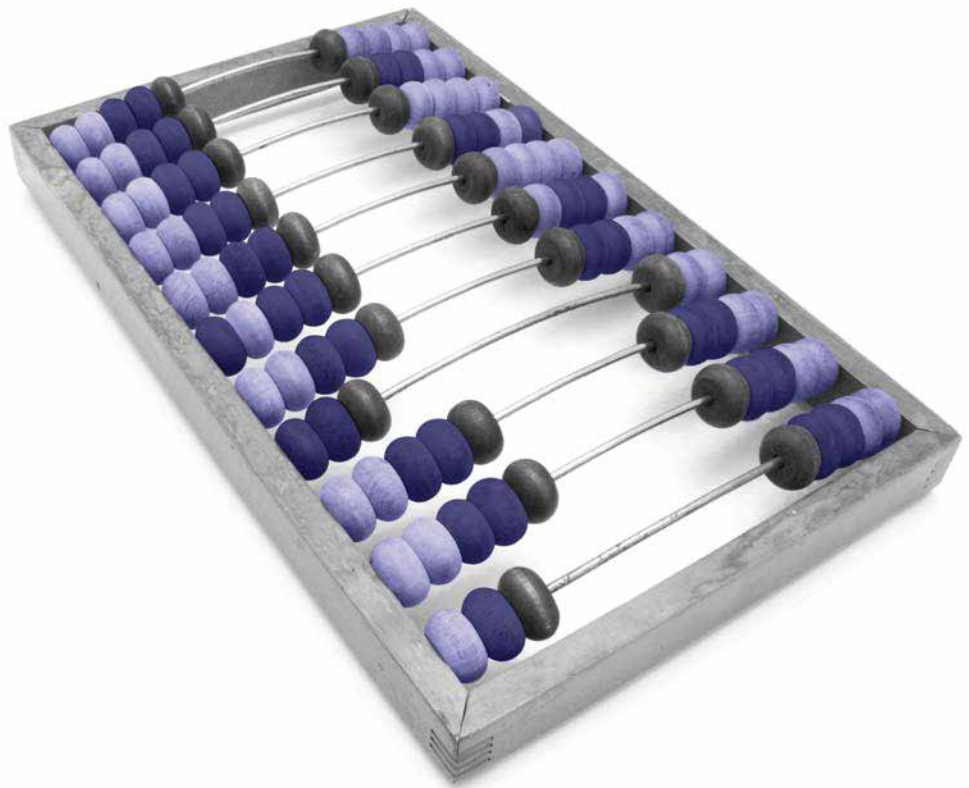


Faysal Asset Management

Stock Fund (Formerly Faysal Balanced Growth Fund)

Financial Statements for the year ended June 30, 2018



Faysal Stock Fund (Formerly Faysal Balanced Growth Fund)

Faysal Stock Fund (Formerly Faysal Balanced Growth Fund) (FSF) is an open ended mutual fund. The units of FSF are listed on the Pakistan Stock Exchange Limited and were initially offered to the public on April 19, 2004. FSF's investment philosophy is to provide capital growth by investing primarily in diversified portfolio of equities and equity related investments.

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FUND INFORMATION

Management Company

Faysal Asset Management Limited

Board of Directors of the Management Company

Mr. Salman Ahmed Usmani, Chairman
Mr. Osman Khan, Director
Syed Ibad-Ur-Rehman Chishti, Director
Mr. Tahir Yaqoob Bhatti, Director
Mr. Farooq Hassan, Director
Mr. Razi-ur-Rahman Khan, Director/CEO

Chief Executive Officer

Mr. Razi-ur-Rahman Khan

Chief Financial Officer and Company Secretary of the Management Company

Mr. Naved Hanif

Audit Committee

Mr. Osman Khan, Chairman
Syed Ibad-ur-Rehman Chishti, Member
Mr. Farooq Hassan, Member

HR Committee

Mr. Osman Khan, Chairman
Syed Ibad-Ur-Rehman Chishti, Member
Mr. Razi-ur-Rahman Khan, Member

Trustee to the Fund

Central Depository Company of Pakistan Limited,
CDC House, 99B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi.

Bankers to the Fund

MCB Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Askari Bank Limited
UBL Ameen-Islamic Banking
Allied Bank Limited
JS Bank Limited
Sindh Bank Limited
Habib Bank Limited
Zarai Taraqati Bank Limited

Auditors

EY Ford Rhodes, Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co.
2nd Floor, Dime Centre,
BC-4 Block-9, KDA-5,
Clifton, Karachi.

Registrar

JWAFFS Registrar Service (Pvt) Limited
407-408, Al-Ameera Centre,
Shahrah-e-Iraq, Saddar, Karachi.

MISSION STATEMENT

Faysal Stock Fund (FSF) (Formerly Faysal Balanced Growth Fund) endeavors to provide investors with an opportunity to earn capital growth by investing in a large pool of fund representing equity investment in a broad range of sectors and financial instruments.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Directors of Faysal Asset Management Limited, the Management Company of **Faysal Stock Fund (Formerly Faysal Balanced Growth Fund) (FSF)**, are pleased to present the Annual Report on the operations of FSF along with the audited accounts, Reports of the Trustee and Auditors to the unit holders for the year ended June 30, 2018.

SALE AND REDEMPTION OF UNITS

During the year, units worth Rs.360.046 million were issued and units with a value of Rupees 388.117 million were redeemed.

UNIT HOLDERS

As of June 30, 2018, total units outstanding were 3,689,311 units with a value of Rs.221.415 million (June 30, 2017, 4,235,323 units with a value of Rs.311.155 million).

UNIT PRICES

Unit prices are being announced on a daily basis based on the NAV of the underlying portfolio. The highest and lowest offer / redemption prices during the year as well as the prices prevailing as of June 30, 2018 were as below:

	Offer Price	Redemption Price
Highest	74.80	74.80
Lowest	59.91	58.24
As of June 30, 2018	61.83	60.02

ECONOMIC OUTLOOK

Economy of Pakistan managed to post thirteen year highest growth rate of 5.79% during the period Fiscal Year 2018 (FY18). All the three main sectors namely Service, Industrial and Agriculture contributed to economic growth. Better energy supply relative to last year coupled with capacity expansions helped the Large Scale Manufacturing (LSM) units to post growth of 5.38% during FY18 which also provided support to higher economic growth. However, balance of payment crisis persisted as financing failed to cover higher current and fiscal account deficits which also kept the foreign exchange reserves under enormous pressure throughout the year. During the period FY18, currency witnessed multiple rounds of depreciation whereas Central Bank also opted to go for monetary tightening.

In order to support higher economic activity, imports remained on the higher side during the period FY18 and stood at USD 55.85bn as compared to USD 48.68bn in the same period last year, witnessing a growth of 14.71% on Year-on-Year (YoY) basis. Exports also picked up pace by the year end on account of multiple developments to encourage exports and stood at USD 24.77bn during FY18 vis-à-vis USD 22.00bn during FY17, depicting a upsurge of 12.58% on YoY basis. Ever increasing import resulted in widening trade deficit by 16.47% on YoY basis and stood at USD 31.07bn during the period under review.

During the period FY18, remittances remained muted with USD 19.63bn vis-à-vis USD 19.35bn with meager increase of 1.42% on YoY basis. Higher trade deficit with no support from remittances kept the current account deficit elevated which recorded at USD 18.13bn during FY18 versus USD 12.62bn during FY17, augmented by 43.65% on YoY basis. Foreign Direct Investment (FDI) stood at USD 2.77bn during the period FY18 compared to USD 2.75bn in the same period last year, posting a marginal growth of 0.76%. Fiscal Deficit for the period FY18 also remained on the higher side and recorded highest deficit of PKR 2.26trn (6.60% of GDP) due to expansionary fiscal policies in an election year.

Massive twin deficits coupled with lack of major foreign inflows dragged foreign exchange reserves to precariously low levels of USD 16.41bn at the end of June 2018 from USD 21.40bn at the end of June 2017, showing a decline of 23.34% on YoY basis. Due to pressure on foreign exchange reserves, currency witnessed multiple rounds of depreciation and stood at PKR 121.49 against greenback with cumulatively devaluation of 15.87% during the period under review. Whereas, Consumer Price Index (CPI) inflation remained under control with average inflation clocked-in at 3.92% for FY18 as compared to 4.16% for FY17. In order to avoid overheating of the economy, Central Bank increased the policy rates by 75 basis points (bps) during the period FY18.

Moving forward, government's stance to implement economic & structural reforms and to improve ties with regional & major global countries is expected to bode well for the economic wellbeing of the country and may be helpful in obtaining foreign inflows. Further, positive development related to engaging with IMF for another bailout package will be needed to provide support to diminishing reserves in recent balance of payment crisis and will provide economic stability in the future.

EQUITY MARKETS REVIEW

Pakistan equity market remained depressed during the Fiscal Year 2018 (FY18) amid continued political unrest and

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

economic stability concerns. As compared to a positive return of 23.24% during FY17, benchmark KSE-100 index continued its slide throughout the year to post a decline of 10.00%, first decline since FY09. Average daily traded volume (ADTV) also plunged by 50.15% to 173.54mn shares during the period FY18 as compared to 348.15mn shares in FY17. During the period 4QFY18, local bourse continued its downward drive and recorded a decline of 8.01% as compared to a decline of 3.30% during the same period last year.

Political and economic jiggles continued throughout the year with major events includes disqualification of the Prime Minister in the Panama case verdict by Supreme Court (SC), former Prime Minister Nawaz Sharif and his daughter Maryam Nawaz's trial in the Accountability Court, multiple sit-ins in the major cities to derail the elected government, uncertainty related to inclusion of Pakistan in Financial Action Task Force (FATF's) grey/black list, continued pressure on the economic front with higher twin deficits, multiple round of currency devaluation and announcement of tax amnesty scheme on declaration of undeclared foreign and local assets.

Despite addition in the list of MSCI Emerging Market (EM) with anticipation of augmented foreign inflows, foreign investors remained cautious over political and economic instability and continued with their offloading stance during the period FY18 as Foreign Investors Portfolio Investment (FIPI) recorded a net selling of USD 288.56mn as compared to net selling of USD 652.09mn during the same period last year. During the period 4QFY18, foreigners continued to reduce their exposure in Pakistan as FIPI recorded a net selling of USD 164.64mn as compared to net selling of USD 169.55mn during the corresponding period last year.

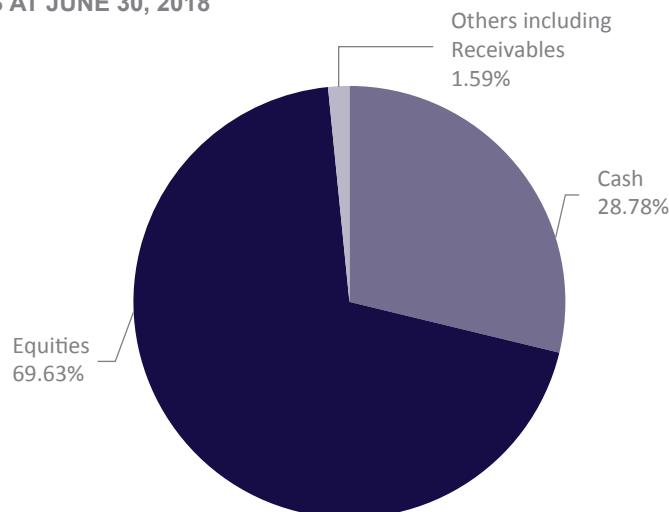
On sector front, Cement sector dragged the index the most during FY18 due to increased cost of coal which negatively affected margins. Banking sector also added to the decline despite cumulative hike of 75 basis points in discount rate during the year FY18 mainly on the back of continuation of super tax, increase of the minimum pension amount to PKR8000 per month for bank retirees and penalty imposed on HBL by a US regulator. On the other side, Oil and Gas exploration sector remained positive and helped the index due to increase in crude oil prices internationally. Fertilizer sector also provide some support to the declining index due to reduction in sales tax and increase in urea sales.

