

Faysal Asset Management

MTS Fund

Financial Statements for the year ended June 30, 2019



Faysal MTS Fund

Faysal MTS Fund (FMTSF) is an open Ended Mutual Fund seeks to provide competitive returns primarily through investment into MTS market.

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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 Asghar Khan, Director

Mr. Mian Salman Ali, Director

Syed Muhammad Fraz Zaidi, Director

Mr. Tahir Yaqoob Bhatti, Director

Mr. Farooq Hassan, Director

Mr. Khaldoon Bin Latif, Director/CEO

Chief Executive Officer

Mr. Khaldoon Bin Latif

Chief Financial Officer and Company Secretary of the Management Company

Mr. Faisal Ali Khan

Audit Committee

Mr. Osman Asghar Khan, Chairman

Mr. Mian Salman Ali, Member

Syed Muhammad Fraz Zaidi, Member

HR Committee

Mr. Osman Asghar Khan, Chairman

Mr. Khaldoon Bin Latif, Member

Mr. Farooq Hassan, 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

Habib Bank Limited

JS Bank Limited

Zarai Taraqiati 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 MTS Fund (FMTSF) endeavours to provide investors competitive returns primarily through investment into MTS market.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Directors of Faysal Asset Management Limited, the Management Company of Faysal MTS Fund (FMTSF), are pleased to present the Annual Report on the operations of FMTSF along with the audited accounts, Reports of the Trustee and Auditors to the unit holders for the period ended June 30, 2019.

SALE AND REDEMPTION OF UNITS

During the year, units worth Rs.1,013.388 million were issued and units with a value of Rs.822.728 million were redeemed.

UNIT HOLDERS

As of June 30, 2019, total units outstanding were 8,350,509 units with a value of Rs.841.708 million (June 30, 2018: 6,081,452 units with a value of Rs. 644.276 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 period as well as the prices prevailing as of June 30, 2019 were as below:

	Offer Price	Redemption Price
Highest	111.65	109.46
Lowest	102.65	100.64
As of June 30, 2019	102.82	100.80

ECONOMIC OUTLOOK

Pakistan's economy continues to constrict further amid declining consumption, weakening investments, fiscal tightening and deteriorating external accounts. Country has posted a real growth of 5.5%/3.3% in FY18/19 respectively with IMF's forward expectations of 2.5% in FY20.

Central Bank has increased policy rate by 100bps to 13.25% vs 6.50% in SPLY stating "The decision takes into account upside inflationary pressures from exchange rate depreciation since the last MPC meeting in May 19 and the likely increase in near term inflation from the one-off impact of recent adjustments in utility prices and other measures in the FY20 budget". Secondary market is suggesting that current yield curve is exhibiting quite less convexity vs. SPLY.

To improve CAD, recent depreciation has bought PKR/USD to 161 in Jul 19 vs 124 in SPLY thus decreasing overvaluation from 5% to "-8%" as per latest calculation methodology. Central Bank's foreign exchange reserves currently stands at USD 7.7bn/import cover 1.4 months in Jul 19 from USD 10.2/import cover 1.6 months in SPLY, however; after a prolonged discussion, IMF has approved USD 6.0bn 39 months EFF arrangement but at a promise of structural reforms.

Increasing TTM inflation, up 7.7% YoY as of Jul 19 vs. 4.2% in SPLY and Central Bank's continuous monetary tightening are deterring domestic consumption. Furthermore declining TTM growth in 1) auto financing of 18% YoY as of FY19 vs. 34% in SPLY and 2) petrol consumption of 0% YoY as of Jul 19 vs. 9% in SPLY also reiterates our opinion. At the same time, adverse development such as water shortages and high input costs are also undermining agricultural performance, leading to decline in rural consumption. However, According to Central Bank, "Economic managers through monetary/fiscal tightening are managing the gap between demand and supply to decrease imports and increase exportable surplus in the future".

Despite PM's frequent foreign visits and signing of various memorandum of understanding, Country's industrialization remains weak with latest TTM FDI of USD 1.7bn as of FY19/0.8% of GDP vs. USD 3.4bn/1.4% of GDP in SPLY. Tractors TTM sales clocked in at 50,405 vs. 70,887 in SPLY, down -29% YoY vs. 29% in SPLY. TTM Cement dispatches clocked in at 39.7mn tons as of FY19, down -4.9% vs. 11.2% in SPLY. Going forward, expected FDI may improve investment sphere in Pakistan while also providing some support to external accounts.

TTM fiscal deficit as of Mar 19 has clocked in at 8.2% of GDP as Government's revenue declined to 15% of GDP vs. 18% in SPLY which is keeping fiscal stimulus in check as development spending contracts to 2.7% of GDP vs 5.9% in SPLY. On the other hand, news suggests that government is taking steps such as listed below to improve development spending/fiscal stimulus.

- Upward revision in values of immovable properties in 20 cities of the country to bring them in line with actual market rates.
- Initiative to send notices to around 100,000 non-filers who own a house bigger than 500 yards or a vehicle above 1000 cc.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

- And defining of Tier-1 for retailers as having those with an area of more than 1,000 square feet located at luxury shopping malls with a standard rate of General Sales Tax at 17%.

The Government and Central Bank’s efforts, PKR/USD depreciation and monetary tightening have bought TTM CAD slightly under control to USD 13.6bn/4.9% of GDP in FY19 vs. USD 19.8bn/6.3% of GDP in SPLY. However it is still in vulnerable zone as massive currency depreciation of 31% over TTM has yet to trigger growth in exports which clocked in at USD 29.4bn in FY19 vs 30.6bn in SPLY. Contracting imports led by fiscal/monetary tightening are keeping CAD under control, however; exports have to improve to shift CAD to less risk zone or to bring certainty over currency depreciation and policy rate. Global economic growth has also entered a late cycle slowdown which can keep Pakistan’s export difficulties upbeat.

Current economic times are such that that finding certainty in economic data points is an alluding task. We continue to keep close tab on unfolding data points to measure economy’s health.

MONEY MARKET REVIEW

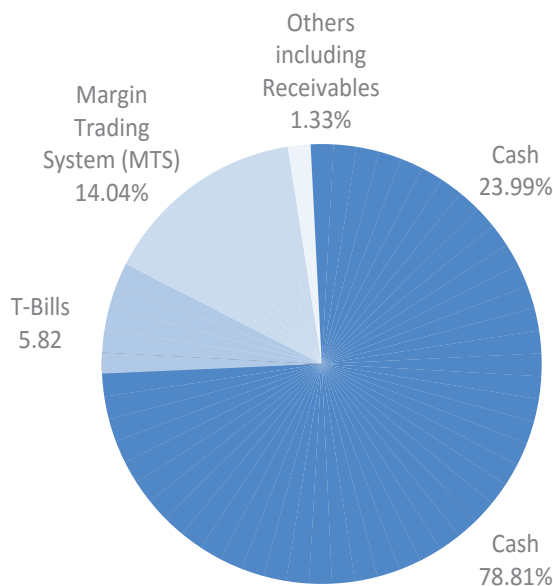
During FY19 market observed excess liquidity; this was moped-up by SBP by conducting 114 OMO Mop-Ups where total accepted amount stood at PKR 38.49trn at weighted average rate of 9.71%. State bank also conducted 38 OMO Injections during FY19 where total accepted amount stood at PKR 25.7trn at weighted average rate of 9.14%.

Central bank conducted 26 T-bill auctions during FY19, where in cut offs were raised to 3M – 12.75% from 6.7596% (05-Jul-19); 6M – 12.80% from 7.8526% (19-Jul-18), for 12M– 13.50%. During said period total amount realized was PKR 26.08 trillion against the target of PKR 20.4 trillion and maturities of PKR 20.61 trillion. During 3QFY19 SBP conducted 03 auctions where mainly bids were received in 3Yr and 5Yr. during said period total accepted amount was 371 billion, against target of 200 billion. Cutoff for 3Yr, 5Yr and 10Yr are 12.23%, 12.64% and 13.15% respectively.

During FY19 SBP has issued 6 monetary policies increasing the discount rate by 575bps. State bank raised the interest rates based on deteriorating current account, widening trade deficit and PKR depreciation.

