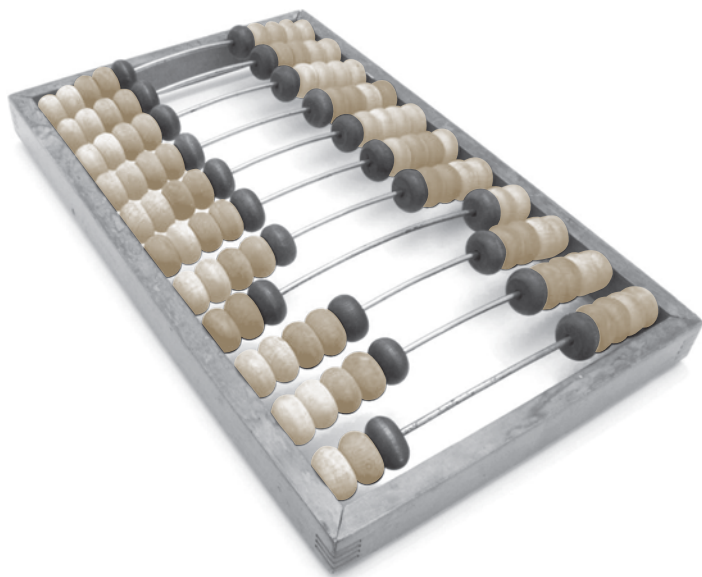


Faysal Asset Management

Financial Sector Opportunity Fund

Condensed Interim Financial Information for the Quarter Ended
September 30, 2018



Faysal Financial Sector Opportunity Fund

Faysal Financial Sector Opportunity Fund (FFSOF) is an open-end income fund that seeks to provide competitive returns by maintaining exposure to financial sector securities with sound credit quality rating and sufficient marketability. The fund employs a prudent, disciplined and proactive investment philosophy to balance and mitigate credit risk, interest rate risk and reinvestment risk.

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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

Soneri Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
UBL Ameen-Islamic Banking
Allied Bank Limited
Standard Chartered Bank Limited
JS Bank Limited
MCB Bank Limited
Zarai Taraqiati Bank Limited
Sindh Bank Limited
Habib 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 Financial Sector Opportunity Fund seeks to provide a competitive rate of return to its investors by investing in money market and debt instruments with major exposure in financial sector.

Review Report of the Directors of the Management Company

The Board of Directors of Faysal Asset Management Limited, the Management Company of Faysal Financial Sector Opportunity Fund (FFSOF), is pleased to present the un-audited condensed interim financial information of FFSOF for the three months and quarter ended September 30, 2018.

FINANCIAL HIGHLIGHTS

	Three Months & Quarter Ended September 30	
	2018	2017
	-----Rupees in million-----	
Total income	6.817	2.261
Total expenses	(1.202)	(0.725)
Net income for the period before taxation	5.615	1.536
Taxation	-	-
Profit after tax	5.615	1.536
NAV per unit (Rs.)	102.92	102.47

ECONOMIC REVIEW

Economy of Pakistan has started posing better picture as the new government focused on the economic and structural reforms. In order to boost foreign exchange reserves, government formally approached International Monetary Fund (IMF) for another bailout package. Increased regulatory duties on luxurious imports coupled with PKR depreciation helped to contain trade deficit. Lower trade deficit along with decent growth in remittances helped to contain current account deficit. During the first quarter of fiscal year 2019 (1QFY19), central bank cumulatively increased the policy rate by 200 basis points (bps).

New government took strategic steps to curb imports by imposing further regulatory duties on luxurious items. Moreover, multiple rounds of PKR depreciation during the last couple of months started reflecting impact on trade figures on monthly basis. Thus, imports during the period 1QFY19 stood at USD 14.26bn as compared to USD 14.17bn, depicting a meager increase of 0.64%. During the period 1QFY19, exports recorded at USD 5.39bn as compared to USD 5.16bn during the same period last year, presenting an increase of 4.54% on year-on-year (YoY) basis. Resultantly, trade deficit for the period 1QFY19 reported at USD 8.87bn as compared to USD 9.01bn during the corresponding period last year, revealing a slowdown of 1.61% on YoY basis.

Overseas Pakistani also showed confidence on the new government as remittances during the period 1QFY19 settled at USD 5.42bn as compared to USD 4.79bn, surged by 13.14% on YoY basis. Slowdown in the trade deficit coupled with higher remittances is expected to keep the current account deficit on the lower side as noted in August 2018 where CAD recorded at USD 600mn as compared to USD 2.12bn in July 2018. During the period 2MFY19, CAD posted an increase of 9.85% on YoY basis and stood at USD 2.72bn as compared to USD 2.48bn during the same period last year. On the other hand, Foreign Direct Investment (FDI) remained on the lower side and recorded a decline of 40.03% on YoY basis and stood at USD 288.20mn during the period 2MFY19. However, FDI is expected to recover in the months ahead on account of interest of neighboring countries (China and Saudi Arabia) to invest in oil, energy and

Review Report of the Directors of the Management Company

infrastructure projects. Fiscal deficit is also expected to remain on the lower side on account of reduction in subsidy and austerity drive in order to curb expenditure adopted by new government.