Going forward, equity market may get momentum due to clarity on political front on account of successful transition of power to the new government. As the new government has taken charge of the country, all eyes are on its adoption of necessary measures to bring the country back on the track of economic growth and stability. Further, anticipated inflows from neighboring countries to support the new government coupled with possible agreement with IMF for another bailout package may provide support to the worsening external account and may be helpful in reviving local as well as foreign investors' interest in the market.

PERFORMANCE REVIEW

FSF generated negative return of 10.67% during the 4QFY18 relative to its negative benchmark of 8.01% whereas your fund recorded a decline of 18.31% during FY18 on account of adverse market performance due to political uncertainty and balance of payment crisis. Therefore, your fund equity exposure was reduced to 69.63% while cash held at banks was increased to 28.78% by the end of FY18. Going forward, your fund would devise its portfolio strategy keeping in view government's approach to tackle with recent economic instability.

ASSET ALLOCATION AS AT JUNE 30, 2018



REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

INCOME DISTRIBUTION

The Board of Directors has not approved final distribution as the fund has incurred loss for the year ended June 30, 2018.

MUTUAL FUND RATING

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "2-Star" (3 years) fund performance ranking to FSF as of May 24, 2018.

PATTERN OF UNIT HOLDING

The pattern of unit holding of FSF as at June 30, 2018 is given as part of this Annual Report.

AUDITORS

The retiring auditors Messers EY Ford Rhodes, Chartered Accountants, have completed the period of five years; hence, are not eligible for re-appointment as provided in the Regulation 38(2)(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Audit Committee has recommended the appointment of Messers Deloitte Yousuf Adil, Chartered Accountants, as auditors of the Fund. The Board endorses the recommendation of the Audit Committee for appointment of Messers Deloitte Yousuf Adil, Chartered Accountants, who, being eligible, have consented to act as statutory auditors of the Fund for the year ending June 30, 2019.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company is thankful to unit holders for their confidence on the Management, the Securities and Exchange Commission of Pakistan and the management of Pakistan Stock Exchange Limited for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work.

For and on behalf of the Board

Karachi: September 19, 2018

Razi-ur-Rahman Khan
Chief Executive Officer

FUND MANAGER'S REPORT

ECONOMIC REVIEW

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Political and economic jiggles continued throughout the year with major events includes disqualification of the Prime Minister in the Panama case verdict by Supreme Court (SC), former Prime Minister Nawaz Sharif and his daughter Maryam Nawaz's trial in the Accountability Court, multiple sit-ins in the major cities to derail the elected government, uncertainty related to inclusion of Pakistan in Financial Action Task Force (FATF's) grey/black list, continued pressure on the economic front with higher twin deficits, multiple round of currency devaluation and announcement of tax amnesty scheme on declaration of undeclared foreign and local assets.

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FUND MANAGER’S REPORT

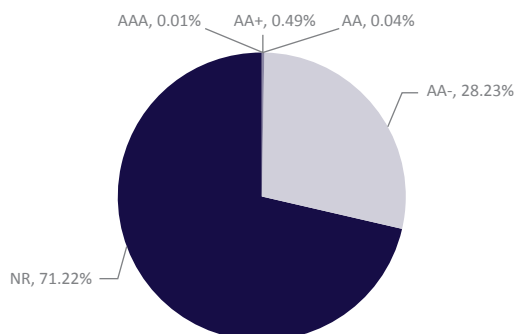
month for bank retirees and penalty imposed on HBL by a US regulator. On the other side, Oil and Gas exploration sector remained positive and helped the index due to increase in crude oil prices internationally. Fertilizer sector also provide some support to the declining index due to reduction in sales tax and increase in urea sales.

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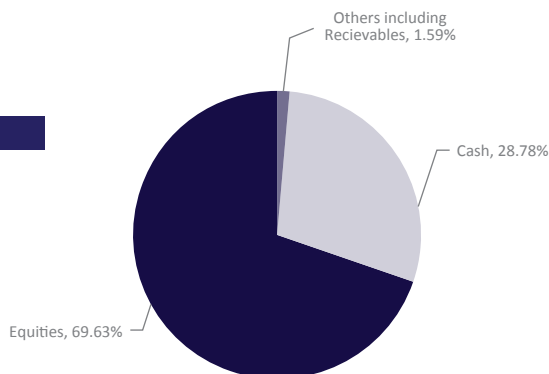
Fund Information

Fund Type	Open Ended
Category	Equity Scheme
Risk Profile	High
Launch Date	April 19, 2004
Custodian/Trustee	CDC
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	2%
Front/Back end Load	FEL up to 3% of NAV & BEL 0%
Min Subscription	PKR. 5,000
Benchmark	KSE-100 index
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9am-5pm
AMC Rating	AM3 (JCRVIS)
NAV per Unit (PKR)	60.02
Net Assets (mn)	221.42
Leverage	Nil

Asset Quality



Assets Allocation



Fund Return (% p.a.)

	June 18	June 17
YTD	-18.31%	14.30%
Benchmark (YTD)	-10.00%	17.32%

Note : Funds returns computed on Simple annualized basis / NAV to NAV Returns with dividend re-invested.

• Performance data does not include cost incurred by investor in the form of sales load.

Performance

Faysal Stock Fund (Formerly: Balanced Growth Fund) generated negative return of 10.67% during the 4QFY18 relative to its negative benchmark of 8.01% whereas your fund recorded a decline of 18.31% during FY18 on account of adverse market performance due to political uncertainty and balance of payment crisis. Therefore, your fund equity exposure was reduced to 69.63% while cash held at banks was increased to 28.78% by the end of FY18. Going forward, your fund would devise its portfolio strategy keeping in view government’s approach to tackle with recent economic instability.

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faysal,
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



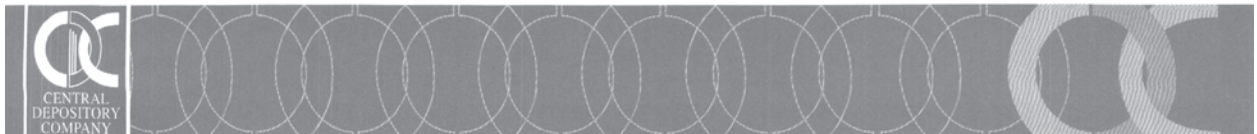
TRUSTEE REPORT TO THE UNIT HOLDERS
FAYSAL STOCK FUND
(FORMERLY FAYSAL BALANCED GROWTH FUND)

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Stock Fund (Formerly Faysal Balanced Growth Fund) (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company 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 following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Aftab Ahmed Diwan
Chief Executive Officer
Karachi, September 24, 2018
Central Depository Company of Pakistan Limited



INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF FAYSAL STOCK FUND (FORMERLY FAYSAL BALANCED GROWTH FUND)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Faysal Stock Fund (Formerly Faysal Balanced Growth Fund) (the Fund), which comprise the statement of assets and liabilities as at June 30, 2018, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at June 30, 2018, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

FOLLOWING ARE THE KEY AUDIT MATTERS:

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>a) Existence and valuation of equity investments</p> <p>As disclosed in note 8 to the accompanying financial statements of the Fund for the year ended 30 June 2018, the investments held by the Fund comprised of listed shares which represent 70% of the total assets of the Fund as at the year end.</p> <p>In view of the significance of investment in relation to the total assets and the Net</p> <p>Asset Value (NAV) of the Fund, we have considered the existence and valuation of such investments as a key audit matter.</p>	<p>We performed a combination of audit procedures focusing on the existence and valuation of investments. Our key procedure included the following:</p> <ul style="list-style-type: none"> - We tested controls over acquisition, disposals and periodic valuation of investments portfolio. - We performed substantive audit procedures on year-end balance of portfolio including review custodian's statement, and related reconciliations, re-performance of investment valuations on the basis of quoted market prices at the Pakistan Stock Exchange as at 30 June 2018. - We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and the adequacy of disclosures as may be applicable in situations of non-compliance. - We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and whether the Fund's disclosures in relation to the valuation of investments are compliant with the relevant accounting requirements.
<p>b) Amendment to the NBFC Regulations, 2008</p> <p>As disclosed in note 4.2 to the accompanying financial statements of the Fund for the year ended 30 June 2018, the Securities and Exchange Commission of Pakistan through its SRO no. 756(I)/2017 dated 03 August 2017 made certain amendments in the Non-Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulations).</p>	<p>We assessed the appropriateness of the recognition, measurement and presentation of "element of income / loss" in accordance with the amended provisions of the NBFC Regulations. We also considered the guidelines issued by MUFAP in respect of the accounting for element of income / loss as per the revised Regulations and assessed its implementation by the Fund.</p>

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>These amendments are considered significant to our audit because application of the said amendments resulted in change in accounting policy relating to presentation “element of income / loss” in the financial statements and certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund' (the Statements).</p>	<p>We evaluated the adequacy of disclosures regarding the change in accounting policy with respect to element of income / loss in accordance with the requirements of the relevant financial reporting standards and the guidance issued by MUFAP in relation thereto.</p>

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.

CHARTERED ACCOUNTANTS

DATE: SEPTEMBER 19, 2018

KARACHI

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2018

	Note	June 30, 2018 ----- (Rupees) -----	June 30, 2017 -----
Assets			
Bank balances	7	64,923,586	25,474,720
Investments	8	157,083,429	242,497,757
Advance against subscription of term finance certificates		-	35,000,000
Prepayments, deposits and other receivables	9	3,680,511	5,341,733
Receivable against issuance of units		-	34,898,856
Total assets		225,687,526	343,213,066
Liabilities			
Payable to the Management Company	10	642,686	1,056,263
Remuneration payable to the Trustee	11	67,746	67,511
Accrued and other liabilities	12	3,561,810	3,740,491
Payable against redemption of units		-	27,193,813
Total liabilities		4,272,242	32,058,078
Net assets		221,415,284	311,154,988
Unit holders' fund (as per statement attached)		221,415,284	311,154,988
Contingencies and commitments	13		
		---- (Number of units) ----	
Number of units in issue		3,689,311	4,235,323
		----- (Rupees) -----	
Net assets value per unit		60.02	73.47

The annexed notes from 1 to 21 form an integral part of these financial statements.

