 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.

The Fund records that portion of the net element of income / (loss) and capital gains / (losses) relating to units sold and redeemed during an accounting period which pertains to unrealised gains / (losses) that form part of the Unit Holders' Funds in a separate reserve account and any amount remaining in this reserve account at the end of an accounting period (whether gain or loss) is included in the amount available for distribution to the unit holders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period is recognized in the Income Statement.

4.6 Provisions

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

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 sub-fund by the number of units of the sub-fund in circulation at the year end.

4.8 Earnings per unit

Earning Per Unit (EPU) for the year ended June 30, 2017 in respect of each sub-fund, has been calculated by dividing the net income after taxation of a sub-fund by weighted average number of units of the sub-fund in circulation during the year.

4.9 Taxation

The income of the Pension Fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Despite the exemption available under the said clause, minimum tax at the rate of 1% of turnover was chargeable under section 113 of the Income Tax Ordinance, 2001. Through Finance Act, 2011, effective from July 01, 2011, pension funds are included in the list of entities on which the provisions of section 113 regarding minimum tax shall not apply.

4.10 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.
- Unrealised capital gains / losses arising on marking to market of investments classified as 'Financial assets at fair value through profit or loss' - held-for-trading are included in the Income Statement in the period in which they arise.
- Dividend income is recognised when the right to receive dividend is established.
- Profit on investment is recognised on an accrual basis.
- Profit on bank deposits is recognised on an accrual basis.

4.11 Cash and cash equivalents

Cash and cash equivalents include bank balances, short term deposits with banks and other short term highly liquid investments with original maturities of three months or less.

4.12 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on non-monetary financial assets and liabilities such as equities at fair value through profit or loss are recognised in the Income Statement within the fair value net gain or loss.

4.13 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 pension fund manager and the trustee is determined in accordance with the provision of Voluntary Pension Scheme Rules 2005 and the Trust Deed respectively.

Note	June 30, 2018					June 30, 2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
5. BANK BALANCES										
Bank accounts - saving	64,318	427,827	392,177	4,060	888,382	80,746	108,230	129,686	3,091	321,753
Balance held in collection account	3,614	480	1,555	4	5,653	5,127	173	6,846	107	12,253
	67,932	428,307	393,732	4,064	894,035	85,873	108,403	136,532	3,198	334,006

5.1 These carry mark-up at the rates ranging from 3.75% to 7.50% (2017: 4.00% to 7.25%) per annum and include balance of Rs.31.99 (2016: Rs.31.25) million with United Bank Limited (a related party).

6. TERM DEPOSIT RECEIPTS

Term deposit receipts	6.1	-	-	133,000	-	133,000	-	75,000	105,000	-	180,000
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6.1 These carry mark-up at the rate of 6.30% (2017: 6.75%) per annum with maturity upto July 11, 2018 (2017: July 04, 2017).

7. INVESTMENTS

Investments by Category

At fair value through profit or loss - held-for-trading

Listed equity securities	7.1	728,220	-	-	-	728,220	1,490,513	-	-	-	1,490,513
Government securities - Pakistan Investment Bonds		-	-	-	-	-	-	101,929	-	-	101,929
Government securities - GOP Ijara Sukuk		-	-	-	-	-	-	140,938	-	-	140,938
Future gold contracts	7.5	-	-	-	(32)	(32)	-	-	-	(80)	(80)
		728,220	-	-	(32)	728,188	1,490,513	242,867	-	(80)	1,733,300

Designated at fair value through profit or loss

Government securities - Treasury Bills	7.2	-	223,879	163,457	-	387,336	-	282,705	308,947	-	591,652
Debt securities - Term Finance Certificates / Sukuku	7.3	-	72,726	-	-	72,726	-	22,278	-	-	22,278
		-	296,605	163,457	-	460,062	-	304,983	308,947	-	613,930

Available-for-sale

Listed equity securities	7.4	527,197	-	-	-	527,197	-	-	-	-	-
Government securities - Pakistan Investment Bonds	7.6	-	5,996	-	-	5,996	-	6,438	-	-	6,438
		527,197	5,996	-	-	533,193	-	6,438	-	-	6,438
		1,255,417	302,601	163,457	(32)	1,721,443	1,490,513	554,288	308,947	(80)	2,353,668

7.1 Listed equity securities - 'at fair value through profit or loss - held-for-trading'

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of the Investee Company	Note	(Number of shares)				Balance as at June 30, 2018			Market value as a % of net assets of the sub-fund	Market value as % of investments of the sub-fund	Par value as a % of total paid-up capital of the investee company	
		As at July 01, 2017	Purchased during the year	Bonus / right during the year	Sold during the year	As at June 30, 2018	Carrying value	Market value				Unrealised (loss) / gain
		(Rupees'000)										%
Automobile assembler												
Honda Atlas Cars (Pakistan) Limited		48,000	-	-	2,000	46,000	39,914	14,554	(25,360)	1.11	1.16	0.03
Pak Suzuki Motor Company Limited		51,500	-	-	51,300	200	156	79	(77)	0.01	0.01	0.00
Indus Motor Company Limited		4,400	-	-	4,400	-	-	-	-	-	-	-
Gandhara Industries Limited		7,550	-	-	7,550	-	-	-	-	-	-	-
							40,070	14,633	(25,437)	1.12	1.17	0.03
Automobile parts and accessories												
Agriauto Industries Limited **		91,700	-	-	91,700	-	-	-	-	-	-	-
General Tyre and Rubber Company of Pakistan Limited		-	20,500	-	14,500	6,000	1,188	997	(191)	0.08	0.08	0.01
Thal Limited **		86,100	-	-	41,600	44,500	26,968	21,250	(5,718)	1.62	1.69	0.05
							28,156	22,247	(5,909)	1.70	1.77	0.06
Cable and electrical goods												
Pak Elektron Limited		293,000	-	-	293,000	-	-	-	-	-	-	-
							-	-	-	-	-	-
Oil and gas exploration companies												
Mari Petroleum Company Limited		45,150	1,460	-	1,460	45,150	70,963	68,004	(2,959)	5.19	5.42	0.04
Oil & Gas Development Company Limited		323,000	-	-	21,700	301,300	42,390	46,888	4,498	3.58	3.73	0.01
Pakistan Oilfields Limited		-	7,500	-	7,000	500	225	336	111	0.00	0.03	0.00
Pakistan Petroleum Limited		241,600	60,000	-	138,000	163,600	25,673	35,158	9,485	2.68	2.80	0.01
							139,251	150,386	11,135	11.45	11.98	0.06
Oil and gas marketing companies												
Pakistan State Oil Company Limited	7.1.2	104,100	-	19,320	71,800	51,620	16,663	16,431	(232)	1.25	1.31	0.02
							16,663	16,431	(232)	1.25	1.31	0.02
Construction and materials (cement)												
Cherat Cement Company Limited		224,300	-	-	144,500	79,800	14,267	7,759	(6,508)	0.59	0.62	0.05
Kohat Cement Company Limited		-	76,000	-	-	76,000	15,940	9,353	(6,587)	0.00	0.75	0.05
Lucky Cement Limited		83,300	-	-	30,400	52,900	44,238	26,869	(17,369)	2.05	2.14	0.02
Pioneer Cement Limited		59,400	-	-	59,400	-	-	-	-	-	-	-
Attock Cement Pakistan Limited		66,800	-	-	30,700	36,100	10,926	4,855	(6,071)	0.37	0.39	0.03
D.G. Khan Cement Company Limited	7.1.1	270,600	-	-	247,900	22,700	4,839	2,599	(2,240)	0.20	0.21	0.01
							90,210	51,435	(38,775)	3.21	4.11	0.16
Chemical												
ICI Pakistan Limited		38,500	-	-	23,000	15,500	16,966	12,423	(4,543)	0.95	0.99	0.02
Sitara Chemical Industries Limited		50,000	-	-	-	50,000	22,231	18,416	(3,815)	1.41	1.47	0.23
Engro Polymer and Chemicals Limited (right)		-	-	229,373	-	229,373	-	2,023	2,023	0.15	0.16	0.03
							39,197	32,862	(6,335)	2.51	2.62	0.28
Fertilizer												
Engro Corporation Limited		212,800	5,000	-	30,000	187,800	61,148	58,943	(2,205)	4.50	4.70	0.04
Engro Fertilizers Limited		523,800	20,000	-	104,000	439,800	24,305	32,945	8,640	2.52	2.62	0.03
Fauji Fertilizer Company Limited		-	40,000	-	40,000	-	-	-	-	-	-	-
							85,453	91,888	6,435	7.02	7.32	0.07
Industrial metals and mining												
Mughal Iron & Steel Industries		179,000	-	-	178,500	500	40	31	(9)	0.00	0.00	0.00
Ittefaq Iron Industries Limited		1,070,000	150,000	-	328,000	892,000	27,205	12,470	(14,735)	0.95	0.99	0.68
							27,245	12,501	(14,744)	0.95	0.99	0.68
Engineering												
Amreli Steels Limited		103,500	70,000	-	48,500	125,000	14,859	8,819	(6,040)	0.67	0.70	0.04
International Steels Limited		211,500	-	-	40,600	170,900	21,856	17,381	(4,475)	1.33	1.38	0.04
							36,715	26,200	(10,515)	2.00	2.08	0.08
Pharmaceuticals												
The Searle Company Limited	7.1.2	59,705	-	3,901	55,200	8,406	3,586	2,854	(732)	0.22	0.23	0.00
Highnoon Laboratories Limited	7.1.2	61,320	-	5,510	43,400	23,430	13,101	9,618	(3,483)	0.73	0.77	0.08
							16,687	12,472	(4,215)	0.95	1.00	0.08
Glass and ceramics												
Tariq Glass Industries Limited		132,200	-	-	27,500	104,700	11,597	11,220	(377)	0.86	0.89	0.14
							11,597	11,220	(377)	0.86	0.89	0.14
Paper and board												
Cherat Packaging Limited		-	11,800	-	-	11,800	825	749	(76)	0.00	0.06	0.04
Packages Limited		40,400	-	-	27,650	12,750	8,869	6,244	(2,625)	0.48	0.50	0.01
							9,694	6,993	(2,701)	0.48	0.56	0.05