Foreign exchange reserves remained under pressure during the period under review on account of debt servicing. Resultantly, reserves dropped to worsening level of USD 14.89bn at the end of 1QFY19 as compared to USD 16.41bn at the end of FY18, depicting a decline of 9.23%. CPI inflation remained on the higher side during the period 1QFY19 and clocked-in at 5.60% against 3.39% during the period 1QFY18. During the period 1QFY19, central bank conducted two monetary policies where the bank adopted cautious stance and opted to go for 100bps increase in policy rate in both the monetary policies in order to ensure economic stability.

Going forward, Inflation is expected to remain elevated in the months ahead on account of upward revision in gas prices and expected hike in electricity tariff. In order to maintain real interest rate, central bank is expected to increase the policy rate in the periods ahead. Further, recent development related to approaching IMF for another bailout package of around USD 8-10bn may provide much needed support to foreign exchange reserves. Moreover, government's stance to implement economic & structural reforms is expected to bode well for the economic health of the country.

MONEY MARKET REVIEW

Market remained short of liquidity during the 3MFY19 and to accomplish this liquidity shortage SBP conducted 15 OMO – Injections where the total participation stood at PKR 11.325trn and total accepted amount was PKR 10.215trn and the weighted average rate of all OMO – Injections was 7.52%. State bank also conducted 07 OMO Mop-Ups during Jul'18, Aug'18 and Sep'18 where total accepted amount stood at PKR 2.4trn.

Central bank conducted 7 T-bill auctions during 3MFY19, where in cut offs were maintained at 3M – 7.75% and 6M – 7.8526% till monetary policy was revised at the end of September; the new Cut offs were 3M – 8.80% and 6M – 8.8492% settled in first auction of Oct'18.

Besides, in the PIB auction, bids worth Rs. 7.15 billion were received for 03 years and Rs. 26.11 for 05 years tenor while no bids were received for 10 years and 20 years tenor. The target was Rs. 50 billion against the maturity of Rs. 510 billion; however, the auction was rejected.

SBP issued 2 monetary policies in which it raised its policy rate by 100bps in Jul'18 and by another 100 bps in Sep'18. The sharp hike was driven by an attempt to ensure the macroeconomic stability. A higher trajectory of CPI inflation in the coming months considering the recent increase in gas prices coupled with continuing second round impact of currency devaluation is likely to result in further hike in interest rates in the coming months. The SBP estimates CPI inflation to settle between 6.5-7.5%.

FUND PERFORMANCE

Faysal Financial Sector Opportunity Fund generated return of 4.92% during the period 1QFY19. By the end of quarter, your fund's investments in TFCs were at 8.28% while cash held at banks amounted to 90.94%. Going forward, your fund would proactively explore lucrative investment opportunities in order to maintain competitive returns.

Review Report of the Directors of the Management Company

FUND RATING

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA-(f)" fund stability rating to Faysal Financial Sector Opportunity Fund as of June 20, 2018.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company thanks the unit holders for their confidence in the Management and the Securities and Exchange Commission of Pakistan for its 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: October 19, 2018

Razi-ur-Rahman Khan
Chief Executive Officer

Condensed Interim Statement of Assets and Liabilities

As at September 30, 2018

	Note	September 30, 2018 (Un-audited) ----- (Rupees) -----	June 30, 2018 (Audited) -----
Assets			
Bank balances	5	402,640,333	74,527,295
Investments	6	36,680,778	37,325,761
Deposit and other receivables		3,429,478	1,110,982
Preliminary expenses and floatation costs		-	-
Total assets		442,750,589	112,964,038
Liabilities			
Payable to the Management Company		294,952	203,797
Remuneration payable to the Trustee		67,890	17,884
Accrued and other liabilities	7	2,026,889	2,070,404
Dividend payable		-	-
Total liabilities		2,389,731	2,292,085
Net assets		440,360,858	110,671,953
Unit holders' fund (as per the statement attached)		440,360,858	110,671,953
Contingencies and commitments	8		
		----- (Number of units) -----	
Number of units in issue		4,278,815	1,040,881
		---- (Rupees) ----	
Net assets value per unit		102.92	106.33

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Income Statement

For the Quarter Ended September 30, 2018 (Un-Audited)

