



Quarterly Report

September 2020

UBL Retirement Savings Fund



Rated 'AM1' by VIS

CORPORATE INFORMATION

Board of Directors

Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Syed Furrugh Zaeem

Huma Pasha

Arif Akmal Saifie

Sadia Saeed

Imran Sarwar

Audit Committee

Huma Pasha (Chair)

Imran Sarwar

Sadia Saeed

Arif Akmal Saifie

Risk and Compliance Committee

Imran Sarwar (Chairman)

Syed Furrugh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

HR & Compensation Committee

Azhar Hamid (Chairman)

Huma Pasha

Syed Furrugh Zaeem

Sadia Saeed

Yasir Qadri

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

Chief Financial Officer

Umair Ahmed

Company Secretary

Bilal Javaid

Registered Office

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

Head Office

4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.
UAN: (92-21) 111-825-262
Fax: (92-21) 32214930

Date of incorporation of the Management

Company/ Pension Fund Manager

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

Management Quality Rating

AM1 by VIS Credit Rating Company

Funds Under Management

UBL Liquidity Plus Fund

Launch Date: 21 June 2009

UBL Government Securities Fund

Launch Date: 27 July 2011

UBL Money Market Fund

Launch Date: 14 October 2010

UBL Income Opportunity Fund

Launch Date: 29 March 2013

UBL Growth & Income Fund

Launch Date: 2 March 2006

UBL Asset Allocation Fund

Launch Date: 20 August 2013

UBL Stock Advantage Fund

Launch Date: 4 August 2006

Al-Ameen Islamic Sovereign Fund

Launch Date: 07 November 2010

Al-Ameen Islamic Aggressive Income Fund

Launch Date: 20 October 2007

Al-Ameen Islamic Cash Fund

Launch Date: 17 September 2012

Al-Ameen Shariah Stock Fund

Launch Date: 24 December 2006

Al-Ameen Islamic Asset Allocation Fund

Launch Date: 10 December 2013

Al-Ameen Islamic Cash Plan-I

Launch Date: 29 May 2020

Al-Ameen Islamic Dedicated Equity Fund

Launch Date: 05 Jan 2016

Al-Ameen Islamic Financial Planning Fund - II

Launch Date: 21 February 2017

UBL Pakistan Enterprise Exchange Traded Fund

Launch Date: 24 March 2020

UBL Financial Planning Fund

Launch Date: 28 September 2017

Al-Ameen Islamic Financial Planning Fund - III

Launch Date: 28 May 2018

UBL Dedicated Equity Fund

Launch Date: 29 May 2018

UBL Financial Sector Fund

Launch Date: 06 April 2018

UBL Special Saving Fund

Launch Date: 09 November 2018

UBL Cash Fund

Launch Date: 23 September 2019

Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan

Al-Ameen Islamic Financial Planning Fund

Launch Date: 23 June 2015

UBL Retirement Savings Fund

Launch Date: 10 May 2010

Al-Ameen Islamic Retirement Savings Fund

Launch Date: 10 May 2010

Al-Ameen Islamic Energy Fund

Launch Date: 13 December 2019

Al-Ameen Islamic Special Saving Plan-II

Launch Date: 09 March 2020

Al-Ameen Islamic Aggressive Income Plan-I

Launch Date: 16 April 2020



Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the report of “**UBL Retirement Savings Fund**” (URSF – the Fund) for the three months period ended September 30, 2020.

Economy and Money Market outlook 1QFY21

The 1QFY21 witnessed some recovery in economic activity as the results of previously imposed strict lockdown came in effect with Covid-19 daily cases significantly decline to less than 500 from peak of 6,000 cases. This, also manifested in LSM data, posting growth of 3.66% YoY during 2MFY21 as compared to decline of 5.91% in the SPLY. Growth was primarily driven by food, beverage & tobacco, pharmaceuticals, coke & petroleum products, chemicals, and cements. However recent resurgence of Covid-19 cases in last few days indicates that a second wave cannot be ruled out and could potentially hamper the nascent economic recovery.

The average headline inflation during the period under review came in at 8.8%YoY as compared to 10.1%YoY in SPLY. The rise in inflation reading was primarily driven by significant jump in certain food item prices and rise in petroleum product prices along with electricity prices (on account of monthly fuel price adjustments). On a note of caution, the recent surge in (food) inflation has been brought about by supply and administrative issues which if not addressed would seep into broader prices. Notwithstanding the above, we expect CPI inflation numbers to remain contained till Jan'21 due to high base effect but after that we expect inflation to increase and we might see CPI in high single digit in 4QFY21.

In the recent MPS meeting in Sept'20, the SBP kept the policy rate unchanged at 7.0% citing that current levels were appropriate in supporting ongoing economic recovery, while keeping the inflation at expected level and maintaining financial stability. This also manifested in the secondary market yields as the 3-year, 5-year and 10-year PIB yields rose by 9bps, 25bps and 30bps in sept'20 respectively, underscoring expectations of end of monetary easing cycle. In a knee-jerk reaction to the recent unexpected uptick in inflation, yield curve may move upwards in the coming months. However, we expect the central bank to continue with a neutral monetary policy stance in next few months but we cannot rule out any monetary response from Central Bank during second half of FY21 on account of rising inflation.

On the external side, the current account posted a surplus of USD792mn in 1QFY21 as compared to a deficit of USD 1492mn in SPLY. The aforesaid notable improvement during the period under review was driven by lower goods and services deficits and a strong uptick in worker remittance (up 31%YoY). We foresee overall balance of payments position to remain comfortable during 1HFY21 primarily due to a well contained current account balance. However, expected pick-up in import bill along with increasing income deficit may put some pressure on Balance of Payment in second half of FY21. To offset the above, the government will have to ensure sufficient flows on the financial account as the year progresses. We expect current account deficit to increase from 1.1% of GDP in FY20 to 1.5-2.0% of GDP in FY21.

On the fiscal side, as per recent news flows the budget deficit for 2MFY21 stood at 0.9% of GDP (PKR 440bn, -12% YoY) and primary balance posted a surplus of PKR 43bn. The notable improvement largely came on the back of significant rise in indirect tax revenue by which was up 70% on account of higher petroleum levy.

Fixed income Review for 1QFY21

SBP opted to wait and see approach in its last monetary policy statement held in mid-September 2020 to anchor the monetary easing cycle being watchful of a spike in food inflation amid focus on economic growth. During the quarter, longer tenor yields increased by approximately 100bps with yields of shorter tenor government securities increased by 39bps to 59bps. Secondary market yields of 3, 5 and 10-year PIBs increased by 90bps, 108bps and 109bps respectively while yields of 3, 6 and 12-month T-Bills increased by 39bps, 51bps and 56bps respectively.



Government of Pakistan raised only PKR 249 bn through the PIB auction against a target of PKR 420 bn due to lack of interest. Latest cut-off yields stood at 8.20%, 8.45% and 8.99% for 3, 5 and 10-year PIBs respectively.

During the period under review, the government retired SBP borrowing by PKR 353bn and overall borrowing from SBP is reduced to PKR 6,204bn from PKR 6,557bn. However, during the same period Government borrowing from scheduled banks increased by PKR 507bn from PKR 7,210bn to 7,716bn. The government largely managed its borrowing requirements through domestic sources and raised PKR 2,040bn via T-bills (including NCB) compared to the cumulative target of PKR 1,700 bn and maturities of PKR 4,353 bn.