Name of the Investee Company	Note	(Number of shares)				Balance as at June 30, 2018			Market value as a % of net assets of the sub-fund	Market value as % of investments of the sub-fund	Par value as a % of total paid-up capital of the investee company		
		As at July 01, 2017	Purchased during the year	Bonus / right during the year	Sold during the year	As at June 30, 2018	Carrying value	Market value				Unrealised (loss) / gain	
								(Rupees'000)			%		
Textile composite													
Gul Ahmed Textile Mills Limited		438,000	-	-	438,000	-	-	-	-	-	-		
Nishat (Chunian) Limited		313,000	240,000	-	553,000	-	-	-	-	-	-		
Nishat Mills Limited		399,500	-	-	146,900	252,600	40,083	35,596	(4,487)	2.72	2.84		
								40,083	35,596	(4,487)	2.72	2.84	0.07
Food and personal care products													
Al Shaheer Corporation Limited		350,000	-	-	-	350,000	14,039	9,538	(4,501)	0.73	0.76		
Shezan International Limited		37,000	-	-	-	37,000	17,575	21,090	3,515	1.61	1.68		
								31,614	30,628	(986)	2.34	2.44	0.71
Power generation and distribution													
Hub Power Company Limited		441,000	13,500	-	2,000	452,500	52,822	41,702	(11,120)	3.18	3.32		
K-Electric Limited *		1,400,000	-	-	1,400,000	-	-	-	-	-	-		
								52,822	41,702	(11,120)	3.18	3.32	0.04
Commercials banks													
Habib Bank Limited	7.1.1	192,300	53,500	-	98,600	147,200	38,257	24,500	(13,757)	1.87	1.95		
Allied Bank Limited		347,000	-	-	-	347,000	31,098	35,793	4,695	2.73	2.85		
Bank Alfalah Limited		349,000	314,000	-	332,000	331,000	13,236	17,308	4,072	1.32	1.38		
Faysal Bank Limited		1,030,000	376,525	-	767,000	639,525	12,526	16,628	4,102	1.27	1.32		
Meezan Bank Limited		348,000	-	-	38,000	310,000	24,490	25,333	843	1.93	2.02		
MCB Bank Limited		294,500	50,000	-	256,700	87,800	18,543	17,364	(1,179)	1.33	1.38		
								138,150	136,926	(1,224)	10.45	10.90	0.14
Investment banks													
Arif Habib Limited		372,000	-	-	372,000	-	-	-	-	-	-		
Pakistan Stock Exchange Limited		589,531	-	-	589,000	531	14	10	(4)	0.00	0.00		
								14	10	(4)	0.00	0.00	0.00
Insurance													
IGI Life Insurance Limited		3,500	-	-	-	3,500	1,109	1,008	(101)	0.08	0.08		
Adamjee Insurance Company Limited		437,000	-	-	437,000	-	-	-	-	-	-		
								1,109	1,008	(101)	0.08	0.08	0.00
Technology and communication													
Systems Limited		128,500	-	-	45,500	83,000	6,295	8,401	2,106	0.64	0.67		
								6,295	8,401	2,106	0.64	0.67	0.07
Miscellaneous													
Synthetic Products Enterprises Limited		490,500	-	-	7,500	483,000	36,439	24,681	(11,758)	1.88	1.97		
								36,439	24,681	(11,758)	1.88	1.97	0.57
Total as at June 30, 2018								847,464	728,220	(119,244)			
Total as at June 30, 2017								1,369,544	1,490,513	120,969			

* These have a face value of Rs 3.5 per share

** These have a face value of Rs 5 per share

7.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margining:

	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	----- (Number of shares) -----		----- (Rupees in '000) -----	
D.G. Khan Cement Company Limited	20,000	150,000	2,290	31,974
Habib Bank Limited	25,000	-	4,161	-
	45,000	150,000	6,451	31,974

7.1.2 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.2.267 (2017: 1.959) million at year end. The Fund has included in its investments the shares withheld and recorded them at fair market value at year end.

7.2 Government securities - Treasury Bills - 'designated at fair value through profit or loss'
(certificates having a nominal value of Rs.100,000 each)

Particulars	Note	As at July 01, 2017	Purchased during the year	Disposed / matured during the year	As at June 30, 2018	Balance as at June 30, 2018			Market value as a percentage of net assets of the Sub - Fund	Market value as a percentage of total investments of the Sub - Fund
						Carrying value	Market value	Unrealised (loss) / gain		
----- Number of certificates -----						----- (Rupees in '000) -----			----- % -----	
Held by Debt Sub-Fund										
Treasury Bills - 3 months	7.2.1	2,850	18,650	19,250	2,250	223,948	223,879	(69)	30.94%	73.98%
Treasury Bills - 6 months		-	4,920	4,920	-	-	-	-	0.00%	0.00%
June 30, 2018						223,948	223,879	(69)	30.94%	73.98%
June 30, 2017						282,718	282,705	(13)		
Held by Money Market Sub-Fund										
Treasury Bills - 3 months	7.2.2	3,100	24,750	26,210	1,640	163,502	163,457	(45)	23.78%	100.00%
Treasury Bills - 6 months		-	1,470	1,470	-	-	-	-	0.00%	0.00%
June 30, 2018						163,502	163,457	(45)	23.78%	100.00%
June 30, 2017						308,971	308,947	(24)		

7.2.1 These carry effective yield of 6.25% to 6.60% (2017: 5.99%) per annum and will mature by July 2018 to August 2018 (2017: August 2017 to September 2017).

7.2.2 These carry effective yield of 6.25% (2017: 5.99%) per annum and will mature by July 2018 (2017: July 2017 to August 2017).