Income	Note	For the quarter ended September 30,	
		2018	2017
		(Rupees)	
Profit earned on debt securities - designated 'at fair value through profit or loss'		741,773	684,063
Return on Government securities classified as 'held to trading'		83,119	-
Return on commercial papers classified as 'held to maturity'		-	154,370
Return on bank balances		6,610,888	1,698,925
Net (loss) / gain on investments designated 'at fair value through profit or loss'			
- Net capital gain / (loss) on sale of investments		11,181	(48,057)
- Net unrealised (loss) / gain on revaluation of investments	6.3	(629,829)	(228,503)
		(618,648)	(276,560)
Total income		6,817,132	2,260,798
Expenses			
Remuneration of the Management Company		476,754	174,674
Sales tax on Management fee		61,977	22,686
Reimbursement of expenses to / (from) the Management Company		95,302	33,726
Remuneration of the Trustee		162,100	58,672
Sales tax on Trustee fee		21,073	7,627
Brokerage charges		367	3,049
Bank charges		6,199	5,145
Auditors' remuneration		37,812	38,496
SECP annual fee	7.1	71,513	25,678
Fees and subscription		60,377	46,339
Settlement charges, federal excise duty and capital value tax		93,695	117,486
Amortisation of preliminary expenses and floatation costs		-	105,215
Printing charges and other expenses		-	54,907
Provision for Sindh Workers' Welfare Fund (SWWF)	7.2	114,598	31,322
Total expenses		1,201,767	725,022
Net income for the period before taxation		5,615,365	1,535,776
Taxation	9	-	-
Net income for the period after taxation		5,615,365	1,535,776
Allocation of net income for the period			
Net income for the period		5,615,365	1,535,776
Income already paid on units redeemed		(119,339)	(167,022)
		5,496,026	1,368,754
Accounting income available for distribution			
Relating to capital gains		-	-
Excluding capital gains		5,496,026	1,368,754
		5,496,026	1,368,754

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

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

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Statement of Comprehensive Income

For the Quarter Ended September 30, 2018 (Un-Audited)

	For the quarter ended September 30,	
	2018	2017
	----- (Rupees) -----	
Net income for the period after taxation	5,615,365	1,368,754
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u><u>5,615,365</u></u>	<u><u>1,368,754</u></u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For Faysal Asset Management Limited
(Management company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Cash Flow Statement

For the Quarter Ended September 30, 2018 (Un-Audited)

Note	For the quarter ended September 30,	
	2018	2017
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	5,615,365	1,535,776
Adjustments for non-cash and other items:		
Net loss / (gain) on investments designated 'at fair value through profit or loss'		
- Net capital loss on sale of investments	(11,181)	48,057
- Net unrealised loss / (gain) on revaluation of investments	629,829	228,503
Profit earned on debt securities - designated 'at fair value through profit or loss'	(741,773)	(684,063)
Return on Government securities classified as 'held to trading'	(83,119)	-
Return on commercial papers classified as 'held to maturity'	-	(154,370)
Return on bank balances	(6,610,888)	(1,698,925)
Amortisation of preliminary expenses and floatation costs	-	105,215
	<u>(1,201,767)</u>	<u>(619,807)</u>
Decrease / (increase) in assets		
Deposit and other receivables	(1,586)	32,727
Increase / (decrease) in liabilities		
Payable to the Management Company	91,155	(276,005)
Remuneration payable to the Trustee	50,006	6,270
Accrued and other liabilities	(43,515)	59,790
	<u>97,646</u>	<u>(209,945)</u>
Proceeds from sale / redemption of investments	26,335	8,812,050
Payments made against purchase of investments	-	-
Profits and returns received	5,118,870	3,275,535
Net cash generated from operating activities	<u>4,039,498</u>	<u>11,290,560</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units	425,139,717	93,734,626
Payments made against redemption of units	(97,421,018)	(38,656,542)
Dividend paid	(3,645,159)	(1,080,608)
Net cash generated from / (used in) financing activities	<u>324,073,540</u>	<u>53,997,476</u>
Net increase / (decrease) in cash and cash equivalents during the period	328,113,038	65,288,036
Cash and cash equivalents at beginning of the period	74,527,295	54,588,940
Cash and cash equivalents at end of the period	<u>5</u> <u>402,640,333</u>	<u>119,876,976</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Statement of Movement in Unit Holders' Fund

For the Quarter Ended September 30, 2018 (Un-Audited)