**For Faysal Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2018

	Note	June 30, 2018 ----- (Rupees) -----	June 30, 2017 -----
Income			
Dividend income from investments 'at fair value through profit or loss' - held-for-trading		5,899,975	7,486,605
Profit earned on debt securities designated 'at fair value through profit or loss'		1,338,021	2,029,179
Return on bank balances		3,350,373	4,763,474
Other income		238,584	-
Net (loss) / gain on investments 'at fair value through profit or loss' -			
- Net capital (loss) / gain on sale of investments		(44,209,128)	45,313,187
- Net unrealised loss on revaluation of investments	8.3	(19,126,809)	(1,349,855)
		(63,335,937)	43,963,332
Total (loss) / income		(52,508,984)	58,242,590
Expenses			
Remuneration of the Management Company	10.1	4,530,147	6,736,729
Sales tax on Management fee	10.2	588,919	875,776
Reimbursement of expenses to the Management Company	10.3	225,233	347,247
Remuneration of the Trustee	11.1	705,591	802,864
Sales tax on Trustee fee	11.2	91,727	104,373
Brokerage charges		834,395	1,068,530
Bank charges		31,733	33,699
Auditors' remuneration	14	809,055	614,462
SECP annual fee	12.1	200,502	286,304
Fees and subscription		199,149	208,252
Settlement charges, federal excise duty and capital value tax		676,205	673,824
Printing charges and other expenses		266,486	241,715
Reversal of Provision for Federal Workers' Welfare Fund		-	(2,213,564)
Provision for Sindh Workers' Welfare Fund (SWWF)	12.2	-	1,082,489
Total expenses		9,159,142	10,862,700
Net (loss) / income from operating activities		(61,668,126)	47,379,890
Element of loss and capital losses included in prices of units sold less those in units redeemed - net		-	(8,450,714)
Net (loss) / income for the year before taxation		(61,668,126)	38,929,176
Taxation	15	-	-
Net (loss) / income for the year after taxation		(61,668,126)	38,929,176

The annexed notes from 1 to 21 form an integral part of these financial statements.

**For Faysal Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2018

	June 30, 2018	June 30, 2017
	----- (Rupees) -----	-----
Net (loss) / income for the year after taxation	(61,668,126)	38,929,176
Other comprehensive income for the year	-	-
Total comprehensive (loss) / income for the year	<u><u>(61,668,126)</u></u>	<u><u>38,929,176</u></u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management company)

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2018

	June 30, 2018	June 30, 2017
Note	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the year before taxation	(61,668,126)	38,929,176
Adjustments for non-cash and other items:		
Net loss / (gain) on investments 'at fair value through profit or loss' -		
- Net capital loss / (gain) on sale of investments	44,209,128	(45,313,187)
- Net unrealised loss on revaluation of investments	19,126,809	1,349,855
Dividend income from investments 'at fair value through profit or loss' - held-for-trading	(5,899,975)	(7,486,605)
Profit earned on debt securities designated 'at fair value through profit or loss'	(1,338,021)	(2,029,179)
Return on bank balances	(3,350,373)	(4,763,474)
Other income	(238,584)	-
Element of loss and capital losses included in prices of units sold less those in units redeemed - net	-	8,450,714
	(9,159,142)	(10,862,700)
(Increase) / decrease in assets		
Advance against subscription of term finance certificates	-	(35,000,000)
Prepayments, deposits and other receivables	(21,488)	119,880
Receivable from the Management Company	-	3,230,314
	(21,488)	(31,649,806)
(Decrease) / increase in liabilities		
Payable to the Management Company	(413,577)	866,743
Remuneration payable to the Trustee	235	6,360
Accrued and other liabilities	59,903	(4,220,667)
	(353,439)	(3,347,564)
Proceeds from sale / redemption of investments	730,288,616	865,253,724
Payments made against purchase of investments	(672,925,475)	(1,014,209,724)
Dividend received	6,633,975	6,715,105
Profits and returns received	5,355,684	6,110,421
Withholding tax paid	(3,330)	(55,065)
Net cash generated from / (used in) operating activities	59,815,401	(182,045,609)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units	394,944,485	879,614,894
Payments made against redemption of units	(415,311,020)	(721,570,324)
Dividend paid	-	(1,333,619)
Net cash (used in) / generated from financing activities	(20,366,535)	156,710,951
Net increase in cash and cash equivalents during the year	39,448,866	(25,334,657)
Cash and cash equivalents at beginning of the year	25,474,720	50,809,377
Cash and cash equivalents at end of the year	64,923,586	25,474,720

The annexed notes from 1 to 21 form an integral part of these financial statements.

**For Faysal Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED JUNE 30, 2018

	June 30, 2018		June 30, 2017	
	Capital value	Undistributed income	Total	Total
	(Rupees)			
Net assets at beginning of the year [Rs. 73.47 per unit]	459,773,450	(148,618,462)	311,154,988	107,296,176
Issuance of 5,374,109 (June 30, 2017: 12,865,914) units				
- Capital value (at net assets value per unit at beginning of the year)	394,835,788	-	394,835,788	-
- Element of income	(34,790,159)	-	(34,790,159)	-
Total proceeds on issuance of units	360,045,629	-	360,045,629	906,576,678
Redemption of 5,920,121 (June 30, 2017: 10,279,367) units				
- Capital value (at net assets value per unit at beginning of the year)	(434,951,290)	-	(434,951,290)	-
- Amount paid out of element of income				
- Relating to 'Net income for the period after taxation'	-	-	-	-
- Relating to 'Other comprehensive income for the year'	-	-	-	-
- Refund / adjustment on units as element of income	46,834,083	-	46,834,083	-
Total payments on redemption of units	(388,117,207)	-	(388,117,207)	(748,764,137)
Element of loss and capital losses included in prices of units sold less those in units redeemed - net	-	-	-	8,450,714
Total comprehensive (loss) / income for the year	-	(61,668,126)	(61,668,126)	38,929,176
Distribution during the year	-	-	-	(1,333,619)
Net (loss) / income for the year less distribution	-	(61,668,126)	(61,668,126)	37,595,557
Net assets at end of the year [Rs. 60.02 per unit]	431,701,872	(210,286,588)	221,415,284	311,154,988
Distribution for the year				
Undistributed loss brought forward				
- Realised	-	(147,268,607)	(147,268,607)	(184,078,418)
- Unrealised	-	(1,349,855)	(1,349,855)	(2,135,601)
	-	(148,618,462)	(148,618,462)	(186,214,019)
Final cash distribution for the year ended June 30, 2016 @ Rs.0.80 per unit declared for distribution on July 04, 2017	-	-	-	(1,333,619)
Accounting income available for distribution				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	(61,668,126)	(61,668,126)	38,929,176
	-	(61,668,126)	(61,668,126)	38,929,176
Undistributed loss carried forward	-	(210,286,588)	(210,286,588)	(148,618,462)
- Realised	-	(191,409,065)	(191,409,065)	(147,268,607)
- Unrealised	-	(18,877,523)	(18,877,523)	(1,349,855)
	-	(210,286,588)	(210,286,588)	(148,618,462)
			(Rupees)	(Rupees)
Net assets value per unit at beginning of the year			73.47	65.08
Net assets value per unit at end of the year			60.02	73.47

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Faysal Stock Fund (Formerly Faysal Balanced Growth Fund) (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and has been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on February 18, 2004. It has been constituted under a Trust Deed, dated January 29, 2004, between Faysal Asset Management Limited (the Management Company), a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Muslim Commercial Financial Services (Private) Limited as the Trustee till June 04, 2005 and thereafter between Faysal Asset Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017).
- 1.2** The Management Company has further entered into a third supplemental trust deed dated December 26, 2017 with CDC as the Trustee, to convert the category of the Fund from "Balanced Scheme" to "Equity Scheme" and to change its name from "Faysal Balanced Growth Fund" to "Faysal Stock Fund" along with the changes in fundamental attributes of the Constitutive Documents of the Fund, including investment objectives of the scheme. SECP vide its letter No.SCD/AMCW/FAML/FBGF/267/2018 dated February 16, 2018 has approved the restated offering document of the Fund. The Management Company has changed the name and category of the Fund with effect from March 01, 2018 and the name of the Fund has also been changed from to "Faysal Stock Fund".
- 1.3** Effective from March 01, 2018, the Fund is an open ended equity mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. Title to the assets of the fund are held in the name of CDC as a Trustee of the Fund. The units are listed on the Pakistan Stock Exchange Limited. The Fund was launched on April 19, 2004.
- 1.4** The principal activity of the Fund is to provide capital growth by investing primarily in a diversified pool of equities and equity related investments.
- 1.5** The Fund is categorized as an "Equity Scheme" as per the Circular No. 7 of 2009 issued by SECP.
- 1.6** The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "2-Star" (3 years) fund performance ranking to Faysal Stock Fund (formerly Faysal Balanced Growth Fund) as of May 24, 2018.
- 1.7** JCR - VIS has awarded an "AM3" asset manager rating to the Management Company as of March 19, 2018.

2. STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;

NOTES TO THE FINANCIAL STATEMENTS

- The NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

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

3. BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under the historical cost convention, except for certain investments and derivatives which are accounted for as stated in notes 4.3 and 4.4 below.

3.2 These financial statements are presented in Pak rupees, which is the Fund's functional and presentation currency.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, except as described in notes 4.1 and 4.2 below.

4.1 New standards, interpretations and amendments

The Fund has adopted the following accounting standards and the amendments and interpretations 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.

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

The SECP through its SRO 756(I)/2017 dated August 03, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting year. Further, the regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Mutual Funds Association of Pakistan (MUFAP), in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the regulations.

NOTES TO THE FINANCIAL STATEMENTS

Previously, an equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during the accounting period which pertained to unrealised appreciation / (diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting period was recognised in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 01, 2017 as required by SECP vide its S.R.O. No. 756(I) / 2017 dated August 03, 2017. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations through the aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the profit of the Fund would have been higher by Rs.12.044 million. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund' which have been incorporated in these statements.

4.3 Investments

The investments of the Fund, upon initial recognition, are classified as investment at fair value through profit or loss, available-for-sale or held to maturity investments as appropriate.

All investments, are initially measured at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs that are directly attributable to acquisition.

All regular way purchases / sales of investments that require delivery within the time frame established by the regulation of market convention are recognised on the trade date, i.e. the date on which the Fund commits to purchase / sell the investment. Regular way purchases / sales of investments require delivery of securities within the period generally established by the regulation or market convention such as "T+2".

At fair value through profit or loss

This category has two sub-categories, namely; financial instruments held-for-trading, and those designated at fair value through profit or loss upon initial recognition.

- Investments which are acquired principally for the purposes of generating profit from short term fluctuation in price or are part of a portfolio in which there is recent actual pattern of short term profit taking are classified as held-for-trading.
- Investments designated at fair value through profit or loss upon initial recognition include those group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with the documented risk management / investment strategy.

These investments are initially recognised at fair value, being the cost of the consideration given.

NOTES TO THE FINANCIAL STATEMENTS

After initial measurement, investment at fair value through profit or loss are carried at fair value and the gains or losses on revaluation are recognised in the income statement.

Held to maturity investments

Investment securities with fixed maturities and fixed or determinable payments are classified as 'held to maturity investments' when management has both the intention and ability to hold till maturity. After initial measurement, such investments are carried at amortised cost less any provision for impairment except in case of debt securities and government securities, which are carried at fair value in accordance with the requirements of the NBFC Regulations.