7.4 Listed equity securities - 'available-for-sale'

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of the Investee company	Note	(Number of shares)					Balance as at June 30, 2018			Market value as a % of net assets of the sub-fund	Market value as a % of investments of the sub-fund	Par value as a % of total paid-up capital of the investee company
		As at July 01, 2017	Purchased during the year	Bonus / right during the year	Sold during the year	As at June 30, 2018	Carrying value	Market value	(Diminution) / Appreciation			
						(Rupees'000)			%			
Automobile assembler												
Honda Atlas Cars (Pakistan) Limited**	-	129,500	-	-	129,500	5,474	5,474	-	0.42	0.44	0.09	
						5,474	5,474	-	0.42	0.44	0.09	
Automobile parts and accessories												
General Tyre and Rubber Company of Pakistan Limited	-	49,700	-	22,000	27,700	5,356	4,604	(752)	0.35	0.37	0.05	
						5,356	4,604	(752)	0.35	0.37	0.05	
Oil and gas exploration companies												
Mari Petroleum Company Limited	-	3,020	-	-	3,020	4,366	4,549	183	0.35	0.36	0.00	
Oil & Gas Development Company Limited	-	100,000	-	-	100,000	16,448	15,562	(886)	1.19	1.24	0.00	
Pakistan Oilfields Limited	-	99,250	-	30,100	69,150	39,396	46,454	7,058	3.55	3.70	0.03	
Pakistan Petroleum Limited	-	101,000	-	-	101,000	20,185	21,705	1,520	1.66	1.73	0.01	
						80,395	88,270	7,875	6.75	7.03	0.04	
Oil and gas marketing companies												
Pakistan State Oil Company Limited	-	33,700	-	-	33,700	9,871	10,727	856	0.82	0.85	0.01	
						9,871	10,727	856	0.82	0.85	0.01	
Construction and materials (cement)												
Cherat Cement Company Limited**	-	66,000	-	-	66,000	6,417	6,417	-	0.49	0.51	0.04	
Kohat Cement Company Limited	-	245,400	-	-	245,400	36,110	30,201	(5,909)	2.31	2.41	0.16	
Lucky Cement Limited	-	18,500	-	-	18,500	10,757	9,397	(1,360)	0.72	0.75	0.01	
Pioneer Cement Limited**	-	45,000	-	36,800	8,200	384	384	-	0.03	0.03	0.00	
Fauji cement company limited**	-	12,500	-	-	12,500	286	286	-	0.02	0.02	0.00	
Attock Cement Pakistan Limited**	-	25,000	-	17,500	7,500	1,009	1,009	-	0.08	0.08	0.01	
D.G. Khan Cement Company Limited	-	47,500	-	-	47,500	6,245	5,438	(807)	0.42	0.43	0.01	
						61,208	53,132	(8,076)	4.07	4.23	0.23	
Chemicals												
Engro Polymer and Chemicals Limited	-	790,000	-	170,000	620,000	21,347	19,443	(1,904)	1.48	1.55	0.09	
Sitara Chemical Industries Limited	-	31,600	-	-	31,600	9,851	11,639	1,788	0.89	0.93	0.15	
						31,198	31,082	(116)	2.36	2.48	0.23	
Fertilizer												
Engro Corporation Limited	-	20,300	-	-	20,300	6,090	6,371	281	0.49	0.51	0.00	
Engro Fertilizers Limited	-	91,000	-	-	91,000	5,967	6,817	850	0.52	0.54	0.01	
Fauji Fertilizer Company Limited	-	232,500	-	85,000	147,500	14,347	14,586	239	1.11	1.16	0.01	
Fauji Fertilizer Bin Qasim Limited	-	412,500	-	-	412,500	17,741	15,923	(1,818)	1.22	1.27	0.04	
						44,145	43,697	(448)	3.34	3.48	0.06	
Industrial metals and mining												
Ittefaq Iron Industries Limited**	-	28,000	-	-	28,000	391	391	-	0.03	0.03	0.02	
						391	391	-	0.03	0.03	0.02	
Engineering												
Amreli Steels Limited	-	14,000	-	-	14,000	988	988	-	0.08	0.08	0.00	
International Steels Limited**	-	15,000	-	-	15,000	1,488	1,526	38	0.12	0.12	0.00	
						2,476	2,514	38	0.20	0.20	0.00	
Leather and tanneries												
Service Industries Limited	-	15,000	-	-	15,000	13,789	11,775	(2,014)	0.90	0.94	0.12	
						13,789	11,775	(2,014)	0.90	0.94	0.12	
Paper and board												
Cherat Packaging Limited	-	179,400	-	30,000	149,400	8,934	9,487	553	0.72	0.76	0.44	
						8,934	9,487	553	0.72	0.76	0.44	
Textile composite												
Gul Ahmed Textile Mills Limited	-	381,500	-	-	381,500	16,204	16,378	174	1.25	1.30	0.11	
						16,204	16,378	174	1.25	1.30	0.11	
Food and personal care products												
Al Shaheer Corporation Limited	-	116,500	-	-	116,500	3,145	3,175	30	0.24	0.25	0.08	
Shezan International Limited	-	31,900	-	-	31,900	15,007	18,183	3,176	1.39	1.45	0.40	
						18,152	21,358	3,206	1.63	1.70	0.48	
Power generation and distribution												
Hub Power Company Limited	-	129,500	-	-	129,500	12,586	11,935	(651)	0.91	0.95	0.01	
Saif Power Limited	-	500,000	-	-	500,000	14,068	13,245	(823)	1.01	1.06	0.13	
K-Electric Limited *	-	1,691,500	-	-	#####	10,820	9,608	(1,212)	0.73	0.77	0.01	
						37,474	34,788	(2,686)	2.65	2.78	0.15	
Commercials banks												
Habib Bank Limited	-	326,100	-	40,000	286,100	53,241	47,618	(5,623)	3.64	3.79	0.02	
Allied Bank Limited	-	331,000	-	-	331,000	31,734	34,143	2,409	2.61	2.72	0.03	
Bank Alfalah Limited	-	1,062,000	-	-	#####	50,023	55,532	5,509	4.24	4.42	0.07	
Faysal Bank Limited	7.4.1	375,000	56,250	50,000	381,250	8,151	9,913	1,762	0.76	0.79	0.03	
Meezan Bank Limited	-	18,600	-	-	18,600	930	1,520	590	0.12	0.12	0.00	
MCB Bank Limited	-	7,000	-	-	7,000	1,480	1,384	(96)	0.11	0.11	0.00	
						145,559	150,110	4,551	11.48	11.95	0.15	
Refinery												
National Refinery Limited	-	16,000	-	15,000	1,000	445	443	(2)	0.03	0.04	0.00	
						445	443	(2)	0.03	0.04	0.00	
Insurance												
Adamjee Insurance Company Limited	-	585,500	-	-	585,500	33,245	28,531	(4,714)	2.18	2.27	0.17	
						33,245	28,531	(4,714)	2.18	2.27	0.17	
Technology and communication												
Systems Limited	-	100,000	-	-	100,000	8,320	10,122	1,802	0.77	0.81	0.09	
						8,320	10,122	1,802	0.77	0.81	0.09	
Miscellaneous												
Tri-pack Films Limited	-	31,500	-	-	31,500	4,552	4,314	(238)	0.33	0.34	0.08	
						4,552	4,314	(238)	0.33	0.34	0.08	
Total as at June 30, 2018						527,188	527,197	9				
Total as at June 30, 2017						-	-	-				

* These have a face value of Rs 3.5 per share

** The carrying value of these securities have been adjusted with impairment aggregating Rs.7.22 million (June 30, 2017: Rs.Nil). The cost of these securities was Rs.22.17 (June 30, 2017:Nil)

7.4.1 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.0.731 (2017: Nil) million at year end. The Fund has included in its investments the shares withheld and recorded them at fair market value at year end.

	June 30, 2018	June 30, 2017
	---- (Rupees in '000) ----	
7.5 Future Gold Contracts - 'at fair value through profit or loss - held-for-trading'		
Future Gold Contracts	<u>(32)</u>	<u>(80)</u>

7.5.1 This represents net unrealised loss on cash settled gold contracts with settlement date August 26, 2018 (2017: August 30, 2017).

**7.6 Government securities - Pakistan Investment Bonds - 'available-for-sale'
(certificates having a nominal value of Rs.100,000 each)**

Particulars	Note	As at July 01, 2017	Purchased during the year	Disposed / matured during the year	As at June 30, 2018	Balance as at June 30, 2018			Market value as a percentage of net assets of the Sub - Fund	Market value as a percentage of total investments of the Sub - Fund
						Carrying value	Market value	Appreciation		
----- Number of certificates -----						----- Rupees in ('000) -----			----- % -----	
Held by Debt Sub-Fund										
Pakistan Investment Bonds - 10 years	7.6.1	55	-	-	55	5,129	5,996	867	0.83%	1.98%
June 30, 2018						<u>5,129</u>	<u>5,996</u>	<u>867</u>	<u>0.83%</u>	<u>1.98%</u>
June 30, 2017						<u>5,084</u>	<u>6,438</u>	<u>1,354</u>		

7.6.1 These carry mark-up at the rate of 12.00% (2017: 12.00%) per annum with maturity ranging from July 2020 to August 2021 (2017: July 2020 to August 2021).

8. ADVANCE TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 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 ITO 2001 from Commissioner Inland Revenue (CIR). During the year, prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2018.

	30-Jun-18					30-Jun-17				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
----- (Rupees'000) -----										
Dividend receivable	2,704	-	-	-	2,704	3,518	-	-	-	3,518
Profit receivables on bank accounts and other deposits	206	1,755	2,879	22	4,862	345	943	1,304	13	2,605
Profit receivables on Government securities and term finance certificates	-	2,190	-	-	2,190	-	2,768	-	-	2,768
Security deposit with Central Depository Company of Pakistan Limited (CDC)	100	100	-	-	200	100	100	-	-	200
Security deposit with National Clearing Company of Pakistan Limited (NCCPL)	2,500	-	-	-	2,500	2,500	-	-	-	2,500
Others	-	-	-	1,104	1,104	-	-	-	1,876	1,876
	<u>5,510</u>	<u>4,045</u>	<u>2,879</u>	<u>1,126</u>	<u>13,560</u>	<u>6,463</u>	<u>3,811</u>	<u>1,304</u>	<u>1,889</u>	<u>13,467</u>

9. DIVIDEND, DEPOSITS, PROFIT AND OTHER RECEIVABLES

		June 30, 2018					June 30, 2017				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
Note		(Rupees'000)									
10. PAYABLE TO THE PENSION FUND MANAGER											
	10.1	1,649	913	859	6	3,427	2,226	1,010	747	6	3,989
	10.2	214	119	112	1	446	-	-	-	-	-
		461	210	382	1	1,054	936	380	128	17	1,461
		4	4	4	27	39	-	-	-	20	20
		<u>2,328</u>	<u>1,246</u>	<u>1,357</u>	<u>35</u>	<u>4,966</u>	<u>3,162</u>	<u>1,390</u>	<u>875</u>	<u>43</u>	<u>5,470</u>

10.1 This represents remuneration of the Pension Fund Manager at the rate of 1.5 % (2017: 1.5 %) of the average amount of net assets of each sub-fund.