	September 30, 2018			September 30, 2017
	Capital value	Undistributed income	Total	Total
	(Rupees)			
Net assets at beginning of the period	103,999,671	6,672,282	110,671,953	102,065,040
Issuance of 4,193,665* units (September 30, 2017: 921,665 units)				
- Capital value (at net assets value per unit at beginning of the period)	425,112,232	-	425,112,232	-
- Element of income	27,485	-	27,485	-
Total proceeds on issuance of units	425,139,717	-	425,139,717	93,734,626
Redemption of 955,731 units (September 30, 2017: 379,544 units)				
- Capital value (at net assets value per unit at beginning of the period)	(97,159,613)	-	(97,159,613)	-
- Amount paid out of element of income				
- Relating to 'Net income for the period after taxation'	-	(119,339)	(119,339)	-
- Relating to 'Other comprehensive income for the period'	-	-	-	-
- Refund / adjustment on units as element of income	(142,066)	-	(142,066)	-
Total payments on redemption of units	(97,301,679)	(119,339)	(97,421,018)	(38,656,542)
Income already paid on units redeemed	-	-	-	167,022
Total comprehensive income for the period	-	5,615,365	5,615,365	1,368,754
Final cash distribution for the year ended June 30, 2018 @ Rs. 3.50 (2017: Rs.Nil) per unit	-	(3,645,159)	(3,645,159)	-
Net income for the period less distribution	-	1,970,206	1,970,206	1,368,754
Net assets at end of the period	431,837,709	8,523,149	440,360,858	158,678,900
Distribution for the period				
Undistributed income brought forward				
- Realised	-	6,454,188	6,454,188	2,519,291
- Unrealised	-	218,094	218,094	315,183
	-	6,672,282	6,672,282	2,834,474
Final cash distribution for the year ended June 30, 2018 @ Rs. 3.50 (2017: Rs.Nil) per unit	-	(3,645,159)	(3,645,159)	-
Accounting income available for distribution				
- Relating to capital gains	-	-	-	-
- Excluding capital gains	-	5,496,026	5,496,026	1,368,754
	-	5,496,026	5,496,026	1,368,754
Undistributed income carried forward	-	8,523,149	8,523,149	4,203,228
- Realised	-	8,934,884	8,934,884	4,203,228
- Unrealised	-	(411,735)	(411,735)	-
	-	8,523,149	8,523,149	4,203,228
		(Rupees)	(Rupees)	
Net assets value per unit at beginning of the period		106.33	101.41	
Net assets value per unit at end of the period		102.92	102.47	

* Number of units issued includes 11,959 (2017: Nil units) units at Nil cost on account of refund of capital.

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For Faysal Asset Management Limited
(Management company)

Chief Financial Officer

Chief Executive Officer

Director

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

1. LEGAL STATUS AND NATURE OF BUSINESS

Faysal Financial Sector Opportunity 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 May 23, 2013. It has been constituted under a Trust Deed, dated May 28, 2013 under the name of Faysal Financial Sector Opportunity Fund between Faysal Asset Management Limited (the Management Company), a company incorporated under the Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also a company incorporated under the Companies Ordinance, 1984 (now Companies Act,

The Fund is an open ended income 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 July 05, 2013.

The objective of the Fund is to provide a competitive rate of return to its investors by investing in money market and debt instruments with major exposure in financial sector.

The Fund is categorised as an "Income Scheme" as per the Circular No.7 of 2009 issued by SECP.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA-(f)" fund stability rating to Faysal Financial Sector Opportunity Fund as of June 20, 2018.

JCR - VIS Credit Rating Company limited has awarded an "AM3" asset manager rating to the Management Company as of March 19, 2018.

2. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34: 'Interim Financial Reporting', the Trust Deed, the NBFC Rules, Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

3. BASIS OF PREPARATION

3.1 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2018.

3.2 This condensed interim financial information is presented in Pak rupees, which is the Fund's functional and presentation currency.

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

The accounting policies and basis of accounting estimates applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2018.

The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2018.

	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
Note	----- (Rupees) -----	-----

5. BANK BALANCES

Cash at bank - PLS savings accounts	5.1	<u>402,640,333</u>	<u>74,527,295</u>
-------------------------------------	-----	--------------------	-------------------

5.1 These carry mark-up ranging between 5.50% and 8.40% (June 30, 2018: 4.50% and 7.35%) per annum and include a balance of Rs.1,390,813 (June 30, 2018: Rs.710,585) held with Faysal Bank Limited (a related party).

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
Note	----- (Rupees) -----	
6.3 Net unrealised (loss) / gain on revaluation of investments designated 'at fair value through profit or loss'		
Market value of investments	36,680,778	37,325,761
Cost of investments	<u>(37,092,513)</u>	<u>(37,107,667)</u>
	(411,735)	218,094
Net unrealised gain on investments at beginning of the period	<u>(218,094)</u>	<u>(315,183)</u>
Realised on disposal during the period	<u>-</u>	<u>36,889</u>
	<u>(218,094)</u>	<u>(278,294)</u>
	<u>(629,829)</u>	<u>(60,200)</u>

7. ACCRUED AND OTHER LIABILITIES

SECP annual fee payable	7.1	71,488	113,261
Accrued liabilities		588,944	705,284
Provision for Sindh Workers' Welfare Fund (SWWF)	7.2	597,745	483,147
Provision for indirect taxes and duties	7.3	<u>768,712</u>	<u>768,712</u>
		<u>2,026,889</u>	<u>2,070,404</u>

7.1 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 0.075% (June 30, 2018: 0.075%) per annum of the daily net assets value of the Fund.