PERFORMANCE REVIEW

Faysal MTS Fund yielded return of 10.45% during the period 4QFY19. By the end of quarter, your fund’s exposure in Margin Trading System (MTS) was 14.04%. MTS market has remained less responsive owing to decreased activity in equity market. Its direct correlation with stock market sentiment derives its performance. Going forward, your fund would keep exploring the MTS market to yield higher returns.



REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

INCOME DISTRIBUTION

The Board of Directors has approved interim distribution / payout at the rate of 8.80% (i.e. Rs.8.85 per unit) for the year ended June 30, 2019.

MUTUAL FUND RATING

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "A+(f)" stability rating to FMTSF as of April 17, 2019.

PATTERN OF UNIT HOLDING

The pattern of unit holding as at June 30, 2019 of FMTSF is given as part of this Annual Report.

AUDITORS

The present auditors Messers EY Ford Rhodes, Chartered Accountants have retired. The Audit Committee has recommended the appointment of Messers A. F. Ferguson & Co., Chartered Accountants, as auditors of the Fund. The Board endorses the recommendation of the Audit Committee for appointment of Messers A. F. Ferguson & Co., Chartered Accountants, who, being eligible, have consented to act as statutory auditors of the Fund for the year ending June 30, 2020.

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

Chief Executive Officer

Director

Karachi: August 19, 2019

FUND MANAGER'S REPORT

ECONOMIC REVIEW

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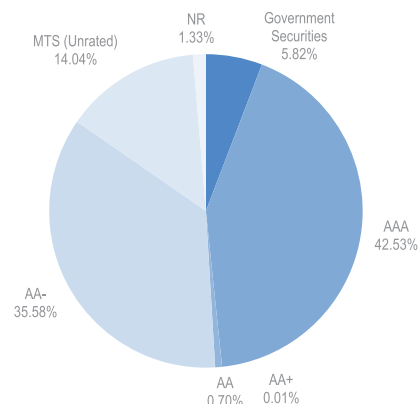
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FUND MANAGER’S REPORT

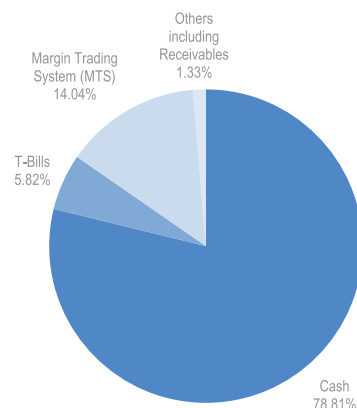
Fund Information

Fund Type	Open Ended
Category	Income scheme
Stability Rating	"A+"f (PACRA)
Risk Profile	Moderate
Launch Date	April 8, 2016
Custodian/Trustee	CDC
Auditor	EY Ford Rhodes, Chartered Accountants
Management Fee	1.00%
Front/Back end Load	FEL up to 2% of NAV & BEL 0%
Min Subscription	PKR. 5,000
Benchmark	Six months KIBOR rates
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9am-5pm
AMC Rating	AM3+ (VIS)
NAV per Unit (PKR)	100.80
Net Assets(PKR mn)	838.28
Leverage	Nil

Assets Quality



Assets Allocation



Fund Returns (% p.a.)

	FY19	FY18
YTD	9.04	5.63
Benchmark (YTD)	10.21	6.35

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.

FUND PERFORMANCE

Faysal MTS Fund yielded return of 10.45% during the period 4QFY19 whereas yielded return of 9.04% during FY19. By the end of the period, your fund’s exposure in Margin Trading System (MTS) was 14.04%. MTS market has remained less responsive owing to decreased activity in equity market. Its direct correlation with stock market sentiment derives its performance. Going forward, your fund would keep exploring the MTS market to yield higher returns.

Head Office:

CDC House, 99-B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
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 MTS 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 MTS 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, 2019 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.

For the purpose of information, we would like to draw the attention of the unit holders towards the requirement of clause 2.1.1 of the Offering Document with regard to maintain the minimum exposure of 70% in MTS, based on quarterly average investment calculated on daily basis. During the year, the Fund was non-complied with the said requirement and invested upto 34% in MTS as on June 30, 2019. However, the Management Company has clarified that due to the deteriorated market conditions (extraordinary circumstances), the demand for MTS share financing had reduced significantly during the year, and they were unable to maintain minimum 70% exposure level in MTS market.

Badiuddin Akber
Chief Executive Officer

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF FAYSAL MTS FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Faysal MTS Fund (the Fund), which comprise the statement of assets and liabilities as at 30 June 2019, 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 30 June 2019, 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.

Following are the key audit matters

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
<p>1. Existence and valuation of bank balances and investments</p> <p>As disclosed in note 7 and 8 to the accompanying financial statements of the Fund for the year ended 30 June 2019, the bank balances and investments (comprised of debt instruments) held by the Fund represent 85% of the total assets of the Fund as at the year end.</p> <p>In view of the significance of bank balances and investment in relation to the total assets and the Net Assets Value (NAV) of the Fund, we have considered the existence and valuation of such bank balances and investments as a key audit matter.</p>	<p>We performed a combination of audit procedures focusing on the existence and valuation of bank balances and investments. Our key procedures 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 and re-performance of investment valuations on the basis of prices provided by the Mutual Fund Association of Pakistan (MUFAP). - 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.

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

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

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 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

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

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.

- 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: 24 Sep, 2019

Karachi

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2019

	Note	June 30, 2019	June 30, 2018
		----- (Rupees) -----	
Assets			
Bank balances	7	676,334,499	364,817,379
Investments	8	49,710,501	39,755,106
Receivable against Margin Trading System (MTS)	9	119,844,640	412,923,785
Prepayments, deposits and other receivables	10	11,133,585	4,627,049
Preliminary expenses and floatation costs	11	382,207	597,159
Receivable against issuance of units		-	56,555,507
Total assets		857,405,432	879,275,985
Liabilities			
Payable to the Management Company	12	7,302,754	745,591
Remuneration payable to the Trustee	13	125,758	101,704
Accrued and other liabilities	14	7,000,955	1,267,511
Payable against redemption of units		-	232,885,399
Dividend payable		1,267,907	-
Total liabilities		15,697,374	235,000,205
Net assets		841,708,058	644,275,780
Unit holders' fund (as per statement attached)		841,708,058	644,275,780
Contingencies and commitments	15		
		----- (Number of units) -----	
Number of units in issue		8,350,509	6,081,452
		----- (Rupees) -----	
Net assets value per unit		100.80	105.94

The annexed notes from 1 to 23 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, 2019

	June 30, 2019	June 30, 2018
Income	Note	(Rupees)
Profit earned on government securities at fair value through profit or loss		4,554,460
Income from Margin Trading System (MTS)		43,613,695
Return on bank balances		22,302,549
Net loss on investments		
- at fair value through profit or loss		
- Net capital loss on sale of investments		(2,972)
- Net unrealised loss on revaluation of investments	8.2	(4,818)
		(69,910)
Total income		70,400,794
Expenses		
Remuneration of the Management Company	12.1	6,235,656
Sales tax on Management fee	12.2	810,635
Reimbursement of expenses from the Management Company	10.2	-
Remuneration of the Trustee	13.1	1,060,098
Sales tax on Trustee fee	13.2	137,813
Bank charges		57,557
Auditors' remuneration	16	200,020
SECP annual fee	14.1	467,650
Fees and subscription		276,064
Settlement charges and federal excise duty		4,998,932
Printing charges and other expenses		6,093
Provision for Sindh Workers' Welfare Fund (SWWF)		1,118,706
Amortisation of preliminary expenses and floatation costs	11	214,952
Total expenses		15,584,176
Net income for the year before taxation		54,816,618
Taxation	17	-
Net income for the year after taxation		54,816,618
Allocation of net income for the year		
Net income for the year		54,816,618
Income already paid on units redeemed		(23,458,821)
		31,357,797
Accounting income available for distribution		
Relating to capital gains		-
Excluding capital gains		31,357,797
		31,357,797

The annexed notes from 1 to 23 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, 2019

	June 30, 2019	June 30, 2018
	----- (Rupees) -----	
Net income for the year after taxation	54,816,618	19,329,518
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>54,816,618</u>	<u>19,329,518</u>