10.2 This represents sales tax on remuneration payable at the rate of 13% (2017: 13%) calculated during the year for determining the prices of units of the sub-funds.

11. PAYABLE TO THE TRUSTEE

Remuneration payable	11.1	129	72	68	-	269	154	70	52	-	276
Sales tax on remuneration payable	11.2	17	9	9	-	35	20	9	7	-	36
		<u>146</u>	<u>81</u>	<u>77</u>	<u>-</u>	<u>304</u>	<u>174</u>	<u>79</u>	<u>59</u>	<u>-</u>	<u>312</u>

11.1 The Central Depository Company of Pakistan Limited is entitled to remuneration at the rate 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
Above Rs.1,000 million to Rs.3,000 million	Rs.1.5 million plus 0.10% per annum of net assets, on amount exceeding Rs.1,000 million
Above Rs.3,000 million to Rs.6,000 million	Rs.3.5 million plus 0.08% per annum of net assets, on amount exceeding Rs.3,000 million
Above Rs.6,000 million	Rs.5.9 million plus 0.06% per annum of net assets, on amount exceeding Rs.6,000 million

11.2 Sales tax at the rate of 13% (2017: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

12. ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual fee to the SECP at the rate of one thirtieth of one percent (2017: one thirtieth of one percent) of average annual net assets of each sub-fund.

Note	June 30, 2018					June 30, 2017					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	
13. ACCRUED EXPENSES AND OTHER LIABILITIES	(Rupees'000)										
Provision for Sindh Workers Welfare Fund	13.1	12,965	2,501	891	95	16,452	12,965	2,501	891	95	16,452
Provision for indirect duties and taxes	13.2	5,897	4,599	2,578	194	13,268	5,897	4,599	2,578	194	13,268
Auditors' remuneration		45	45	45	45	180	44	44	44	44	176
Printing expenses payable		-	-	-	-	-	54	54	68	54	230
Zakat payable		23	39	57	4	123	188	470	56	4	718
Sales tax payable		-	-	-	-	-	3	-	-	-	3
Withholding tax payable		157	425	299	11	892	1,043	9	14	12	1,078
Brokerage payable		1,119	80	1	-	1,200	1,409	47	4	-	1,460
Legal and professional fees		3	3	3	3	12	-	-	-	-	-
Others		226	2,398	523	-	3,147	246	-	-	-	246
		20,435	10,090	4,397	352	35,274	21,849	7,724	3,655	403	33,631

13.1 Provision for Sindh Workers' Welfare Fund (SWWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act (SWWF Act), 2014 had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs.0.5 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies (including the Management Company of the Fund) whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF which is currently pending. However, as a matter of abundant caution, MUFAP has recommended to all its members to record a provision for SWWF from the date of enactment of SWWF Act, 2014 (i.e. starting from May 21, 2015). However, due to cumulative loss during the year, no provision for SWWF has been made in these financial statements.

The provision for SWWF is now being made on a daily basis. The cumulative net effect of the above two adjustments, had they not been made, would have resulted in an increase in the net assets value per unit by Rs.6.54 (2017: Rs.6.24) per unit in respect of equity sub-fund, Re.0.74 (2017: Re.0.70) per unit in respect of debt sub-fund, Re.0.23 (2017: Rs.0.27) per unit in respect of money market sub-fund and Rs.2.27 (2017: Rs.2.35) per unit in respect of commodity sub-fund as at June 30, 2018.

13.2 Provision for indirect duties and taxes (Federal Excise Duty on remuneration to the Management Company)

The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Management Company was of the view that further levy of FED was not justified.

On September 4, 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various Asset Management Companies, together with their representatives of Collective Investment Schemes through their trustees, challenging the levy of FED.

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

With effect from July 1, 2016, FED on services provided or rendered by Non-Banking Financial Institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Pension Fund Manager with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made prior to this period has been maintained by the Fund which at June 30, 2018 aggregates to Rs.5.14 (2017: Rs.5.14) million, Rs.4.05 (2017: Rs.4.05) million, Rs.2.45 (2017: Rs.2.45) million and Rs.0.19 (2017: Rs.0.19) million in Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Commodity Sub-Fund is being retained in the financial statements of the Sub-Funds, respectively as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Sub-Funds, the net assets value of the Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Commodity Sub-Fund as at June 30, 2018 would have been higher by Rs.2.59 (2017: Rs.2.47) per unit, Rs.1.21 (2017: Rs.1.14) per unit, Re.0.63 (2017: Re.0.75) per unit and Rs.4.58 (2016: Re.4.75) per unit respectively.

14. CONTINGENCIES AND COMMITMENTS

14.1 CONTINGENCIES

There were no contingencies as at June 30, 2018 and June 30, 2017.

14.2 COMMITMENTS

Purchase of 25 (2017: 30) ounce gold in US\$ 31,620 (2017: US\$ 38,007)

June 30, 2018	June 30, 2017
----- (Rupees in '000) -----	

<u>3,810</u>	<u>3,985</u>
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This represents the investment in future gold contracts with settlement date of August 26, 2018 (2017: August 30, 2017).

15. BASIS OF ALLOCATION OF EXPENSES TO EACH SUB-FUND

15.1 Remuneration to the Pension Fund Manager, Trustee and annual fee to the SECP is allocated to each sub-fund on the basis of the net assets of the sub-fund.

15.2 Expenses specifically incurred by a sub-fund, such as custody and settlement charges, fees and subscription, legal and professional and bank charges are charged to that sub-fund.

15.3 Auditors' remuneration are allocated equally to each sub-fund.

16. AUDITORS' REMUNERATION

	June 30, 2018					June 30, 2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	----- (Rupees'000) -----									
Audit fee	42	42	42	42	168	40	40	40	40	160
Half yearly review fee	25	25	25	25	100	25	25	25	25	100
	67	67	67	67	268	65	65	65	65	260
Sales tax	6	6	6	6	24	5	5	5	5	20
Out of pocket expenses	10	10	10	10	40	8	8	8	8	32
	83	83	83	83	332	78	78	78	78	312

17. TAXATION

No provision for taxation for the year ended June 30, 2018 has been made in view of the exemption available to the Fund under clause 57 (3) (viii) of Part I of the 2nd Schedule to the Income Tax Ordinance, 2001.

18. EARNINGS PER UNIT

Earnings per unit based on cumulative average units for the year has not been disclosed as in the opinion of the Pension Fund Manager the determination of the same is not practicable.

19. NUMBER OF UNITS IN ISSUE

At beginning of the year	2,077,794	3,557,087	3,253,362	40,445	8,928,688	2,192,897	4,376,246	2,641,151	344,190	9,554,484
Add: Issued during the year	874,688	1,972,508	3,856,203	14,929	6,718,327	757,811	1,160,481	1,750,166	30,545	3,699,003
Effect of reallocation	(82,037)	216,627	90,422	3,240	228,252	65,507	(694,208)	456,794	(11,180)	(183,087)
Less: Redeemed during the year	(887,507)	(2,387,094)	(3,284,997)	(16,690)	(6,576,287)	(938,421)	(1,285,432)	(1,594,749)	(323,110)	(4,141,712)
At the end of the year	1,982,938	3,359,128	3,914,990	41,924	9,298,980	2,077,794	3,557,087	3,253,362	40,445	8,928,688

June 30, 2018

Contributions net of front end fee	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund		Total	
	Units	(Rupees'000)	Units	(Rupees'000)	Units	(Rupees'000)	Units	(Rupees'000)	Units	(Rupees'000)
Individuals	874,688	591,257	1,972,508	414,538	3,856,203	661,005	14,929	1,771	6,718,327	1,668,571

June 30, 2017

Individuals	757,811	583,908	1,160,481	213,189	1,750,166	350,423	30,545	3,412	3,699,003	1,150,932
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21. FINANCIAL PERFORMANCE TABLE

	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodity Sub-Fund		
	June 30, 2018 ----- (Rupees'000) -----	June 30, 2017	% Change	June 30, 2018 ----- (Rupees'000) -----	June 30, 2017	% Change	June 30, 2018 ----- (Rupees'000) -----	June 30, 2017	% Change	June 30, 2018 ----- (Rupees'000) -----	June 30, 2017	% Change
Net (loss) / income for the year after taxation	(185,240)	362,487	(151)	32,516	30,862	5	28,852	23,803	21	55	(50)	(210)
Realised capital (losses) / gains	(100,585)	178,763	(156)	(607)	(10,634)	(94)	-	(258)	(100)	35	(2,707)	(101)
Unrealised (losses) / gains	(119,244)	120,969	(199)	(96)	(1,715)	(94)	-	(24)	(100)	(32)	(80)	(60)
Dividend income	-	45,992	(100)	-	-	-	-	-	-	-	-	-
Interest Income	5,349	5,556	(4)	32,901	59,084	(44)	21,950	31,841	(31)	241	1,426	(83)
Net assets value per unit	661	754	(12)	215	206	5	176	168	4	114	113	1
Total contribution received - Gross	591,257	583,908	1	414,538	213,189	94	661,005	350,423	89	1,771	3,412	(48)

21.1 Lowest and highest issue price of units during the year

Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Commodity Sub-Fund	
Lowest Issue price	Highest Issue price	Lowest Issue price	Highest Issue price	Lowest Issue price	Highest Issue price	Lowest Issue price	Highest Issue price
----- (Rupees) -----							
596.4767	757.3461	205.7957	215.4109	168.2607	175.5937	111.5900	122.2400

22. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk arising from the financial instruments it holds.