Stock Market Review for 1QFY21

The benchmark KSE-100 index gained steam of positive momentum, closing 17.8% higher during the period under review. The notable performance of the index driven by 1) major decline in domestic Covid-19 infection and increase in recovery rates, 2) foreign inflows from multilateral institutions, 3) improvement in macro-economic indicators (trade balance, remittance and FX reserves) and 4) significant decline in interest rates (625bps) which brought equities as the preferred assets class over other alternative assets. With risk on mood prevailing, investors even ignored a couple of negative developments i.e. adverse Supreme Court decision on GIDC case and downward revision in IPPs' ROE as per MOUs signed between the government and power companies.

Local participants led the rally with individuals mopping up shares worth USD108mn, mutual funds USD 26mn and insurance companies USD21mn respectively, while foreigners continued to remain sellers offloading shares worth USD95mn.

Fund performance and operational review is as follows:

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. The Fund comprises of four sub funds namely Equity sub-fund, Debt sub-fund, Money Market and Commodity sub-fund. The Fund as a whole earned a net income of PKR 257.025 million during the quarter ended Sep 30, 2020 and fund size stood at PKR 3,380.242 million as at the end of September 30, 2020.

UBL Retirement Savings Fund	ESF	DSF	MMSF	CSF
Gross Income (PKR Mn)	239.263	17.866	18.093	0.356
Net Income (PKR Mn)	230.422	13.877	12.437	0.289
Fund Size as of Sep '20 (PKR Mn)	1,477.274	856.301	1,036.654	10.013
NAV as of Sep 30 '20 (PKR)	695.9528	270.3609	213.7350	160.7000
FYTD Return (%)	18.48	6.51	4.82	11.69

The table below illustrates the returns an investor would have earned depending on their portfolio allocations. With the rally witnessed in the equity markets during the period, it's not surprising that the high-volatility portfolio has generated the highest return. Details on portfolio allocations (for URSF) are presented in the table below.

Allocations	ESF	DSF	MMSF
High Volatility	80%	20%	0%
Medium volatility	50%	40%	10%
Low volatility	25%	60%	15%
Lower volatility	0%	60%	40%



UBL Retirement Savings Fund	Since Inception	12 Month Rolling
High Volatility	18.4%	31.2%
Medium volatility	15.0%	24.1%
Low volatility	12.3%	18.3%
Lower volatility	9.0%	11.8%

* Annualized

Future Outlook

After witnessing first time negative real GDP growth of 0.4% in FY20 since 1952, the country has witnessed some recovery in 1QFY21 in overall economic activity and is expected to improve in the coming months as the authorities focus shifts toward the revival of economy. We believe albeit it modest real GDP will grow. Also with re-entry in IMF program overall macro indicators are expected to show signs of improvement.

In the short-term, the market will take direction from evolving domestic political situation, 2020 US elections, progress on Covid-19, result of impending FATF review and upcoming results season.. Compared to fixed income avenues, market's current earnings yield differential with 10Y PIB yield is 3.7% (13.5% vs. 9.76%) which is much higher than the average yield gap of 0.7% over the last 10 years. Further, the market offers a healthy dividend yield of 5%. Moreover there appears to be ample liquidity in the market, in the backdrop of waning investor interest in alternative avenues.

Acknowledgements

We would like to thank our valued participants 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 and Central Depository Company Limited (Trustee) for their continued support, guidance and cooperation. The Board would also like to take this opportunity to express its appreciation to the employees for their dedication, commitment, enthusiasm and hard work.

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

-- sd --

Yasir Qadri
(Chief Executive Officer)

-- sd --

Arif Akmal Saifie
(Director)

Karachi
October 29, 2020

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 Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Deloitte Yousuf Adil Chartered Accountants
Bankers	Allied Bank Limited Bank Alfalah Limited Habib Bank Limited JS Bank Limited Khushhali Bank Limited MCB Bank Limited National Bank Limited Samba Bank Limited Sindh Bank Limited Tameer MicroFinance Bank United Bank Limited Zarai Taraqiati Bank Limited Soneri Bank Limited
Pension Fund Managers Rating	AM1 (JCR-VIS)

UBL RETIREMENT SAVINGS FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT SEPTEMBER 30, 2020

	September 30, 2020 (Unaudited)					June 30, 2020 (Audited)							
	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			
Assets													
Bank balances	73,215	252,230	202,321	7,177	534,943	90,093	157,027	503,353	7,240	757,713			
Term deposit receipt	-	-	-	-	-	-	-	-	-	-			
Investments	1,419,333	588,300	833,624	(303)	2,840,954	1,146,657	635,746	570,172	304	2,352,879			
Advance tax	915	591	1,058	31	2,595	915	591	1,058	32	2,596			
Receivable against sale of investments	3,772	-	-	-	3,772	1,440	-	-	-	1,440			
Dividend receivable and mark-up receivable	9,558	34,390	10,358	92	54,398	2,980	11,877	1,441	-	16,298			
Deposits and other receivables	5,597	1,812	367	3,678	11,454	11,910	11,939	11,062	2,757	37,668			
Total assets	1,512,390	877,323	1,047,728	10,675	3,448,116	1,253,995	817,180	1,087,086	10,333	3,168,594			
Liabilities													
Payable to the Pension Fund Manager	2,275	1,240	1,660	54	5,229	1,965	1,375	1,670	49	5,059			
Remuneration payable to the Trustee	160	92	116	3	371	131	78	118	2	329			
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	89	52	67	1	209	318	208	293	2	821			
Payable against purchase of investment	-	-	-	-	-	3,000	-	-	-	3,000			
Accrued expenses and other liabilities	32,592	19,638	9,231	604	62,065	26,095	15,298	8,728	596	50,717			
Total liabilities	35,116	21,022	11,074	662	67,874	31,509	16,959	10,809	649	59,926			
Net assets	1,477,274	856,301	1,036,654	10,013	3,380,242	1,222,486	800,221	1,076,277	9,684	3,108,668			
Contingencies and commitments													
Participants' Sub-Funds (as per the statement attached)	1,477,274	856,301	1,036,654	10,013	3,380,242	1,222,486	800,221	1,076,277	9,684	3,108,668			
----- (Number of units) -----													
Number of units in issue	2,122,664	3,167,251	4,850,182	62,308						2,081,183	3,008,374	5,096,712	62,036
----- (Rupees) -----													
Net assets value per unit	695.9528	270.3609	213.7350	160.7000						587.3998	265.9978	211.1708	156.1029