The annexed notes from 1 to 23 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, 2019

	June 30, 2019	June 30, 2018
Note	----- (Rupees) -----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	54,816,618	19,329,518
Adjustments for non-cash and other items:		
Profit earned on government securities at fair value through profit or loss	(4,554,460)	(1,775,155)
Income from Margin Trading System (MTS)	(43,613,695)	(21,267,524)
Return on bank balances	(22,302,549)	(4,417,125)
Net loss on investments - at fair value through - at fair value through profit or loss		
- Net capital loss on sale of investments	26,789	2,972
- Net unrealised loss on revaluation of investments	43,121	4,818
Amortisation of preliminary expenses and floatation costs	214,952	214,363
	(15,369,224)	(7,908,133)
Decrease in assets		
Prepayments, deposits and other receivables	1,010,031	1,418,005
Increase in liabilities		
Payable to the Management Company	6,557,163	605,880
Remuneration payable to the Trustee	24,054	84,122
Accrued and other liabilities	5,733,444	373,593
	12,314,661	1,063,595
Proceeds from redemption of investments	210,297,150	139,961,054
Payments made against purchase of investments	(215,767,995)	(172,975,730)
Receipts / payments made against Margin Trading System (MTS)	293,079,145	(376,562,533)
Profits and returns received	58,463,860	23,610,646
Withholding tax paid	(64,183)	(44,844)
Net cash generated from / (used in) operating activities	343,963,445	(391,437,940)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units	1,069,943,700	1,121,674,778
Payments made against redemption of units	(1,055,613,055)	(492,936,132)
Dividend paid	(46,776,970)	(293,479)
Net cash (used in) / generated from financing activities	(32,446,325)	628,445,167
Net increase in cash and cash equivalents during the year	311,517,120	237,007,227
Cash and cash equivalents at beginning of the year	364,817,379	127,810,152
Cash and cash equivalents at end of the year	7 676,334,499	364,817,379

The annexed notes from 1 to 23 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, 2019

	June 30, 2019			June 30, 2018		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees) -----			----- (Rupees) -----		
Net assets at beginning of the year [Rs.105.94 per unit] (2018: Rs.100.29 per unit)	630,296,681	13,979,099	644,275,780	172,088,503	509,015	172,597,518
Issuance of 10,147,725* units (June 30, 2018: 11,318,714 units)						
- Capital value (at net assets value per unit at beginning of the year)	974,552,465	-	974,552,465	1,135,153,827	-	1,135,153,827
- Element of income	38,835,728	-	38,835,728	41,916,580	-	41,916,580
Total proceeds on issuance of units	1,013,388,193	-	1,013,388,193	1,177,070,407	-	1,177,070,407
Redemption of 7,878,668 units (June 30, 2018: 6,958,167 units)						
- Capital value (at net assets value per unit at beginning of the year)	(792,357,641)	-	(792,357,641)	(697,834,568)	-	(697,834,568)
- Amount paid out of element of income						
- Relating to 'Net income for the period after taxation'	-	(23,458,821)	(23,458,821)	-	(5,859,434)	(5,859,434)
- Relating to 'Other comprehensive income for the year'	-	-	-	-	-	-
- Refund / adjustment on units as element of income	(6,911,194)	-	(6,911,194)	(21,027,661)	-	(21,027,661)
Total payments on redemption of units	(799,268,835)	(23,458,821)	(822,727,656)	(718,862,229)	(5,859,434)	(724,721,663)
Total comprehensive income for the year	-	54,816,618	54,816,618	-	19,329,518	19,329,518
Final cash distribution for the year ended June 30, 2018 @ Rs.2.10 (June 30, 2017: Rs.Nil) per unit	-	(12,776,430)	(12,776,430)	-	-	-
Interim cash distribution for the year ended June 30, 2019 @ Rs.5.08 per unit (2018: Nil)	-	(35,268,447)	(35,268,447)	-	-	-
Net income for the year less distribution	-	6,771,741	6,771,741	-	19,329,518	19,329,518
Net assets at end of the year [Rs. 100.80 per unit] (June 30, 2018: Rs.105.94 per unit)	844,416,039	(2,707,981)	841,708,058	630,296,681	13,979,099	644,275,780
Distribution for the year						
Undistributed income brought forward						
- Realised	-	13,983,917	13,983,917	-	509,275	509,275
- Unrealised	-	(4,818)	(4,818)	-	(260)	(260)
	-	13,979,099	13,979,099	-	509,015	509,015
Accounting income available for distribution						
- Relating to capital gains	-	-	-	-	-	-
- Excluding capital gains	-	31,357,797	31,357,797	-	13,470,084	13,470,084
	-	31,357,797	31,357,797	-	13,470,084	13,470,084
Final cash distribution for the year ended June 30, 2018 @ Rs.2.10 (June 30, 2017: Rs.Nil) per unit	-	(12,776,430)	(12,776,430)	-	-	-
Interim cash distribution for the year ended June 30, 2019 @ Rs.5.08 per unit (2018: Nil)	-	(35,268,447)	(35,268,447)	-	-	-
Undistributed income carried forward	-	(2,707,981)	(2,707,981)	-	13,979,099	13,979,099
- Realised	-	(2,664,860)	(2,664,860)	-	13,983,917	13,983,917
- Unrealised	-	(43,121)	(43,121)	-	(4,818)	(4,818)
	-	(2,707,981)	(2,707,981)	-	13,979,099	13,979,099
			-- (Rupees) --			-- (Rupees) --
Net assets value per unit at the beginning of the year		<u>105.94</u>				<u>100.29</u>
Net assets value per unit at the end of the year		<u>100.80</u>				<u>105.94</u>

* Number of units issued includes 457,435 (2018: Nil) units at Nil cost on account of refund of capital.

The annexed notes from 1 to 22 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, 2019

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Faysal MTS 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 December 16, 2015. It has been constituted under a Trust Deed, dated November 17, 2015 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, 2017).
- 1.2** The Fund is an open-ended income fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis and the units are transferable and can be redeemed by surrendering them to the Fund. Title to the assets of the fund are held in the name of CDC as a Trustee of the Fund. The Fund was launched on April 08, 2016.
- 1.3** The objective of the Fund is to provide competitive returns primarily through investment in Margin Trading System (MTS) market.
- 1.4** The Fund is categorised as an "Income Scheme" as per the Circular No. 7 of 2009 issued by SECP.
- 1.5** The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "A+(f)" stability rating to Faysal MTS Fund as of April 17, 2019.
- 1.6** JCR - VIS has awarded an "AM3+" asset manager rating to the Management Company as of June 24, 2019.

2. STATEMENT OF COMPLIANCE

- 2.1** 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 VIII A of the repealed Companies Ordinance, 1984; and
 - 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 VIII A 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 VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 IFRS 9 Financial Instruments

Effective from July 01, 2018, the Fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard prescribes accounting and reporting requirements for recognition, classification, measurement and derecognition of financial assets and financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS

The IFRS 9 has replaced current categories of financial assets (Fair Value Through Profit or Loss (FVTPL), Available For Sale (AFS), held-to-maturity and amortised cost) by the following classifications of

- 1) Debt instruments at amortised cost
- 2) Debt instruments at Fair Value Through Other Comprehensive Income (FVOCI), with gains or losses recycled to profit or loss on derecognition
- 3) Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- 4) Financial assets at Fair Value through profit or loss

The accounting for financial liabilities remains largely the same as it was under IAS 39.

Under IFRS 9, the classification is based on two criteria, a) the entity's business model for managing the assets; and b) whether the instruments' contractual cashflows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion'). The assessment of the Fund's business model was made as at the date of initial application i.e. July 01, 2018.

As a result of the above assessment, the management has concluded as follows:

- All equity and debt investments previously classified at Fair Value Through Profit or Loss - Held For Trading will continue to be classified at Fair Value Through Profit or Loss as such investments are managed on a fair value basis and are held for trading purposes in accordance with the objectives of the Fund.

The management has made an assessment of impairment under expected credit loss model of IFRS 9 for financial assets other than debt securities i.e. Balances with banks and other financial assets, and concluded that impact is not material to the financial statements.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention, except for certain investments which are accounted for as stated in notes 4.2 below.