The Fund's primary financial assets comprise of bank balances, available-for-sale and at fair value through profit and loss - held-for-trading investments, comprising of, equity securities of listed companies, Government of Pakistan Ijarah Sukuks, sukuk certificates and futures contracts. The Fund also has dividend receivable, interest receivable, deposits and other receivables. The Fund's principal financial liabilities include remuneration payable to Pension Fund Manager, Trustee and accrued and other liabilities.

22.1 Market risk

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

The Retirement Savings Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the VPS Rules.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk.

22.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions are carried out in Pakistani Rupees.

22.1.2 Interest rate risk

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

Sensitivity analysis of variable rate instruments

- a) Debt Sub-Fund holds KIBOR based profit bearing TFCs exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR, with all other variables held constant, the net assets of the Fund as on June 30, 2018 and net income for the year then ended would have been higher / lower by Rs.0.727 (2017: Rs.0.223) million.
- b) The Fund holds balances with banks in saving accounts, exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR, with all other variables held constant, the net assets of the Fund as on June 30, 2018 and net income for the year then ended would have been higher / lower by Rs.8.88 (2017: Rs.3.22) million.

Sensitivity analysis of fixed rate instruments

- a) Money Market Sub-Fund and Debt Sub-Fund hold Government Securities which are classified as 'available-for-sale' and 'at fair value through profit or loss', exposing the Sub-Funds to interest rate risk. In case of 100 basis points increase / decrease in rates announced by MUFAP (Mutual Funds Association of Pakistan) on June 30, 2018, with all other variables held constant, the net assets of the Fund and net income for the year would have been lower / higher by Rs.3.93 (2017: Rs.8.41) million.

The composition of the Fund's investment portfolio, KIBOR rates, rates announced by Reuters and MUFAP are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2018 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / return 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 the settlement date.

	June 30, 2018														
	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodity Sub-Fund		
	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk		Not exposed to yield / interest rate risk
	Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	

(Rupees'000)

On-balance sheet financial instruments

Financial assets

Bank balances	894,035	64,318	-	-	3,614	427,827	-	-	480	392,177	-	-	1,555	4,060	-	-	4
Term deposit receipts	133,000	-	-	-	-	-	-	-	-	133,000	-	-	-	-	-	-	-
Investments	1,721,443	-	-	-	1,255,417	223,879	-	78,722	-	163,457	-	-	-	(32)	-	-	-
Receivable against sale of investments	3,565	-	-	-	3,565	-	-	-	-	-	-	-	-	-	-	-	-
Dividend, deposits, mark-up and other receivables	13,558	-	-	-	5,510	-	-	4,043	-	-	-	-	2,879	1,126	-	-	-
Total	2,765,601	64,318	-	-	1,268,106	651,706	-	78,722	4,523	688,634	-	-	4,434	5,154	-	-	4

Financial liabilities

Payable to the Pension Fund Manager	4,520	-	-	-	2,114	-	-	1,127	-	-	-	-	1,245	-	-	-	34
Payable to the Trustee	269	-	-	-	129	-	-	72	-	-	-	-	68	-	-	-	-
Accrued and other liabilities	4,527	-	-	-	1,390	-	-	2,523	-	-	-	-	569	-	-	-	45
Total	9,316	-	-	-	3,633	-	-	3,722	-	-	-	-	1,882	-	-	-	79

On-balance sheet gap

Total	2,756,285	64,318	-	-	1,264,473	651,706	-	78,722	801	688,634	-	-	2,552	5,154	-	-	(75)
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There is no off-balance sheet financial instrument that exist as at year ended June 30, 2018.

	June 30, 2017														
	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodity Sub-Fund		
	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / profit rate risk		Not exposed to yield / profit rate risk
	Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	More than one year		Upto three months	More than three months and up to one year	

(Rupees'000)

On-balance sheet financial instruments

Financial assets

Bank balances	334,006	80,746	-	-	5,127	108,230	-	-	173	129,686	-	-	6,846	3,091	-	-	107
Term deposit receipts	180,000	-	-	-	-	-	-	75,000	-	-	-	-	105,000	-	-	-	-
Investments	2,353,668	-	-	-	1,490,513	282,705	101,929	169,654	-	308,947	-	-	-	(80)	-	-	-
Receivable from sale of investments	8,614	-	-	-	8,614	-	-	-	-	-	-	-	-	-	-	-	-
Dividend, profit and other receivables	13,467	345	-	-	6,118	3,212	-	599	592	-	-	-	712	1,889	-	-	-
Total	2,889,755	81,091	-	-	1,510,372	394,147	101,929	169,654	75,772	439,225	-	-	112,558	4,900	-	-	107

Financial liabilities

Payable to the Pension Fund Manager	5,011	-	-	-	2,906	-	-	1,274	-	-	-	-	789	-	-	-	42
Payable to the Trustee	276	-	-	-	154	-	-	70	-	-	-	-	52	-	-	-	-
Accrued and other liabilities	2,092	-	-	-	1,748	-	-	140	-	-	-	-	111	-	-	-	93
Total	7,379	-	-	-	4,808	-	-	1,484	-	-	-	-	952	-	-	-	135

On-balance sheet gap

Total	2,882,376	81,091	-	-	1,505,564	394,147	101,929	169,654	74,288	439,225	-	-	111,606	4,900	-	-	(28)
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There is no off-balance sheet financial instrument that exist as at year ended June 30, 2017.

22.1.3 Other Price risk

Other price risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

Equity Sub-Fund

The Equity Sub-Fund is exposed to equity price risk because of equity securities held by the Equity Sub-Fund and classified on the balance sheet as 'at fair value through profit or loss' - held-for-trading. To manage its price risk arising from investment in equity securities, the Equity Sub-Fund's investment policy, as restricted by the VPS Rules, limits investments in listed shares of one company to not more than 10% of Sub-Fund net assets and investment in listed securities of a particular company have also been restricted to 10% of paid-up capital of investee company. Moreover, the sector limits have been restricted to 35% of the net assets of the Sub-Fund.

In case of 5% increase / decrease in KSE 100 index on June 30, 2018, the net assets relating to the Equity Sub-Fund and total net assets of the Fund would increase / decrease by Rs.62.77 (2017: Rs.74.53) million as a result of gains / losses on equity securities classified as at fair value through profit or loss - held-for-trading.

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 Sub-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 KSE 100 index, having regard to the historical volatility of the index. The composition of the Sub-Fund's investment portfolio and the correlation thereof to the KSE index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2018 is not necessarily indicative of the effect on the Sub-Fund's net assets of future movements in the level of KSE 100 index.

Commodity Sub-Fund

A decrease / increase of 5% in the quoted price of future gold contracts of Pakistan Mercantile Exchange would have an impact of approximately Rs.0.19 (2017: Rs.0.20) million on the net income for the year with consequential effect on net assets of the Fund. The sensitivity analysis is based on the Fund's commodity securities at each statement of assets and liabilities date, with all other variables held constant.

22.2 Credit risk

Credit risk represents the risk of loss if counterparties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in debt securities. The Fund is also exposed to counter party credit risks on balances with banks and profit receivable. The credit risk on these funds is limited because the counterparties are financial institutions with reasonably high credit ratings. In addition, the internal risk management policies and investment guidelines (approved by the Board) require the Fund to invest in debt securities that have been rated as investment grade by a well known rating agency.

The Fund has adopted a policy of only dealing with creditworthy counterparties. This credit rating information is supplied by independent rating agencies, where available, and if not available, the Fund uses other publicly available financial information and its own trading records to rate its major investors. The Fund's exposure and the credit ratings of its counterparties are continuously monitored.