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL RETIREMENT SAVINGS FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	QUARTER ENDED SEPTEMBER 30, 2020					QUARTER ENDED SEPTEMBER 30, 2019				
	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 in '000) -----									
Income										
Mark-up / interest income	1,158	17,449	19,041	92	37,740	1,841	22,985	31,033	148	56,007
Capital gain / (loss) on sale of investments - net	63,607	12,328	(182)	567	76,320	(4,819)	(862)	(399)	(1)	(6,081)
Dividend income on equity securities	6,643	-	-	-	6,643	11,106	-	-	-	11,106
Unrealised gain / (loss) on revaluation of investments classified as 'at fair value through profit and loss'	167,855	(11,911)	(766)	(303)	154,875	(64,721)	1,661	(7)	143	(62,924)
Total income / (loss)	239,263	17,866	18,093	356	275,578	(56,593)	23,784	30,627	290	(1,892)
Expenses										
Remuneration of the Pension Fund Manager	5,371	3,135	4,019	37	12,562	3,503	2,535	3,514	26	9,578
Sales tax on remuneration of the Pension Fund Manager	698	407	523	5	1,633	455	329	457	3	1,244
Remuneration of the Trustee	458	268	344	4	1,074	315	229	317	1	862
Annual fee to SECP	90	52	67	1	210	77	56	77	1	211
Auditors' remuneration	41	41	41	41	164	54	54	54	54	216
Brokerage expense	1,467	37	4	2	1,510	350	38	15	2	405
Custody and settlement charges	295	91	3	-	389	162	7	2	2	173
Legal and professional charges	12	12	12	12	48	10	10	10	10	40
Bank charges and other expenses	2	2	2	1	7	4	15	24	2	45
Total expenses	8,434	4,045	5,015	103	17,597	4,930	3,273	4,470	101	12,774
Operating income / (loss) for the period	230,829	13,821	13,078	253	257,981	(61,523)	20,511	26,157	189	(14,666)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - net	4,203	334	(391)	42	4,188	4,869	(113)	761	-	5,517
Provision for Sindh Workers' Welfare Fund (SWWF)	(4,610)	(278)	(250)	(6)	(5,144)	-	(401)	(529)	(5)	(935)
Net income / (loss) for the period before taxation	230,422	13,877	12,437	289	257,025	(56,654)	19,997	26,389	184	(10,084)
Taxation	-	-	-	-	-	-	-	-	-	-
Net income / (loss) for the period after taxation	230,422	13,877	12,437	289	257,025	(56,654)	19,997	26,389	184	(10,084)
Earnings / (loss) per unit										

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL RETIREMENT SAVINGS FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	QUARTER ENDED SEPTEMBER 30, 2020					QUARTER ENDED SEPTEMBER 30, 2019				
	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 income / (loss) for the period after taxation	230,422	13,877	12,437	289	257,025	(56,654)	19,997	26,389	184	(10,084)
Other comprehensive (loss) income for the period										
Net unrealised (loss) / gain on 'at fair value through other comprehensive income' arising during the period	-	(58)	-	-	(58)	-	39	-	-	39
Total comprehensive income / (loss) for the period	<u>230,422</u>	<u>13,819</u>	<u>12,437</u>	<u>289</u>	<u>256,967</u>	<u>(56,654)</u>	<u>20,036</u>	<u>26,389</u>	<u>184</u>	<u>(10,045)</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL RETIREMENT SAVINGS FUND
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB- FUNDS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	QUARTER ENDED SEPTEMBER 30, 2020					QUARTER ENDED SEPTEMBER 30, 2019				
	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 period	1,222,486	800,221	1,076,277	9,684	3,108,668	992,144	692,678	875,956	6,583	2,567,361
Amount received on issuance of units	116,536	126,378	76,925	1,180	321,019	28,873	68,033	292,372	1,988	391,266
Effect of reallocation	1,360	3,614	(4,188)	(786)	-	60,379	(45,876)	(13,831)	(672)	-
Amount paid on redemption of units	(89,327)	(87,397)	(125,188)	(312)	(302,224)	(94,042)	(55,717)	(194,771)	(515)	(345,045)
	28,569	42,595	(52,451)	82	18,795	(4,790)	(33,560)	83,770	801	46,221
Element of (income) / loss and capital (gains) / losses included in prices of units sold less those in units redeemed - amount	(4,203)	(334)	391	(42)	(4,188)	(4,869)	113	(761)	-	(5,517)
	1,246,852	842,482	1,024,217	9,724	3,123,275	982,485	659,231	958,965	7,384	2,608,065
Net movement on remeasurement of investments classified as 'fair value through other comprehensive income' arising during the period	-	(58)	-	-	(58)	-	39	-	-	39
Net capital (loss) / gain on sale of investments classified as:										
- 'at fair value through profit or loss'	63,607	12,328	(182)	567	76,320	(4,819)	(862)	(399)	(1)	(6,081)
Unrealised (loss) / gains on revaluation of investments classified as:										
- 'at fair value through profit or loss'	167,855	(11,911)	(766)	(303)	154,875	(64,721)	1,661	(7)	143	(62,924)
Other net income for the period	(1,040)	13,460	13,385	25	25,830	12,886	19,198	26,795	42	58,921
	230,422	13,877	12,437	289	257,025	(56,654)	19,997	26,389	184	(10,084)
Net assets at end of the period	1,477,274	856,301	1,036,654	10,013	3,380,242	925,831	679,267	985,354	7,568	2,598,020

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL RETIREMENT SAVINGS FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

Note	QUARTER ENDED SEPTEMBER 30, 2020					QUARTER ENDED SEPTEMBER 30, 2019				
	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 income / (loss) for the period before taxation	230,422	13,877	12,437	289	257,025	(56,654)	19,997	26,389	184	(10,084)
Adjustments:										
Mark-up / interest income	(1,158)	(17,449)	(19,041)	(92)	(37,740)	(1,841)	(22,985)	(31,033)	(148)	(56,007)
Dividend income on equity securities	(6,643)	-	-	-	(6,643)	(11,106)	-	-	-	(11,106)
Capital loss/ (gain) on sale of investments - net	(63,607)	(12,328)	182	(567)	(76,320)	4,819	862	399	1	6,081
Unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit and loss'	(167,855)	11,911	766	303	(154,875)	64,721	(1,661)	7	(143)	62,924
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those in units redeemed - net	(4,203)	(334)	391	(42)	(4,188)	(4,869)	113	(761)	-	(5,517)
Provision for Sindh Workers' Welfare Fund (SWWF)	4,610	278	250	6	5,144	-	401	529	5	935
	(8,434)	(4,045)	(5,015)	(103)	(17,597)	(4,930)	(3,273)	(4,470)	(101)	(12,774)
(Increase) / decrease in assets										
Investments	(41,214)	122,703	(388,216)	871	(305,856)	(23,758)	231,892	491,922	463	700,519
Advance income tax	-	-	-	1	1	(32)	(525)	(1,239)	(23)	(1,819)
Receivable against sale of investments	(2,332)	-	-	-	(2,332)	1,840	-	-	-	1,840
Deposits and other receivable	6,313	10,127	10,695	(921)	26,214	(223)	(1,025)	(3,437)	(463)	(5,148)
	(37,233)	132,830	(377,521)	(49)	(281,973)	(22,173)	230,342	487,246	(23)	695,392
(Increase) / decrease in liabilities										
Payable to the Pension Fund Manager	310	(135)	(10)	5	170	(9)	66	197	(5)	249
Remuneration payable to the Trustee	29	14	(2)	1	42	(13)	(1)	15	(1)	-
Payable to the SECP	(229)	(156)	(226)	(1)	(612)	(323)	(170)	(174)	(1)	(668)
Payable against purchase of investments	(3,000)	-	-	-	(3,000)	(2,301)	-	-	-	(2,301)
Accrued expenses and other liabilities	1,887	4,062	253	2	6,204	(173)	1,515	3,885	84	5,311
	(1,003)	3,785	15	7	2,804	(2,819)	1,410	3,923	77	2,591
Mark-up / interest income received during the period	(395)	(5,064)	10,124	-	4,665	2,138	26,716	29,161	144	58,159
Dividend income received during the period	1,618	-	-	-	1,618	3,621	-	-	-	3,621
Net cash flow (used in) / generated from operating activities	(45,447)	127,506	(372,397)	(145)	(290,483)	(24,163)	255,195	515,860	97	746,989
Receipts from issuance of units	116,536	126,378	76,925	1,180	321,019	28,873	68,033	292,372	1,988	391,266
Effect of re-allocation	1,360	3,614	(4,188)	(786)	-	60,379	(45,876)	(13,831)	(672)	-
Payments on redemption of units	(89,327)	(87,397)	(125,188)	(312)	(302,224)	(94,042)	(55,717)	(194,771)	(515)	(345,045)
Net cash generated from / (used in) financing activities	28,569	42,595	(52,451)	82	18,795	(4,790)	(33,560)	83,770	801	46,221
Net (decrease) / increase in cash and cash equivalents	(16,878)	170,101	(424,848)	(63)	(271,688)	(28,953)	221,635	599,630	898	793,210
Cash and cash equivalents at beginning of the period	90,093	157,027	1,073,525	7,240	1,327,885	90,920	319,915	386,059	5,443	802,337
Cash and cash equivalents at end of the period	73,215	327,128	648,677	7,177	1,056,197	61,967	541,550	985,689	6,341	1,595,547
Cash and cash equivalents										
Bank balances	4 73,215	252,230	202,321	7,177	534,943	61,967	436,899	863,098	6,341	1,368,305
Treasury bills - 3 months	5.2 -	74,898	446,356	-	521,254	-	104,651	122,591	-	227,242
	73,215	327,128	648,677	7,177	1,056,197	61,967	541,550	985,689	6,341	1,595,547