Available-for-sale investments

Investments which are not classified in any of the preceding categories are classified as available-for-sale investments. After initial measurement, such investments are measured at fair value with unrealised gain or loss recognised directly in the unit holders' fund until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recognised in unit holders' fund is taken to the income statement.

Fair value of investments is determined as follows:

Listed shares

These are valued on the basis of closing market prices quoted on the Pakistan Stock Exchange Limited.

Debt securities

These are valued at the rates quoted by MUFAP in accordance with the SECP's Circular No. 33 of 2012 dated October 24, 2012, read with Regulation 66(b) of the NBFC Regulations.

Government securities

The investment of the Fund in government securities is valued on the basis of rates announced by the Financial Market Association of Pakistan.

4.4 Derivatives

Derivative instruments held by the Fund generally comprise of futures contracts, options and forwards contracts, etc. in the capital market. These are initially recognised at cost and are subsequently remeasured at their fair value. The fair value of derivative instruments is calculated as being the net difference between the contract price and the closing price reported on the primary exchange of the instrument. Derivative with positive market values (un-realised gains) are included in other assets and derivatives with negative market values (un-realised losses) are included in other liabilities in the statement of assets and liabilities. The resultant gains and losses are included in income currently.

4.5 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 obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

NOTES TO THE FINANCIAL STATEMENTS

4.6 Earnings per unit

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

4.7 Issuance and redemption of units

Units issued are recorded at the offer price prevalent on the day on which application form, (complete in all respects) is received. The offer price represents the net assets value of units at the end of the day plus the allowable sales load. The sales load is payable to the Management Company as processing fee. Issue of units is recorded on acceptance of application for sale.

Units redeemed are recorded at the redemption price, prevalent on the day on which the redemption form (complete in all respects) is accepted. The redemption price represents the net assets value of units at the end of the day. Redemption of units is recorded on acceptance of application for redemption.

4.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and short-term deposits with an original maturity of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at cost.

4.9 Revenue recognition

Gains or losses on sale of investments are accounted for in the year in which they arise.

Dividend income on equity securities is recognized in the income statement when the right to receive dividend is established.

Unrealised gains or losses arising on revaluation of investments classified as 'at fair value through profit or loss' are included in the income statement in the period in which they arise.

Mark-up on government securities, debt securities, return on certificates of investment, profit on clean placements, return on bank balances and term deposit receipts and income from reverse repurchase agreements are recognized on a time proportion basis using effective interest rate method.

4.10 Expenses

All expenses, including management fee and trustee fee, are recognised in the income statement on an accrual basis.

4.11 Taxation

The Fund is exempt from taxation under Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income excluding realised and unrealised capital gains for the year is distributed amongst the unit holders.

4.12 Net Assets Value (NAV) per unit

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

NOTES TO THE FINANCIAL STATEMENTS

4.13 Distribution to unit holders

Distribution to unit holders made subsequent to the statement of assets and liabilities date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends are declared and approved by the Board of Directors of the Management Company.

4.14 Financial assets and financial liabilities

All financial assets and financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income statement currently.

Financial assets carried in the statement of assets and liabilities include bank balances, investments and deposits and other receivables.

Financial liabilities carried in the statement of assets and liabilities include payable to the Management Company, remuneration payable to the Trustee, and accrued and other liabilities.

Impairment of financial assets

An assessment is made at each statement of assets and liabilities date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss, is recognised in the income statement.

Impairment is determined as follows:

- (a) for assets carried at amortised cost, impairment is the difference between present value of estimated cash flows discounted at the original effective interest rate and amortised cost.
- (b) for assets carried at fair value, impairment is the difference between cost and fair value.
- (c) for assets carried at cost, impairment is the difference between present value of future cash flows discounted at the current market rate of return for a similar financial asset and cost.

For available-for-sale equity investments, reversal of impairment losses are recorded as increases in cumulative changes in fair value through unit holder's fund.

In addition, a provision is made to cover impairment for specific groups of assets where there is a measurable decrease in estimated future cash flows.

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amount and the Fund intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

5. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and 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 notes 4.3, 4.4, 4.5, 4.11 and 4.14 to the financial statements.

6. 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:

Standards or interpretations	Effective date (accounting periods beginning on or after)
IFRS 2 – Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments)	January 01, 2018
IFRS 9 – Financial Instruments	July 01, 2018
IFRS 9 – Prepayment Features with Negative Compensation - (Amendments)	July 01, 2018
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
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

NOTES TO THE FINANCIAL STATEMENTS

Standards or interpretations	Effective date (accounting periods beginning on or after)
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 January 01, 2018 and January 01, 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. The Conceptual Framework is currently not applicable on these financial statements.

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

	Note	June 30, 2018	June 30, 2017
		----- (Rupees) -----	
7. BANK BALANCES			
Cash at bank - PLS savings accounts	7.1	<u>64,923,586</u>	<u>25,474,720</u>
7.1			
These carry mark-up ranging between 4.50% and 7.35% (June 30, 2017: 3.75% and 6.40%) per annum and include a balance of Rs.78,668 (June 30, 2017: Rs.73,438) held with Faysal Bank Limited (a related party).			
8. INVESTMENTS			
'At fair value through profit or loss' - held-for-trading			
Listed equity securities	8.1	157,083,429	222,354,975
Designated 'at fair value through profit or loss'			
Privately placed term finance certificates	8.2	-	20,142,782
		<u>157,083,429</u>	<u>242,497,757</u>

NOTES TO THE FINANCIAL STATEMENTS

8.1 Listed equity securities * - held-for-trading

Name of investee company	Note	Number of shares			As at June 30, 2018	Market value as at June 30, 2018 (Rupees)	Unrealised gain / (loss) on revaluation	Investment as % of		
		Purchased during the year	Bonus / right shares received	Disposed off during the year				Net assets	Total investments	Investee company paid-up capital
* Ordinary shares having a face value of Rs. 10 each unless stated otherwise										
Chemical										
Engro Polymer and Chemicals Limited	-	463,000	-	353,000	4,122,177	3,449,600	(672,577)	1.56%	2.20%	0.02%
Engro Polymer and Chemicals Limited - LoR	-	31,446	-	-	277,354	277,354	0.13%	0.13%	0.18%	0.00%
ICI Pakistan Limited	10,000	-	-	100	10,109,118	7,934,850	(2,174,268)	3.58%	5.04%	0.01%
					14,231,295	11,661,804	(2,569,491)	5.27%	7.42%	0.03%
Fertilizer										
Engro Corporation Limited	30,000	161,000	-	171,000	6,229,493	6,277,200	47,707	2.84%	4.00%	0.00%
Engro Fertilizers Limited	10,000	-	-	10,000	6,229,493	6,277,200	47,707	2.84%	4.00%	0.00%
					12,458,986	12,554,400	95,414	5.68%	8.00%	0.00%
Cement										
Cherat Cement Company Limited	15,000	102,000	-	103,500	1,805,404	1,312,605	(492,799)	0.59%	0.84%	0.01%
Dewan Cement Limited	-	280,000	-	280,000	-	-	-	-	-	-
D.G. Khan Cement Company Limited	5,000	241,000	-	206,000	5,192,393	4,579,600	(612,793)	2.07%	2.92%	0.01%
Kohat Cement Company Limited	17,000	17,000	-	34,000	-	-	-	-	-	-
Lucky Cement Limited	5,000	68,000	-	58,000	10,223,036	7,618,950	(2,604,086)	3.44%	4.85%	0.00%
Maple Leaf Cement Company Limited	-	10,000	-	10,000	-	-	-	-	-	-
Pioneer Cement Limited	59,000	26,000	-	85,000	-	-	-	-	-	-
					17,220,833	13,511,155	(3,709,678)	6.10%	8.61%	0.02%
Engineering										
Amreli Steels Limited	-	71,000	-	58,000	1,452,176	1,058,250	(393,926)	0.48%	0.67%	0.01%
Aisha Steel Mills Limited	39,000	19,000	-	58,000	-	-	-	-	-	-
Crescent Steel and Allied Products Limited	5,000	26,000	-	26,000	789,546	455,850	(333,696)	0.21%	0.29%	0.01%
Dost Steels Limited	50,000	50,000	-	100,000	-	-	-	-	-	-
International Industries Limited	35,000	33,000	-	58,000	2,992,928	2,322,900	(670,028)	1.05%	1.48%	0.01%
International Steels Limited	85,000	312,000	-	327,000	8,120,600	7,119,000	(1,001,600)	3.22%	4.53%	0.02%
Mughal Iron & Steel Industries Limited	32,000	50,000	-	57,000	1,635,677	1,535,500	(100,177)	0.69%	0.98%	0.01%
					14,990,927	12,491,500	(2,499,427)	5.65%	7.95%	0.06%
Oil and gas marketing companies										
Hascol Petroleum Limited	20,000	5,000	3,000	28,000	-	-	-	-	-	-
Pakistan State Oil Company Limited	-	49,000	-	49,000	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	120,000	555,000	-	530,000	15,976,851	14,531,900	(1,444,951)	6.56%	9.25%	0.02%
Sui Southern Gas Company Limited	-	390,000	-	290,000	3,775,913	3,282,000	(493,913)	1.48%	2.09%	0.01%
					19,752,764	17,813,900	(1,938,864)	8.04%	11.34%	0.03%
Oil and gas exploration companies										
Pakistan Oil Fields Limited	-	107,000	-	86,000	13,771,326	14,107,590	336,264	6.37%	8.98%	0.01%
Pakistan Petroleum Limited	-	108,000	-	67,600	8,602,159	8,681,960	79,801	3.92%	5.53%	0.00%
Mari Petroleum Company Limited	9,500	10,500	-	17,000	4,222,848	4,518,540	295,692	2.04%	2.88%	0.00%
Oil & Gas Development Company Limited	-	251,000	-	189,600	10,222,867	9,646,440	(574,427)	4.36%	6.14%	0.00%
					36,819,200	36,956,530	137,330	16.69%	23.53%	0.01%
Refinery										
National Refinery Limited	12,000	19,500	-	31,500	-	-	-	-	-	-
Attock Refinery Limited	10,000	30,000	-	40,000	-	-	-	-	-	-
					22,000	22,000	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Name of investee company	Note	Number of shares			Market value as at June 30, 2018	Unrealised gain / (loss) on revaluation	Net assets	Investment as % of		
		As at July 01, 2017	Purchased during the year	Bonus / right shares received				Disposed off during the year	As at June 30, 2018	Total investments
* Ordinary shares having a face value of Rs.10 each unless stated otherwise										
Textile composite										
Nishat Mills Limited		5,000	5,000	-	10,000	-	-	-	-	-
Nishat Chunian Limited		50,000	-	-	50,000	-	-	-	-	-
Gul Ahmed Textile Mills Limited		60,000	25,000	-	60,000	25,000	1,134,850	1,073,250	0.48%	0.68%
							1,134,850	1,073,250	0.48%	0.68%
Textile spinning										
Gadcon Textile Mills Limited		35,000	-	-	35,000	-	-	-	-	-
Transport										
Pakistan National Shipping Corporation		-	10,000	-	10,000	-	-	-	-	-
Commercial banks										
Askari Bank Limited		50,000	-	-	50,000	-	4,722,798	5,229,000	2.36%	3.33%
Bank Alfalah Limited	8.1.1	125,000	305,000	-	330,000	100,000	438,745	433,565	0.20%	0.28%
Bank AL Habib Limited		-	10,500	-	5,000	5,000	9,324,672	8,322,000	3.76%	5.30%
Habb Bank Limited		5,000	63,500	-	89,500	50,000	2,169,827	1,977,700	0.89%	1.26%
MCB Bank Limited		-	30,000	-	350,000	125,500	517,049	269,825	0.12%	0.17%
Summit Bank Limited		445,500	-	-	350,000	125,500	5,300,471	5,069,400	2.29%	3.23%
United Bank Limited		-	184,400	-	154,400	30,000	22,473,562	21,301,490	9.62%	13.57%
Automobile assemblers										
Honda Atlas Cars (Pakistan) Limited		5,500	20,300	-	11,800	14,000	6,907,206	4,429,460	2.00%	2.82%
Indus Motor Company Limited		8,000	500	-	5,500	3,000	5,191,116	4,264,380	1.93%	2.71%
Ghandhara Nissan Limited		-	16,000	-	10,000	6,000	1,516,301	1,078,020	0.49%	0.69%
Ghandhara Nissan Limited - LoR		-	3,999	-	-	3,999	-	318,600	0.14%	0.20%
Pak Suzuki Motor Company Limited		2,000	5,000	-	7,000	-	13,614,623	10,090,460	4.56%	6.42%
Power generation and distribution										
The Hub Power Company Limited	8.1.1	105,000	30,000	-	86,500	48,500	5,813,714	4,469,760	2.02%	2.85%
Kot Addu Power Company Limited		50,000	-	-	50,000	-	-	-	-	-
Nishat Power Limited		30,000	-	-	10,000	20,000	1,284,500	592,800	0.27%	0.38%
							7,098,214	5,062,560	2.29%	3.23%
Insurance										
IGI Holdings Limited (Formerly: IGI Insurance Limited)		35,000	-	-	31,000	4,000	1,372,999	1,152,000	0.52%	0.73%
Pharmaceuticals										
AGP Limited		-	71,000	-	41,000	30,000	2,789,153	2,663,700	1.20%	1.70%
The Searle Company Limited		10,235	16,100	200	21,535	5,000	1,842,642	1,697,500	0.77%	1.08%
							4,631,795	4,361,200	1.97%	2.78%
Automobile parts and accessories										
The General Tyre and Rubber Company of Pakistan Limited		19,100	-	-	19,100	-	2,546,990	1,901,980	-	1.21%
Loads Limited		-	75,000	-	14,000	61,000	2,546,990	1,901,980	0.86%	1.21%
Paper and board										
Cherat Packaging Limited		12,000	-	-	12,000	-	-	-	-	-
Packages Limited		6,500	-	-	6,500	-	-	-	-	-
Roshan Packages Limited		160,500	-	-	160,500	-	-	-	-	-