3.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupee 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.

4.1 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standards, the amendments and interpretations of IFRSs which became effective for the current year:

IFRS 2 Share based Payments: Classification and Measurement of Share Based Payments Transactions (Amendments)

IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendment)

NOTES TO THE FINANCIAL STATEMENTS

IFRS 9 Financial Instrument

IFRS 15 Revenue from Contracts with Customer

IAS 40 Investment Property: Transfers of Investment Property (Amendment)

IFRIC 22 Foreign Currency Transactions and Advance Consideration

Improvements to Accounting Standards Issued by the IASB in December 2016

IAS 28 Investments in Associates and Joint Ventures: Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The adoption of the above standards, amendments and improvements to accounting standards did not have any material effect on the financial statements except for IFRS 9. The impact of adoption of IFRS 9 is given in note 2.2.

4.2 Financial assets

In the current period the fund has adopted IFRS 9 Financial instruments. See note 2.2 for an explanation of the impact. Comparative figures for the year ended 30 June 2018 have not been restated. Therefore, financial instruments in the comparative period are still accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

4.2.1 Policy from July 01, 2018

Policy under IFRS 9

Classification

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

NOTES TO THE FINANCIAL STATEMENTS

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- the objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

An equity instrument held for trading purposes is classified as measured at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

Initial Measurement

Investments are initially measured at their fair value except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

Subsequent Measurement

Debt instruments at Amortized Cost

After initial measurement, such debt instruments are subsequently measured at amortised cost.

Equity instruments at FVOCI (Policy applicable from July 01, 2018)

Upon initial recognition, the Fund occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The Fund's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. Such classification is determined on an instrument-by

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets (equity and debt instruments) at fair value through profit or loss

Financial assets (both equity and debt) at FVTPL are recorded in the statement of financial position at fair value.

Changes in fair value are recorded in profit and loss. Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

4.2.2 Policy till June 30, 2018

Before July 01, 2018, the Fund classified its investments as follows:

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 with in 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".

NOTES TO THE FINANCIAL STATEMENTS

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.

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 for 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:

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.

Other financial assets

All financial assets other than investments 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. Any gain or loss on derecognition.

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

NOTES TO THE FINANCIAL STATEMENTS

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 profit 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 holders' 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.

4.3 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.

4.4 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.

4.5 Issuance and redemption of units

Units issued are recorded at the offer price prevalent on the day the investment 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 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.

4.6 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.

4.7 Revenue recognition

Gains or losses on sale of investments are accounted for in the period in which it arises.

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 year in which they arise.

NOTES TO THE FINANCIAL STATEMENTS

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

4.8 Expenses

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

4.9 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.

4.10 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.

4.11 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 year in which such dividends are declared and approved by the Board of Directors of the Management Company.

4.12 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred in connection with incorporation, registration, establishment and authorisation of the Fund till the close of the Initial Public Offering Period. These costs are to be amortised over a period not exceeding sixty months in accordance with the Trust deed

4.13 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. 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 liabilities is taken to income statement currently.

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

4.14 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.

Transactions for purchase of marketable securities under Margin Trading System (MTS) are entered into at contracted rates for specified period of time. Securities purchased under the MTS are not recognised in the statement of assets and liabilities. The amount paid under such agreement is recognised as "receivable against Margin Trading System (MTS)". Profit is recognised on accrual basis using the effective interest rate method. Cash releases are adjusted against the receivable as reduction in the amount of receivable. The maximum maturity of a MTS contract is 60 working days and 25% of the exposure is released automatically at the expiry of every 15th working day.

NOTES TO THE FINANCIAL STATEMENTS

5. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect 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 judgements 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 4.2 and 4.3 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:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 3 Definition of a Business (Amendments)	January 01, 2020
IFRS 3 Business Combinations: Previously held interests in a joint operation	January 01, 2019
IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)	January 01, 2019
IFRS 9 Prepayment Features with Negative Compensation (Amendments)	January 01, 2019
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised
IFRS 11 Joint Arrangements: Previously held interests in a joint operation	January 01, 2019
IFRS 16 Leases	January 01, 2019
IAS 1/ IAS 8 Definition of Material (Amendments)	January 01, 2020
IAS 12 Income Taxes: Income tax consequences of payments on financial instruments classified as equity	January 01, 2019
IAS 19 Plan Amendment, Curtailment or Settlement (Amendments)	January 01, 2019
IAS 23 Borrowing Costs - Borrowing costs eligible for capitalisation	January 01, 2019
IAS 28 Long-term Interests in Associates and Joint Ventures (Amendments)	January 01, 2019
IFRIC 23 Uncertainty over Income Tax Treatments	January 01, 2019

NOTES TO THE FINANCIAL STATEMENTS

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.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB in December 2017. Such improvements are generally effective for accounting periods beginning on or after 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 January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

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

Standards	IASB Effective date (annual periods beginning on or after)		
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016		
IFRS 17 - Insurance Contracts	January 01, 2021		
	Note	June 30, 2019	June 30, 2018
		----- (Rupees) -----	
7. BANK BALANCES			
Cash at bank - PLS savings accounts	7.1	<u>676,334,499</u>	<u>364,817,379</u>
7.1 These carry mark-up ranging between 5% to 13.60% (June 30, 2018: 4.50% to 7.35%) per annum and include a balance of Rs.9.486 million (June 30, 2018: Rs.4.155 million) held with Faysal Bank Limited (a related party).			
8. INVESTMENTS			
At fair value through profit or loss			
Government securities	8.1	<u>49,710,501</u>	<u>39,755,106</u>

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8.1 Government securities - at fair value through profit or loss

Name of security	Face value		As at June 30, 2019	Carrying value	Market value as at June 30, 2019	Unrealised loss on revaluation	Market value as percentage of total investments	Market value as percentage of net assets
	As at July 01, 2018	Purchased during the year						
Market treasury bills								
Market treasury bills - 3 months (note 8.1.1)	40,000,000	245,000,000	235,000,000	49,753,622	49,710,501	(43,121)	100.00%	5.91%
June 30, 2018				39,759,924	39,755,106	(4,818)		

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

8.2 Net unrealised loss on revaluation of investments 'at fair value through profit or loss'

Market value of investments	49,710,501	39,755,106
Cost of investments	(49,753,622)	(39,759,924)
	<u>(43,121)</u>	<u>(4,818)</u>
Net unrealised loss on investments at beginning of the year	(4,818)	(260)
Realised on disposal during the year	4,818	260
	<u>(43,121)</u>	<u>(4,818)</u>

9. RECEIVABLE AGAINST MARGIN TRADING SYSTEM (MTS) - NON-COMPLIANCE

As per the offering document the total exposure of the Fund's net assets in MTS or any other similar instruments will range between 70% to 90%. Furthermore, a minimum exposure of 70% will be maintained based on quarterly average investment calculated on daily basis. In lieu of above, the Fund held an average exposure of 34.32% during the year ended June 30, 2019. The above exposure is in deficit of the limit prescribed by the offering document and disclosure for breach of exposure limit is made as required by Circular No. 16 of 2010 dated July 07, 2010 issued by SECP.

10. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES - considered good

Prepayments	198,837	432,489
Security deposits		
- National Clearing Company of Pakistan Limited	250,000	250,000
- Central Depository Company of Pakistan Limited	100,000	100,000
	<u>350,000</u>	<u>350,000</u>
Income receivable on Margin Trading System (MTS)	664,921	1,845,282
Return receivable on bank balances	9,505,447	872,702
Income tax recoverable	414,380	350,197
Reimbursement of expenses receivable from the Management Company	-	776,379
	<u>11,133,585</u>	<u>4,627,049</u>

10.1

10.2

NOTES TO THE FINANCIAL STATEMENTS

10.1 This includes return receivable amounting to Rs.0.373 million (June 30, 2018: Rs.0.015 million) on balance held with Faysal Bank Limited (a related party).

10.2 SECP has introduced "expense ratio" vide amendments in NBFC Regulations dated November 25, 2015, whereby, the total expense ratio of an income scheme shall be capped at 2% of average daily net assets value of the scheme. In addition to the above prescribed limit Income Schemes which invest in Margin Trading System (MTS) may charge additional MTS related expenses upto 0.5% 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 receivable from 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 2.50% as on June 30, 2019 which includes 0.41% representing Government Levies, Provision for SWWF and SECP fee.