7.2 There is no change in the status of Sindh Workers Welfare Fund (SWWF) as reported in note 12.2 of the annual financial statements of the fund for the year ended June 30, 2018.

7.3 There is no change in the status of the appeal filed by the Federal Board of Revenue in the Supreme Court of Pakistan in respect of levy of Federal Excise Duty at the rate of 16% on the services of the Management Company, as reported in note 12.3 to the annual financial statements of the Fund for the year ended June 30, 2018.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2018 and June 30, 2018 except as disclosed in this condensed interim financial information.

9. 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 (Clause 99), 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 is also exempt from the provisions of section 113 (minimum tax) under clause II A of Part IV to the Second Schedule of the Income Tax Ordinance, 2001. Since the management intends to distribute the income earned by the Fund during the period to the unit holders in cash in the manner as explained above, accordingly, no provision for taxation has been made in this condensed interim financial information for the period ended September 30, 2018.

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

10. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 10.1 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.
- 10.2 The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 10.3 The details of significant transactions carried out by the Fund with connected persons / related parties and balances with them at period end are as follows:

	For the quarter ended	September 30,
	2018	2017
	(Un-audited)	
	----- (Rupees) -----	
Transactions during the period		
Faysal Asset Management Limited (Management Company)		
Remuneration of the Management Company	476,754	174,674
Sales tax on Management fee	61,977	22,686
Reimbursement of expenses to / (from) the Management Company	95,302	33,726
Sales load paid during the period	-	1,421,154
Issue of 723 units (2017: Nil units)	73,550	-
Redemption of 14,616 units (2017: 14,666 units)	1,495,542	1,500,000
Cash dividend paid (net of tax)	73,550	-
Faysal Bank Limited (Group / Associated Company)		
Return on PLS savings accounts	29,348	90,228
Bank charges	-	386
Issue of 6,526 units (2017: Nil units) as refund of capital	-	-
Redemption of 6,526 units (2017: Nil units)	662,213	-
Cash dividend paid	4,073	-
Faysal Asset Management Limited Staff Gratuity Fund (Group / Associated Company)		
Issue of 2,352 units (2017: Nil units) on account of refund of capital	-	-
Issue of 54 units (2017: Nil units)	5,516	-
Cash dividend paid (net of tax)	5,516	-
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration of the Trustee	162,100	58,672
Sales tax on Trustee fee	21,073	7,627
Settlement charges	1,695	2,260
Unitholders holding 10% or more units		
Marie Adelaide Leprosy Centre		
Issue of 496,971 units (2017: Nil units)	51,933,401	-
	September 30,	June 30,
	2018	2018
	(Un-audited) (Audited)	
	----- (Rupees) -----	
Outstanding balances		
Faysal Asset Management Limited (Management Company)		
Management fee payable	176,681	46,535
Sales tax payable on Management fee	22,969	6,050
Reimbursement of expenses payable to the Management Company	95,302	151,212
Units in issue 4,637 units (2017: 18,529 units)	477,240	1,970,189

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
	----- (Rupees) -----	
* Faysal Bank Limited (Group / Associated Company)		
Balance in PLS savings accounts	1,390,813	2,100,919
Return receivable on PLS savings accounts	9,153	6,804
Units in issue 142,925 units (2017: 142,925 units)	14,709,841	15,197,215
Faysal Asset Management Limited Staff Gratuity Fund (Group / Associated Company)		
Units in issue 54,999 units (2017: 52,592 units)	5,660,497	5,592,107
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Trustee fee payable	60,077	15,824
Sales tax payable on Trustee fee	7,813	2,060
Security deposit	100,000	100,000
Unitholders holding 10% or more units		
Marie Adelaide Leprosy Centre		
Units in issue 496,571 units (2017: Nil units)	51,107,087	-

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

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

11. 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.