* Ordinary shares having a face value of Rs.10 each unless stated otherwise

NOTES TO THE FINANCIAL STATEMENTS

Name of investee company	Note	Number of shares			As at June 30, 2018	Cost as at June 30, 2018	Market value as at June 30, 2018	Unrealised gain / (loss) on revaluation	Net assets	Investment as % of	
		As at July 01, 2017	Purchased during the year	Bonus / right shares received						Disposed off during the year	Total investments
* Ordinary shares having a face value of Rs.10 each unless stated otherwise											
Food and personal care products											
Engro Foods Limited		4,000	325,000	-	60,000	1,936,800	15,837	-	-	-	-
Fauji Foods Limited		-	120,000	-	20,000	3,758,000	(402,613)	0.87%	1.23%	0.01%	
Matco Foods Limited		20,000	170,000	60,000	250,000	-	-	1.70%	2.39%	0.09%	
Fauji Foods Limited (non-voting)		-	-	-	-	-	-	-	-	-	
Vanaspati and allied industries						5,694,800	(386,776)	2.57%	3.62%	0.10%	
Unity Foods Limited		-	255,000	-	30,000	6,588,000	270,632	2.98%	4.18%	0.13%	
Cable and electrical goods											
Pak Elektron Limited		-	45,000	-	45,000	-	-	-	-	-	
Technology and communication											
Avanceon Limited		-	5,000	-	5,000	1,145,600	(298,863)	0.52%	0.73%	0.01%	
TRG Pakistan Limited		-	390,000	-	350,000	1,444,463	(298,863)	0.52%	0.73%	0.01%	
June 30, 2018		1,811,835	5,801,845	75,200	5,986,135	175,960,952	(18,877,523)	70.96%	100.00%	0.51%	
June 30, 2017						223,851,612	222,354,975				

8.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) security against settlement of the Fund's trades in terms of Circular No.11 dated October 23, 2007 issued by SECP:

Name of investee company	June 30, 2018	June 30, 2017	June 30, 2017	
			June 30, 2018	June 30, 2017
Bank Alfalah Limited	100,000	-	5,229,000	-
The Hub Power Company Limited	40,000	80,000	3,686,400	9,394,400
Sui Northern Gas Pipelines Limited	-	100,000	-	14,892,000
Total	140,000	180,000	8,915,400	24,286,400

8.2 Privately placed term finance certificates - designated 'at fair value through profit or loss'

Name of security	Number of certificates			Balance as at June 30, 2018		Market value as % of	
	As at July 01, 2017	Purchased during the year	Disposed off during the year	Carrying value	Market value	Net assets	Investee company paid-up capital
Commercial bank							
JS Bank Limited	4,000	-	4,000	-	-	-	-
Refinery							
Byco Petroleum Pakistan Limited	-	350	350	-	-	-	-
June 30, 2018	4,000	350	4,350				
June 30, 2017				19,996,000	20,142,782		146,782

NOTES TO THE FINANCIAL STATEMENTS

		June 30, 2018	June 30, 2017
	Note	----- (Rupees) -----	
8.3	Net unrealised loss on revaluation of investments - 'at fair value through profit or loss'		
	Market value of investments	157,083,429	242,497,757
	Cost of investments	<u>(175,960,952)</u>	<u>(243,847,612)</u>
		(18,877,523)	(1,349,855)
	Net unrealised loss on investments at beginning of the year	<u>1,349,855</u>	<u>2,135,601</u>
	Realised on disposal during the year	<u>(1,599,141)</u>	<u>(2,135,601)</u>
		(249,286)	-
		<u>(19,126,809)</u>	<u>(1,349,855)</u>
9.	PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES		
	- considered good		
	Security deposits		
	- National Clearing Company of Pakistan Limited	2,750,000	2,750,000
	- Central Depository Company of Pakistan Limited	<u>107,500</u>	<u>107,500</u>
		2,857,500	2,857,500
	Return receivable on bank balances	219,875	291,868
	Return receivable on debt securities	-	595,297
	Dividend receivable	165,000	899,000
	Prepayments	100,727	79,239
	Income tax recoverable	337,409	334,079
	Receivable from sale of investments	-	284,750
		<u>3,680,511</u>	<u>5,341,733</u>
10.	PAYABLE TO THE MANAGEMENT COMPANY		
	Management fee payable	10.1 366,854	627,447
	Sales tax payable on Management fee	10.2 47,690	81,569
	Reimbursement of expenses payable to the Management Company	10.3 225,234	347,247
	Sales load payable	2,908	-
		<u>642,686</u>	<u>1,056,263</u>
10.1	The Management Company is entitled to a remuneration for services rendered to the Fund under the provisions of the NBFC Regulations during the first five years of a Fund's existence of an amount not exceeding three percent of the average annual net assets of the Fund and thereafter of an amount equal to two per cent of such assets. The Management Company has charged its remuneration at the rate of 2% (June 30, 2017: 2%) per annum of the daily net assets value of the Fund.		
10.2	The Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2017: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.		

NOTES TO THE FINANCIAL STATEMENTS

- 10.3** SECP has introduced "expense ratio" vide amendments in NBFC Regulations dated November 25, 2015, whereby, the total expense ratio of an equity scheme shall be capped at 4% of average daily net assets value of the scheme. The regulation further states that for the purpose of expense ratio, expenses incurred in relation to any government levy on funds such as sales tax, federal excise duty, SECP fee, etc. shall be excluded while calculating expense ratio. Furthermore, under NBFC Regulation 60(3)(s), wherein the Management Company is allowed to charge their cost to Collective Investment Schemes (CIS) in respect of fees and expenses related to registrar services, accounting, operations and valuation services related to that CIS. The maximum cost that can be charged in this regard is up to 0.1% of the average annual net assets of that CIS or actual, whichever is less. Accordingly, this represents the amount payable to the Management Company to maintain the expense ratio of the Fund within the prescribed limits.

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the total expense ratio of the Fund is 4.05% as on June 30, 2018 which includes 0.47% representing Government Levy, Worker's Welfare Fund and SECP fee.

11. REMUNERATION PAYABLE TO THE TRUSTEE	Note	June 30, 2018 ----- (Rupees) -----	June 30, 2017 -----
Remuneration payable to the Trustee	11.1	59,953	59,744
Sales tax payable on Trustee fee	11.2	7,793	7,767
		<u>67,746</u>	<u>67,511</u>

- 11.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets value of the Fund.

Net assets (Rs.)	Tariff
Up to Rs.1 billion	Rs.0.7 million or 0.20% per annum of net assets whichever is higher.
Over Rs.1 billion	Rs.2 million plus 0.10% per annum of net assets, on amounts exceeding Rs.1 billion.

- 11.2** The Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2017: 13%) on the remuneration of Trustee through the Sindh Sales Tax on Services Act, 2011.

12. ACCRUED AND OTHER LIABILITIES

SECP annual fee payable	12.1	200,502	286,278
Brokerage payable		74,843	132,155
Withholding tax payable		342	6,999
Accrued liabilities		993,394	1,022,330
Zakat payable		588	588
Provision for Sindh Workers' Welfare Fund (SWWF)	12.2	1,082,489	1,082,489
Provision for indirect taxes and duties	12.3	1,209,652	1,209,652
		<u>3,561,810</u>	<u>3,740,491</u>

- 12.1** This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay SECP annually an amount equal to 0.095% (June 30, 2017: 0.085%) per annum of the daily net assets value of the Fund.

- 12.2** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs.0.5 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 and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. However, as a matter of abundant caution, MUFAP has recommended to all its members to record a provision of Sindh WWF from the date of enactment of Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

NOTES TO THE FINANCIAL STATEMENTS

The provision for SWWF is now being made on a daily basis. Had the provision for SWWF not been recorded in the financial statements of the Fund, the net assets value of the Fund as at June 30, 2018 would have been higher by Rs.0.29 (June 30, 2017: Rs.0.26) per unit.

- 12.3** 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 04, 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 01, 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 through the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution, the Fund has charged FED and sales tax on service thereon in its financial statements with effect from the date of commencement of its operations till June 30, 2016. As at June 30, 2018, the Fund has held a provision for FED aggregating to Rs.0.77 million (June 30, 2017: Rs.0.77 million). Had the said provision for FED not been recorded in the financial statements of the Fund, the net assets value of the Fund as at June 30, 2018 would have been higher by Rs.0.33 (June 30, 2017: Rs.0.29) per unit.