Credit risk from balances with banks and financial institutions is managed by financial department in accordance with the Fund's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Board of Directors. The limits are set to minimise the concentration of risk and therefore mitigate financial loss through potential counterparty failure.

The Fund's maximum exposure to credit risk related to receivables at June 30, 2018 and June 30, 2017 is the carrying amounts of following financial assets.

	30-Jun-18					30-Jun-17				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodity Sub-Fund	Total
	----- (Rupees'000) -----									
Bank balances	67,932	428,307	393,732	4,064	894,035	85,873	108,403	136,532	3,198	334,006
Term deposit receipts	-	-	133,000	-	133,000	-	75,000	105,000	-	180,000
Investments	-	72,726	-	(32)	72,694	-	22,278	-	(80)	22,198
Receivable against sale of Investments	3,565	-	-	-	3,565	8,614	-	-	-	8,614
Dividend, deposits, mark-up and other receivables	5,510	4,045	2,879	1,126	13,560	6,463	3,811	1,304	1,889	13,467
	77,007	505,078	529,611	5,158	1,116,854	100,950	209,492	242,836	5,007	558,285

All deposits with banks and deposits with National Clearing Company of Pakistan Limited and Central Depository Company of Pakistan Limited are highly rated and risk of default is considered minimal.

The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2018 and June 30, 2017:

Bank balances by rating category	Rating long-term/short-term	June 30,	June 30,
		2018	2017
		--- (Rupees in '000) ---	
Allied Bank Limited	AAA / A1+	457	-
Bank Alfalah Limited	AA+ / A1+	44,279	73,818
United Bank Limited	AAA / A1+	31,991	31,255
JS Bank Limited	AA- / A1+	266,784	3,082
MCB Bank Limited	AAA / A1+	1,572	-
Samba Bank Limited	AA / A1	121,284	213,497
Telenor Microfinance Bank Limited (formerly Tameer Microfinance Bank Limited)	A+ / A1	141,217	11
Habib Bank Limited	AAA / A1+	279,618	60
Sindh Bank Limited	AA / A1+	115	30
National Bank of Pakistan	AAA / A1+	964	-
Zarai Taraqati Bank Limited	AAA / A1+	101	-
		888,382	321,753
Term Finance Certificates by rating category			
AA-		6,022	6,161
A+		16,108	16,117
AA+		50,596	-
		72,726	22,278

The maximum exposure to credit risk before any credit enhancement as at June 30, 2018 is the carrying amount of the financial assets.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

22.3 Liquidity risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligations and commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset at close to its fair value. The Retirement Savings Fund Manager manages liquidity risk by continuously analyzing the maturities of financial assets and financial liabilities. Since the Unit Holders invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited.

The table below analyses the Sub-funds' financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	As at June 30, 2018											
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodity Sub-Fund		
	Upto one month	More than one month upto three months	More than three months and upto one year	Upto one month	More than one month upto three months	More than three months and upto one year	Upto one month	More than one month upto three months	More than three months and upto one year	Upto one month	More than one month upto three months	More than three months and upto one year
Total												
	(Rupees'000)											

Financial Liabilities

Payable to the Pension Fund Manager	4,520	2,114	-	-	1,127	-	-	1,245	-	-	34	-	-
Payable to the Trustee	269	129	-	-	72	-	-	68	-	-	-	-	-
Accrued and other liabilities	4,527	1,348	42	-	2,481	42	-	527	42	-	3	42	-
Total	9,316	3,591	42	-	3,680	42	-	1,840	42	-	37	42	-

	As at June 30, 2017												
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodity Sub-Fund			
	Upto one month	More than one month upto three months	More than three months and upto one year	Upto one month	More than one month upto three months	More than three months and upto one year	Upto one month	More than one month upto three months	More than three months and upto one year	Upto one month	More than one month upto three months	More than three months and upto one year	
Total													
	(Rupees'000)												

Financial Liabilities

Payable to the Pension Fund Manager	5,011	2,906	-	-	1,274	-	-	789	-	-	42	-	-
Payable to the Trustee	276	154	-	-	70	-	-	52	-	-	-	-	-
Accrued and other liabilities	2,092	1,709	39	-	101	39	-	72	39	-	54	39	-
Total	7,379	4,769	39	-	1,445	39	-	913	39	-	96	39	-

22.4 Financial instruments by category

	June 30, 2018																
	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodity Sub-Fund				
	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	
Total	(Rupees'000)																
Financial Assets																	
Bank balances	894,035	67,932	-	-	67,932	428,307	-	-	428,307	393,732	-	-	393,732	4,064	-	-	4,064
Term deposit receipts	133,000	-	-	-	-	-	-	-	133,000	-	-	-	133,000	-	-	-	-
Investments	1,721,443	-	728,220	527,197	1,255,417	-	296,605	5,996	302,601	-	163,457	-	163,457	-	(32)	-	(32)
Receivable from sale of investments	3,565	3,565	-	-	3,565	-	-	-	-	-	-	-	-	-	-	-	-
Dividend, deposits, mark-up and other receivables	13,560	5,510	-	-	5,510	4,045	-	-	4,045	2,879	-	-	2,879	1,126	-	-	1,126
Total	2,765,603	77,007	728,220	527,197	1,332,424	432,352	296,605	5,996	734,953	529,611	163,457	-	693,068	5,190	(32)	-	5,158

	June 30, 2018														
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodity Sub-Fund					
	At fair value through profit and loss	Other financial liabilities	Sub total	At fair value through profit and loss	Other financial liabilities	Sub total	At fair value through profit and loss	Other financial liabilities	Sub total	At fair value through profit and loss	Other financial liabilities	Sub total			
Total	(Rupees'000)														
Financial Liabilities															
Payable to the Pension Fund Manager	4,520	-	2,114	2,114	-	-	1,127	1,127	-	1,245	1,245	-	-	34	34
Payable to the Trustee	269	-	129	129	-	-	72	72	-	68	68	-	-	-	-
Accrued and other liabilities	4,527	-	1,390	1,390	-	-	2,523	2,523	-	569	569	-	-	45	45
Total	9,316	-	3,633	3,633	-	-	3,722	3,722	-	1,882	1,882	-	-	79	79

	June 30, 2017																
	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Commodity Sub-Fund				
	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	Loans and receivables	At fair value through profit and loss	Available-for-sale	Sub total	
Total	(Rupees'000)																
Financial Assets																	
Bank balances	334,006	85,873	-	-	85,873	108,403	-	-	108,403	136,532	-	-	136,532	3,198	-	-	3,198
Term deposit receipts	180,000	-	-	-	-	75,000	-	-	75,000	105,000	-	-	105,000	-	-	-	-
Investments	2,353,668	-	1,490,513	-	1,490,513	-	547,850	6,438	554,288	-	308,947	-	308,947	-	(80)	-	(80)
Receivable from sale of investments	8,614	8,614	-	-	8,614	-	-	-	-	-	-	-	-	-	-	-	-
Dividend, deposits, mark-up and other receivables	13,467	6,463	-	-	6,463	3,811	-	-	3,811	1,304	-	-	1,304	1,889	-	-	1,889
Total	2,889,755	100,950	1,490,513	-	1,591,463	187,214	547,850	6,438	741,502	242,836	308,947	-	551,783	5,087	(80)	-	5,007

	June 30, 2017														
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Commodity Sub-Fund					
	'At fair value through profit and loss' - held-for-trading	Other financial liabilities	Sub total	'At fair value through profit and loss' - held-for-trading	Other financial liabilities	Sub total	'At fair value through profit and loss' - held-for-trading	Other financial liabilities	Sub total	'At fair value through profit and loss' - held-for-trading	Other financial liabilities	Sub total			
Total	(Rupees'000)														
Financial Liabilities															
Payable to the Pension Fund Manager	5,011	-	2,906	2,906	-	-	1,274	1,274	-	789	789	-	-	42	42
Payable to the Trustee	276	-	154	154	-	-	70	70	-	52	52	-	-	-	-
Accrued and other liabilities	2,092	-	1,748	1,748	-	-	140	140	-	111	111	-	-	93	93
Total	7,379	-	4,809	4,809	-	-	1,484	1,484	-	952	952	-	-	135	135

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). Adoption of IFRS 13, has no effect on these financial statements.

