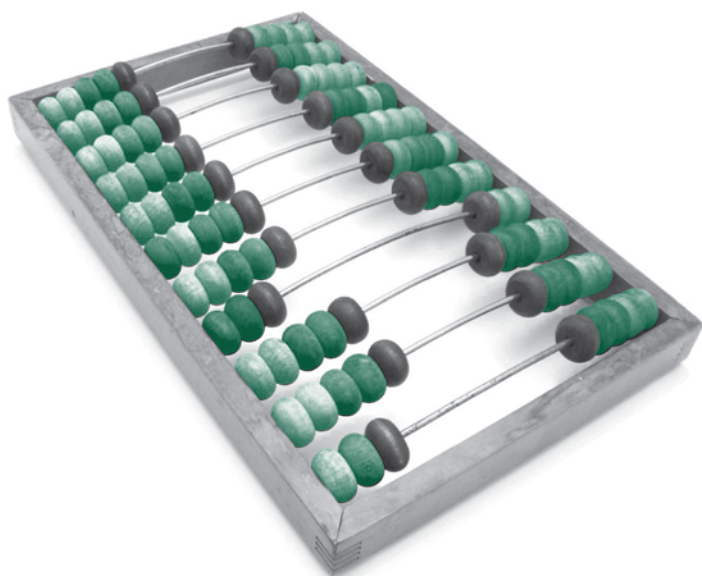


Faysal Asset Management

Islamic Savings Growth Fund

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



Faysal Islamic Savings Growth Fund

Faysal Islamic Saving Growth Fund (FISGF) is an open-ended mutual fund. The units of FISGF are listed on the Pakistan Stock Exchange and were initially offered to the public on 14 June 2010. FISGF seeks to provide investors maximum preservation of capital and a reasonable rate of return via investing in Shariah compliant money market and debt securities having good quality rating and liquidity.

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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

National Bank-Islamic Banking
Dubai Islamic Bank Pakistan Limited
Al-Barka Bank Limited
Bank Islami Pakistan Limited
Faysal Bank Limited (Islamic Banking)
Bank Alfalah Limited (Islamic Bank)
Habib Bank Limited

Auditors

Deloitte Yousof Adil, 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 Islamic Savings Growth Fund seeks to provide maximum possible preservation of capital and a responsible Shariah compliant return to its units holder.

Review Report of the Directors of the Management Company

The Board of Directors of Faysal Asset Management Limited, the Management Company of **Faysal Islamic Savings Growth Fund (FISGF)**, is pleased to present the un-audited condensed interim financial information of FISGF 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	20.479	17.956
Total expenses	(4.071)	(6.768)
Net income for the period before taxation	16.408	11.188
Taxation	-	-
Profit after tax	16.408	11.188
NAV per unit (Rs.)	104.49	103.54

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

Review Report of the Directors of the Management Company

interest of neighboring countries (China and Saudi Arabia) to invest in oil, energy and 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 Islamic Savings Growth Fund generated return of 6.33% during the period 1QFY19, outperforming the benchmark by 367 bps. By the end of quarter, your fund maintained investments in Islamic Securities in the form of Sukuk at 45.36% and cash held in Shariah Compliant banks was around 46.02%. Going forward, your fund would continue to explore

Review Report of the Directors of the Management Company

Islamic investment avenues in order to provide competitive returns.

FUND RATING

The JCR - VIS Credit Rating Company Limited (JCR - VIS) has assigned a "A+(f)" stability rating to Faysal Islamic Savings Growth Fund as of November 21, 2017.