13. CONTINGENCIES AND COMMITMENTS

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

14. AUDITORS' REMUNERATION

	June 30, 2018	June 30, 2017
	----- (Rupees) -----	
Audit fee	400,000	363,000
Review and other certifications	310,000	164,500
Other	42,255	48,007
	<u>752,255</u>	<u>575,507</u>
Sales tax	56,800	38,955
	<u>809,055</u>	<u>614,462</u>

15. TAXATION

The income of the fund is exempt from income tax under Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of the accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders. The Fund has an accounting loss for the year; therefore, the Management Company has not announced any distribution for the year. Accordingly, no provision for current and deferred tax has been made in these financial statements. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause I I A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Accordingly, Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 48 of Income Tax Ordinance, 2001).

NOTES TO THE FINANCIAL STATEMENTS

16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

16.1 Connected persons / related parties include Faysal Asset Management Limited being the Management Company, CDC being the Trustee, other collective investment schemes managed by the Management Company, Faysal Asset Management Limited - Staff Provident Fund, Faysal Asset Management Limited - Staff Gratuity Fund, Faysal Bank Limited, Faysal Bank Limited - Staff Provident Fund, Faysal Bank Limited - Staff Gratuity Fund, and other entities under common management and / or directorship and the directors and officers of the Management Company and connected persons. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

16.2 The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

16.3 The details of significant transactions carried out by the Fund with connected persons / related parties and balances with them at year end are as follows:

	June 30, 2018	June 30, 2017
	----- (Rupees) -----	
Transactions during the year		
Faysal Asset Management Limited (Management Company)		
Remuneration of the Management Company	4,530,147	6,736,729
Sales tax on Management fee	588,919	875,776
Reimbursement of expenses to the Management Company	225,233	347,247
Redemption of Nil units (2017: 301,777 units)	-	20,318,273
Dividend reinvestment of Nil units (2017: 3,721 units)	-	239,189
Tax on dividend Nil units (2017: 930 units)	-	59,797
* Faysal Bank Limited (Group / Associated Company)		
Return on PLS savings accounts	5,321	-
Bank charges	-	200
Issue of Nil units (2017: 352,809 units)	-	25,000,000
Redemption of Nil units (2017: 2,531 units)	-	163,357
Dividend reinvestment of Nil units (2017: 2,531 units)	-	163,357
Faysal Islamic Savings Growth Fund - (Fund under common management)		
Purchase of BYCO Oil Pakistan Limited Sukuk	-	35,000,000
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration of the Trustee	705,591	802,864
Sales tax on Trustee fee	91,727	104,373
Settlement charges	74,438	89,818
Directors and Key Management Personnel of the Management Company		
Issue of 23,405 units (2017: Nil units)	1,500,000	-
Outstanding balances		
Faysal Asset Management Limited (Management Company)		
Management fee payable	366,854	627,447
Sales tax payable on Management fee	47,690	81,569
Reimbursement of expenses payable to the Management Company	225,234	347,247

NOTES TO THE FINANCIAL STATEMENTS

	June 30, 2018	June 30, 2017
	----- (Rupees) -----	
* Faysal Bank Limited (Group / Associated Company)		
Units in issue 556,182 units (June 30, 2017: 556,182 units)	33,382,044	40,862,692
Balance in PLS savings accounts	78,668	73,438
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration payable to the Trustee	59,953	59,744
Sales tax payable on Trustee fee	7,793	7,767
Security deposit	107,500	107,500
Directors and Key Management Personnel of the Management Company		
Units in issue of 23,405 units (June 30, 2017: Nil units)	1,404,768	-
Faysal Asset Allocation Fund - (Fund under common management)		
Payable to Faysal Asset Allocation Fund	-	18,082,037
Faysal Islamic Asset Allocation Fund - (Fund under common management)		
Payable to Faysal Islamic Asset Allocation Fund	-	9,111,776
Receivable from Faysal Islamic Asset Allocation Fund	-	34,898,856

* Faysal Bank Limited holds more than 10% units in the Fund.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

17.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

(i) 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 interest rates. As of June 30, 2018, the Fund's exposure to the risk of changes in market interest rates relates primarily to bank balances. The bank balances are subject to interest rates as declared by the respective banks on periodic basis. As at June 30, 2018, approximately 28.82% (June 30, 2017: 23.52%) of the Fund's financial assets are subject to interest rates.

NOTES TO THE FINANCIAL STATEMENTS

The Fund does not hold any fixed rate financial assets. Therefore, a change in the interest rates at the reporting date would not have any impact on the income and net assets of the Fund.

Management of the Fund estimates that an increase of 100 basis points in the floating interest rate, with all other factors remaining constant, would increase the Fund's income and increase the net assets of the Fund by Rs.0.65 million (June 30, 2017: Rs.0.81 million) and a decrease of 100 basis points would decrease the Fund's income and decrease the net assets of the Fund by the same amount. However, in practice, the actual results may differ from the sensitivity analysis.

(ii) Foreign currency risk

Foreign 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 does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Equity price risk

Equity price risk is the risk of volatility in share prices resulting from their dependence on market sentiments, speculative activities, supply and demand for shares and liquidity in the market. The equity price risk exposure arises from the Fund's investment in equity securities. Management of the Fund estimates that a 5% increase or decrease in the overall equity prices in the market with all other factors remaining constant would result in increase or decrease of Fund's net assets by Rs.7.85 million (June 30, 2017: Rs.11.12 million). However, in practice, the actual results may differ from the sensitivity analysis.

The Management Company manages the above market risks through diversification of investment portfolio and placing limits on individual and aggregate exposures in accordance with the internal risk management policies and regulations laid down by SECP.

The analysis of Fund's concentration on equity price risk is disclosed in note 8.1 to these financial statements.

17.2 Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the unit holders' option based on the Fund's net assets value per unit at the time of redemption calculated in accordance with the Fund's constitutive documents.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial liabilities based on contractual undiscounted payments.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2018	Upto three months	More than three months and upto one year	More than one year	Total
----- (Rupees) -----				
Financial liabilities				
Payable to the Management Company	594,996	-	-	594,996
Remuneration payable to the Trustee	59,953	-	-	59,953
Accrued and other liabilities	1,056,270	-	-	1,056,270
	<u>1,711,219</u>	<u>-</u>	<u>-</u>	<u>1,711,219</u>

June 30, 2017	Upto three months	More than three months and upto one year	More than one year	Total
----- (Rupees) -----				
Financial liabilities				
Payable to the Management Company	974,694	-	-	974,694
Remuneration payable to the Trustee	59,744	-	-	59,744
Accrued and other liabilities	1,077,245	-	-	1,077,245
Payable against redemption of units	27,193,813	-	-	27,193,813
	<u>29,305,496</u>	<u>-</u>	<u>-</u>	<u>29,305,496</u>

17.3 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge its obligation. The Fund's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines, offering document and regulatory requirements.

The table below analyses the Fund's maximum exposure to credit risk. The maximum exposure is shown gross, before the effect of mitigation through the use of collateral agreements at reporting date:

	June 30, 2018	June 30, 2017
----- (Rupees) -----		
Bank balances	64,923,586	25,474,720
Investment in privately placed term finance certificates	-	20,142,782
Advance against subscription of term finance certificates	-	35,000,000
Security deposits	2,857,500	2,857,500
Return receivable on bank balances	219,875	291,868
Return receivable on debt securities	-	595,297
Dividend receivable	165,000	899,000
Receivable against issuance of units	-	34,898,856
Receivable from sale of investments	-	284,750
	<u>68,165,961</u>	<u>120,444,773</u>

All deposits with banks, CDC and NCCPL are highly rated and risk of default is considered minimal.

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk. The table below analyses the credit quality of the Fund's exposure:

NOTES TO THE FINANCIAL STATEMENTS

	June 30, 2018	June 30, 2017
	----- (%) -----	
Rating category		
AAA, AA+, AA, AA-	95.81	50.96
A, A-, A+	-	17.40
Unrated	4.19	31.64
	<u>100.00</u>	<u>100.00</u>

The table below analyses the Fund's concentration of credit risk by industrial distribution:

	% of assets exposed to credit risk	
Commercial banks	95.57	38.61
Others	4.43	61.39
	<u>100.00</u>	<u>100.00</u>

17.4 Unit holders' fund

The capital of the Fund is represented by the net assets attributable to holders of redeemable units. The capital structure depends on the issuance and redemption of units. The Fund's objective when managing unit holders' fund is to safeguard the Fund's ability to continue as a going concern in order to seek maximum preservation of unit holders' fund and an optimum rate of return by investing in avenues having good credit rating and liquidity and to maintain a strong capital base to support the development of the investment activities of the Fund.

The Fund has no restrictions or specific capital requirements on the subscription and redemption of units.

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 requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all times during the life of the scheme.

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 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).

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 financial liabilities is considered not significantly different from book value.

NOTES TO THE FINANCIAL STATEMENTS

19. SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding pattern of unit holding, top ten brokers, members of the Investment Committee, performance table, fund manager, meetings of the Board of Directors of the Management Company and rating of the Fund and the Management Company has been disclosed in Annexure I to the financial statements.

20. GENERAL

Figures are rounded off to the nearest rupee.

21. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue on September 19, 2018 by the Board of Directors of the Management Company.

**For Faysal Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS
SUB CLAUSE (D), (F), (G), (H), (I) AND (J) OF THE 5TH SCHEDULE TO THE
NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

Annexure I

(i) **PATTERN OF UNIT HOLDING**

Category	No. of investors	Units held	%
Associated company	2	556,182	15.08
Insurance company	1	15,751	0.43
Retirement funds	12	720,855	19.54
Individuals	185	1,675,358	45.40
Banks and DFIs	-	-	-
NBFCs	-	-	-
Other	7	721,165	19.55
	<u>207</u>	<u>3,689,311</u>	<u>100.00</u>

(ii) **TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID**

Name	June 30, 2018 %
Aadam Securities	14.87%
Intermarket Securities Limited	14.25%
Abbasi Securities (Pvt.) Limited	12.61%
Standard Capital Limited	10.83%
Multiline Securities Limited	9.71%
Burj Capital Pakistan (Pvt.) Limited	7.31%
Taurus Securities Limited	7.15%
DJM Securities (Pvt.) Limited	6.84%
Foundation Securities	6.02%
JS Global Capital Limited.	4.72%
BMA Capital	2.92%
Arif Habib Securities Limited	2.76%

Name	June 30, 2017 %
Intermarket Securities Limited	16.17%
Next Capital	11.99%
Arif Habib Securities Limited	10.48%
Alfalah Securities	10.34%
Aadam Securities	6.77%
Aqeel Karim Dhedhi Securities (Pvt.) Limited	6.71%
Invest & Finance Securities (Pvt.) Limited	6.20%
BMA Capital	5.57%
Top Line Securities (Pvt.) Limited	5.45%
DJM Securities (Pvt.) Limited	4.67%

**SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS
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NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008**