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited
(Pension Fund Manager)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

UBL RETIREMENT SAVINGS FUND
NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Retirement Savings Fund (the "Fund"), was established under the Trust Deed executed between UBL Fund Managers Limited (the "Pension Fund Manager" - a wholly owned subsidiary company of United Bank Limited) as the Pension Fund Manager and the MCB Financial Services Limited as the Trustee. The Trust Deed was executed on November 17, 2009, and the Fund was approved as a pension fund by the Securities and Exchange Commission of Pakistan (SECP) on January 29, 2010 in accordance with the requirements of Voluntary Pension System Rules, 2005 (the VPS Rules). The Fund commenced its operations from May 19, 2010. The trusteeship of the Fund was transferred to Central Depository Company of Pakistan Limited (CDC) effective from March 31, 2014 through a supplemental trust deed dated February 21, 2014.

The Pension Fund Manager of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Pension Fund Manager is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

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 atleast '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 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 yearic basis such as annual, semi annual, quarterly or monthly basis. UBL Retirement Savings Fund also offers optional insurance cover to the

VIS Credit Rating Company has assigned management quality rating of AM1 to the Pension Fund Manager as on December 31, 2019.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and the requirements of the Trust Deed, Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the SECP.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and requirements of the Trust Deed have been followed.

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

2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2020, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the period ended September 30, 2019.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2020.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2020.

3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2020. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2020.

September 30, 2020 (Un-audited)						June 30, 2020 (Audited)				
Note	Equity	Debt Sub-	Money	Commodity	Total	Equity Sub-	Debt Sub-	Money	Commodity	Total
	Sub-Fund	Fund	Market Sub-Fund	Sub-Fund		Fund	Fund	Market Sub-Fund	Sub-Fund	
4. BANK BALANCES	----- (Rupees in '000) -----									
Bank accounts - saving	73,215	252,230	202,321	7,177	534,943	90,093	157,027	503,343	7,240	757,703
Bank accounts - current	-	-	-	-	-	-	-	10	-	10
	73,215	252,230	202,321	7,177	534,943	90,093	157,027	503,353	7,240	757,713

4.1 These carry mark-up at the rates ranging from 3.75% to 10.5% (2020: 3.75% to 11.25%) per annum.

September 30, 2020 (Un-audited)						June 30, 2020 (Audited)				
Note	Equity	Debt Sub-	Money	Commodity	Total	Equity Sub-	Debt Sub-	Money	Commodity	Total
	Sub-Fund	Fund	Market Sub-Fund	Sub-Fund		Fund	Fund	Market Sub-Fund	Sub-Fund	
5. INVESTMENTS	----- (Rupees in '000) -----									
Investments by category										
'At fair value through profit or loss'										
Listed Equity Securities	1,419,333	-	-	-	1,419,333	1,146,657	-	-	-	1,146,657
Government securities - Treasury Bills	-	74,898	833,624	-	908,522	-	381,035	570,172	-	951,207
Government Securities - Pakistan Investment Bonds	-	484,764	-	-	484,764	-	212,491	-	-	212,491
Debt securities - Term Finance Certificates / Sukuks	-	25,000	-	-	25,000	-	36,531	-	-	36,531
Future Gold Contracts	-	-	-	(303)	(303)	-	-	-	304	304
	1,419,333	584,662	833,624	(303)	2,837,316	1,146,657	630,057	570,172	304	2,347,190
'At fair value through Other comprehensive income'										
Government Securities - Pakistan Investment Bonds	-	3,638	-	-	3,638	-	5,689	-	-	5,689
	-	3,638	-	-	3,638	-	5,689	-	-	5,689
Total	1,419,333	588,300	833,624	(303)	2,840,954	1,146,657	635,746	570,172	304	2,352,879