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

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyse financial instruments measured at the end of the reporting half year by the level in the fair value hierarchy into which the fair value measurement is categorised:

		June 30, 2018				June 30, 2018			
		Carrying amount			Fair value				
Note		Fair value through profit or loss	Available for sale	Loans and receivables	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)				(Rupees in '000)			
Financial assets measured at fair value									
Equity Sub-Fund									
	Listed equity securities	728,220	527,197	-	1,255,417	1,255,417	-	-	1,255,417
Debt Sub-Fund									
	Government securities - Treasury Bills	223,879	-	-	223,879	-	223,879	-	223,879
	Government securities - Pakistan Investment Bonds	-	5,996	-	5,996	-	5,996	-	5,996
	Debt securities - Term Finance Certificates / Sukuks	72,726	-	-	72,726	-	72,726	-	72,726
Money Market Sub-Fund									
	Government Securities - Treasury Bills	163,457	-	-	163,457	-	163,457	-	163,457
Commodity Sub-Fund									
	Future gold contracts	(32)	-	-	(32)	(32)	-	-	(32)
		<u>1,188,250</u>	<u>533,193</u>	<u>-</u>	<u>1,721,443</u>	<u>1,255,385</u>	<u>466,058</u>	<u>-</u>	<u>1,721,443</u>
Financial assets not measured at fair value									
		23.2							
Equity Sub-Fund									
	Bank balances	-	-	67,932	67,932	-	-	-	-
	Receivable against sale of investments	-	-	3,565	3,565	-	-	-	-
	Dividend, deposits, mark-up and other receivables	-	-	5,510	5,510	-	-	-	-
Debt Sub-Fund									
	Bank balances	-	-	428,307	428,307	-	-	-	-
	Dividend, deposits, mark-up and other receivables	-	-	4,045	4,045	-	-	-	-
Money Market Sub-Fund									
	Bank balances	-	-	393,732	393,732	-	-	-	-
	Term deposit receipts (TDR)	-	-	133,000	133,000	-	-	-	-
	Dividend, deposits, mark-up and other receivables	-	-	2,879	2,879	-	-	-	-
Commodity Sub-Fund									
	Bank balances	-	-	4,064	4,064	-	-	-	-
	Dividend, deposits, mark-up and other receivables	-	-	1,126	1,126	-	-	-	-
		<u>-</u>	<u>-</u>	<u>1,044,160</u>	<u>1,044,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

		June 30, 2018							
		Carrying amount				Fair value			
	Note	Fair value through profit or loss	Available for sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000)				(Rupees in '000)			
Financial liabilities not measured at fair value									
Equity Sub-Fund									
		-	-	2,114	2,114				
		-	-	129	129				
		-	-	1,390	1,390				
Debt Sub-Fund									
		-	-	1,127	1,127				
		-	-	72	72				
		-	-	2,523	2,523				
Money Market Sub-Fund									
		-	-	1,245	1,245				
		-	-	68	68				
		-	-	569	569				
Commodity Sub-Fund									
		-	-	34	34				
		-	-	45	45				
		-	-	9,316	9,316				

	June 30, 2017							
	Carrying amount				Fair value			
	Fair value through profit or loss	Available for sale	Loans and receivables	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				----- (Rupees in '000) -----				
Financial assets measured at fair value								
Equity Sub-Fund								
Listed equity securities	1,490,513	-	-	1,490,513	1,490,513	-	-	1,490,513
Debt Sub-Fund								
Government securities - Pakistan Investment Bonds	101,929	-	-	101,929	-	101,929	-	101,929
Debt Securities - Term Finance Certificates / Sukuks	22,278	-	-	22,278	-	22,278	-	22,278
Government securities - Treasury Bills	282,705	6,438	-	289,143	-	289,143	-	289,143
Government securities - Ijarah Sukuks	140,938	-	-	140,938	-	140,938	-	140,938
Money Market Sub-Fund								
Government securities - Treasury Bills	308,947	-	-	308,947	-	308,947	-	308,947
Commodity Sub-Fund								
Future gold contracts	(80)	-	-	(80)	(80)	-	-	(80)
	<u>2,347,230</u>	<u>6,438</u>	<u>-</u>	<u>2,353,668</u>	<u>1,490,433</u>	<u>863,235</u>	<u>-</u>	<u>2,353,668</u>
Financial assets not measured at fair value								
Equity Sub-Fund								
Bank balances	-	-	85,873	85,873				
Dividend, deposits, mark-up and other receivables	-	-	6,463	6,463				
Debt Sub-Fund								
Bank balances	-	-	108,403	108,403				
Dividend, deposits, mark-up and other receivables	-	-	3,811	3,811				
Money Market Sub-Fund								
Bank balances	-	-	136,532	136,532				
Dividend, deposits, mark-up and other receivables	-	-	1,304	1,304				
Commodity Sub-Fund								
Bank balances	-	-	-	-				
Dividend, deposits, mark-up and other receivables	-	-	-	-				
	<u>-</u>	<u>-</u>	<u>342,386</u>	<u>342,386</u>				

	June 30, 2017							
	Carrying amount				Fair value			
	Fair value through profit or loss	Available for sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)				(Rupees in '000)				
Financial liabilities not measured at fair value								
Equity Sub-Fund								
Payable to the Management Company	-	-	2,906	2,906				
Payable to the Trustee	-	-	154	154				
Accrued and other liabilities	-	-	1,748	1,748				
Debt Sub-Fund								
Payable to the Management Company	-	-	1,274	1,274				
Payable to the Trustee	-	-	70	70				
Accrued and other liabilities	-	-	140	140				
Money Market Sub-Fund								
Payable to the Management Company	-	-	789	789				
Payable to the Trustee	-	-	52	52				
Accrued and other liabilities	-	-	111	111				
Commodity Sub-Fund								
Payable to the Management Company	-	-	42	42				
Accrued and other liabilities	-	-	93	93				
	-	-	7,379	7,379				

23.1 Valuation techniques used in determination of fair values within level 2

23.1.1 Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV rates (Reuters page).

23.1.2 Investments in term finance certificates, issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital, are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

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

24. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Pension Fund Manager), UBL Fund Managers Limited (Pension Fund MAnager), Al-Ameen Financial Services (Private) Limited, being entity under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, the directors key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the VPS Rules and constitutive documents of the Fund respectively.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
----- (Rupees in '000) -----						
For the year ended June 30, 2018						
Equity Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	-	1,484	-	-	-	-
Bank charges	-	8	-	-	-	-
Units issued (units in '000)	-	-	-	-	5,075	32,025
Units redeemed (units in '000)	-	-	-	-	16,019	682
Remuneration*	22,545	-	1,777	-	-	-
Central Depository Service (CDS) expenses	-	-	99	-	-	-
For the year ended June 30, 2017						
Mark-up on bank accounts	-	616	-	-	-	-
Bank charges	-	5	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	93,447
Units redeemed (units in '000)	-	184,278	-	-	2,805	2,348
Remuneration*	23,141	-	1,826	-	-	-
CDS expenses	-	-	172	-	-	-
As at June 30, 2018						
Equity Sub-Fund						
Balances held						
Units held (units in '000)	-	-	-	-	16	276
Units held (Rupees in '000)	-	-	-	-	10,569	182,311
Bank balances	-	25,431	-	-	-	-
Remuneration payable*	1,863	-	146	-	-	-
Sales load payable	461	-	-	-	-	-
Mark-up receivable	-	76	-	-	-	-
Other payable	4	-	-	-	-	-
As at June 30, 2017						
Units held (units in '000)	-	-	-	-	-	219
Units held (Rupees in '000)	-	-	-	-	-	165,130
Bank balances	-	16,661	-	-	-	-
Remuneration payable*	2,226	-	174	-	-	-
Sales load payable	936	19	-	-	-	-
Mark-up receivable	-	74	-	-	-	-

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
----- (Rupees in '000) -----						
For the year ended June 30, 2018						
Debt Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	-	192	-	-	-	-
Bank charges	-	20	-	-	-	-
Units issued (units in '000)	-	-	-	-	708	6,794
Units redeemed (units in '000)	-	-	-	-	711	-
Remuneration*	12,517	-	986	-	-	-
CDS expenses	-	-	10	-	-	-
For the year ended June 30, 2017						
Mark-up on bank accounts	-	538	-	-	-	-
Bank charges	-	6	-	-	-	-
Units issued (units in '000)	-	-	-	-	449	-
Units redeemed (units in '000)	-	59,595	-	-	872	-
Remuneration*	13,611	-	1,077	-	-	-
CDS expenses	-	-	6	-	-	-
As at June 30, 2018						
Debt Sub-Fund						
Balances held						
Units held (units in '000)	-	-	-	-	-	61
Units held (Rupees in '000)	-	-	-	-	-	13,140
Bank balances	-	4,186	-	-	-	-
Remuneration payable*	1,032	-	81	-	-	-
Sales load payable	210	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	13	-	-	-	-
As at June 30, 2017						
Units held (units in '000)	-	-	-	-	2	-
Units held (Rupees in '000)	-	-	-	-	459	-
Bank balances	-	11,297	-	-	-	-
Remuneration payable*	1,010	-	79	-	-	-
Sales load payable	380	-	-	-	-	-
Mark-up receivable	-	33	-	-	-	-