(iii) THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Qualification	Experience
Mr. Razi-ur-Rahman Khan	B.A./ FCA (Institute of Chartered Accountant, England)	Over 31 years
Mr. Ayub Khuhro	B.Sc. Economics, CFA I	Over 9 years
Mr. Mohammad Qasim	B. S. (Actuarial Science & Risk Management) & MBA (Fin.)	Over 8 years
Mr. Saif Hasan	M.Sc. (Statistics) & M.A. (Eco & Fin.)	Over 13 years

(iv) PARTICULARS OF FUND MANAGERS

Name	Qualification	Other Collective Investment Schemes Managed
Mr. Saif Hasan	M.Sc. (Statistics) & M.A. (Eco & Fin.)	Faysal Asset Allocation Fund Faysal Islamic Asset Allocation Fund

June 30, 2018 June 30, 2017 June 30, 2016
----- **(Rupees)** -----

(v) PERFORMANCE TABLE

Net assets	221,415,284	311,154,988	107,296,176
Net assets value per unit	60.02	73.47	65.08
Offer price per unit	61.83	73.47	65.08
Repurchase price per unit	60.02	73.47	65.08
Highest offer price per unit	74.80	81.34	73.75
Highest repurchase price per unit	74.80	81.34	73.75
Lowest offer price per unit	59.91	64.54	58.01
Lowest repurchase price per unit	58.24	64.54	58.01
Total return:	-18.31%	14.30%	7.39%
- capital growth	-18.31%	14.30%	0.51%
- income distribution	-	-	6.88%
Average annual return: (Launch date: April 19, 2004)			
- one year	-18.31%	14.30%	7.39%
- two years	-2.01%	10.85%	13.36%
- three years	1.13%	8.90%	13.80%
Distribution per unit:			
- Interim distribution (% per unit)	-	-	10.00%
- Final distribution (% per unit)	-	-	-
	-----	-----	-----
	-----	-----	10.00%

The Fund's past performance is not necessarily indicative of future performance. Therefore, the unit prices and investment returns may go down, as well as up.

(vi) Responsibilities towards Proxy Voting as per Regulation 38A

Faysal Asset Management Limited (FAML) on behalf of Faysal Stock Fund (Formerly Faysal Balanced Growth) (FSF) a collective investment scheme (CIS) under its management did not participate in shareholders' meetings. Further, the proxy voting policy of the FSF is available on the website of the FAML and detailed information regarding actual proxies voted by the FAML (if any) in respect of the CIS is also available without charge, upon request, to all unit holders.

(vii) Expense ratio from the July 01, 2017 to June 30, 2018

Faysal Stock Fund (Formerly Faysal Balanced Growth) (FSF) has total expense ratio (TER) of 4.05%, the TER includes 0.47% representing government levy and SECP fee.

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS
SUB CLAUSE (D), (F), (G), (H), (I) AND (J) OF THE 5TH SCHEDULE TO THE
NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

(viii) MEETINGS OF THE BOARD OF DIRECTORS

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

Name of Director	Meetings attended	Meeting held on			
		Apr 27, 2018	Feb 23, 2018	Oct 19, 2017	Sep 22, 2017
Mr. Salman Ahmed Usmani	4	1	1	1	1
Mr. Syed Ibad ur Rehman Chishti	3	0	1	1	1
Mr. Osman Asghar Khan	4	1	1	1	1
Mr. Mohammad Zahid Ahmed	4	1	1	1	1
Mr. Farooq Hassan	4	1	1	1	1
Mr. Razi-ur-Rahman Khan	4	1	1	1	1

(ix) MEETINGS OF THE AUDIT COMMITTEE

Following is the analysis of the attendance in the meetings of the Audit Committee of the Management Company during the year:

Name of Member	Meetings attended	Meeting held on			
		Apr 26, 2018	Feb 23, 2018	Oct 19, 2017	Sep 21, 2017
Mr. Osman Asghar Khan	4	1	1	1	1
Mr. Syed Ibad ur Rehman Chishti	3	0	1	1	1
Mr. Farooq Hassan	4	1	1	1	1

(x) MEETINGS OF THE BOARD HR COMMITTEE

Following is the analysis of the attendance in the meetings of the Board HR Committee of the Management Company during the year:

Name of Member	Meetings attended	Meeting held on
		Jun 29, 2018
Mr. Osman Asghar Khan	1	1
Mr. Syed Ibad ur Rehman Chishti	1	1
Mr. Razi-ur-Rahman Khan	1	1

(xi) RATING OF THE FUND AND THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "2-Star" (3 years) fund performance ranking to Faysal Stock Fund (Formerly Faysal Balanced Growth Fund) as of May 24, 2018 and JCR - VIS has awarded an "AM3" asset manager rating to the Management Company as of March 19, 2018.

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

آمدنی کی تقسیم

بورڈ آف ڈائریکٹرز نے 30 جون 2018ء کو مکمل ہونے والے سال کے لیے فنڈ میں خسارہ کے باعث حتمی تقسیم کی منظوری نہیں دی ہے۔

میوچل فنڈ کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے 24 مئی 2018ء کو ایف ایس ایف پر 2 اسٹار (تین سالہ) فنڈ پر فارمنس ریٹنگ تفویض کی۔

یونٹ ہولڈنگ کا طریقہ کار

30 جون 2018ء کو ایف ایس ایف کے یونٹ ہولڈنگ کا طریقہ کار سالانہ رپورٹ ہذا کے جزو کے طور پر دیا گیا ہے۔

آڈیٹرز

سکدوش ہونے والے آڈیٹرز میسرز ای وائی فورڈ روڈ چارٹرڈ اکاؤنٹنٹس نے پانچ سال کی مدت مکمل کر لی ہے لہذا اب دوبارہ تقرری کے اہل نہیں ہیں جیسا کہ نان بیننگ فنانس کمپنیز اینڈ نوٹیفائیڈ اینیٹرز ریگولیشنز مجریہ 2008ء کے ریگولیشن 38 (2) (ایچ) میں کہا گیا ہے آڈٹ کمیٹی نے فنڈ کے آڈیٹرز کے طور پر میسرز Deloitte یوسف عادل چارٹرڈ اکاؤنٹنٹس کی سفارش کی ہے بورڈ نے میسرز Deloitte یوسف عادل، چارٹرڈ اکاؤنٹنٹس کی تقرری کے ضمن میں آڈٹ کمیٹی کی سفارشات کی توثیق کی ہے جنہوں نے اہلیت کی بنیاد پر 30 جون 2019ء کو مکمل ہونے والے سال کے لیے فنڈ کے آڈیٹرز کے طور پر خدمات انجام دینے پر آمادگی ظاہر کی ہے۔

اعتراف

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے مینجمنٹ پر اعتماد کے لیے یونٹ ہولڈرز اور مکمل تعاون اور گرانقدر رہنمائی کے لیے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کے شکر گزار ہیں۔ علاوہ ازیں، بورڈ مینجمنٹ کمپنی کے ملازمین اور اسٹریٹجی کا بھی محنت اور بے لوث خدمات پر شکر گزار ہیں۔

برائے اور منجانب بورڈ

کراچی 19 ستمبر 2018ء

رضی الرحمان خان

چیف ایگزیکٹو آفیسر

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

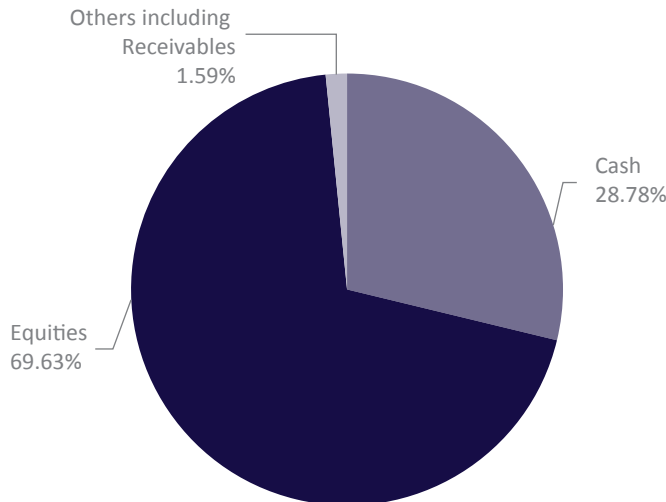
باعث گریزاں رہے اور مالی سال 2018ء کے دوران مستقل ہوشیار رہے چونکہ غیر ملکی سرمایہ کار سرمایہ کاری کے پورٹ فولیو (ایف آئی پی آئی) میں 288.56 ملین امریکی ڈالر کا کاروبار ریکارڈ ہوا جبکہ گزشتہ سال اسی مدت کے دوران 652.09 ملین امریکی ڈالر کی آمدنی ہوئی تھی مالی سال 2018ء کی چار سہ ماہیوں کے دوران غیر ملکی سرمایہ کاروں نے پاکستان میں اپنے کاروبار میں تخفیف کی اور ایف آئی پی آئی کے ریکارڈ کے مطابق صرف 164.64 ملین امریکی ڈالر کا کاروبار ہوا جبکہ گزشتہ سال اسی مدت کے دوران 169.55 ملین امریکی ڈالر کا کاروبار ہوا تھا۔

شعبہ جات کی جانب سے 2018ء کے دوران منافع پر منفی اثرات پر مقامی قیمتوں میں اضافہ کے باعث انڈیکس کو بہت گھسیٹا بنکاری کے شعبہ میں بھی مالی سال 2018ء کے دوران 75 بنیادی نقطوں کے رعایتی نرخوں کے کئی بار اضافہ کے باوجود خسارہ کو بڑھایا خصوصاً سپر ٹیکس کی مسلسل واپسی کے ریٹائرڈ ملازمین کی کم از کم پنشن کی رقم میں 8000 روپے ماہانہ تک اضافہ اور پوائس ریگولیٹر کی جانب سے ایچ بی ایل پر عائد جرمانہ کے باعث ایسا ہوا دوسری جانب آئل اینڈ گیس ایکسیلوریشن سیکٹر مثبت رہا اور عالمی طور پر خام تیل (کروڈ آئل) کی قیمتوں میں اضافہ کے باعث انڈیکس کے لیے مددگار ثابت ہوا، کھاد (فرٹیلائزر) شعبہ نے بھی سیز ٹیکس میں تخفیف اور یوریا کی فروخت میں اضافہ کے باعث خسارہ کی طرف جاتے ہوئے انڈیکس کو کچھ سہارا دیا، آگے بڑھتے ہوئے ایکویٹی مارکیٹ کو سیاسی محاذ پر نئی حکومت کو اقتدار کی کامیاب منتقلی کے باعث مثبت ماحول کے باعث موقع حاصل ہوگا نئی حکومت نے چونکہ اقتدار سنبھالا ہے لہذا اقتصادی ترقی اور استحکام کی راہ پر ملک کو دوبارہ گامزن کرنے کے سلسلے میں ان کے ضروری اقدامات پر سب کی نظریں لگی ہوئی ہیں مزید برآں نئی حکومت سے تعاون کے ضمن میں پڑوسی ممالک کے سرمایہ کاری کے وعدوں اور آئی ایم ایف کے ساتھ مزید مراعات سے گرتے ہوئے بیرونی اکاؤنٹ کو تعاون حاصل ہوگا اور مقامی اور غیر ملکی سرمایہ کاروں کی مارکیٹ میں دلچسپی کی بحالی مددگار ثابت ہوگی۔