5.1 Listed equity securities - 'at fair value through profit or loss'

(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Sector and Name of Security	As at July 01, 2020	Purchased / bonus / right received during the period	Sold during the period	As at June 30, 2020	Balance as at September 30, 2020			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
					Carrying value	Market value	Unrealised gain / (loss)			
Note	Number of shares				Rupees in '000			%		
Automobile assembler										
Honda Atlas Cars (Pakistan) Limited	400	-	-	400	77	104	27	-	-	-
Indus Motor Company Limited	7,500	6,700	5,400	8,800	10,418	11,265	847	0.01	0.01	0.01
					10,495	11,369	874	0.01	0.01	0.01
Automobile parts and accessories										
Thal Limited **	84,650	11,500	-	96,150	32,126	40,415	8,289	0.03	0.04	0.12
Agriauto Industries Limited	-	42,800	-	42,800	8,543	10,315	1,772	0.01	0.01	0.30
					40,669	50,730	10,061			
Cable & electrical goods										
Waves Singer Pakistan Limited	-	799,000	-	799,000	24,269	20,910	(3,359)	0.02	0.02	-
Oil and gas exploration companies										
Mari Petroleum Company Limited	71,533	5,500	8,000	69,033	85,927	94,542	8,615	0.08	0.08	0.05
Oil & Gas Development Company Limited	701,400	45,000	153,000	593,400	64,882	61,476	(3,406)	0.05	0.05	0.01
Pakistan Oilfields Limited	62,180	72,138	49,300	85,018	32,101	35,821	3,720	0.03	0.03	0.03
Pakistan Petroleum Limited	512,908	321,000	39,000	794,908	72,929	73,179	250	0.06	0.06	0.03
					255,839	265,018	9,179	0.22	0.23	0.12
Oil and gas marketing companies										
Pakistan State Oil Company Limited	5.1.2	101,654	40,000	97,500	44,154	8,840	(37)	0.01	0.01	0.01
Construction and materials (cement)										
Kohat Cement Company Limited	334,320	58,500	27,000	365,820	52,249	62,460	10,211	0.05	0.05	0.18
Attock Cement Pakistan Limited	12,000	-	-	12,000	1,496	1,832	336	-	-	0.01
Maple Leaf Cement Factory Limited	150,000	200,000	229,000	121,000	3,580	4,343	763	-	-	0.01
Thatta Cement Company Limited	-	350,000	-	350,000	8,332	7,294	(1,038)	0.01	0.01	0.35
Lucky Cement Limited	105,650	35,000	28,100	112,550	54,359	72,828	18,469	0.06	0.06	0.03
					120,016	148,757	28,741	0.12	0.11	0.58
Chemical										
Sitara Chemical Industries Limited	62,900	-	44,000	18,900	5,237	6,079	842	-	0.01	0.09
Ittehad Chemicals Limited	377,500	22,000	146,000	253,500	6,800	6,994	194	0.01	0.01	0.30
Engro Polymer & Chemicals Limited	276,872	595,000	210,000	661,872	19,398	26,647	7,249	0.02	0.02	0.07
ICI Pakistan Limited	10,300	500	-	10,800	7,532	7,815	283	0.01	0.01	0.01
Dynea Pakistan Limited**	-	49,500	-	49,500	7,139	8,806	1,667	0.01	0.01	0.26
					46,106	56,341	10,235	0.06	0.07	0.73
Fertilizer										
Engro Fertilizers Limited	629,299	40,000	289,058	380,241	22,997	23,126	129	-	-	0.03
Fatima Fertilizer Company Limited	413,000	-	412,500	500	13	15	2	-	-	-
Fauji Fertilizer Company Limited	252,762	337,000	122,524	467,238	51,085	50,457	(628)	0.04	0.04	0.04
Engro Corporation Limited	278,177	25,000	24,600	278,577	82,011	83,860	1,849	0.07	0.07	0.05
					156,106	157,458	1,352	0.11	0.10	0.12
Vanaspati & allied industries										
Unity Food Limited	-	1,315,014	492,500	822,514	10,875	13,920	3,045	0.01	0.01	0.08
Pharmaceuticals										
IBL HealthCare Limited	69,000	-	69,000	-	-	-	-	-	-	-
The Searle Company Limited	5.1.2	68,841	54,000	88,841	18,825	22,771	3,946	0.02	0.02	0.04
Highnoon Laboratories Limited	5.1.2	3,545	-	3,545	1,777	2,177	400	-	-	0.01
					20,602	24,948	4,346	0.01	0.01	0.05
Glass and ceramics										
The Pension Fund Manager has made an asse	1,500	31,000	30,000	2,500	186	227	41	-	-	-
Paper and board										
Century paper and board limited	284,700	-	221,000	63,700	4,559	7,085	2,526	0.01	0.01	0.04
Cherat Packaging Limited.	30,700	47,000	77,000	700	95	125	30	-	-	-
					4,654	7,210	2,556	0.01	0.01	0.04
Textile composite										
Nishat Mills Limited	580,900	-	47,000	533,900	11,647	15,090	3,443	0.01	0.01	0.15
Nishat Chunian Limited	-	175,000	61,000	114,000	4,525	4,490	(35)	-	-	-
Kohinoor Textile Mills Limited	196,300	301,000	52,000	445,300	34,666	50,268	15,602	0.04	0.04	0.15
Gul Ahmed Textile Mills Limited	680,000	421,500	75,000	1,026,500	29,972	34,611	4,639	0.03	0.03	-
					80,810	104,459	23,649	0.07	0.07	0.31

Sector and Name of Security	As at July 01, 2020	Purchased / bonus / right received during the period	Sold during the period	As at June 30, 2020	Balance as at September 30, 2020			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	
					Carrying value	Market value	Unrealised gain / (loss)				
Note	Number of shares				Rupees in '000			%			
Food and personal care products											
Al Shaheer Corporation Limited	159,747	400,000	559,000	747	9	14	5	-	-	-	
Shezan International Limited	50,490	-	36,200	14,290	3,199	4,346	1,147	-	-	0.16	
					3,208	4,360	1,152	-	-	0.16	
Power generation and distribution											
The Hub Power Company Limited	684,000	317,000	406,679	594,321	54,757	56,853	2,096	0.05	0.05	0.05	
Saif Power Limited	814,284	-	61,000	753,284	10,012	10,491	479	0.01	0.01	0.19	
Kot Addu Power Company Limited	-	137,000	-	137,000	3,664	3,611	(53)	-	-	0.02	
K-Electric Limited	187,500	-	-	187,500	564	789	225	-	-	-	
Pakgen Power Limited	589,500	14,000	-	603,500	7,345	10,863	3,518	0.01	0.01	0.16	
					76,342	82,607	6,265	0.08	0.07	0.42	
Commercials banks											
Bank Alfalah Limited	5.1.1	1,368,300	-	373,722	994,578	33,388	34,591	1,203	0.03	0.03	0.06
MCB Bank Limited		140,810	93,000	105,791	128,019	21,629	22,252	623	0.02	0.02	-
Allied Bank Limited		707,700	-	46,500	661,200	50,635	55,719	5,084	0.05	0.05	0.06
The Bank of Punjab		-	1,465,500	56,000	1,409,500	13,556	13,926	370	0.01	0.01	0.05
Habib Bank Limited	5.1.1	752,490	425,301	46,000	1,131,791	117,403	147,970	30,567	0.12	0.13	0.08
Meezan Bank Limited		2,500	-	2,500	-	172	226	54	-	-	-
Faysal Bank Limited	5.1.2	8,775	603,500	600,000	12,275	195	210	15	-	-	-
Bank AL Habib Limited	5.1.1	1,020,000	257,000	300,000	977,000	52,310	63,085	10,775	0.05	0.06	-
					289,288	337,979	48,691	0.28	0.30	0.25	
Investment banks											
Arif Habib Limited		161,000	37,000	198,000	-	-	-	-	-	-	
Dawood Hercules Corporation Limited		26,300	-	25,000	1,300	166	161	(5)	-	-	
					166	161	(5)				
Insurance											
IGI Holding Limited		33,300	-	1,500	31,800	5,755	6,963	1,208	0.01	0.01	0.02
Adamjee Insurance Company Limited	5.1.1	1,200,000	-	88,000	1,112,000	36,818	44,590	7,772	0.04	0.04	0.32
					42,573	51,553	8,980	0.04	0.05	0.33	
Technology and communication											
Systems Limited		-	113,000	113,000	-	-	-	-	-	-	
Systems Limited		211,500	3,500	95,500	119,500	21,969	32,509	10,540	0.03	0.03	0.10
					21,969	32,509	10,540	0.03	0.03	0.10	
Leather and tanneries											
Service Industries Limited		425	10,000	-	10,425	7,896	7,969	73	0.01	0.01	0.04
Bata Pakistan Limited		-	900	-	900	1,435	1,516	81	-	-	-
					9,331	9,485	154				
Transportation											
Pakistan National Shipping Corporation Limited		2,000	-	-	2,000	151	182	31	-	-	-
Miscellaneous											
Tri-Pack Films Limited		122,000	28,500	150,500	-	-	-	-	-	-	
Shifa International Hospitals Limited		-	26,500	15,000	11,500	2,962	2,562	(400)	-	-	
Synthetic Products Enterprises Limited		442,200	185,500	5,000	622,700	25,984	27,748	1,764	0.02	0.02	0.70
					28,946	30,310	1,364	0.03	0.02	0.70	
Total as at September 30, 2020					1,251,478	1,419,333	167,855				
Total as at June 30, 2020					1,151,428	1,146,657	(4,771)				