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	505,486,908	499,710,491
Investments	6	573,195,152	508,226,731
Deposits and other receivables		19,708,723	16,184,491
Total assets		1,098,390,783	1,024,121,713
Liabilities			
Payable to the Management Company		940,920	913,990
Remuneration payable to the Trustee		163,907	161,660
Accrued and other liabilities	7	9,896,147	9,773,319
Total liabilities		11,000,974	10,848,969
Net assets		1,087,389,809	1,013,272,744
Unit holders' fund (as per the statement attached)		1,087,389,809	1,013,272,744
Contingencies and commitments	8		
		----- (Number of units) -----	
Number of units in issue		10,406,658	9,455,340
		----- (Rupees) -----	
Net asset value per unit		104.49	107.16

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 government securities and sukuk certificates classified as 'at fair value through profit or loss' - held-for-trading		9,910,408	7,712,328
Return on bank balances and term deposit receipts		8,902,089	10,259,496
Return on certificate of musharika - classified as 'held to maturity'		515,055	1,705,128
Net (loss) / gain on investments:			
- Net capital gain on sale of investments classified as:			
'-at fair value through profit or loss' - held-for-trading		-	744,149
- Net unrealized (loss) / gain on revaluation of investments classified as			
'-at fair value through profit or loss' - held-for-trading	6.4	1,151,706	(2,465,418)
		<u>1,151,706</u>	<u>(1,721,269)</u>
Total income		20,479,258	17,955,683
Expenses			
Remuneration of the Management Company		2,436,634	4,805,213
Sales tax on management fee		316,762	624,713
Remuneration of the Trustee		434,142	493,186
Sales tax on trustee fee		56,438	64,112
Brokerage		-	14,645
Bank charges		10,986	13,407
Auditors' remuneration		126,592	126,592
SECP annual fee	7.1	195,008	238,153
Fees and subscriptions		62,376	69,368
Settlement charges, federal excise duty and capital value tax		93,695	26,930
Printing and other expenses		3,435	63,204
Provision of Sindh Workers' Welfare Fund	7.2	334,863	228,323
		<u>4,070,931</u>	<u>6,767,846</u>
Total expenses		4,070,931	6,767,846
Net income for the period before taxation		16,408,327	11,187,837
Taxation	9	-	-
Net income for the year after taxation		16,408,327	11,187,837
Allocation of net income for the period			
Net income for the period		16,408,327	11,187,837
Income already paid on units redeemed		(312,726)	(588,775)
		<u>16,095,601</u>	<u>10,599,062</u>
Accounting income available for distribution			
Relating to capital gains		-	744,149
Excluding capital gains		16,095,601	9,854,913
		<u>16,095,601</u>	<u>10,599,062</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 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	16,408,327	11,187,837
Other comprehensive income for the period	-	-
Total comprehensive income for the period	16,408,327	11,187,837