کارکردگی کا جائزہ

مالی سال 2018ء کی چار سہ ماہیوں کے دوران ایف ایس ایف کی 10.67 فیصد کی منفی آمدنی ہوئی جو 8.01 فیصد کے منفی معیار سے متعلق ہے جبکہ آپ کے فنڈ میں مالی سال 2018ء کے دوران 18.31 فیصد کمی واقع ہوئی جو کہ سیاسی غیر استحکام اور ادائیگیوں کے بحران کے باعث مارکیٹ کی منفی کارکردگی کے باعث پیش آئی لہذا آپ کے فنڈ میں ایکویٹی کی کارکردگی میں 69.63 فیصد تک کمی آئی جبکہ بینکوں میں مالی سال 2018ء کے اختتام پر جمع نقد رقم میں 28.78 فیصد تک اضافہ ہوا تھا مزید برآں آپ کا فنڈ اقتصادی غیر استحکام سے نمٹنے کے ضمن میں حکومتی دعوؤں کے پیش نظر اپنی انتظامی حکمت عملی واضح کرے گا۔

30 جون 2018ء کو اثاثے کی تخصیص



مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

16.47 فیصد تک توسیع ہوئی اور زیر جائزہ مدت میں یہ 31.07 بلین امریکی ڈالر پر آ گیا۔

مالی سال 2018ء کے دوران ترسیل زر 19.63 بلین امریکی ڈالر پر برقرار رہا جبکہ گزشتہ سال 19.35 بلین امریکی ڈالر کے مقابلے میں 1.42 فیصد اضافہ سال بہ سال کی بنیاد پر دکھائی دیا، اعلیٰ تجارتی خسارہ میں ترسیل زر کی معاونت نہ ہونے سے کرنٹ اکاؤنٹ خسارہ مالی سال 2017ء میں 12.62 بلین امریکی ڈالر کے مقابلے میں مالی سال 2018ء کے دوران 18.13 بلین امریکی ڈالر کی ریکارڈ سطح پر رہا جس سے سال بہ سال کی بنیاد پر 43.65 فیصد اضافہ ظاہر ہوا، غیر ملکی براہ راست سرمایہ کاری (فارن ڈائریکٹ انویسمنٹ (ایف ڈی آئی) گزشتہ سال کے 2.75 بلین ڈالر کے مقابلے میں مالی سال 2018ء کے دوران 2.77 بلین امریکی ڈالر پر آجس سے 0.76 فیصد اضافہ دیکھا گیا۔ مالی سال 2018ء کے دوران مالیاتی خسارہ اعلیٰ سطح پر رہا اور الیکشن کے سال میں توسیع مالیاتی پالیسیوں کے باعث 2.26 ٹریلین روپے (جی ڈی پی کا 6.60 فیصد) اعلیٰ ترین خسارہ ریکارڈ کیا گیا۔

دواہم خساروں کے ساتھ غیر ملکی سرمایہ کی کمی کے باعث زرمبادلہ کے ذخائر متاثر ہو کر جون 2018ء کے اواخر میں 16.41 بلین امریکی ڈالر کی سطح پر آ گئے جبکہ جون 2017ء کے اختتام پر 21.40 بلین امریکی ڈالر تھے جس سے سال بہ سال کی بنیاد پر 23.34 فیصد کمی دیکھی جاسکتی ہے غیر ملکی زرمبادلہ کے ذخائر پر دباؤ کے باعث کرنسی میں کئی بار تنزلی آئی اور زیر جائزہ مدت کے دوران 15.87 فیصد تک متواتر تنزلی سے گزشتہ سال کے مقابلے میں 121.49 روپے پر آ گئی ہر گاہ کہ کنزیومر پرائس انڈیکس (سی پی آئی) افراط زر مالی سال 2017ء کے لیے 4.16 فیصد کے مقابلے میں مالی سال 2018ء کے دوران کنٹرول میں 3.92 فیصد رہا اقتصادی بدحالی کو روکنے کے لیے سینٹرل بینک نے مالی سال 2018ء کے دوران 75 بیس پوائنٹ (بی پی ایس) تک پالیسی ریٹس میں اضافہ کر دیا ہے۔

مزید برآں علاقائی اور اہم عالمی ممالک سے تعلقات کو بہتر بنانے کے لیے معاشی اور ساختی اصلاحات پر عملدرآمد کر کے حکومت کے عزم سے ملک کی معاشی بھلائی متوقع ہے اور غیر ملکی سرمایہ کے حصول میں مددگار ثابت ہو سکتی ہے مزید ایک اور بیل آؤٹ پیکیج کے لیے آئی ایم ایف سے معاہدہ کے ضمن میں مثبت ترقیات حالیہ واجبات کی ادائیگی کے بحران میں ذخائر کو کم کرنے میں تعاون فراہم کرنے کی ضرورت ہوگی اور مستقبل میں اقتصادی استحکام فراہم ہوگا۔

بازار حصص کا جائزہ

پاکستان ایکویٹی مارکیٹ مالی سال 2018ء کے دوران مسلسل سیاسی بے چینی اور اقتصادی استحکام کے خدشات کے باعث دباؤ کا شکار رہی ہے مالی سال 2017ء کے دوران 23.24 فیصد مثبت آمدنی کے مقابلے میں پورے سال کے ایس ای 100 انڈیکس کے معیار میں تنزلی رہی جس میں 2009ء میں پہلی کمی سے 10 فیصد تک کمی ہوتی رہی اوسطاً روزانہ تجارتی مالیت (اے ڈی ٹی وی) میں مالی سال 2018ء کے دوران 173.54 بلین حصص میں 50.15 فیصد تک کمی واقع ہوئی جبکہ مالی سال 2017ء میں 348.15 بلین حصص تھے مذکورہ مدت مالی سال 2018ء کی چار سہ ماہیوں کے دوران مقامی کاروبار تنزلی کی طرف رواں رہا اور 8.01 فیصد تک کمی ریکارڈ کی گئی جبکہ گزشتہ سال اسی مدت کے دوران یہ کمی 3.30 فیصد تھی۔

پورے سال پانامہ مقدمہ میں سپریم کورٹ کی جانب سے وزیر اعظم کی نااہلیت سابق وزیر اعظم نواز شریف اور ان کی بیٹی مریم نواز پر احتساب عدالت میں مقدمات کے اہم واقعات سمیت بڑے شہروں میں منتخب حکومت کی برطرفی کے لیے مختلف تحریکیں، فنانشل ایکشن ٹاسک فورس (ایف اے ٹی ایف ایس) گرے/بلیک لسٹ میں پاکستان کی شمولیت سے متعلق غیر یقینی دو بڑے خساروں کے ساتھ معاشی سرحدوں پر مستقل دباؤ روپے کی قیمتوں میں کئی بار کمی اور غیر ظاہر شدہ ملکی وغیر ملکی اثاثوں کو ظاہر کرنے پر ٹیکس کی چھوٹ کی اسکیموں کے اعلان کے باعث سیاسی اور اقتصادی جھٹکے آتے رہے۔

ایم ایس سی آئی ایمرجنگ مارکیٹ (ای ایم) کی فہرست میں اضافہ اور بیرونی سرمایہ کاری کی پیشگوئیوں کے باوجود غیر ملکی سرمایہ کار سیاسی اور معاشی عدم استحکام کے

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

فیصل ایسٹ مینجمنٹ لمیٹڈ کے ڈائریکٹرز، فیصل اسٹاک فنڈ (سابقہ فیصل ہیلسڈ گروتھ فنڈ) ایف ایس ایف کی مینجمنٹ کمپنی، خوشی ایف ایس ایف کی کارکردگی کی سالانہ رپورٹ معاً ڈٹ شدہ اکاؤنٹس ٹرسٹی اور آڈیٹر کی رپورٹس برائے 30 جون 2018ء کو مکمل ہونے والا سال یونٹس ہولڈرز کو پیش کرتے ہیں۔

یونٹس کی فروخت اور ریڈمشن

سال کے دوران 360.046 ملین روپے مالیت کے یونٹس جاری کیے گئے اور 388.117 ملین روپے مالیت کے یونٹس کی ریڈمشن کی گئی۔

یونٹ ہولڈرز

30 جون 2018ء کو 221.415 ملین روپے مالیت کے 689,311 یونٹس قابل ذکر تھے 30 جون 2017 کو 311.155 ملین روپے مالیت کے 4,235,323 یونٹس تھے۔

یونٹ کی قیمتیں

یونٹ کے نرخ کا مروجہ پورٹ فولیو کے NAV کی بنیاد پر روزانہ اعلان کیا جاتا ہے امسال زیادہ ترین/کم ترین پیشکش/ریڈمشن نرخ اور 30 جون 2018ء کو نرخ نرخ حسب ذیل تھے۔

ریڈمشن نرخ	پیش کردہ نرخ	
74.80	74.80	زیادہ سے زیادہ
58.24	59.91	کم از کم
60.02	61.83	30 جون 2018ء کو

اقتصادی جائزہ

مالی سال 2018ء کے دوران پاکستان معیشت شدہ مراسلہ تیرہ سال کی اعلیٰ ترین 5.79 فیصد شرح پر آگئی سروس، صنعت اور زراعت سمیت تینوں اہم شعبہ جات نے معاشی ترقی میں حصہ لیا۔ مالی سال 2018ء کے دوران گزشتہ سال کی توانائی کی بہترین فراہمی مع گنجائش میں توسیع سے بڑے پیمانے پر مینوفیکچرنگ (ایل ایس ایم) یونٹس کو 5.38 فیصد تک ترقی میں تعاون حاصل ہوا جس سے اعلیٰ اقتصادی ترقی میں مدد فراہم ہوئی تاہم ادائیگیوں کا بحران رہا چونکہ فنانسنگ ہائر کرنٹ اور مالی اکاؤنٹ کے خساروں کو پورا کرنے میں ناکام رہی جس سے سال بھر زرمبادلہ پر سخت دباؤ رہا مالی سال 2018ء کے دوران کرنسی میں کئی بار اتار چڑھاؤ آیا جبکہ سینٹرل بینک نے بھی نقدی کو دبا کر رکھنے کا طریقہ اپنایا۔








اعلیٰ اقتصادی سرگرمیوں کو فروغ دینے کے لیے مالی سال 2018ء کے دوران درآمدات اعلیٰ درجہ پر فائز رہیں اور گزشتہ سال کے 48.68 بلین امریکی ڈالر کے مقابلے میں 55.85 بلین امریکی ڈالر پر رہیں جس سے سال بہ سال (وائی اووائی) کی بنیاد پر 14.71 فیصد ترقی ظاہر ہوتی ہے برآمدات میں ترقی اور حوصلہ افزائی کے لیے مختلف النوع ترقیات کے باعث سال کے اواخر برآمدات میں تیزی آئی اور مالی سال 2017ء میں 22.00 بلین امریکی ڈالر کے مقابلے میں مالی سال 2018ء کے دوران 24.77 بلین امریکی ڈالر رہیں یعنی سال بہ سال کی بنیاد پر 12.58 فیصد اضافہ ہوا درآمدات میں اضافہ کے نتیجے میں تجارتی خسارہ میں










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