		June 30, 2019	June 30, 2018
11. PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	----- (Rupees) -----	
Balance at beginning of the year		597,159	811,522
Amortised during the year	11.1	(214,952)	(214,363)
Balance at end of the year		<u>382,207</u>	<u>597,159</u>

11.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund as incurred by the Management Company and are being amortised over a period of five years commencing from April 08, 2016.

12. PAYABLE TO THE MANAGEMENT COMPANY

Management fee payable	12.1	646,379	521,382
Sales tax payable on Management fee	12.2	85,029	67,780
Sales load payable		6,571,346	156,429
		<u>7,302,754</u>	<u>745,591</u>

12.1 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 percent of such assets. The Management Company has charged its remuneration at the rate of 1% (June 30, 2018: 1%) per annum of the daily net assets value of the Fund.

12.2 The Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

13. REMUNERATION PAYABLE TO THE TRUSTEE

Remuneration payable to the Trustee	13.1	111,291	90,005
Sales tax payable on Trustee fee	13.2	14,467	11,699
		<u>125,758</u>	<u>101,704</u>

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- 13.1** 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	0.17% per annum of net assets.
Rs.1 billion to Rs.5 billion	Rs.1.7 million plus 0.085% per annum of net assets exceeding Rs.1 billion.
Over Rs.5 billion	Rs.5.1 million plus 0.07% per annum of net assets exceeding Rs.5 billion.

- 13.2** The Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

	Note	June 30, 2019 ----- (Rupees) -----	June 30, 2018
14. ACCRUED AND OTHER LIABILITIES			
SECP annual fee payable	14.1	467,650	257,907
Accrued liabilities		364,251	419,158
Withholding tax payable		4,459,902	-
Provision for Sindh Workers' Welfare Fund (SWWF)	14.2	1,642,870	524,164
Provision for indirect taxes and duties	14.3	66,282	66,282
		<u>7,000,955</u>	<u>1,267,511</u>

- 14.1** 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.

- 14.2** 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).

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, 2019 would have been higher by Rs.0.20 per unit (June 30, 2018: Rs.0.09 per unit).

- 14.3** 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.

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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 01, 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, 2019, the Fund has held a provision for FED aggregating to Rs.0.07 million (June 30, 2018: Rs.0.07 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, 2019 would have been higher by Rs.0.01 (June 30, 2018: Rs.0.01) per unit.

	June 30, 2019	June 30, 2018
	----- (Rupees) -----	
15. CONTINGENCIES AND COMMITMENTS		
Margin Trading System (MTS) transactions entered into by the Fund which have not been settled as at year end:		
Purchase transactions	-	39,750,007
Sale transactions	<u>24,781,575</u>	<u>68,053,566</u>
16. AUDITORS' REMUNERATION		
Audit fee	100,000	100,000
Review and other certifications	80,000	100,000
Other	<u>5,620</u>	<u>44,150</u>
	185,620	244,150
Sales tax	<u>14,400</u>	<u>19,532</u>
	<u>200,020</u>	<u>263,682</u>
17. 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 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. Supertax introduced in Finance Act, 2015 is also not applicable on funds (Section 48 of Income Tax Ordinance, 2001). The management has declared interim dividend of Rs.8.85 per unit on June 25, 2019 to the unit holders in the manner as explained above, accordingly, no provision for current and deferred tax has been made in these financial statements.		
18. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES		
18.1 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.		

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

18.3 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, 2019	June 30, 2018
	----- (Rupees) -----	
Transactions during the year		
Faysal Asset Management Limited (Management Company)		
Remuneration of the Management Company	6,235,656	3,447,452
Sales tax on Management fee	810,635	448,169
Reimbursement of expenses from the Management Company	-	776,379
Issue of 156,991 units (2018: Nil units)	16,000,000	-
Redemption of 156,855 units (2018: Nil units)	16,044,513	-
Refund of 12 units	-	-
Faysal Bank Limited (Group / Associated Company)		
Return on PLS savings account	989,778	107,210
Bank charges	-	896
Directors and Key Management Personnel of the Management Company		
Redemption of Nil units (2018: 36,260 units)	-	3,732,944
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration of the Trustee	1,060,098	588,857
Sales tax on Trustee fee	137,813	76,551
Settlement charges	791,297	257,090
Outstanding balances		
Faysal Asset Management Limited (Management Company)		
Reimbursement of expenses receivable		
from the Management Company	-	776,379
Management fee payable	646,379	521,382
Sales tax payable on Management fee	85,029	67,780
Sales load payable	6,571,346	156,429
Issue of 148 units (2018: Nil units)	14,918	-
Faysal Bank Limited (Group / Associated Company)		
Balance in PLS saving accounts	9,486,318	4,155,401
Return receivable on PLS saving account	372,766	15,120
Directors and Key Management Personnel of the Management Company		
Units in issue of Nil units (2018: 16,724 units)	-	1,771,741
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Security deposit	100,000	100,000
Remuneration payable to the Trustee	111,291	90,005
Sales tax payable on Trustee fee	14,467	11,699

NOTES TO THE FINANCIAL STATEMENTS

19. 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 the 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.

19.1 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, 2019, the Fund's exposure to the risk of changes in market interest rates relates primarily to bank balances, government securities and receivable against Margin Trading System (MTS). The bank balances are subject to rates as declared by the respective banks / institutions on a periodic basis. The government securities are subject to fixed interest rates and valued by reference to the quotations obtained from Financial Market Association of Pakistan. Receivable against Margin Trading System (MTS) are also subject to fixed interest rates which have been negotiated between the participants. As at June 30, 2019, approximately 98.77% (June 30, 2018: 93.12%) of the Fund's financial assets are subject to interest rates.

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.6.76 million (June 30, 2018: Rs.3.65 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.

Management of the Fund estimates that an increase of 100 basis points in the fixed interest rate, with all other factors remaining constant, would increase the Fund's income and increase the net assets of the Fund by Rs.1.70 million (June 30, 2018: Rs.4.53 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. The Fund does not have any equity instrument; therefore, it is not exposed to such risk.

19.2 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.

June 30, 2019	Upto three months	More than three months and upto one year	More than one year	Total
----- (Rupees) -----				
Financial liabilities				
Payable to the Management Company	7,217,725	-	-	7,217,725
Remuneration payable to the Trustee	111,291	-	-	111,291
Accrued and other liabilities	364,251	-	-	364,251
	<u>7,693,267</u>	<u>-</u>	<u>-</u>	<u>7,693,267</u>

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	677,811	-	-	677,811
Remuneration payable to the Trustee	90,005	-	-	90,005
Accrued and other liabilities	419,158	-	-	419,158
Payable against redemption of units	232,885,399	-	-	232,885,399
	<u>234,072,373</u>	<u>-</u>	<u>-</u>	<u>234,072,373</u>

19.3 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, 2019	June 30, 2018
	----- (Rupees) -----	
Bank balances	676,334,499	364,817,379
Security deposits	350,000	350,000
Return receivable on bank balances	9,505,447	872,702
Income receivable on Margin Trading System (MTS)	664,921	1,845,282
Receivable against Margin Trading System (MTS)	119,844,640	412,923,785
Reimbursement of expenses receivable from the Management Company	-	776,379
Receivable against issuance of units	-	56,555,507
	<u>806,699,507</u>	<u>838,141,034</u>

All deposits with banks, NCCPL and CDC are highly rated and risk of default is considered minimal. Furthermore, investments in government securities i.e. market treasury bills are not exposed to credit risk.

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:

	June 30, 2019	June 30, 2018
	----- % -----	
Rating category		
AAA, AA+, AA, AA-	85.02%	43.63
AM3	-	0.09
Unrated	14.98%	56.28
	<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	85.02%	43.63
Other financial institution	-	0.09
Others	14.98%	56.28
	<u>100.00%</u>	<u>100.00</u>

19.4 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 the times during the life of the scheme.

20. 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, analysed between those whose fair value is based on:

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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).