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		16,408,327	11,187,837
Adjustments for non-cash and other items			
Profit earned on government securities and sukuk certificates		(9,910,408)	(7,712,328)
Return on bank balances and term deposit receipts		(8,902,089)	(10,259,496)
Return on certificate of musharika		(515,055)	(1,705,128)
Net capital gain on sale of investments classified as at fair value through profit or loss' - held-for-trading		-	(744,149)
Net unrealized loss / (gain) on revaluation of investments classified as at fair value through profit or loss' - held-for-trading		(1,151,706)	2,465,418
Provision of Sindh Workers' Welfare Fund		334,863	228,323
		<u>(3,736,068)</u>	<u>(6,539,523)</u>
Increase in assets			
Deposits and other receivables		(5,598)	(135,298)
(Decrease) / increase in liabilities			
Payable to the Management Company		26,930	196,561
Remuneration payable to the Trustee		2,247	18,803
Accrued and other liabilities		(212,035)	(687,375)
		<u>(182,858)</u>	<u>(472,011)</u>
		<u>(3,924,524)</u>	<u>(7,146,832)</u>
Proceeds from sale / redemption / maturity of investments		11,183,285	63,971,307
Payment made against purchase of investments		(75,000,000)	-
Profit received on government securities and sukuk certificates		9,143,453	9,579,476
Return received on bank balances and term deposit receipts		6,665,465	7,871,578
Return received on certificate of musharika		-	(185,607)
		<u>(51,932,321)</u>	<u>74,089,922</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Amounts received against issue of units		151,473,867	135,501,810
Payments made against redemption of units		(74,694,183)	(184,459,782)
Dividend paid		(19,070,946)	(14,527,632)
		<u>57,708,738</u>	<u>(63,485,604)</u>
Net cash (used in) / generated from financing activities			
Net (decrease) / increase in cash and cash equivalents during the period		5,776,417	10,604,318
Cash and cash equivalents at the beginning of the period		499,710,491	603,989,377
Cash and cash equivalents at the end of the period	5	<u>505,486,908</u>	<u>614,593,695</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 (Rupees)	Total	Total (Rupees)
Net assets at the beginning of the period	970,918,755	42,353,989	1,013,272,744	1,253,763,233
Issuance of 1,674,521* units (September 30, 2017: 1,315,989 units)				
- Capital value (at net asset value per unit at the beginning of the period)	150,542,882	-	150,542,882	-
- Element of income	930,985	-	930,985	-
Total proceeds on issuance of units	151,473,867	-	151,473,867	135,501,810
Redemption of 723,203 units (September 30, 2017: 1,548,202 units)				
- Capital value (at net asset value per unit at the beginning of the period)	(74,381,429)	-	(74,381,429)	-
- Amount paid out of element of income				
- Relating to net income for the period after taxation	-	(312,726)	(312,726)	-
- Refund / adjustment on units as element of income	(28)	-	(28)	-
Total payments on redemption of units	(74,381,457)	(312,726)	(74,694,183)	(159,465,264)
Income already paid on units redeemed	-	-	-	588,775
Total comprehensive income for the period	-	16,408,327	16,408,327	10,599,062
Final cash distribution for the year ended June 30, 2018 @ Rs. 2.02 (2017: Rs.Nil) per unit	-	(19,070,946)	(19,070,946)	-
Net income for the period less distribution	-	(2,662,619)	(2,662,619)	10,599,062
Net assets at the end of the period	1,048,011,165	39,378,644	1,087,389,809	1,240,987,616
Distribution for the period				
Undistributed loss brought forward				
- Realized	-	40,594,110	40,594,110	16,252,312
- Unrealized	-	1,759,879	1,759,879	5,994,584
Final cash distribution for the year ended June 30, 2018 @ Rs. 2.02 (2017: Rs.Nil) per unit	-	(19,070,946)	(19,070,946)	-
Accounting income available for distribution				
- Relating to capital gains	-	-	-	744,149
- Excluding capital gains	-	16,095,601	16,095,601	9,854,913
Undistributed income carried forward	-	16,095,601	16,095,601	10,599,062
Undistributed income carried forward	-	39,378,644	39,378,644	32,845,958
- Realized	-	36,467,059	36,467,059	29,316,792
- Unrealized	-	2,911,585	2,911,585	3,529,166
	-	39,378,644	39,378,644	32,845,958
		(Rupees)	(Rupees)	
Net asset value per unit at the beginning of the period		107.16	102.62	
Net asset value per unit at the end of the period		104.49	103.54	

* Number of units issued includes 210,808 (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 Islamic Savings Growth Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and has been authorized as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on June 04, 2009. It has been constituted under a Trust Deed, dated April 22, 2009, between Faysal Asset Management Limited (the Management Company), a company incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the repealed Companies Ordinance, 1984 (now Companies Act, 2017).

The Fund is a shariah compliant open ended Islamic 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. The units are listed on the Pakistan Stock Exchange Limited. The Fund was launched on June 14, 2010.

The principal activity of the Fund is to invest in shariah compliant money market instruments and debt securities having good credit rating and liquidity.

The Fund is categorized as a "Islamic Income Scheme" as per the Circular 07 of 2009 issued by SECP.

The JCR - VIS Credit Rating Company Limited (JCR - VIS) has assigned a "A+(f)" stability rating to Faysal Islamic Saving Growth Fund as of November 21, 2017.

JCR - VIS has awarded an "AM3" 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.