* These have a face value of Rs.3.5 per share

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

5.1.1 The above equity securities include 106.77402 million (2020: 2.573 million) shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 99.90 million (2019: Rs. 8.268 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 This includes gross bonus shares as per Fund's entitlement declared by the investee company. The Finance Act, 2014 had brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder were to be treated as income and a tax at the rate of 5 percent was 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 was to be collected at source by the investee company which was to be considered as final discharge of tax liability on such income. However, the Pension Fund Manager jointly with other asset management companies and Mutual Funds Association of Pakistan, 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 funds based on the premise of exemption given to mutual funds under clause 47 B and 99 of Second schedule of the Income Tax Ordinance, 2001. Consequently, the Honorable Sindh High Court granted stay order till the final outcome of the case. As of quarter end, 1,392 shares (2020: 1,392) of PSO having a fair market value of Rs. 0.279 million (2020: Rs. 0.107 million), 5,300 shares (2020: 5,300 shares) of Searl having a fair market value of Rs. 1.358 million (2020: Rs. 1.056 million), 778 shares (2020: 778) of HINOON having a fair market value of Rs. 0.478 million (2020: 0.390 million) and 7,864 shares (2020: 7,864) of FABL having a fair market value of Rs. 0.135 million (2020: 0.110 million) are disputed. Such shares have not been deposited by the investee company in CDC account of the department of Income Tax. The Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis. Through Finance Act, 2018, the tax on bonus shares was withdrawn.

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

Particulars	Note	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at September 30, 2020	Balance as at September 30, 2020			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 / (Diminution)		
					Number of certificates	Rupees in ('000)			%	
Held by Debt Sub-Fund										
Treasury Bills - 12 months		350,000	25,920	375,920	-	-	-	-	-	-
Treasury Bills - 6 months		50,000	-	50,000	-	-	-	-	-	-
Treasury Bills - 3 months	5.2.1	-	75,000	-	75,000	80,379	74,898	(5,481)	8.75	8.54
September 30, 2020						80,379	74,898	(5,481)	8.75	8.54
June 30, 2020						375,033	381,035	6,002		
Held by Money Market Sub-Fund										
Treasury Bills - 3 months	5.2.2	575,000	525,000	575,000	525,000	446,312	446,356	44	43.06%	53.54%
Treasury Bills - 6 months	5.2.2	-	625,000	550,000	75,000	73,781	73,695	(86)	7.11%	8.84%
Treasury Bills - 12 months	5.2.2	-	1,196,000	882,000	314,000	312,765	313,573	808	30.25%	37.62%
September 30, 2020						832,858	833,624	766	80.42%	100.00%
June 30, 2020						569,549	570,172	623		

5.2.1 This treasury bill carry effective yield of 6.43 (June 30, 2020: 7.32% to 10.67%) per annum and will mature by October 8, 2020 (June 30, 2020: October 22, 2020 to April 22, 2021).

5.2.2 These treasury bill carry effective yield from 6.43% to 7.09% (June 30, 2020: 8.04% to 10.81%) per annum and will mature by October 08, 2020 to December 31, 2020 (June 30, 2020: July 02, 2020 to August 27, 2020).

**5.3 Government securities - Pakistan Investment Bonds 'at fair value through profit or loss'
(certificates having a nominal value of Rs.100,000 each)**

Particulars	Note	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at September 30, 2020	Balance as at September 30, 2020			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 / (Diminution)		
					Number of certificates	Rupees in ('000)			%	
Held by Debt Sub-Fund										
Pakistan Investment										
Bonds - 10 years	5.3.1	350	500	-	850	84,536	83,146	(1,390)	9.71%	14.13%
Floater Bonds - 3 years	5.3.1	-	2,250	-	2,250	229,563	225,810	(3,753)	26.37%	38.38%
Floater Bonds - 5 years	5.3.1	-	1,000	-	1,000	99,590	100,380	790	11.72%	17.06%
Bonds - 3 years	5.3.1	1,750	-	1,000	750	78,207	75,428	(2,779)	8.81%	12.82%
September 30, 2020						491,896	484,764	(7,132)	56.61%	82.39%
June 30, 2020						205,541	212,491	6,950		

5.3.1 This Pakistan Investment Bond carry mark-up from 7.71% to 8.75% (June 30, 2020: 7.25% to 14.05%) per annum with maturity in August 2029 (June 30, 2020: July 2021 and August 2028).

**5.4 Debt Securities - Term Finance Certificates / Sukuks 'at fair value through profit or loss'
(face value of Rs.5,000 each unless otherwise stated)**

Particulars	Note	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at September 30, 2020	Carrying value as at September 30, 2020	Market values at September 30, 2020	Unrealised gain / (loss)	Market value as a percentage of net assets of the Sub - Fund	Market value as a percentage of total size of the issue
Held by Debt Sub-Fund										
Bank Alfalah Limited - Listed (Issue date - February 20, 2013)										
	5.4.1	1,200	-	1,200	-	-	-	-	0.00%	0.00%
JS Bank Limited - Listed (Issue date - December 14, 2016)										
	5.4.1	3,200	-	3,200	-	-	-	-	0.00%	0.00%
Jahangir Siddiqui & Company Limited - Listed (Issue date - 18 July 2017)										
	5.4.1	10,000	-	-	10,000	24,298	25,000	702	2.92%	1.67%
September 30, 2020						24,298	25,000	702	2.92%	1.67%
June 30, 2020						37,139	36,531	-608		

5.4.1 Significant terms and conditions of term finance certificates outstanding at the period end are as follows:

Name of security	Number of certificates	Face value / redemption value Rupees in '000	Mark-up rate (Per annum)	Maturity
Jahangir Siddiqui & Company Limited	10,000	2,500	6M KIBOR + 1.40%	July 18, 2022

(Un-audited) (Audited)
September 30, 2020 June 30, 2020
--- (Rupees in '000) ---

5.5 INVESTMENTS IN FUTURE GOLD CONTRACTS

Derivative financial instruments 'at fair value through profit or loss'

Future Gold Contracts	<u>(303)</u>	<u>304</u>
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5.5.1 This represents net unrealised loss on cash settled future gold contracts with settlement date of November 26, 2020 (June 30, 2019: August 2020).