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
----- (Rupees in '000) -----						
For the year ended June 30, 2018						
Money Market Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	-	135	-	-	-	-
Bank charges	-	27	-	-	-	-
Units issued (units in '000)	-	-	-	-	15,311	2,256
Units redeemed (units in '000)	-	-	-	-	-	-
Remuneration*	11,230	-	886	-	-	-
For the year ended June 30, 2017						
Mark-up on bank accounts	-	252	-	-	-	-
Bank charges	-	27	-	-	-	-
Units issued (units in '000)	-	-	-	-	449	-
Units redeemed (units in '000)	-	48,771	-	-	149	-
Remuneration*	8,470	-	676	-	-	-
As at June 30, 2018						
Money Market Sub-Fund						
Balances held						
Units held (units in '000)	-	-	-	-	88	25
Units held (Rupees in '000)	-	-	-	-	15,452	4,389.83
Bank balances	-	1,985	-	-	-	-
Remuneration payable*	971	-	77	-	-	-
Sales load payable	382	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	12	-	-	-	-
As at June 30, 2017						
Units held (units in '000)	-	-	-	-	3	-
Units held (Rupees in '000)	-	-	-	-	458	-
Bank balances	-	2,123	-	-	-	-
Remuneration payable*	747	-	59	-	-	-
Sales load payable	128	-	-	-	-	-
Mark-up receivable	-	11	-	-	-	-

	Pension Fund Manager	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties**
----- (Rupees in '000) -----						
For the year ended June 30, 2018						
Commodity Sub-Fund						
Transactions during the year						
Mark-up on bank accounts	-	26	-	-	-	-
Bank charges	-	2	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	1,108
Units redeemed (units in '000)	-	-	-	-	-	-
Remuneration*	93	-	7	-	-	-
For the year ended June 30, 2017						
Mark-up on bank accounts	-	128	-	-	-	-
Bank charges	-	9	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	1,428
Units redeemed (units in '000)	-	32,355	-	-	-	42
Remuneration*	548	-	44	-	-	-
As at June 30, 2018						
Commodity Sub-Fund						
Balances held						
Units held (units in '000)	-	-	-	-	-	19
Units held (Rupees in '000)	-	-	-	-	-	2,173
Bank balances	-	389	-	-	-	-
Remuneration payable*	7	-	-	-	-	-
Sales load payable	1	-	-	-	-	-
Mark-up receivable	-	1	-	-	-	-
Other payable	27	-	-	-	-	-
As at June 30, 2017						
Units held (units in '000)	-	-	-	-	-	20
Units held (Rupees in '000)	-	-	-	-	-	2,223
Bank balances	-	1,174	-	-	-	-
Remuneration payable*	6	-	-	-	-	-
Sales load payable	17	-	-	-	-	-
Mark-up receivable	-	4	-	-	-	-
Other payable	20	-	-	-	-	-

* Remuneration for the year is inclusive of sales tax.

** These include participants beneficially owing 10% or more of the units in the issue / net assets of the Fund.

25. PARTICIPANTS' FUND RISK MANAGEMENT

The Fund's capital is represented by redeemable units of the sub-funds. They are entitled to payment of a proportionate share based on the sub-fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in Participants' sub-funds. In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the Participants invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited, such liquidity being augmented (by short-term borrowings or disposal of investments where necessary). During the year no such borrowing was exercised.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the fund and rank pari passu as to their rights in the net assets and earnings of such sub-fund and 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.

26. GENERAL

Figures have been rounded off to the nearest Thousand Rupees unless otherwise specified.

27. CORRESPONDING FIGURES

Certain prior year's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current year. However, there are no material re-arrangements / re-classifications to report.

28. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 28-Aug-2018 by the Board of Directors of the Retirement Savings Fund Manager.

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

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

UBL Retirement Savings Fund - Equity Sub Fund

Holding	Resolution	For	Against	Abstain*
104,000	<p>Annual General Meeting of <i>M/s Kohat Cement Company Limited</i> was held on October 23, 2017, below resolutions were passed.</p> <ol style="list-style-type: none"> 1. The Audited Accounts of the Company for the year ended June 30, 2017. 2. Approve payment of cash dividend for the year ended June 30, 2017. 3. Appoint Auditors of the company and fix their remuneration for the year ending June 30, 2017. 4. Ratify and approve transactions carried out with Related Parties during financial year ended June 30, 2017. 5. Authorize the Chief Executive of the Company for approval of transactions with related parties during financial year ended June 30, 2017. 6. Approval of appointments of related parties to respective offices of profit in the Company. 7. Alteration in the Articles of Association of the Company for purpose of e-voting. 	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.

Moreover, other than above no meeting were attended and no proxies were also given.

Holding	Resolution	For	Against	Abstain*
585,500	<p>Annual General Meeting of <i>M/s Adamjee Insurance Company Limited</i> was held on April 23, 2018, below resolutions were passed.</p> <ol style="list-style-type: none"> 1. Approve Audited Unconsolidated and Consolidated Financial Statements of the Company for the year ended December 31, 2017. 2. Approve payment of cash dividend for the year ended June 30, 2017. 3. Appoint Auditors of the company and fix their remuneration. 	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.

Moreover, other than above no meeting were attended and no proxies were also given.

Holding	Resolution	For	Against	Abstain*
821,500	<p>Annual General Meeting of <i>M/s The Hub Power Company Limited</i> to be held on October 05, 2018, below are the meeting agendas.</p> <ol style="list-style-type: none"> 1. Approve Audited Financial Statements of the Company for the year ended June 30, 2018. 2. Approve payment of cash dividend for the year ended June 30, 2018. 3. Appoint Auditors of the company and fix their remuneration. 4. Election of nine Directors for a period of three years. 5. Consider and Approve, if though appropriate, Issuance of Letter of Support (LOS) Guarantee to Private Power & Infrastructure Board (PIB) for Thar Energy Limited (TEL). 6. Transact any other business with permission of Chairman. 	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.

Moreover, other than above no meeting were attended and no proxies were also given.

Holding	Resolution	For	Against	Abstain*
392,500	Extra Ordinary General Meeting of <i>M/s Adamjee Insurance Company Limited</i> was held on March 26, 2018, below resolutions were passed. 1. Approved investment in Hyundai Nishat Motor (Pvt) Limited as per conditions disclosed to member. 2. Approval of continuing Stand by Letter(s) of Credit (SBLC) to provide sponsors support Hyundai Nishat Motor (Pvt) Limited. 3. Resolved for recovering full amount paid to HNMPL with mark up. 4. Resolved further for the resolution to be valid for a period of four years.	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.

Moreover, other than above no meeting were attended and no proxies were also given.

Holding	Resolution	For	Against	Abstain*
191,600	Extra Ordinary General Meeting of <i>M/s Pakistan Petroleum Limited</i> was held on September 16, 2017, below resolutions were passed. 1. Confirm minutes of 65th Annual General Meeting held on February 28, 2017. 2. Election of ten Directors of the Company for a period of three years. 3. Transact other business with permission of the Chairman.	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.

Moreover, other than above no meeting were attended and no proxies were also given.

Holding	Resolution	For	Against	Abstain*
1,056,000	Extra Ordinary General Meeting of <i>M/s Bank Alfalah Limited</i> was held on May 27, 2018, below resolutions were passed. 1. Confirm minutes of 26th Annual General Meeting held on March 28, 2018. 2. Election of nine Directors of the Company for a period of three years. 3. Transact any other business with permission of the Chairman.	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.

Moreover, other than above no meeting were attended and no proxies were also given.

Holding	Resolution	For	Against	Abstain*
15,800	Annual General Meeting of <i>M/s Engro Corporation Limited</i> was held on April 24, 2018, below resolutions were passed. 1. Approve Audited Accounts of the Company for the year ended December 31, 2017. 2. Approve payment of cash dividend for the year ended December 31, 2017. 3. Appoint Auditors of the company and fix their remuneration. 4. Election of nine Directors of the Company. 5. Accorded to lend/provide short term facilities to associated companies. 6. Alteration in the Articles of Association of the Company.	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.

Moreover, other than above no meeting were attended and no proxies were also given.

Holding	Resolution	For	Against	Abstain*
44,500	<p>Extra-Ordinary General Meeting of M/s Thal Limited was held on March 22, 2018, below resolutions were passed.</p> <p>1. Approved to invest and arrange a Standby Letter of Credit in favor of lenders of ThalNova as required by sponsor support agreement.</p> <p>2. Approved to contribute towards payments required to be made to foreign currency lenders of ThalNova and assign company's rights in respect of any investment made in ThalNova by way of loan.</p> <p>3. Approved that for investments approval be accorded by the Board with jointly signed by the CEO and a director.</p>	✓		

The proxy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual proxies voted by the Asset Management Company in respect of the Collective Investment Scheme is also available without charge, upon request, to all unit holders.









Moreover, other than above no meeting were attended and no proxies were also given.









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