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

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	September 30, 2018						
	Carrying amount		Fair value				
'At fair value through profit or loss'	Loans and receivable	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees)		(Rupees)				
Financial assets measured at fair value							
Investments designated 'at fair value through profit or loss'							
Debt securities -							
Term finance certificates	36,680,778	-	-	36,680,778	-	-	36,680,778
Financial assets not measured at fair value							
Bank balances	-	402,640,333	-	402,640,333			
Deposits and other receivables	-	3,424,756	-	3,424,756			
	-	406,065,089	-	406,065,089			
Financial liabilities not measured at fair value							
Payable to the Management Company	-	-	271,983	271,983			
Remuneration payable to the Trustee	-	-	60,077	60,077			
Accrued and other liabilities	-	-	588,944	588,944			
	-	-	921,004	921,004			

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

	June 30, 2018		Fair value			
	Carrying amount		Level 1	Level 2	Level 3	Total
	(Rupees)	(Rupees)	(Rupees)			
Financial assets measured at fair value						
At fair value through profit or loss'						
Loans and receivable	-	-	-	37,325,761	-	37,325,761
Other financial liabilities	74,527,295	-	-	-	-	74,527,295
Total	74,527,295	37,325,761	-	37,325,761	-	74,527,295
Investments designated 'at fair value through profit or loss'						
Debt securities	1,107,846	-	-	-	-	1,107,846
Term finance certificates	75,635,141	-	-	-	-	75,635,141
Total	76,742,987	-	-	-	-	76,742,987
Financial assets not measured at fair value						
Bank balances	-	-	-	-	-	-
Deposits and other receivables	1,107,846	-	-	-	-	1,107,846
Total	1,107,846	-	-	-	-	1,107,846
Financial Liabilities not measured at fair value						
Payable to the Management Company	-	197,747	-	-	-	197,747
Remuneration payable to the Trustee	-	15,824	-	-	-	15,824
Accrued and other liabilities	-	705,284	-	-	-	705,284
Total	-	918,855	-	-	-	918,855

During the period ended September 30, 2018, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

Notes to the Condensed Interim Financial Information

For the Quarter Ended September 30, 2018 (Un-Audited)

12. GENERAL

- 12.1 The Total Expense Ratio (TER) of the Fund is 1.25% (September 30, 2017: 2.07%) which includes 0.27% (September 30, 2017: 0.24%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations.
- 12.2 In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2018.
- 12.3 Figures have been rounded off to the nearest rupee.

13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 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

فنزڈ کی کارکردگی

فیصل فنانشل سیکٹرز پر چوٹی فنڈ نے مالی سال 2019ء کی پہلی سہ ماہی کے دوران 4.92 فیصد آمدنی حاصل کی۔ سہ ماہی کے اواخر تک ٹی ایف سی زی میں آپ کے فنڈ کی سرمایہ کاری 8.28 فیصد پر تھی جبکہ بینکوں میں نقد قومات 90.94 فیصد تھیں۔ مزید برآں آپ کا فنڈ زائد آمدنی کے لئے سرمایہ کاری کے مواقع کی تلاش جاری رکھے گا۔

فنزڈ کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی سی آر اے) نے 20 جون 2018ء کو فیصل فنانشل سیکٹرز پر چوٹی فنڈ کو ”اے اے“ (ایف) فنڈ اسٹیبلٹی ریٹنگ تفویض کی ہے۔

اعتراف

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز نے مینجمنٹ پر اعتماد کے لئے یونٹ ہولڈرز اور گرانقدر حمایت، تعاون اور رہنمائی کے لئے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کا شکریہ ادا کیا ہے۔ بورڈ نے مخلصانہ جدوجہد اور محنت پر مینجمنٹ کمپنی کے ملازمین اور ٹرسٹی کا بھی شکریہ ادا کیا ہے۔

برائے اور از طرف

رضی الرحمن خان

چیف ایگزیکٹو آفیسر

کراچی: 19 اکتوبر 2018

حاصل ہو سکتا ہے۔ مزید برآں حکومت کو معاشی اور سطحی اصلاحات پر عملدرآمد کے عزم سے ملک کی اقتصادی صحت کے لئے بہتری متوقع ہے۔

مٹی مارکیٹ کا جائزہ

مالی سال 2019ء کے اوائل تین ماہ کے دوران مارکیٹ میں لیکویڈیٹی کی کمی رہی اور اس قلت کو دور کرنے کے لئے اسٹیٹ بینک آف پاکستان نے 15 اوائیم او۔ انجکشنز منعقد کئے جس میں مجموعی شرکت 11.325 ٹریلین روپے رہی اور مجموعی قبول کردہ رقم 10.215 ٹریلین روپے تھی جبکہ تمام اوائیم او۔ انجکشنز کا اوسط نرخ 7.52 فیصد تھا۔ اسٹیٹ بینک نے جولائی 2018 اگست 2018ء اور ستمبر 2018ء کے دوران بھی 7 اوائیم او۔ ایم او پی۔ یو پی ایس منعقد کئے جن میں مجموعی منظور کردہ رقم 2.4 ٹریلین روپے تھی۔