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

	June 30, 2019							
	Carrying amount			Fair value				
	At fair value through profit or loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----				----- (Rupees) -----			
Financial assets measured at fair value								
Investments classified as at fair value through profit or loss -								
Government securities								
- Market treasury bills	49,710,501	-	-	49,710,501	-	49,710,501	-	49,710,501
Financial assets not measured at fair value								
Bank balances	-	676,334,499	-	676,334,499				
Receivable against Margin Trading System (MTS)	-	119,844,640	-	119,844,640				
Deposits and other receivables	-	10,520,368	-	10,520,368				
	-	806,699,507	-	806,699,507				
Financial liabilities not measured at fair value								
Payable to the Management Company	-	-	7,217,725	7,217,725				
Remuneration payable to the Trustee	-	-	111,291	111,291				
Accrued and other liabilities	-	-	364,251	364,251				
	-	-	7,693,267	7,693,267				

Financial assets measured at fair value

Investments classified as at fair value through profit or loss -

- Government securities
- Market treasury bills

Financial assets not measured at fair value

- Bank balances
- Receivable against Margin Trading System (MTS)
- Deposits and other receivables

Financial liabilities not measured at fair value

- Payable to the Management Company
- Remuneration payable to the Trustee
- Accrued and other liabilities

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		June 30, 2018		Fair value		
		Carrying amount		Level 1	Level 2	Level 3
		Loans and receivables	Other financial liabilities	(Rupees)		
		(Rupees)	(Rupees)			
		Total	Total	Level 1	Level 2	Level 3
		(Rupees)	(Rupees)			
		Total	Total	Level 1	Level 2	Level 3
		(Rupees)	(Rupees)			
		Total	Total	Level 1	Level 2	Level 3
		(Rupees)	(Rupees)			
		Total	Total	Level 1	Level 2	Level 3
		(Rupees)	(Rupees)			
At fair value through profit or loss - 'held for trading'						
Government securities						
- Market treasury bills	39,755,106	-	-	-	39,755,106	-
Financial assets measured at fair value						
Investments classified as at fair value through profit or loss -						
Government securities						
- Market treasury bills	39,755,106	-	-	-	39,755,106	-
Financial assets not measured at fair value						
Bank balances	-	364,817,379	-			
Receivable against Margin Trading System (MTS)	-	412,923,785	-			
Receivable against issuance of units	-	56,555,507	-			
Deposits and other receivables	-	3,844,363	-			
	-	838,141,034	-			
Financial liabilities not measured at fair value						
Payable to the Management Company	-	-	677,811			
Remuneration payable to the Trustee	-	-	90,005			
Accrued and other liabilities	-	-	419,158			
Payable against redemption of units	-	-	232,885,399			
	-	-	234,072,373			

During the year ended June 30, 2019, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

20.1 Valuation technique used in determination of fair value within level 2.

- Fair value of Market Treasury Bills are derived using PKRV rates (Reuters Page).

21. 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.

22. GENERAL

Figures have been rounded off to the nearest rupee.

23. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue on 19 Aug, 2019 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	-	-	-
Insurance company	-	-	-
Retirement funds	9	1,938,958	23.22
Individuals	265	5,624,313	67.35
Banks and DFIs	-	-	-
NBFCs	-	-	-
Other	14	787,238	9.43
	<u>288</u>	<u>8,350,509</u>	<u>100.00</u>

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name	June 30, 2019 %
Magenta Capital	33.14%
Next Capital Limited	66.86%
	June 30, 2018
Name	%
Magenta Capital	67.44%
Next Capital Limited	32.56%

(iii) THE MEMBERS OF THE INVESTMENT COMMITTEE

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

Name	Qualification	Experience
Mr.Khaldoon Bin Latif	B.Sc. Economics	Over 15 years
Mr.Ayub Khuhro	B.Sc. Economics	Over 10 years
Mr.Mohammad Qasim	B. S. (Acturial Science & Risk Management) & MBA (Fin.)	Over 9 years
Mr.Furqan Miriwala	ACCA, B.com	Over 9 years
Mr. Syed Shahid Iqbal	B. Com.	Over 27 years

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

(iv) PARTICULARS OF FUND MANAGERS

Name	Qualification	Other Collective Investment Schemes Managed
Mr. Syed Shahid Iqbal	B. Com.	Faysal Money Market Fund Faysal Savings Growth Fund Faysal Financial Sector Opportunity Fund Faysal Islamic Savings Growth Fund Faysal Income & Growth Fund

	June 30, 2019	June 30, 2018	June 30, 2017
	Rupees	Rupees	Rupees

(v) PERFORMANCE TABLE

Net assets	841,708,058	644,275,780	172,597,518
Net assets value per unit	100.80	105.94	100.29
Offer price per unit	102.82	108.06	101.30
Repurchase price per unit	100.80	105.94	100.29
Highest offer price per unit	111.65	108.06	105.99
Highest repurchase price per unit	109.46	105.94	105.99
Lowest offer price per unit	102.65	101.32	100.09
Lowest repurchase price per unit	100.64	100.31	100.09
Total return:	9.04%	5.63%	6.14%
- capital growth	0.24%	-17.96%	0.36%
- income distribution	8.80%	23.59%	5.78%
Average annual return:			
(Launch date: Decemeber 13, 2010)			
- one year	9.04%	5.63%	6.14%
- two years	7.34%	5.89%	6.05%
- three years	6.94%	5.91%	N/A
Distribution per unit:			
- Interim distribution (% per unit)	8.80%	-	1.26%
- Final distribution (% per unit)	-	5.35%	0.05%
	8.80%	5.35%	1.31%

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) Expense ratio from the July 01, 2018 to June 30, 2019

Faysal MTS Fund (FMTSF) has total expense ratio (TER) of 2.50%, the TER includes 0.41% representing government levy, SECP fee and Sindh Workers Welfare Fund.

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 24, 2019	Feb 26, 2019	Nov 22, 2018	Oct 19, 2018	Sep 19, 2018	Jul 06, 2018
Mr.Salman Ahmed Usmani	6	1	1	1	1	1	1
Mr.Osman Asghar Khan	4	-	1	1	-	1	1
Mr.Farooq Hassan	6	1	1	1	1	1	1
Mr.Tahir Yaqoob Bhatti	5	1	1	1	1	1	-
Mr.Mian Salman Ali	1	-	1	-	-	-	-
Mr.Syed Muhammad Fraz Zaidi	2	1	1	-	-	-	-
Mr.Khaldoon Bin Latif	2	1	1	-	-	-	-
Mr.Syed Ibad ur Rehman Chishti	3	-	-	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 24, 2019	Feb 25, 2019	Oct 17, 2018	Sep 17, 2018
Mr. Osman Asghar Khan	4	1	1	1	1
Mr.Mian Salman Ali	2	1	1	-	-
Mr.Syed Muhammad Fraz Zaidi	2	1	1	-	-
Mr. Farooq Hassan	2	-	-	1	1
Mr. Syed Ibad ur Rehman Chishti	2	-	-	1	1

(x) RATING OF THE FUND AND THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "A+(f)" stability rating to Faysal MTS Fund as of April 17, 2019.

VIS Credit Rating Company Limited has awarded an "AM3+" asset manager rating to the Management Company as of June 24, 2019.