5.6 Government securities - Pakistan Investment Bonds - 'at fair value through OCI' (certificates having a nominal value of Rs.100,000 each)

Particulars	Note	As at July 01, 2020	Purchased during the period	Disposed / matured during the period	As at September 30, 2020	Balance as at September 30, 2020			Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of total investments
						Carrying value	Market value	Appreciation / (Diminution)		
						----- Rupees in ('000) -----			----- % -----	

Held by Debt Sub-Fund

Pakistan Investment Bonds - 10 years	5.6.1	55	-	20	35	5,610	3,638	(58)	0.42%	0.62%
September 30, 2020						<u>5,610</u>	<u>3,638</u>	<u>(58)</u>	<u>0.42%</u>	<u>0.62%</u>
June 30, 2020						<u>5,412</u>	<u>5,689</u>	<u>277</u>		

5.6.1 These Pakistan Investment Bonds carry mark-up of 12.00% (June 30, 2020: 12.00%) per annum with maturity in August 2021 (June 30, 2020: July 2020 to August 2021).

6. ADVANCE TAX

The income of the Fund is exempt 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 tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" date May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate from CIR, various withholding agents have deducted advance tax under section 150, 150A and 151 of the Income Tax Ordinance, 2001 which has been recorded as receivable from the Tax Department in this condensed interim financial information.

7 PAYABLE TO UBL FUND MANAGERS LIMITED - PENSION FUND MANAGER

During the period ended September 30, 2020, management fee was charged at the rate of 1.50% (September 30, 2019: 1.50%). The remuneration is paid to the Pension Fund Manager on monthly basis in arrears.

8 ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision of Sindh Workers' Welfare Fund

There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.1 to the annual audited financial statements for the year ended June 30, 2020.

Further, this includes provision for Sindh Workers' Welfare Fund (SWWF) as at September 30, 2020 amounting to Rs. 19.54 million in URSF-ESF, 4.84 million in URSF-DSF, 3.41 million in URSF-MMSF and 1.41 million in URSF-CSF (June 30, 2020: Rs. 1.80 million in URSF-ESF, 2.06 million in URSF-DSF, 2.22 million in URSF-MMSF and 0.40 million in URSF-CSF). The Pension Fund Managers, based on an opinion obtained by MUFAP, believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board (SRB) has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution. Despite this, MUFAP recommended its members to make provision for SWWF on prudence basis. Had the SWWF not been provided for, the net assets value per unit would have been higher by Rs. 9.20 (URSF-ESF) (June 30, 2020: Rs. Rs.7.57), Rs. 1.53 (URSF-DSF) (June 30, 2020: Rs.1.13), Re. 0.70(URSF-MMSF) (June 30, 2020: Re 0.41), Rs. 2.26 (URSF-CSF) (June 30, 2020: Rs. 2.16).

8.2 Provision of Indirect Taxes and Duties

This includes provision for federal excise duty (FED) as at September 30, 2020 amounting to Rs. 5.141 million (June 30, 2020: Rs. 5.897 million), Rs. 4.051 million (June 30, 2020: Rs. 4.599 million), Rs. 2.448 million (June 30, 2020: Rs. 2.578 million), Rs. 0.192 million (June 30, 2020: Rs. 0.19) in Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Commodity Sub-Fund. There is no change in the status of the legal proceeding on this matter, which has been fully disclosed in note 13.2 to the annual audited financial statements for the year ended June 30, 2020. As a matter of abundant caution, the Pension Fund Manager has maintained full provision for FED aggregating to Rs. 13.264 million till June 30, 2016. Had the provision not been provided for, the net assets value per unit would have been higher by Rs. 2.42 (June 30, 2020: Rs. 2.83).Rs. 1.28 (June 30, 2020: Rs. 1.53).Rs. 0.50 (June 30, 2020: Rs. 0.51). Rs. 3.08 (June 30, 2020: Rs. 3.13) respectively.

9. CONTINGENCIES AND COMMITMENTS

9.1 CONTINGENCIES

There were no contingencies outstanding as at September 30, 2020 and June 30, 2020

	(Un-audited) September 30, 2020	(Audited) June 30, 2020
	-----	-----
	(Rupees in '000)	(Rupees in '000)

9.2 COMMITMENTS

Commodity Sub-Fund

Purchase of:

24 (June 30, 2020:29) ounce gold in US\$ 47,189
(June 30, 2020: US\$ 50,332)

7,819

8,458

This represents the investment in future gold contracts with settlement date of 26 November 2020 (June 30, 2020: August 2020).

10. TAXATION

No provision for taxation for the period ended September 30, 2020 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.

11. CONTRIBUTION TABLE

Contribution (net of front-end fee) received during the period is as follows:

September 30, 2020 (Un-audited)										
From:	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	171,348	116,536	470,242	126,378	361,716	76,925	7,259	1,180	1,010,565	321,019

September 30, 2019 (Un-audited)										
From:	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	241,778	28,873	711,936	68,033	2,007,449	292,372	15,865	1,988	2,977,028	391,266

12. NUMBER OF UNITS IN ISSUE

Total units outstanding at beginning of the period
 Units issued during the period
 Effect of reallocation
 Units redeemed during the period
 Total units in issue at end of the period

As at September 30, 2020 (Un-audited)			
Money			
Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Commodity Sub-Fund
----- (Number of units) -----			

2,081,183	3,008,374	5,096,712	62,036
171,348	470,242	361,716	7,259
2,284	13,564	(19,825)	(5,067)
(132,151)	(324,929)	(588,421)	(1,920)
2,122,664	3,167,251	4,850,182	62,308

Total units outstanding at the beginning of the year
 Units issued during the period
 Effect of reallocation
 Units redeemed during the period
 Total units in issue at the end of the period

As at June 30, 2020 (Audited)			
Money			
Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Commodity Sub-Fund
----- (Number of units) -----			

1,822,960	2,989,337	4,624,981	52,992
894,879	1,196,529	3,297,112	249,287
(111,626)	197,544	72,856	5,457
(525,030)	(1,375,036)	(2,898,237)	(245,700)
2,081,183	3,008,374	5,096,712	62,036

13. EARNINGS / (LOSS) PER UNIT

Earnings per unit (EPU) for respective plans have not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of the Management Company), Pension Fund Manager (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of the Management. The Pension Fund Manager has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the

Transactions with the connected persons are carried out in the normal course of business, at agreed / contracted rates.

Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

Details of transactions with related parties / connected persons during the period and balances held with them at three months ended September 30, 2020 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) -----						
Equity Sub-Fund						
Transactions for the period						
ended September 30, 2020						
Mark-up on bank accounts	-	250	-	-	-	782
Bank charges	-	-	-	-	-	2
Units issued (units in '000)	-	-	-	-	1,300	-
Units redeemed (units in '000)	-	-	-	-	-	-
Purchase of shares	-	-	-	-	-	224,677
Sale of shares	-	-	-	-	-	209,741
Dividend received	-	-	-	-	-	5,066
Remuneration for period (including sales tax)	6,069	-	458	-	-	-
Central Depository Service expense	-	-	295	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
----- (Rupees in '000) -----						
Equity Sub-Fund						
Transactions for the period						
ended September 30, 2019						
Mark-up on bank accounts	-	406	-	-	-	-
Bank charges	-	3	-	-	-	-
Units issued (units in '000)	-	-	-	-	14,182	-
Sale of securities	-	7,548	-	-	-	-
Remuneration for period (including sales tax)	3,958	-	315	-	-	-
Central Depository Service expense	-	-	43	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
----- (Rupees in '000) -----						
Balances held as at						
September 30, 2020						
Units held (units in '000)	-	-	-	-	39	-
Units held (Rupees in '000)	-	-	-	-	27,142	-
Bank balances	-	9,873	-	-	-	60,888
Investment	-	-	-	-	-	738,394
Remuneration payable (including sales tax)	2,094	-	160	-	-	-
Sales load payable	177	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	375	-	-	-	1,116

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Balances held as at June 30, 2020						
Units held (units in '000)	-	-	-	-	67,210	-
Units held (Rupees in '000)	-	-	-	-	39,479	-
Investments		626,001				
Bank balances	-	2,911	-	-	-	-
Remuneration payable (including sales tax)	1,681	-	131	-	-	-
Sales load payable	280	-	-	-	-	-
Other payable	-	62	-	-	-	-
Mark-up receivable	4	-	-	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Debt Sub-Fund						
Transactions for the period ended September 30, 2020						
Mark-up on bank accounts	-	161	-	-	-	828
Bank charges	-	2	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	-
Units redeemed (units in '000)	-	-	-	-	-	-
Remuneration for the period (including sales tax)	3,542	-	268	-	-	-
Central Depository Service expense	-	-	-	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Debt Sub-Fund						
Transactions for the period ended September 30, 2019						
Mark-up on bank accounts	-	357	-	-	-	-
Bank charges	-	6	-	-	-	-
Units redeemed (units in '000)	-	-	-	-	51	-
Remuneration for the period (including sales tax)	2,864	-	229	-	-	-
Central Depository Service expense	-	-	-	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Debt Sub-Fund						
Balances held as at March September 30, 2020						
Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Bank balances	-	5,636	-	-	-	174,396
Remuneration payable (including sales tax)	1,195	-	92	-	-	-
Sales load payable	41	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	189	-	-	-	1,354

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Debt Sub-Fund						
Balances held as at						
<u>June 30, 2020</u>						
Units held (units in '000)	-	-	-	-	1,894	-
Units held (Rupees in '000)	-	-	-	-	504	-
Bank balances	-	33,294	-	-	-	-
Remuneration payable (including sales tax)	1,096	-	78	-	-	-
Sales load payable	275	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	554	-	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Money Market Sub-Fund						
Transactions for the period						
<u>ended September 30, 2020</u>						
Mark-up on bank accounts	-	125	-	-	-	1,473
Bank charges	-	2	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	-
Units redeemed (units in '000)	-	-	-	-	-	-
Remuneration for the period (including sales tax)	4,542	-	344	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
	----- (Rupees in '000) -----					
Money Market Sub-Fund						
Transactions for the period						
<u>ended September 30, 2019</u>						
Profit on savings accounts	-	148	-	-	-	-
Bank charges	-	6	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	-
Remuneration for the period (including sales tax)	3,971	-	317	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
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Money Market Sub-Fund
Balances held as at
September 30, 2020

Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Bank balances	-	3,235	-	-	-	196,458
Remuneration payable (including sales tax)	1,477	-	116	-	-	-
Sales load payable	179	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	146	-	-	-	5,102

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
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Money Market Sub-Fund
Balances held as at
June 30, 2020

Units held (units in '000)	-	-	-	-	-	-
Units held (Rupees in '000)	-	-	-	-	-	-
Bank balances	-	332,934	-	-	-	-
Remuneration payable (including sales tax)	1,488	-	118	-	-	-
Sales load payable	178	-	-	-	-	-
Other payable	4	-	-	-	-	-
Mark-up receivable	-	118	-	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
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Commodity Sub-Fund
Transactions for the period
ended September 30, 2020

Mark-up on bank accounts	-	3	-	-	-	88
Bank charges	-	-	-	-	-	1
Units issued (units in '000)	-	-	-	-	-	70
Units redeemed (units in '000)	-	-	-	-	-	450
Remuneration for the period (including sales tax)	42	-	4	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
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Commodity Sub-Fund
Transactions for the period
ended September 30, 2019

Mark-up on bank accounts	-	141	-	-	-	-
Bank charges	-	2	-	-	-	-
Units issued (units in '000)	-	-	-	-	-	212
Units redeemed (units in '000)	-	-	-	-	-	54
Remuneration for the period (including sales tax)	29	-	1	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
Commodity Sub-Fund	----- (Rupees in '000) -----					
Balances held as at September 30, 2020	<hr/>					
Units held (units in '000)	-	-	-	-	-	39
Units held (Rupees in '000)	-	-	-	-	-	6,267
Bank balances	-	754	-	-	-	6,423
Remuneration payable (including sales tax)	14	-	3	-	-	-
Sales load payable	13	-	-	-	-	-
Mark-up receivable	-	4	-	-	-	88
Other payable	27	-	-	-	-	-

	Pension Fund Manager	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
Commodity Sub-Fund	----- (Rupees in '000) -----					
Balances held as at June 30, 2020	<hr/>					
Units held (units in '000)	-	-	-	-	-	38,080
Units held (Rupees in '000)	-	-	-	-	-	5,944
Bank balances	-	6,837	-	-	-	-
Remuneration payable (including sales tax)	13	-	2	-	-	-
Sales load payable	9	-	-	-	-	-
Mark-up receivable	-	1	-	-	-	-
Other payable	27	-	-	-	-	-

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

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

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities traded.
- 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 measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at September 30, 2020 and June 30, 2019, the fund held the following instruments measured at fair values:

	September 30, 2020 (Un-audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000') -----			
Financial assets measured at fair value				
Equity Sub-Fund				
Quoted Equity Securities	1,419,333	-	-	1,419,333
Debt Sub-Fund				
Government Securities - Treasury Bills	-	74,898	-	74,898
Government Securities - Pakistan Investment Bonds	-	488,402	-	488,402
Debt Securities - Term Finance Certificates / Sukuks	-	25,000	-	25,000
Money Market Sub-Fund				
Government Securities - Treasury Bills	-	446,356	-	446,356
Commodity Sub-Fund				
Derivative financial instruments - Future gold contracts	(303)	-	-	(303)
	1,419,030	1,034,656	-	2,453,686
	-----	-----	-----	-----
	June 30, 2020 (Audited)			
	Fair value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000') -----			
Financial assets measured at fair value				
Equity Sub-Fund				
Quoted Equity Securities	1,146,657	-	-	1,146,657
Debt Sub-Fund				
Government Securities - Treasury Bills	-	381,035	-	381,035
Government Securities - Pakistan Investment Bonds	-	212,491	-	212,491
Debt Securities - Term Finance Certificates / Sukuks	-	36,531	-	36,531
Money Market Sub-Fund				
Government Securities - Treasury Bills	-	570,172	-	570,172
Commodity Sub-Fund				
Derivative financial instruments - Future gold contracts	304	-	-	304
	1,146,961	1,200,229	-	2,347,190
	-----	-----	-----	-----

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

16.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has also provided certain relaxations to the asset management companies operating in Pakistan for a specific period.

16.3 Operational risk management

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

17. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on **29 October, 2020** by the Board of Directors of the Pension Fund Manager.

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

SD

Chief Executive Officer

SD

Chief Financial Officer

SD









Director









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