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 banks - PLS saving accounts	5.1	<u>505,486,908</u>	<u>499,710,491</u>
5.1 These carry mark-up ranging between 5.50% to 7.50% (June 30, 2018: 3.75% to 6.60%) per annum and include balance of Rs. 436.04 million (June 30, 2018: Rs. 2.38 million) held with Faysal Bank Limited, a related party.			
6. INVESTMENTS			
At fair value through profit or loss - held-for-trading			
Listed sukuk certificates	6.1	266,878,072	278,269,121
Held to maturity			
Certificates of Musharaka	6.2	75,000,000	-
Unlisted sukuk certificates	6.3	<u>231,317,080</u>	<u>229,957,610</u>
		<u>573,195,152</u>	<u>508,226,731</u>

Notes to the Condensed Interim Financial Information

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

6.3 Unlisted sukuk certificates

Name of investee company	Rate of interest per annum	Number of certificates			Balance as at September 30, 2018			Market value as percentage of total investments	Market value as percentage of net assets	
		As at July 01, 2018	Purchased during the period	Transferred/Sold during the period	As at September 30, 2018	Carrying value	Market value			Unrealized gain / (loss) on revaluation
Oil and gas										
BYCO Oil Pakistan Limited	8.94%	500	-	-	500	50,000,000	49,975,000	(25,000)	8.72%	4.05%
Others										
International Brands Limited	6.97%	1,200	-	-	1,200	120,000,000	121,380,360	1,380,360	21.18%	11.16%
Fertilizer										
Dawood Hercules Corporation Limited (01-03-2018)	8.03%	600	-	-	600	60,000,000	59,951,720	(38,280)	10.46%	5.51%
						<u>230,000,000</u>	<u>231,317,080</u>	<u>1,317,080</u>		

6.3.1 Significant terms and conditions of unlisted sukuk certificates are as follows:

Name of investee company	Number of Certificates held	Face value per certificate (Rupees)	Mark-up rate (per annum)	Maturity	Secured / Unsecured	Rating
BYCO Oil Pakistan Limited	500	100,000	1.05% * 3 Months KIBOR	January, 2022	Secured	AAA
International Brands Ltd- Sukuk Certificate	1,200	100,000	0.5%*12 Months KIBOR	November, 2021	Secured	AA
Dawood Hercules Corporation Limited	600	100,000	1%*3 Months KIBOR	March, 2023	Secured	AA
Unrealized gain / loss on investments						
					September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
Market value of investments					488,195,152	508,226,731
Less: Carrying value					(495,285,567)	(506,466,652)
Net unrealized gain on investments at the beginning of the period					2,911,585	1,759,879
Realized loss on disposal during the period					(1,769,879)	(5,984,584)
					-	1,123,984
					<u>(1,769,879)</u>	<u>(4,870,600)</u>
					1,151,706	(3,110,721)

6.4

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) -----	
7. ACCRUED AND OTHER LIABILITIES			
SECP annual fee payable	7.1	274,982	880,672
Accrued liabilities		1,249,966	856,311
Provision for Sindh Worker's Welfare Fund	7.2	3,099,330	2,764,467
Provision for indirect taxes and duties	7.3	5,271,869	5,271,869
		<u>9,896,147</u>	<u>9,773,319</u>

7.1 This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay annually an amount equal to 0.075% (June 30, 2018: 0.075%) per annum of the daily net asset 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 relevant notes to 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.

10. TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

10.1 Connected persons and related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited 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 the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund at period end.