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

آڈیٹرز:

موجودہ آڈیٹرز میسرز ای وائے فورڈ رھوڈز، (EY Ford Rhodes) چارٹرڈ اکاؤنٹنٹس سبکدوش ہو چکے ہیں، آڈٹ کمیٹی نے فنڈ کے آڈیٹرز کے لیے میسرز ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی تقرری کی سفارش کی ہے، بورڈ نے میسرز ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی تقرری کے لیے کمیٹی کی سفارش کی توثیق کر دی ہے اور اس کی اہلیت کے حامل ہونے کی وجہ سے 30 جون 2020ء کو ختم ہونے والے سال کے لیے فنڈ کے قانونی آڈیٹرز کے طور پر کام کرنے پر اتفاق کیا گیا ہے۔

اعتراف:

مینجمنٹ کمپنی کا بورڈ آف ڈائریکٹرز یونٹ ہولڈرز کی جانب سے مینجمنٹ پر اعتماد کرنے، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی مینجمنٹ کی قابل قدر مدد، معاونت اور رہنمائی پر ان سب کا شکر گزار ہے، بورڈ مینجمنٹ کمپنی کے تمام ملازمین اور ٹرسٹیوں کی محنت اور لگن پر ان کا بھی شکر گزار ہے۔

ڈائریکٹر

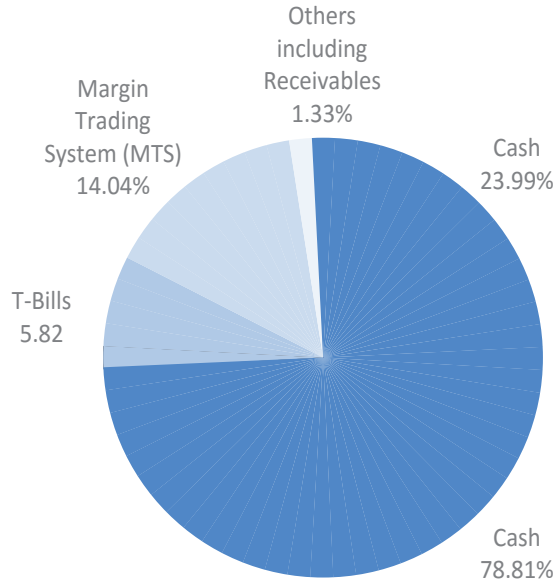
برائے اور منجانب بورڈ

چیف ایگزیکٹو آفیسر

کراچی: 19 اگست 2019ء

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

وجہ سے مارکیٹ میں مندی کا رجحان رہا۔ اسٹاک مارکیٹ کے حالات ایم ٹی ایس کی کارکردگی پر براہ راست اثر انداز ہوئے۔ مستقبل میں بھی آپ کا فنڈ بہتر ریٹرن پیدا کرنے کے لیے منافع بخش لیکن کم رسک والے اور کم غیر مستحکم انویسٹمنٹ اپنی تلاش کرنے کی اپنی کوششیں جاری رکھے گا۔



آمدنی کی تقسیم:

بورڈ آف ڈائریکٹرز نے 30 جون 2019ء کو مکمل ہونے والے سال کے لیے (پورے سال کے لیے) 8.80 فیصد (یعنی 8.85 روپے فی یونٹ) کی شرح سے حتمی تقسیم کی ادائیگی کی منظوری دے دی ہے۔

میوچل فنڈ کی درجہ بندی:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پی اے سی آر اے) نے 17 اپریل 2019ء کو ایف ایم ٹی ایس ایف کو اے+ (ایف) اسٹیبلٹی ریٹنگ تجویز کی ہے۔

یونٹ ہولڈنگ کا طریقہ کار:

30 جون 2019ء کو ایف ایم ٹی ایس ایف کے یونٹ ہولڈنگ کا طریقہ کار سالانہ رپورٹ ہذا کا جزو ہے۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

موجودہ معاشی صورتحال میں یقینی اکنامک ڈیٹا پوائنٹ اہم ہے اور ہم معاشی صحت کا جائزہ لینے کے لیے ڈیٹا پوائنٹ کی فراہمی جاری رکھیں گے۔

منی مارکیٹ کا جائزہ:

مالی سال 2019ء کے دوران اضافی لیکویڈیٹی موجود رہی جس کے لئے اسٹیٹ بینک آف پاکستان نے 114 اوایم او موب اپس کیے جہاں منظور کی جانے والی رقم 38.49 ٹریلین روپے ہوگئی اور اس کا ویٹڈ اوسط ریٹ 9.71 فیصد رہا، اسٹیٹ بینک نے مالی سال 2019ء کے دوران 38 اوایم اونجکشن کیے جن میں منظور کی جانے والی مجموعی رقم 25.7 ٹریلین روپے رہی جبکہ اس کے ویٹڈ اوسط ریٹ 9.14 فیصد رہے۔

مرکزی بینک نے مالی سال 2019ء کے دوران ٹی بلز کے 26 آکشن کیے جن میں تین ماہ کے لیے کٹ آف 12.75 فیصد رہی جو پہلے 6.7596 فیصد (05 جولائی 2019ء) تھی، چھ ماہ کے لیے 12.80 فیصد جو پہلے 7.8526 فیصد (19 جولائی 2018ء) تھا، 12 ماہ کے لیے 13.50 فیصد رہی۔ اس عرصے کے دوران ریلانز کی جانے والی مجموعی رقم 26.08 ٹریلین روپے تھی جبکہ ٹارگٹ 20.4 ٹریلین اور میچورٹی 20.61 ٹریلین روپے تھی۔

مالی سال 2019ء کی تیسری سہ ماہی کے دوران اسٹیٹ بینک نے تین آکشن کیے جن میں سب سے زیادہ بولی تین سال اور پانچ سال کے لیے موصول ہوئیں، اس عرصے کے دوران منظور کی جانے والی مجموعی رقم 371 بلین تھی جبکہ ہدف 200 ارب تھا۔ کٹ آف برائے تین سال، پانچ سال اور 10 سال بالترتیب 12.23 فیصد، 12.64 فیصد اور 13.15 فیصد تھا۔

مالی سال 2019ء کے دوران اسٹیٹ بینک آف پاکستان نے 6 زرری پالیسیاں جاری کیں جن میں ڈسکاؤنٹ ریٹ میں مجموعی طور پر 575 پیسز پوائنٹ کا اضافہ کیا گیا۔ اسٹیٹ بینک نے انٹرسٹ ریٹ میں یہ اضافہ جاری کھاتوں کی بگڑتی صورتحال، بڑھتے ہوئے تجارتی خسارے اور پاکستانی کرنسی کی قدر میں کمی کی وجہ سے کیا۔

کارکردگی کا جائزہ:

فیصل ایم ٹی ایس فنڈ نے مالی سال 2019ء کی چوتھی سہ ماہی کے دوران 10.45 فیصد کی شرح سے ریٹرن دیے، سہ ماہی کے اختتام پر، مارجن ٹریڈنگ سسٹم (ایم ٹی ایس) میں آپ کے فنڈ کی کارکردگی 14.04 فیصد رہی۔ ایم ٹی ایس ایکویٹی مارکیٹ میں سرگرمی کم ہونے کی

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

وزیر اعظم کے مسلسل غیر ملکی دوروں اور مفاہمت کی متعدد یادداشتوں پر دستخط کرنے کے باوجود ملک کا صنعتی شعبہ ہنوز کمزور ہے، مالی سال 2019ء میں براہ راست بیرونی سرمایہ کاری 1.7 ارب ڈالر تھی جو جی ڈی پی کا 0.86 فیصد ہے جبکہ گزشتہ سال کے اس عرصے میں ایف ڈی آئی 3.4 ارب ڈالر تھی جو جی ڈی پی کا 1.44 فیصد تھا۔ ٹریڈرز کی فروخت 50,405 تک گر گئی جو گزشتہ سال کے اس عرصے کے مقابلے میں 29 فیصد کم تھی جبکہ گزشتہ سال کے اس عرصے میں اس میں 29 فیصد اضافہ ہوا تھا۔ سیمنٹ کی فروخت 39.7 ملین ٹن ہو گئی جو گزشتہ سال کے اس عرصے کے مقابلے میں 4.9 فیصد کم تھی جبکہ گزشتہ سال کے اس عرصے میں اس میں 11.2 فیصد اضافہ ہوا تھا۔ مستقبل میں پاکستان میں براہ راست بیرونی سرمایہ کاری میں اضافے کی توقع ہے جس سے بیرونی کھاتوں میں معاونت فراہم ہو سکے گی۔

حکومت کی آمدنی گزشتہ سال میں جی ڈی پی کا 18 فیصد کے مقابلے میں اس سال کم ہو کر جی ڈی پی کا 8.2 فیصد ہونے سے حکومت کے مالیاتی خسارے کی وجہ سے ڈیولپمنٹ پر اخراجات جی ڈی پی کا 2.7 فیصد ہو گئے جو کہ گزشتہ سال کے اس عرصے میں جی ڈی پی کا 5.9 فیصد تھے۔ دوسری جانب، اس طرح کی خبریں آرہی ہیں کہ حکومت ڈیولپمنٹ اخراجات / مالیاتی محرک کو بہتر بنانے کے لیے درج ذیل اقدامات کر رہی ہے:

- * ملک کے 20 شہروں میں جائیدادوں کی مالیت میں اضافہ کر کے ان کو اصل مارکیٹ ویلیو کے برابر لانا
- * 500 گز سے زائد رقبے کا مکان یا 1000 سی سی سے بڑی گاڑی رکھنے والے 100,000 کے قریب نان فائلرز کو نوٹس جاری کرنا
- * لگژری شاپنگ مال میں 1000 مربع فٹ سے زائد رقبے پر کاروبار کرنے والے ریٹیلرز کو 17 فیصد جنرل سیلز ٹیکس کے معیار کے درجے پر لانا۔

حکومت اور مرکزی بینک کی جانب سے امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی اور مانیٹری کی سختی کی وجہ سے جاری کھاتوں کے خسارے میں کمی ہوئی اور یہ مالی سال 2019ء میں 13.6 ارب ڈالر ہو گیا جو جی ڈی پی کا 4.96 فیصد ہے جبکہ گزشتہ سال کے اس عرصے میں یہ خسارہ 19.8 ارب ڈالر تھا جو جی ڈی پی کا 6.36 فیصد تھا۔ تاہم یہ اب بھی کمزور حالت میں ہے اور پاکستان کرنسی کی قدر میں 31 فیصد کی نمایاں کمی بھی برآمدات میں اضافے کا بھی سبب نہیں بنیں، مالی سال 2019ء کے دوران برآمدات 29.4 ارب ڈالر تھیں جو کہ گزشتہ سال کے اس عرصے میں 30.6 ارب ڈالر تھیں۔ مالیاتی اور زرعی سختی کی وجہ سے درآمدات میں کمی کی وجہ سے جاری کھاتوں کے خسارے میں بہتری آئی ہے تاہم برآمدات میں مزید اضافے کی ضرورت ہے تاکہ جاری کھاتوں کے خسارے کو مزید بہتر کرتے ہوئے اسے رسک زون سے نیچے لایا جاسکے یا اسے کرنسی کے قدر میں کمی اور پالیسی ریٹ سے اوپر قابل اطمینان سطح پر رکھا جاسکے۔ عالمی معاشی شرح نمو میں مندی کا رجحان بھی پاکستان کی برآمدات میں اضافے کی راہ میں رکاوٹ ہے۔

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

اقتصادی جائزہ:

زوال پذیر کھپت، سرمایہ کاری میں کمی، مالیاتی سختی اور بیرونی کھاتوں میں بگاڑ کی وجہ سے پاکستان کی معیشت کو مسلسل مشکلات کا سامنا ہے، مالی سال 2018ء اور مالی سال 2019ء میں پاکستان کی حقیقی نمو بالترتیب 5.5 فیصد اور 3.3 فیصد رہی جبکہ مالی سال 2020ء کے لیے آئی ایم ایف نے یہ شرح نمو 2.5 رہنے کی توقع ظاہر کی ہے۔

مرکزی بینک نے پالیسی ریٹ میں 100 بی پی ایس کا اضافہ کر کے 13.25 فیصد کر دیا ہے جو گزشتہ سال کے اس عرصے میں 6.50 فیصد تھا، مرکزی بینک کا کہنا ہے کہ یہ فیصلہ مئی 2019ء میں ایم پی سی کے آخری اجلاس کے بعد ایکسیچ ریٹ میں کمی، بڑھتے ہوئے افراط زر کے دباؤ اور مالی سال 2020ء کے بجٹ میں یوٹیلیٹی کی قیمتوں میں حالیہ ایڈجسٹمنٹ اور دیگر اقدامات کی وجہ سے افراط زر پر ہونے والے یک بارگی اثرات کی وجہ سے کیا گیا ہے۔ ثانوی مارکیٹ گزشتہ سال کے اسی عرصے کے مقابلے میں موجودہ پیداوار کے تناسب میں کمی کا اشارہ کر رہی ہے۔

تازہ ترین حساب کتاب کے مطابق جاری کھاتوں میں بہتری، جولائی 2019ء میں ڈالر کی قدر میں 161 روپے تک کے حالیہ اضافے، جو کہ گزشتہ سال کے اس عرصے میں 124 روپے تھا، کی وجہ سے اوور ویلیو ایشن 5 فیصد سے کم ہو کر منفی 8 فیصد تک ہو گئی ہے، مرکزی بینک کے پاس غیر ملکی زرمبادلہ کے ذخائر جولائی 2019ء میں 7.7 ارب امریکی ڈالر ہو گئے ہیں جو 1.4 مہینے کی درآمدات کے لیے کافی ہو سکتے ہیں جبکہ گزشتہ سال کے اس عرصے میں یہ ذخائر 10.2 ارب امریکی ڈالر تھے جو 1.6 ماہ کی درآمدات کے لیے کافی تھے۔ تاہم طویل مذاکرات کے بعد آئی ایم ایف نے 39 مہینے کے ای ایف ایف انتظامات کے لیے 6.0 ارب ڈالر کی منظوری دی ہے۔

گزشتہ سال جولائی میں 4.2 فیصد کی شرح سے بڑھتے ہوئے جولائی 2019ء میں 7.7 فیصد تک ٹی ایم افراط زر میں اضافے اور مرکزی بینک کی جانب سے مالیاتی سختی کی وجہ سے مقامی کھپت میں کمی ہو رہی ہے۔ مزید برآں ٹی ایم نمو میں کمی (آٹو فنانسنگ مالی سال 2019ء میں 18 فیصد جو کہ گزشتہ سال کے اس عرصے میں 34 فیصد تھی اور پٹرول کی کھپت میں جولائی 2019ء میں 0 فیصد جبکہ گزشتہ سال کے اس عرصے میں 9 فیصد) ہماری رائے کی تصدیق کر رہی ہے۔ اس کے ساتھ ہی کچھ منفی اثرات مثال کے طور پر پانی کی کمی اور اخراجات میں اضافے کی وجہ سے زرعی شعبے کی کارکردگی کو بری طرح متاثر کر رہی ہے جس کی وجہ سے دیہی کھپت میں کمی ہو رہی ہے۔ تاہم مرکزی بینک کے مطابق "اکنامک میجر زری مالیاتی سختی کے ذریعے درآمدات میں کمی اور برآمدات میں اضافے کے ذریعے طلب اور رسد میں توازن پیدا کرنے کی کوشش کر رہے ہیں۔"

مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

فیصل ایسٹ مینجمنٹ کے ڈائریکٹرز فیصل ایم ٹی ایس فنڈ (ایف ایم ٹی ایس ایف) کی مینجمنٹ کمپنی 30 جون 2019ء کو مکمل ہونے والے سال کے لیے ایف ایم ٹی ایس ایف کی سالانہ کارکردگی کی رپورٹ مع آڈٹ شدہ اکاؤنٹس اور ٹرسٹی اور آڈیٹرز کی رپورٹس بخوشی یونٹ ہولڈرز کو پیش کرتے ہیں۔

یونٹس کی فروخت اور ریڈمشن

زیر جائزہ سال کے دوران 1,013.388 ملین روپے کے یونٹس جاری کیے گئے اور 822.728 ملین روپے مالیت کے یونٹس کی ریڈمشن کی گئی۔

یونٹ ہولڈرز

30 جون 2019ء کو 841.708 ملین روپے کی مالیت کے 8,350,509 یونٹس قابل ذکر تھے (30 جون 2018ء کو 644.276 ملین روپے مالیت کے 6,081,452 یونٹس تھے)

یونٹ کی قیمتیں

مروجہ پورٹ فولیو کے این اے وی (NAV) کی بنیاد پر یونٹ نرخوں کا روزانہ اعلان کیا جاتا ہے زیادہ سے زیادہ اور کم از کم پیش کردہ نرخ اریڈمشن نرخ اور 30 جون 2019ء کو رائج نرخ حسب ذیل تھے۔















ریڈمشن نرخ	پیش کردہ نرخ	
109.46	111.65	زیادہ سے زیادہ
100.64	102.65	کم از کم
100.80	102.82	30 جون 2019ء



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