سینٹرل بینک نے مالی سال 2019ء کے تین ماہ کے دوران 7۔ ٹی بل نیلام کئے جن میں ستمبر کے آخر میں مانیٹری پالیسی پر نظر ثانی تک کٹ آف 3ایم۔ 7.75 فیصد اور 6ایم 7.8526 فیصد پر برقرار ہے جبکہ اکتوبر 2018ء کو پہلے نیلام میں نئے کٹ آف 3ایم۔ 8.80 فیصد اور 6ایم۔ 8.8492 فیصد طے ہوئے۔

علاوہ ازیں پی آئی بی نیلام میں تین سال کی مدت کے لئے 7.15 بلین روپے اور پانچ سال کے لئے 26.11 بلین روپے کی بولیاں موصول ہوئیں جبکہ دس سال اور بیس سال کی مدت کے لئے کوئی بولی موصول نہیں ہوئی۔ 510 بلین روپے کی میچورٹی کے مقابلے میں 50 بلین روپے کا ہدف تھا البتہ نیلامی کو مسترد کر دیا تھا۔

ایس بی پی نے دو مانیٹری پالیسیاں جاری کیں جن میں اس نے جولائی 2018ء کو اپنے پالیسی ریٹ میں 100 بی پی ایس تک اضافہ کیا اور ستمبر 2018ء کو مزید 100 بی پی ایس بڑھایا۔ معاشی استحکام کی یقین دہانی کے لئے ایک چھوٹی سی ہوشیاری دکھائی گئی۔ گیس کی قیمتوں میں حالیہ اضافہ اور روپے کی قدر میں کمی کر کے دوسرے مرحلے سے آئندہ مہینوں میں سی پی آئی افراط زر کے المیہ کے نتیجہ میں منافع کے نرخوں میں مزید اضافہ ہو سکتا ہے۔ ایس بی پی کا تخمینہ ہے کہ سی پی آئی۔ افراط زر 6.5 اور 7.5 فیصد کے درمیان ٹھہرے گا۔

ڈالر کی برآمدات کے مقابلے میں 5.39 بلین امریکی ڈالر رہی جس سے سال بہ سال کی بنیاد (YOY) پر 4.54 فیصد اضافہ ظاہر ہوتا ہے۔ نتیجتاً مالی سال 2019ء کی پہلی سہ ماہی کے دوران تجارتی خسارہ 8.27 بلین امریکی ڈالر ہا جبکہ گزشتہ سال اسی مدت کے دوران یہ 9.01 بلین امریکی ڈالر تھا جس سے YOY بنیاد پر 1.61 فیصد کمی دکھائی دیتی ہے۔

اور سیز پاکستانیوں نے بھی نئی حکومت پر اعتماد کا اظہار کیا ہے کیونکہ مالی سال 2019ء کی پہلی سہ ماہی کے دوران ترسیل زر 5.42 بلین امریکی ڈالر رہا جبکہ گزشتہ 4.79 بلین امریکی ڈالر تھا جو YOY بنیاد پر 13.14 فیصد تک رہا۔ تجارتی خسارہ میں کمی اور اعلیٰ ترسیل زر سے توقع ہے کہ کرنٹ اکاؤنٹ خسارہ میں کمی رہے گی جیسا کہ اگست 2018ء میں یہ 600 بلین امریکی ڈالر جبکہ جولائی 2018ء میں یہ 2.12 بلین امریکی ڈالر ریکارڈ کیا گیا تھا۔ مالی سال 2019ء کے اوائل دو ماہ کے دوران CAD میں 9.85 فیصد YOY بنیاد پر اضافہ دیکھا گیا اور یہ گزشتہ سال کے 2.48 بلین امریکی ڈالر کے مقابلے میں 2.72 بلین امریکی ڈالر رہا۔ دوسری جانب فارن ڈائریکٹ انویسٹمنٹ (ایف ڈی آئی) میں کمی کا رجحان رہا اور YOY کی بنیاد پر اس میں 40.03 فیصد کمی دکھائی دی۔ یہ مالی سال 2019ء کی اوائل دو ماہ کے دوران 288.20 بلین امریکی ڈالر رہا۔ تاہم ایف ڈی آئی کو پڑوسی ممالک (چین اور سعودی عرب) کی دلچسپی کے مدنظر آئندہ مہینوں میں بڑھنے کی توقع ہے۔ چونکہ یہ تیل، توانائی اور انفراسٹرکچر پر ڈیپنکس میں سہ ماہی کاری کا ارادہ رکھتے ہیں۔ مالی خسارہ میں بھی نئی حکومت کی جانب سے سبسڈی میں تخفیف اور اخراجات پر قابو پانے کے باعث کمی رہنے کی توقع ہے۔