10.2 The transactions with connected persons are in the normal course of business at contracted rates.

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

Notes to the Condensed Interim Financial Information

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

	For the quarter ended September 30,	
	2018	2017
	(Un-audited)	
	----- (Rupees) -----	
Transactions during the period		
Faysal Asset Management Limited (Management Company)		
Remuneration of Management Company	2,436,634	4,805,213
Sales tax on management fee	316,762	624,713
Faysal Bank Limited (Group company / Associated Company)		
Redemption of 76,050 units (2017: Nil units)	7,837,666	-
Issue of 76,050 units (2017: Nil units) on account of refund of capital	-	-
Income on deposits	1,633,321	26,642
Bank charges	-	2,217
Cash dividend paid	17,278	-
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration of Trustee	434,142	493,186
Sales tax on Trustee fee	56,438	64,112
Settlement charges	1,695	7,232
Units holders having 10% or more units		
FBL Staff Provident Fund		
Issue of 83,028 units (2017: Nil units) on account of refund of capital	-	-
Issue of 183 units (2017: Nil units)	18,864	-
Cash dividend paid	18,864	-
Outstanding balances		
	September 30,	June 30,
	2018	2018
	(Un-audited)	(Audited)
	----- (Rupees) -----	
Faysal Asset Management Limited (Management Company)		
Remuneration payable to the management Company	832,673	808,841
Sales tax on management fee payable	108,247	105,149
FED on management fee payable	5,271,869	5,271,869
Faysal Bank Limited (Group company / Associated Company)		
Units in issue 1,818,788 (June 2018: 1,818,788units)	190,045,158	194,901,322
Balance in PLS account	436,044,336	2,380,000
Profit receivable on bank deposit	1,679,313	
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration payable to the Trustee	145,049	1,857,171
Sales tax on trustee fee payable	18,858	241,429
Security deposit	100,000	100,000
Units holders having 10% or more units		
FBL Staff Provident Fund		
Units in issue 2,068,892 units (June 2018: 1,985,681 units)	216,178,525	212,785,576

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 date of statement of assets and liabilities. 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;
- 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).

As at September 30, 2018, the Fund held the following financial instruments which were measured at fair value:

	September 30, 2018				
	Carrying amount		Fair value		
	Investments	Deposits and other receivables (Rupees)	Bank other Balances (Rupees)	Total	Total
Financial assets measured at fair value					
Investments classified as 'At fair value					
Listed sukuk certificates	266,878,072	-	-	266,878,072	266,878,072
Financial assets not measured at fair value					
Bank balances and term deposit receipt	-	-	505,486,908	-	-
Deposits and other receivables	-	18,717,264	-	18,717,264	-
Certificate of Mushanka	75,000,000	-	-	75,000,000	-
Unlisted Sukuk	231,317,080	-	-	231,317,080	231,317,080
	573,195,152	18,717,264	505,486,908	1,097,399,324	498,195,152

Notes to the Condensed Interim Financial Information

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

	Carrying amount		Fair value					
	Investments	Deposits and other receivables (Rupees)	Bank Balances (Rupees)	Total	Level 1	Level 2	Level 3	Total
June 30, 2018								
Financial assets measured at fair value								
Investments classified as 'At fair value								
Sukuk certificates	278,269,121	-	-	278,269,121	-	278,269,121	-	278,269,121
Financial assets not measured at fair value								
Bank balances and term deposit receipt	-	-	499,710,491	499,710,491	-	-	-	-
Deposits and other receivables	-	15,198,630	-	15,198,630	-	-	-	-
Unlisted Sukuk	229,957,610	-	-	229,957,610	-	-	-	-
	508,226,731	15,198,630	499,710,491	1,023,135,852	-	278,269,121	-	278,269,121

Notes to the Condensed Interim Financial Information

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

Carrying Amount	September 30, 2018			
	Fair value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial liabilities not measured at fair value				
Payable to the Management Company	832,673	-	-	-
Remuneration payable to the Trustee	145,049	-	-	-
Accrued and other liabilities	1,249,966	-	-	-
	2,227,688	-	-	-

Carrying Amount	June 30, 2018			
	Fair value			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial liabilities not measured at fair value				
Payable to the Management Company	808,841	-	-	-
Remuneration payable to the Trustee	143,061	-	-	-
Accrued and other liabilities	856,311	-	-	-
	1,808,213	-	-	-

12. GENERAL

- 12.1 The Total Expense Ratio (TER) of the Fund is 1.57% (September 30, 2017: 2.10%) which includes 0.35% (September 30, 2017: 0.36%) 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 authorized 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

میں منافع کے زرخوں 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۔

فنڈ کی کارکردگی

فیصل اسلامک سیونگ گروتھ فنڈ کو مالی سال 2019ء کی پہلی سہ ماہی کے دوران 6.33 فیصد آمدنی ہوئی اور بی پی پی ایس تک ہے سہ ماہی کے اختتام تک آپ کے فنڈ نے اسلامک سیکیورٹیز میں بینکنگ کی صورت میں 45.36 فیصد پر سرمایہ کاری برقرار رکھی اور شرعی بینکوں میں نقد قومات 46.02 فیصد کے قریب تھیں۔ مزید برآں آپ کا فنڈ زیادہ آمدنی کے لئے اسلامک سرمایہ کاری کے مواقع کی تلاش جاری رکھے گا۔

فنڈ کی درجہ بندی

جے سی آر۔ وی آئی ایس کرڈٹ ریٹنگ کمپنی لمیٹڈ (جے سی آر۔ وی آئی ایس) نے فیصل اسلامک سیونگ گروتھ فنڈ کو 21 نومبر 2017ء کو 'اے' (ایف) 'اے' سٹیبلٹی 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 سیکیورٹیز 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

کے قریب ایک اور بیل آؤٹ بیکنج کے لئے آئی ایم ایف سے رابطہ سے متعلق حالیہ انکشاف سے زرمبادلہ کے ذخائر کو ضروری تعاون حاصل ہو سکتا ہے۔ مزید برآں حکومت کو اکنامک اور اسٹریٹجیکل اصلاحات پر عملدرآمد کے عزم سے ملک کی اقتصادی صحت کے لئے بہتری متوقع ہے۔

منی 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 اوائم او۔ انکلسنز منعقد کئے جس میں مجموعی شرکت 11.325 ٹریلین روپے رہی اور مجموعی قبول کردہ رقم 10.215 ٹریلین روپے تھی جبکہ تمام اوائم او۔ انکلسنز کا اوسط نرخ 7.52 فیصد تھا۔ اسٹیٹ بینک نے جولائی 2018ء اگست 2018ء اور ستمبر 2018ء کے دوران بھی 7 اوائم 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 13 ایم۔ 7.75 فیصد اور 16 ایم۔ 7.8526 فیصد پر برقرار ہے جبکہ اکتوبر 2018ء کو پہلے نیلام میں نئے کٹ آف 13 ایم۔ 8.80 فیصد اور 16 ایم۔ 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 تیس 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 نتیجے

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 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 رہا 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 ملین 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 کارہجان 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 مد نظر آئندہ مہینوں میں بڑھنے کی توقع ہے۔ چونکہ یہ تیل، توانائی اور انفراسٹرکچر پروجیکٹس میں سرمایہ 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 ڈیبٹ 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 مانیٹری پالیسیاں وضع کیں بینک نے محتاط اقدامات کئے اور معاشی استحکام کو یقینی بنانے کے لئے دونوں مانیٹری 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

ڈائریکٹرز رپورٹ

انتظامی کمپنی کے ڈائریکٹرز کی رپورٹ کا جائزہ
فیصل اسلامک سیوننگ گروتھ فنڈ (ایف آئی ایس جی ایف) کی مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز 30 ستمبر 2018 کو مکمل ہونے والی سہ ماہی اور تین ماہ کے لئے ایف آئی ایس جی ایف کے غیر آڈٹ شدہ مربوط عبوری معلومات بخوشی فراہم کرتے ہیں۔

اہم مالیاتی معلومات

30 ستمبر 2018 کو مکمل ہونے والی سہ ماہی	30 ستمبر 2017 کو مکمل ہونے والی سہ ماہی	
20.479	17.956	کل آمدنی
(4.071)	(6.768)	کل اخراجات
16.408	11.188	قبل از محصولات مدت خالص آمدنی
-	-	محصولات
16.408	11.188	منافع بعد از ٹیکس
104.49	103.54	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 ٹیل آؤٹ پیکیج کے لئے رابطہ کیا ہے۔ پرتیش اشیاء 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 تریبل 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 پرتیش سامان پر مزید ریگولیٹری 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










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