زیر جائزہ مدت کے دوران ڈیہٹ سروسنگ کے باعث زرمبادلہ کے ذخائر دباؤ کا شکار ہیں۔ نتیجتاً مالی سال 2019ء کی پہلی سہ ماہی کے دوران ذخائر 14.89 بلین امریکی ڈالر کی کم ترین سطح پر رہے جبکہ مالی سال 2018ء کے اختتام پر یہ 16.41 بلین امریکی ڈالر تھے جس سے 9.23 فیصد کمی ظاہر ہوتی ہے۔ سی پی آئی افراط زر مالی سال 2019ء کی پہلی سہ ماہی کے دوران بلند سطح پر رہا اور 5.60 فیصد تک رہا جبکہ مالی سال 2019ء کی پہلی سہ ماہی کے دوران یہ 3.39 فیصد تھا۔ مالی سال 2019ء کی پہلی سہ ماہی کے دوران سینٹرل بینک نے دو مائٹری پالیسیاں وضع کیں بینک نے محتاط اقدامات کئے اور معاشی استحکام کو یقینی بنانے کے لئے دو نوں مائٹری پالیسیوں میں پالیسی ریٹ میں 100 بی پی ایس اضافہ کیا۔

مزید برآں گیس کی قیمتوں میں اور بجلی کے نرخوں میں متوقع اضافہ کے باعث آئندہ مہینوں میں مہنگائی متوقع ہے۔ اصل منافع کی شرح کو برقرار رکھنے کے لئے سینٹرل بینک کی جانب سے آئندہ پالیسی ریٹ میں اضافہ متوقع ہے۔ مزید 8-10 بلین امریکی ڈالر کے قریب ایک اور تیل آؤٹ پیکیج کے لئے آئی ایم ایف سے رابطہ سے متعلق حالیہ انکشاف سے زرمبادلہ کے ذخائر کو ضروری تعاون

ڈائریکٹرز رپورٹ

فیصل فنانشل سیکٹرز آپرچونٹی فنڈ (ایف ایف ایس او ایف) کی مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز 30 ستمبر 2018 کو مکمل ہونے والی سہ ماہی اور تین ماہ کے لئے ایف ایف ایس او ایف کے غیر آڈٹ شدہ مربوط عبوری معلومات بخوشی فراہم کرتے ہیں۔

اہم مالیاتی نکات

30 ستمبر 2017 کو مکمل ہونے والی سہ ماہی	30 ستمبر 2018 کو مکمل ہونے والی سہ ماہی	
2.261	6.817	کل آمدنی
(0.725)	(1.202)	کل اخراجات
1.536	5.615	قبل از محصولات مدت خالص آمدنی
-	-	محصولات
1.536	5.615	منافع بعد از محصولات
102.47	102.92	NAV فی یونٹ (روپے میں)

اقتصادی جائزہ

پاکستان کی معیشت نے نئی حکومت کی معاشی اور سبھی اصلاحات پر توجہ کے باعث اچھی تصویر پیش کرنا شروع کر دی ہے۔ زرمبادلہ کے ذخائر بڑھانے کے لئے حکومت نے انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) سے ایک اور بیل آؤٹ پیکیج کے لئے رابطہ کیا ہے۔ پرتغیش ایشیا کی درآمد پر ڈیوٹی میں اضافہ اور پاکستانی روپے کی قدر میں کمی سے تجارتی خسارہ کو روکنے میں مدد ملے گی۔ تجارتی خسارہ میں کمی اور ترسیل زر میں بہتری سے کرنٹ اکاؤنٹ خسارہ کو روکنے میں مدد حاصل ہوگی۔ مالی سال 2019ء کی پہلی سہ ماہی کے دوران سینٹرل بینک نے 200 بیسز پوائنٹس (بی پی ایس) تک پالیسی ریٹ میں بھاری اضافہ کر دیا ہے۔








نئی حکومت نے پرتغیش سامان پر مزید ریگولیشن ڈیوٹی عائد کر کے درآمدات کو لگام دینے کے لئے حکمت عملی سے اقدام کئے ہیں۔ مزید برآں گزشتہ دو ماہ کے دوران پاکستانی روپے کی قدر میں کمی اور کئی مرحلوں سے مہینوں کے اعتبار سے تجارت پر اثرات ظاہر ہونے لگے ہیں۔ پس مالی سال 2019ء کی پہلی سہ ماہی کے دوران درآمدات 14.17 بلین امریکی ڈالر کے مقابلے میں 14.26 امریکی ڈالر رہی جس سے 0.64 فیصد اضافہ نظر آیا۔ مالی سال 2019ء کی پہلی سہ ماہی کے دوران گزشتہ سال اسی مدت کی 5.16 بلین امریکی










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